

SOCIAL INDICATOR SELECTION PLATFORM

IMPLEMENTATION GUIDE

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INTRODUCTION TO THE PLATFORM

This tool is built on top of the UNEP social LCA framework (UNEP, 2020).

Read more here: [S-LCA Framework](#)

SISP aims to support managers, researchers, and decision-makers in identifying relevant social indicators through a simple filtering interface. The indicators could be then used as part of your social sustainability integration journey.

WHY ? <i>Assess social risks</i> <i>Set social performance targets</i>	HOW ? <i>Follow our step-by-step filtering process</i> <i>Receive a group of social indicators</i>
WHO ? <i>Sustainability professional</i> <i>R&D or procurement professional</i>	WHEN ? <i>During product development</i> <i>During value chain assessments</i>

DATA SOURCES

The indicators contained in this tool originate from the following data sources:



GOALS

What is your motivation to apply the tool ?

Your goals may include, but not be limited, to the following:

Develop strategies
for social
sustainability

Identify social risks
in a regional
context

Assess social
performance of
products

Assess social
performance of
the company

OVERVIEW OF STEPS

STEP 1: Get to know the basics

STEP 2: Select stakeholders and social impact sub-categories

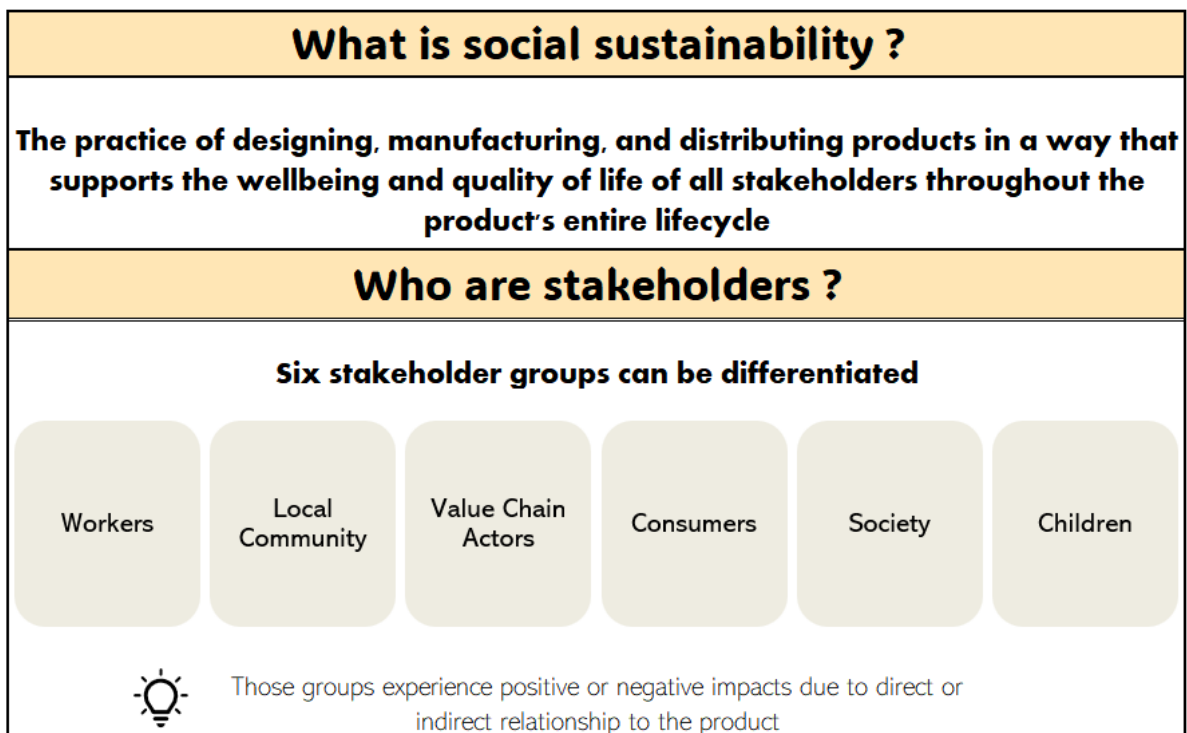
STEP 3: Select type of social assessment - Performance or Risk related

