

CSDDD overview

How LRQA supports businesses with adhering to the EU's Corporate Sustainability Due Diligence Directive's human rights and environmental requirements.

A man in a blue polo shirt and white gloves is working on a piece of machinery in a factory. The background is slightly blurred, showing other industrial equipment and a worker in a yellow shirt. The LRQA logo is in the bottom right corner.

LRQA

CSDDD overview

The EU Corporate Sustainability Due Diligence (CSDDD) lays down mandatory due diligence requirements which companies must implement regarding the environmental and human rights impacts along their chain of activities. Under the CSDDD, companies need to exercise human rights and environmental due diligence and publicly communicate on it – and they need to do so in accordance with the Corporate Sustainability Reporting Directive (CSRD), if they are in scope. Companies will also have to adopt a plan to ensure that their business strategy is compatible with the Paris Agreement, aimed at limiting global warming to 1.5°C.

LRQA supports companies all the way from designing and implementing a due diligence system to aligning with the directive's requirements.

CSDDD requirements overview



**Denotes areas where EiQ can support*

Scope of the law

The directive was published in the European Union Official Journal on 5 July and entered into force on 25 July 2024. Member States have until 26 July 2026 to transpose the directive into national law.

The directive will apply to companies which fulfil certain conditions:

- Companies within the EU with more than worldwide turnover of EUR 450 million and 1,000 employees,
- Franchise or licencing companies with more than EUR 80 million turnover and a return of more than EUR 22.5 million,
- Companies outside the EU that generated a net turnover of EUR 450M in the EU.

On 26 July 2027, the rules will start to apply to companies with a gradual phase-in approach.

The CSDDD will become applicable from 2027

2024	2025	2026	2027	2028	2029
<p>May 2024</p> <p>The directive was formally endorsed by the Council</p>	<p>Member states have two years to transpose the new rules into their national laws.</p>		<p>From 2027</p> <p>EU-BASED COMPANIES</p> <p>> 5,000 employees > 1.5 billion Euro net annual worldwide turnover</p> <hr/> <p>NON-EU COMPANIES</p> <p>> 1.5 billion Euro net annual turnover in the EU</p>	<p>From 2028</p> <p>EU-BASED COMPANIES</p> <p>> 3,000 employees > 900 million Euro net annual worldwide turnover</p> <hr/> <p>NON-EU COMPANIES</p> <p>> 900 million Euro net annual turnover in the EU</p>	<p>From 2029</p> <p>EU-BASED COMPANIES</p> <p>> 1,000 employees > 450 million Euro net annual worldwide turnover</p> <hr/> <p>NON-EU COMPANIES</p> <p>> 450 million Euro net annual turnover in the EU</p>

Using LRQA and EiQ to support CSDDD requirements

We collaborate closely with you to understand your business and offer an ecosystem of solutions tailored to you and your supply chain. We provide a full suite of products and services addressing every step of the ESG due diligence process.

As part of our human rights and environmental due diligence support, our **supply chain platform EiQ** enhances supply chain visibility and ESG risk management. EiQ uses proprietary data generated from 20,000+ onsite audits per annum from supply chains in 110+ countries and regions to conduct risk analysis on sourcing regions, commodities, and individual suppliers. This in-depth analysis supports regulatory requirements such as the CSDDD. Paired with LRQA's extensive Advisory Services, EiQ supports data-driven ESG due diligence and legislative compliance.

This checklist is intended to outline each due diligence requirement of the CSDDD and describe the LRQA services that support each.

CSDDD requirement		Advisory Service	EiQ Tool/Service
	Integrate due diligence into company policies and risk management systems	<input checked="" type="checkbox"/>	
	Identify and assess actual or potential adverse environmental and human rights impacts	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Prevent, mitigate, and remediate potential and actual adverse environmental and human rights impacts	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Carry out meaningful stakeholder engagement	<input checked="" type="checkbox"/>	
	Establish an appropriate notification mechanism and complaint procedure/s	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Monitor the effectiveness of the company's due diligence policies	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Establish a climate plan, aligned to Paris Agreement targets	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Publicly communicate in accordance with CSRD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

[Interested in learning more about EiQ? Request a demo](#)

You have a Human Rights and Environmental Due Diligence (HREDD) policy and have integrated HREDD into all relevant policies and risk management system/s



The obligation

Companies need to integrate HREDD into all their relevant policies and risk management systems. HREDD policies need to be developed in prior consultation with companies' employees and their representatives. The policies need to cover your HREDD approach and processes. The policies need to be updated at least every other year and in the case of any significant change. Companies also need to put a Code of Conduct into place and describe how they verify compliance with it.

