

A photograph of a person wearing a blue long-sleeved shirt and brown work pants, standing in a field of tall green grass. The person's hands are partially visible, and they appear to be working in the field.

**WEBINAR**

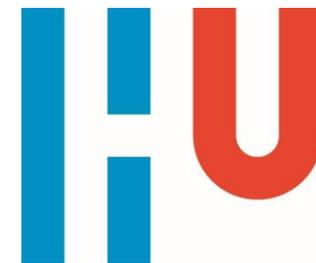
**16 May 2022**

**Successful Responsible Business Conduct:  
key elements for business leaders**

**This event is organised by SER and:**



**Global Compact**  
Network Netherlands



## Agenda

Topic	Speaker	
Introduction	Alexandra van Selm	Program Director IRBC, SER
Menti	Fleur Meerman	IRBC Senior Policy Advisor, SER
1. Senior leadership commitment	Arnoud van Vliet	CSR and Quality Manager, Zeeman
2. Organisational structure	Charlotte Scheltus	IRBC Team Lead, SER
3. Qualified staff		
4. Relevant IT infrastructure		
5. Collaboration & partnership with peers, suppliers and NGOs/rightsholders	Ilse Pijnenburg	Impact Manager, Seepie
6. Participate in multi-stakeholder initiatives that facilitate a learning space	Charlotte Scheltus	IRBC Team Lead, SER
Available guidances and tools	Fleur Meerman	IRBC Senior Policy Advisor, SER
Menti, questions and closing		