STEP 4: Select quantitative or qualitative indicators

STEP 5: Select life cycle stages



STEP 1



STEP 2

STEP 2.1 Review stakeholder groups - Identify the most relevant groups for you

STEP 2.2 Select stakeholder groups

STEP 2.3 Select impact sub-categories for the selected stakeholder groups

2.1	Review the stakeholder groups
	<i>For each stakeholder group you are given impact categories representing significant social issues for them. Your decisions during product development may directly or indirectly affect several categories.</i>

Workers

11 areas of impacts can be distinguished for this stakeholder group

Child labor

Forced labor

Equal opportunities/
discrimination

Employment
relationship

Working hours

Social benefits/
social security

Freedom of
association and
collective bargaining

Sexual harassment

Fair salary

Health and safety

Smallholders
including farmers

Local Community

9 areas of impacts can be distinguished for this stakeholder group

Access to material
resources

Access to
immaterial
resources

Delocalization and
migration

Cultural heritage

Safe and healthy
living conditions

Respect of
indigenous rights

Community
engagement

Local employment

Secure living
conditions

Value Chain Actors

5 areas of impacts can be distinguished for this stakeholder group

Fair competition

Promoting social
responsibility

Supplier
relationships

Respect of
intellectual
property rights

Wealth
distribution

Consumer

5 areas of impacts can be distinguished for this stakeholder group

Health and
safety

Feedback
mechanism

Consumer
privacy

Transparency

End-of-life
responsibility

Society

7 areas of impacts can be distinguished for this stakeholder group

Public commitment
to sustainability
issues

Contribution to
economic
development

Prevention and
mitigation of armed
conflicts

Technology
development

Corruption

Ethical treatment of
animals

Poverty alleviation

Children

3 areas of impacts can be distinguished for this stakeholder group

Education provided in
the local community

Health issues for
children as
consumers

Children concerns
regarding marketing
practices

2.2	Answer these questions before you proceed
	1. Who are directly affected by your core business operations (both positively and negatively)? 2. Whose actions can significantly impact your ability to achieve your business objectives? 3. Who has expressed an interest in your social performance? 4. Who are particularly vulnerable or marginalized groups that your operations might affect? 5. Which stakeholders are most critical to your long-term success and sustainability?

Select stakeholder groups		
<i>Which stakeholder groups would you like to focus on ?</i>		
Stakeholder Children Consumers Local Community Society Value chain actors (non consumers) Worker		

2.3	Answer these questions before you proceed
	1. What are the most significant social aspects related to your industrial sector? 2. Which social issues are most material to your stakeholders? 3. Where do you have the greatest potential to create positive social change or mitigate negative social impacts? 4. Which social impact areas align most closely with your company's mission, values and strategic goals? 5. Are there any specific social impact areas that are subject to regulations or industry standards relevant to your business?

Select subcategories

Which impact sub-categories would you like to focus on ?

