



Management Diagnostic: Responsible sourcing



The starting point to ensure your ESG due diligence programme meets regulatory and stakeholder requirements

Having an ESG due diligence programme in place to identify, monitor, and manage risks is business critical – and increasingly, a formal requirement by international legislation, including the European Union’s Corporate Sustainability Reporting Directive (CSRD), Corporate Sustainability Due Diligence Directive (CS3D), Uyghur Forced Labor Prevention Act (UFLPA), EU Deforestation Regulation (EUDR), and the German Supply Chain Due Diligence Act (LkSG).

LRQA evaluates due diligence management systems against external expectations and requirements (e.g., investor

expectations, regulations, peer companies practices, and industry trends). Leveraging supply chain data insights from our proprietary [EiQ platform](#) to ensure recommendations are aligned with the company’s risk exposure and presence in global sourcing markets.

Our engagement results in meaningful and tangible recommendations to manage supply chain risk, ensures the right policies and procedures are in place, and informs reporting and disclosure in a way that enables business priorities and risk appetite.

Our approach

Every programme evaluation is conducted against the five pillars of our framework. Our evaluation methodology has been used and tested on hundreds of companies across geographies and industries for years. We update our methodology on a regular basis to ensure alignment with legislation and industry standards.

The programme evaluation is informed by a variety of inputs to ensure we capture the current state accurately and build internal buy-in along the way.



Outcomes

The evaluation results in a report with key findings and a roadmap with short, medium, and long-term action items. The roadmap will be aligned with the required compliance and company's level of ambition, and can cover, amongst others:

- ✓ Required policies and procedures
- ✓ Roles and responsibilities, governance structure
- ✓ Recommended due diligence scope
- ✓ Due diligence tools and systems (audits, screenings, etc.).
- ✓ Data infrastructure requirements
- ✓ Disclosure recommendations and KPIs

Upon request, engagements can be expanded to include e.g., supply chain due diligence strategy design, cost-benefit analysis, in-depth risk assessment, disclosure support, as well as support around implementation.

Why LRQA?

We bring to every project our deep expertise in supply chain due diligence regulations, international best practice, a thorough understanding of risk exposure and risk management, and insights into industry practices and investor expectations.

Aligned with evolving requirements

We update our methodology on a regular basis to ensure alignment with legislation and industry standards



Tested & refined

Our methodology has been applied with hundreds of companies across geographies and industries for years.



Based on end-to-end expertise

Our evaluation is based on decades of experience not only assessing current states, but also designing and implementing long-term programs.



We speak your language

We provide pragmatic, sensible, and resource-effective solutions and recommendations that can be implemented and scaled.



We are efficient and action-oriented

We know what to look for, so it takes less time and effort for you and your teams to get the insight you need.



Get in touch

Visit www.lrqa.com for more information or email advisory@lrqa.com



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