## Practical experience with OECD Due Diligence via IRBC sector agreements



Garments and Textile



Banking



Gold



TruStone



Food Products



Insurance



Pension Funds



Metals



Renewable Energy

## Due Diligence cycle & importance of step 1: organisation and culture

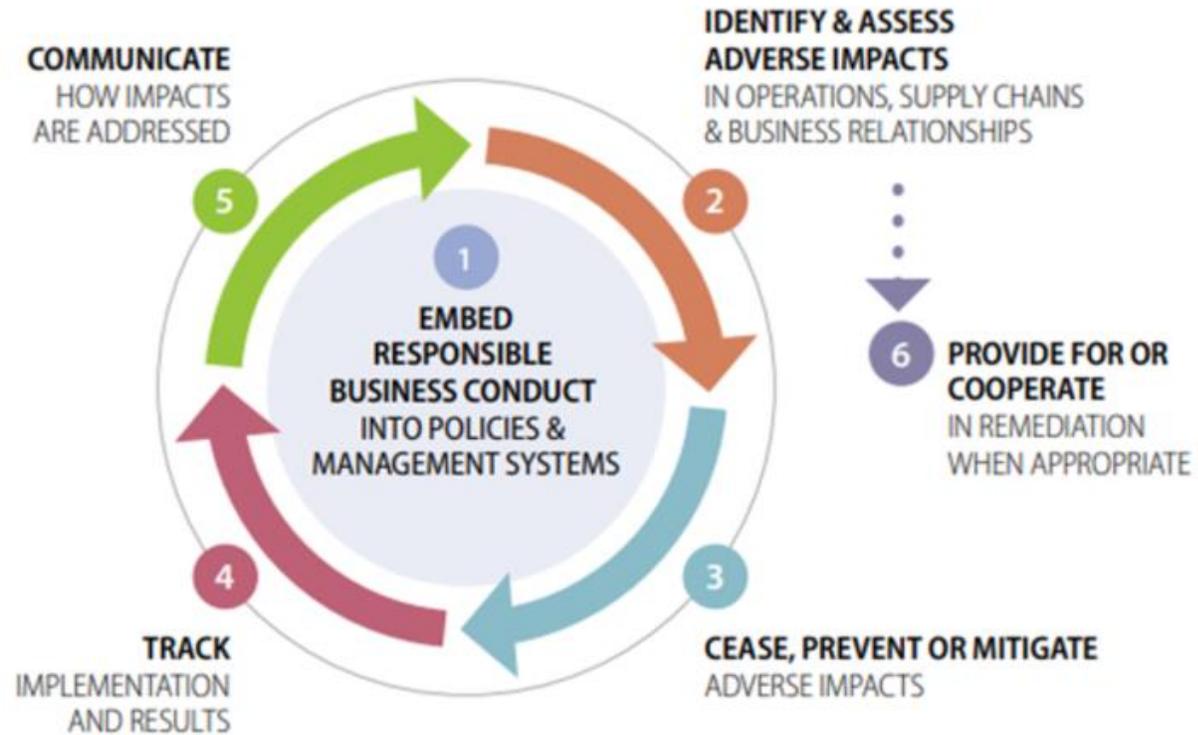


Figure: Due diligence under the OECD Guidelines.

Source: OECD (2018), OECD Due Diligence Guidance for Responsible Business Conduct, p. 21.

## **Succes factors for setting up an effective due diligence system**

1. Senior leadership commitment
2. Organisational structure
3. Qualified staff with the necessary competence, knowledge, experience and position
4. IT infrastructure that registers what, where and how you buy/invest
5. Collaboration & partnership with peers, suppliers and NGOs/rightsholders
6. Participation in multi-stakeholder initiatives that facilitate a learning space

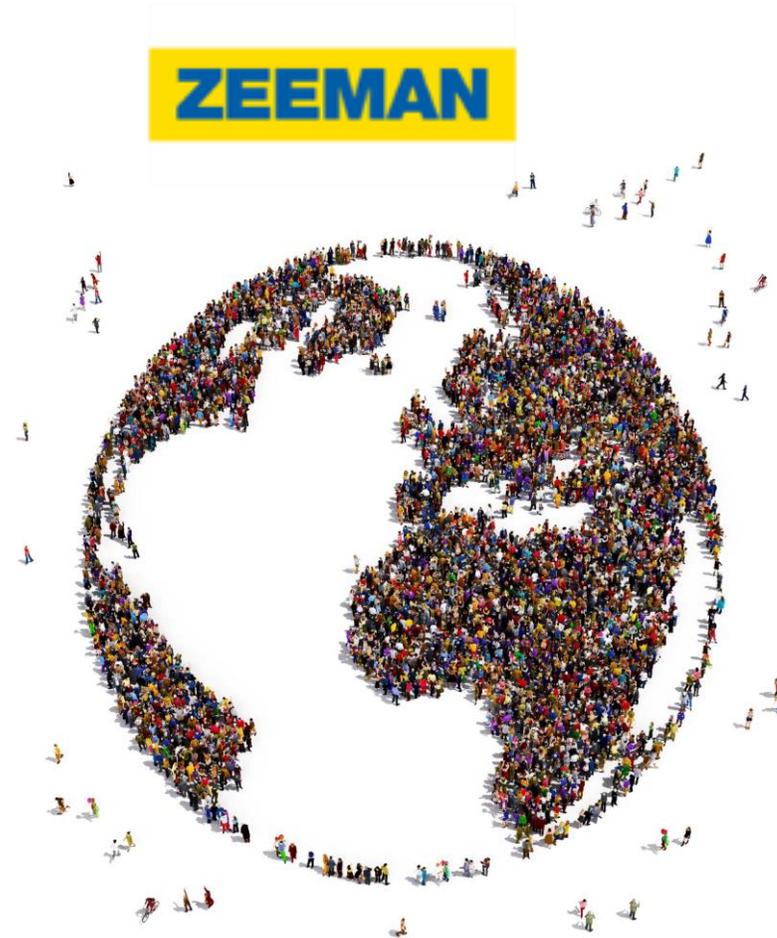
# 1. Senior leadership commitment



## Part 2: The buyers' commitment

*We, the buyer, commit to supporting our suppliers to meet the required labour rights standards by:*