Worker	W1 - Freedom of association and collective bargaining W2 - Child labor W3 - Fair salary W4 - Working hours W5 - Forced labor W6 - Equal opportunities/ discrimination W7 - Health and safety W8 - Social benefits/ social security W9 - Employment relationship W10 - Sexual harassment W11 - Smallholders including farmers	Consumer	CO1 - Health and safety CO2 - Feedback mechanism CO3 - Consumer privacy CO4 - Transparency CO5 - End-of-life responsibility
		Society	SO1 - Public commitments to sustainability SO2 - Contribution to economic development SO3 - Prevention and mitigation of armed conflicts SO4 - Technology development SO5 - Corruption SO6 - Ethical treatment of animals SO7 - Poverty alleviation
Local Community	LC1 - Access to material resources LC2 - Access to immaterial resources LC3 - Delocalization; Migration LC4 - Cultural heritage LC5 - Safe and healthy living conditions LC6 - Respect for indigenous rights LC7 - Community engagement LC8 - Local Employment LC9 - Secure living conditions	Value Chain Actors	VCA1 - Fair competition VCA2 - Promoting Social Responsibility VCA3 - Supplier relationships VCA4 - Respect of intellectual property rights VCA5 - Wealth distribution
		Children	CHI1 - Education provided in the local community CHI2 - Health issues for children as consumers CHI3 - Children concerns regarding marketing practices

STEP 3

Improve your social performance or mitigate your social risks?



Social performance (Internal Environment)	Social risks (External Environment)
<i>You might be able to control those impacts directly through actions, policies, monitoring, target setting.</i>	<i>You might not be able to control those impacts directly. These are generic risks occurring in the external environment where you operate.</i>

Social performance is about how a company's actions affect people and society. It includes their principles, how they operate, and the results of their activities on stakeholders like employees, customers, and communities. Companies often measure this using their own data to track progress on their social goals.

Social risk assessment is the process of evaluating the potential for negative social impacts caused by a company's activities. It uses broader information, like industry or country data, to understand the general level of social risk a company faces. This helps contextualize their social performance within a wider environment.

Below you can find examples of using social performance and social risk indicators.

Examples:



STEP 4

Focusing on quantitative or qualitative indicators?

	
Quantitative	Qualitative
<i>Can be measured numerically, providing information in the form of counts, amounts, or ratios</i>	<i>Non-numerical descriptions</i>

Qualitative indicators are recommended if the primary goal of the user is to engage stakeholders and communicate the "story" of an impact, qualitative indicators can be more compelling and relatable than raw numbers.

Quantitative indicators are advised to be used if the objective is to portray accountability and demonstrate measurable progress on specific targets.

STEP 5

Review the four life cycle stages and select.

Think of your life cycle


You might want to identify KPIs relevant to a specific life cycle stage of your product. This would help you set more specific targets and evaluate what matters most for you.

UPSTREAM

Upstream encompasses all activities that occur prior to the manufacturing process. For example, this can include raw material extraction and processing, component production, as well as the transportation of those raw materials and components

MANUFACTURING

Manufacturing refers to the processes involved in the production of the final product. This stage can include the assembly processing and fabrication packaging and all other possible activities taking place in the premise of a manufacturing facility.

USE	AFTER USE
The Use stage covers the period during which the consumer or end-user utilizes the product for its intended purpose.	After Use consists of all the activities that occur once the product has reached the end of its intended lifespan. These can include disposal, recycling, remanufacturing.

FURTHER GUIDANCE

And now what ?

You have now received your final list of indicators.

You can iterate the tool in case that:

- 1. The indicator list is empty (the filters you applied result to 0 Indicators)*
- 2. The indicators are too many (you want to narrow down the scope)*
- 3. You just want to apply different filters*

1. For every indicator that is characterized as “External”:

- A. Click the link under References column.
- B. You will be guided into an external database.
- C. Find the specific indicator in the external database.
- D. Collect values for every relevant region.
- E. These values represent social risks connected to your operations.
- F. Interpret the indicator value. What does this mean for your company?
- G. Plan and act (set monitoring targets, requirements etc.)

2. For every indicator that is characterized as “Internal” :

- A. Think whether it is meaningful to establish a process, set a target or monitor the indicator. How does this give value to the company?