- Continuously working to improve our policies and practice to enable our suppliers to be able to meet their commitments as outlined in this code of conduct.
- Treating suppliers with respect and consideration in all our dealings and communications.
- Communicating clearly, promptly and accurately on all issues concerning orders.
- Never negotiating a price that is below the cost of production, as this will impact on the wages and working conditions of workers.
- Staying with our current supplier if a higher price will ensure decent wages and working conditions for workers, rather than moving our business elsewhere purely on the basis of price.
- Placing orders with lead times that do not trigger excessive working hours or sub-contracting.
- Refraining from changing orders repeatedly and with short notice. If changes are unavoidable, amending target delivery times accordingly.
- Providing material and practical support to our suppliers in striving to meet their obligations



## 1. Senior leadership commitment

CEO expresses explicit commitment & interest and responsibility f.e. by:

- Acknowledging that human rights and environmental impact and risks are present in the company's supply chain
  - requires both frequent internal and external communication & transparency
- Preparedness to innovate, willingness to learn and reflect
  - requires the willingness to take a step by step approach
- Recognising the responsibility to address them by making time, resources and budget available including but not limited to:
  - willingness to change own purchasing practices/business model
  - allowing for an organisational structure where oversight and responsibility for due diligence is assigned at senior management and embedded across all functions
  - stakeholder engagement

## 2. Organisational structure



## 2. Organisational structure

RBC is embedded across the board of senior leadership/top management level and trickles down into the organisation

- Direct reporting lines and regular contact about RBC to CEO, especially on severe identified potential and actual risks
- Standard topic on agenda of management, supervisory board and board of directors
- KPI's and job descriptions on RBC/sustainability that fall outside of the direct scope of the sustainability team, f.e. X% more sustainable products/X% more sustainable packaging
- Sustainability tasks in all layers of the company and connected to daily operations
- Reporting structure to CEO and top management on RBC by external stakeholders

### 3. Qualified staff with the necessary competence, knowledge, experience and position



### **3. Qualified staff with the necessary competence, knowledge, experience and position**

- Doing due diligence is not a one persons job or something you can subcontract
- The person responsible should not only know and contribute to the different due diligence steps, but needs to understand how to engage the whole company to make sure all steps are truly embedded and changes happens
- Able to drive change in the organisation, get people involved
- Clear reporting lines to top management including procurement, design, sales and marketing and communication: see previous slide

## 4. IT infrastructure that registers what, where and how you buy/invest



## 4. IT infrastructure that registers what, where and how you buy/invest

- Effective RBC management needs IT that stores what, where and how products/services are bought/invested in.
  - Ability to automatically store and link data to commercial operation (sourcing-buying-KPI's)
  - This will allow focus on acting on the data collected instead of just collecting data (and having no time-resources left to actually act) – data driven
  - Links to commercial data & contracts
  - Easier for marketing purposes
- Increase attractiveness for staff to work on RBC

## 5. Collaboration & partnership with peers, suppliers and NGOs/rightsholders and customers



## **5. Collaboration & partnership with peers, suppliers and NGOs/rightsholders and customers**

- Invest in meaningful stakeholder dialogue: Two-way communication, trust & feedback
  - Realise that all of this takes time and in person contact is crucial for this process
- Be willing to learn and share with peers, suppliers, NGOs, rightsholders and customers
- From buyer-supplier relationship to partnership
- Frequent (online) visits to suppliers and make time to get to know each other
- Impact projects help to realise the importance of supply chain transparency and collaboration with peers, suppliers and NGO's and rightsholders
- Showing successes through impact projects also help to engage the company internally

## 6. Participate in multi-stakeholder initiatives which facilitate a learning space

### Arisa conducts risk assessment in Tamil Nadu to identify risks and strengthen the efforts of signatory brands

Human Rights Organisation Arisa has conducted a risk assessment in the supply chain of signatories to the Agreement on Sustainable Garments and Textile (AGT) in Tamil Nadu (India).



### Improving working conditions through multi-company collective bargaining agreement for clothing suppliers in Vietnam

CNV Internationaal is developing a collective bargaining agreement together with workwear companies ETP, Groenendijk Bedrijfskleding, HAVEP and Tricorp for their supplier and other surrounding garment factories in Vietnam.



## **6. Participate in multi-stakeholder initiatives which facilitate a learning space**

- Systemic issues ask for a collaborative approach in a safe place
- Support with How to get started in the supply chain with actual risks & impacts
- Impact/supply chain/collective projects with clear goal, partners and defined duration
- Learn from (local) CSOs together with other companies about actual impact
- Strengthen partnerships with supplier and work together for better working conditions
- Pressure cooker to experience & learn, what does DD mean in relation to a specific risk & book progress

## Available guidances and tools SER – IRBC agreements

- Practical guide for companies on IRBC and OECD due diligence – [here](#)
- Recommendations for stakeholder and civil society organisation engagement – [here](#)
- Project ‘Meaningful dialogue’ SER funded by the Goldschmeding Foundation – [here](#)
- SER advisory reports and general overview of publications per risk sector\* - [here](#)



IRBC Agreements  
Agreement on Sustainable Garments and Textile

Supported by  
SER

### RECOMMENDATIONS FOR STAKEHOLDER AND CIVIL SOCIETY ORGANISATION ENGAGEMENT

Content developed by the Fair Labor Association (FLA) as part of the project “Remedies Towards a Better Workplace” with input from project partners: Hivos, Arisa, Unicef, AGT/SER, SAVE, READ, CCR CSR, WE Fashion, O’Neill, Prénatal, Hunkemöller, FNG, Cool Investments.

**For whom:** for AGT signatories, FLA affiliates, brands and companies as well as production units.

**Objective:** This document provides insight and information about strategies and steps for engaging with stakeholders and civil society organisations.

**Background:** The businesses and organisations that signed the Dutch Agreement on Sustainable Garments and Textiles committed themselves to undertaking due diligence and taking progressive steps in supply chain mapping. As part of the project “Combating Child Labour in the Garment Supply Chains”, project partners have been engaging with local partners and stakeholders.

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\* Banking, Gold, Garments and Textiles, Metal, Pension funds, Trustone, Food, Insurance