EXEMPLARY CASES

CASE 1: Social risks of working conditions violations

In this case, a potential user must determine which one of two sets of suppliers (one of them operating in region A and the other in region B) could be considered less likely to be involved in worker rights' violations, without the need to perform audits or any other expensive measures. Here are the choices (in chronological order) the particular user would make during the implementation of the tool:

- Selects "Worker" as the stakeholder group they would like to investigate.
- For relevant sub-categories, the user decides that restrictions to the right to unionize, excessive working hours and overall work under duress to be the major issues they would care to have their suppliers be free of. For this reason, the selected sub-categories are then:

W1 – Freedom of Association / Collective Bargaining

W4 – Working hours

W5 – Forced labour

- Clearly, the user wishes to perform a social risk assessment and therefore selects the "External" filtering option. This option then skips the filters of qualitative or quantitative indicators as well as the life cycle stages.
- With the filters now set, the user receives a list of indicators.
- Due to time constraints, as well as the similarity of many of those indicators, the user decides to select and proceed his assessment further with only those he finds the most relevant. To this extent, his final selected set of indicators are the following:

For W1 → Trade union density rate (%) – Annual

For W4 → Mean weekly hours actually worked per employee by sex

For W5 → Prevalence of modern slavery per thousand people

- With the indicators determined, the user must now follow the corresponding links to look up how the two regions compare on their three indicators. For this case, it is assumed that the two regions in question are Ethiopia and South Africa. The user discovers the following statistics:

<i>Indicator</i>	<i>Ethiopia</i>	<i>South Africa</i>
<i>Trade union density rate (%)</i>	1%	30.1%
<i>Mean weekly hours actually worked per employee by sex</i>	Male: 44.3	Male: 44.3
	Female: 42.7	Female: 40.2
	Total: 43.7	Total: 42.4
<i>Prevalence of modern slavery per thousand people</i>	6.3	2.7

Evidently, South Africa outperforms Ethiopia in all three indicators. Therefore, and while the final decision between the two sets of suppliers would most likely additionally take into account economic and environmental factors, the user has successfully determined that the suppliers in South Africa present a more favorable geography for their concerned social issues.

CASE 2: Assessing health concerns regarding a product

In this case, a potential user (e.g. the sustainability manager in a baby porridge company) is concerned with whether a product of their company is used and disposed of in a manner that doesn't jeopardize their customer's health. The likely choices (in chronological order) the particular user would make during the implementation of SIST are as such:

- Selects "Children" and "Consumers" for their relevant stakeholders.
- Wishing to explore health implications, the user selects the following subcategories:

CH2 – Health issues for children as consumers

CO1 – Health and Safety

- With the intent of assessing the social performance of their own company, the user chooses the "Internal" indicators filtering option.
- The user decides to ignore the "Qualitative or Quantitative" filtering option, preferring to receive as many relevant indicators as possible and then potentially narrow them down themselves.
- Finally, the user picks the "Use" and "After Use" life cycle stages, since they would like to focus on their product's health implications on those specific stages instead of, for example, health problems that may arise due to the manufacturing process or during the extraction of the raw materials needed for the product.
- With all filtering options selected, a list of indicators is provided.
- Wishing not to overwhelm themselves with too many indicators, and after removing some indicators referencing positive health effects, the user selects this final set of indicators:

<i>Impact Sub-category</i>	<i>Indicator</i>
<i>CO1 - Health and safety</i>	Number of consumer complaints
<i>CHI2 - Health issues for children as consumers</i>	The organization carries out programs that provide an understanding or information about the impact of products on children's health, physical and psychological development

For the indicator “CO1 – Health and Safety - Number of consumer complaints” the user sets a target to minimize this indicator to less than 10 consumer complaints for the next generation product that they are now developing, in contrast with the current product in the market which received 25 complaints the previous fiscal year.

For the indicators “CHI2 – Health issues for children as consumers - The organization carries out programs that provide an understanding or information about the impact of products on children's health, physical and psychological development”: The company will soon start operating in African markets, where children malnutrition has been found to be a significant development issue. The company will design a campaign to inform parents on best use of the product so that children safety is secured and maximum nutritional value is obtained.