# IDENTIFY CSR-RISKS

## CSR RISK CHECK

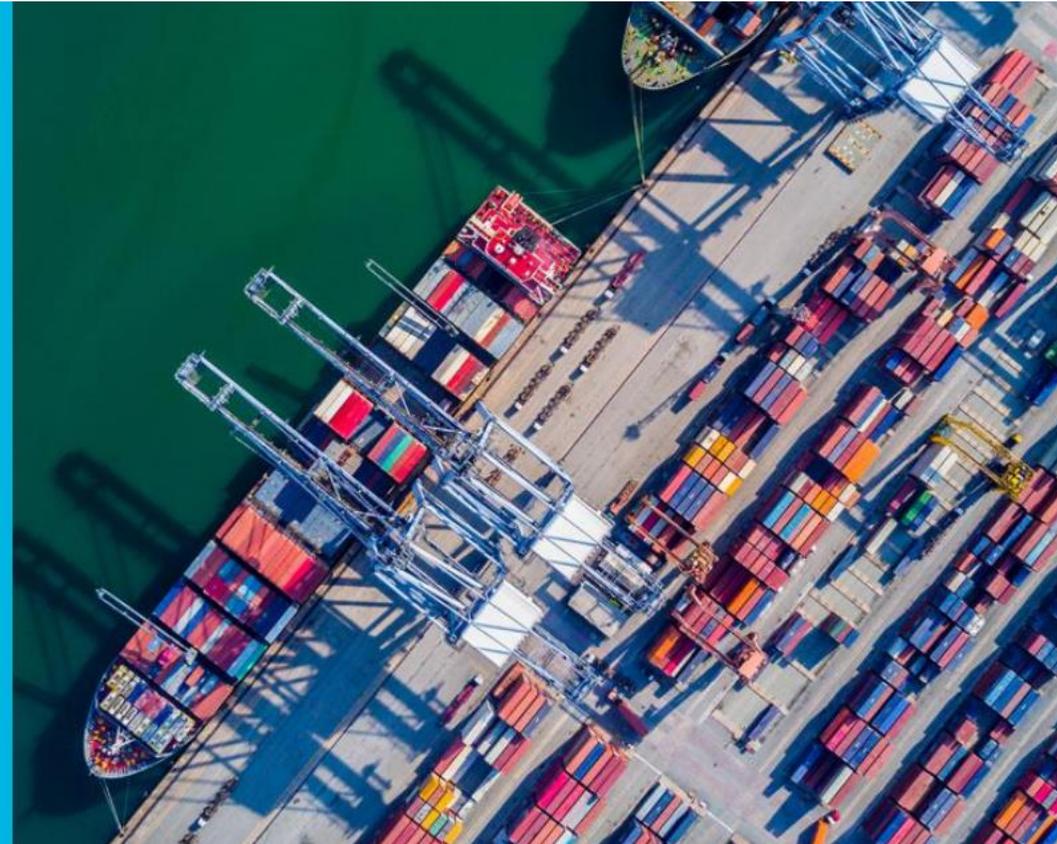
The CSR Risk Check tool is aimed at companies that are importing from or have production facilities in foreign countries.

Start this (short) check and find out which international CSR risks your business activities are exposed to and what you can do to manage them.

START THE  
CHECK



WATCH THE VIDEO  
TUTORIAL





# IMVO VOUCHERS

## WHAT?

50% discount on advice from a consultant on making your international supply chain more sustainable (up to a maximum of €10,000 ex.) Examples:

- Find sustainable suppliers;
- Improve transparency in your chain and know where raw materials come from;
- Make a living wage possible in the chain;
- Have a calculation made of the environmental impact in your chain;
- Etc.

## For whom?

Dutch SMEs with international supply chains.

## How?

Check the terms and conditions at [www.mvonderland.nl/imvovouchers](http://www.mvonderland.nl/imvovouchers) or send an e-mail to [imvovouchers@mvonderland.nl](mailto:imvovouchers@mvonderland.nl)

# EXAMPLES | IMVO-VOUCHERS

MORE EXAMPLES? [CLICK HERE](#)



## **THIS SIDE UP** COFFEE RWANDA

Food forest pilot project to reduce land degradation and achieve greater economic stability for coffee farmers.



## **RETURN TO SENDER** GIFT ITEMS INDIA

Investigating what the living wage should be at two gift producers in India and how to implement this.



## **ASA** FISH FARM ETHIOPIA

Environmental & Social Risk Assessment to investigate social risks of starting a second Tilapia farm.

## Available guidances and tools SER UN Global Compact



# E-LEARNING COURSE

Business and Human Rights:

How Companies Can Operationalize the UN Guiding Principles



Photo: ILO/Falise Thierry

[Academy E-learning Course on Business and Human Rights - here](#)



Created in partnership with the Helpdesk on Business & Human Rights

I'm looking for...



Language ▾

Guiding companies around the world in their efforts to better understand and address human rights impacts in their operations and supply chains



CHILD LABOUR



FORCED LABOUR



DISCRIMINATION

- UN Global Compact Business & Human Rights Navigator – [here](#)

 **United Nations**  
Global Compact

 **UNITED NATIONS**  
**HUMAN RIGHTS**  
OFFICE OF THE HIGH COMMISSIONER

TAKE THE ASSESSMENT ABOUT FAQ

English ▾

# UN LGBTIQ+ Standards Gap Analysis Tool

Learn what your company can  
do to advance LGBTIQ+  
equality

**TAKE THE ASSESSMENT**

[UN LGBTIQ+ Standards Gap Analysis Tool](#)

## Questions and answers

### **How do you ensure that the visibility of your internal commitments reach everyone within the company?**

This takes time and does not happen overnight. You have to repeatedly convince people that this is the right way forward, which makes the top management commitment even more important.

### **What is needed to convince people? Can you make this as concrete as possible?**

This of course differs per person or department you are talking to. When you are talking to the buying department, they have to see the benefits from responsible business conduct for their jobs and roles within the company.

Since a few years, Zeeman has a living wage pilot at a supplier in Pakistan. This creates a small upcharge per article in Pakistan. However, we are seeing that buyers are in favour of buying their products here since it gives them the feeling that they are adding a more purposeful meaning when they place an order here.

### **Are there other commercial benefits hereto?**

When looking at the onboarding and exit strategies Zeeman has with suppliers, they are making more conscious decisions when making choices about products. It also stabilizes the quality of products.

## Questions and answers

**Is there any reference framework or guidelines for formulating quality KPI's in different sectors in addition to the UNSDG's which are very broad?**

The [Dutch Agreement on Sustainable Garments and Textiles](#) published [an extensive guide](#) for companies which contains numerous links to due diligence tools, examples of companies and explanations of terms. See appendix 2 and 3 which include specific examples of KPI's.

The whole document gives a practical interpretation to the OECD-guidelines for international responsible business conduct (IRBC). In view of the impending due diligence legislation and the Corporate Social Responsibility Directive (CSRD), the assessment framework is also useful for clothing and textile companies that did not participate in the agreement and for companies from other sectors that want to get started with IRBC.

**Do you have examples of good IT systems?**

There are IT systems which are more sector-specific, these will be addressed in the follow-up sessions depending on the need of the participants. The sessions will examine sufficient IT systems and share examples of IT companies as well. Examples for the textile and garment sector can also be found [in the guide](#) and they are for example [Retraced](#), [Tex.tracer](#) and [Worldfavour](#).

## Questions and answers

**If a financial institution upholds a policy with a weaker policy formulation (i.e. “seek to address”, how much time does it take to seek this commitment and based on what?)**

Financial institutions are very much based on the legal framework. The OECD guidelines are asking you to be transparent about what is happening. For example, if you are buying from high-risk countries, and your policy states that you have no forced labour, this becomes challenging. If you state “we seek not to have forced labour”, that is in line with what is the reality. This is difficult and the future will demonstrate how we should handle this, whilst it is ideal to formulate that you do not have forced labour, but we know that various sectors do have this.

Instead, we can look at what system the company has in place to avoid negative impacts from happening and what is the reaction when negative impacts are found, and how do they adjust their policy.

Additionally, if there is a vague policy this also means that you need to have a conversation internally about what it entails for the company and how it is applied in the company. This is in order to specify it, and this takes time but it is necessary to have this conversation either with the board or the department responsible for the policy. These frank conversations of the reality on the ground are of great importance.

## Questions and answers

### **What do you believe is the role of the government on this topic?**

The role of the government is crucial in all of this, primarily as a legislator which they are initiating on the different levels. There are different roles where the government can be of importance, that is also why the UNGP's are asking for a policy mix to achieve the most efficiency. The responsibility and duty of the State is to respect human rights, through their own policies but also to stimulate and motivate companies to respect human rights. There are various ways in which they can do this, they are large customers, so public procurement is really key.

Another way is to provide information and help companies to prioritise risks, an example is the sector risk analysis of 2014. A repeated and more sector specific risk analysis as such is of great importance as well. At the SER, we also believe they have a large role to play in the multistakeholder sector agreements, and to support multistakeholder initiatives. The government is necessary in all its different roles to make an impact on the ground.