Supporting LRQA Advisory Services

- Gap analysis of existing policies and risk management systems against CSDDD requirements through document review and stakeholder interviews
- Code of Conduct review/development
- Strategy and roadmap development
- Development of KPIs and effectiveness criteria



Due Diligence Checklist: Corporate Sustainability Due Diligence Directive (CSDDD)

You have identified and assessed actual or potential adverse impacts



The obligation

CSDDD requires companies to identify, assess and prioritise adverse impacts in their ‘chains of activities’. This requires assessing actual or potential adverse human rights and environmental impacts, as listed in Annex I & II of the CSDDD. Prioritisation shall be based on severity and likelihood of the adverse impacts. The law calls for companies to carry out a high-level identification exercise, and to delve deeper into areas of their chain of activities where impacts are most likely and most severe.

How LRQA can support you

LRQA Advisory Services

- ‘Chain of activities’ mapping
- Impact identification and prioritisation - (i.e., Human Rights Impact Assessment (HRIA), forced labour investigation services)
- Severity assessments
- Stakeholder engagement activities

EiQ solutions

- ESG risk ratings
- Segmentation
- Sentinel

EiQ ESG risk ratings

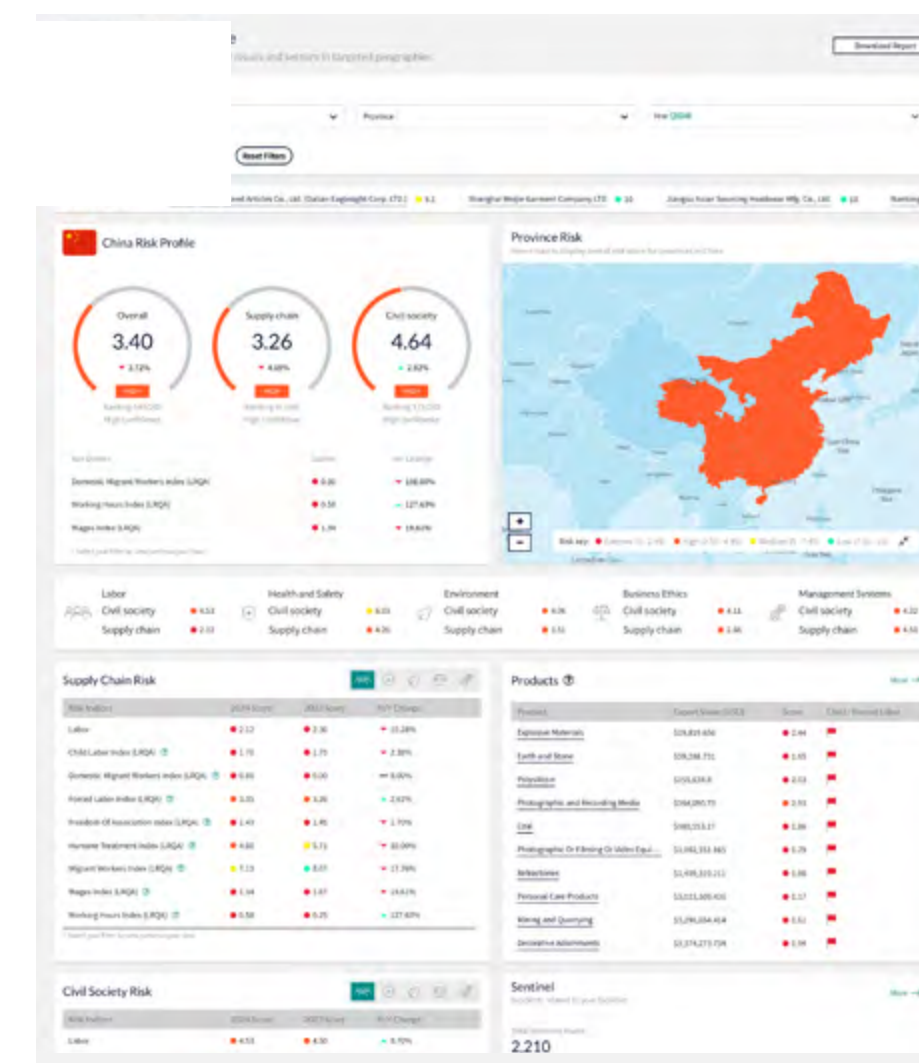
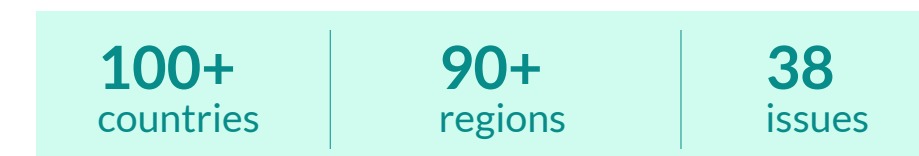
EiQ provides geographic and product level risk ratings for 100+ geographies, and 350+ products and services, covering different ESG issue areas. The risk score reflects the risk exposure associated and encompasses the likelihood of a risk based on data and analytics. The risk ratings support in assessing potential or actual human rights risks in your supply chain.

The geography risk ratings cover two sets of indices:

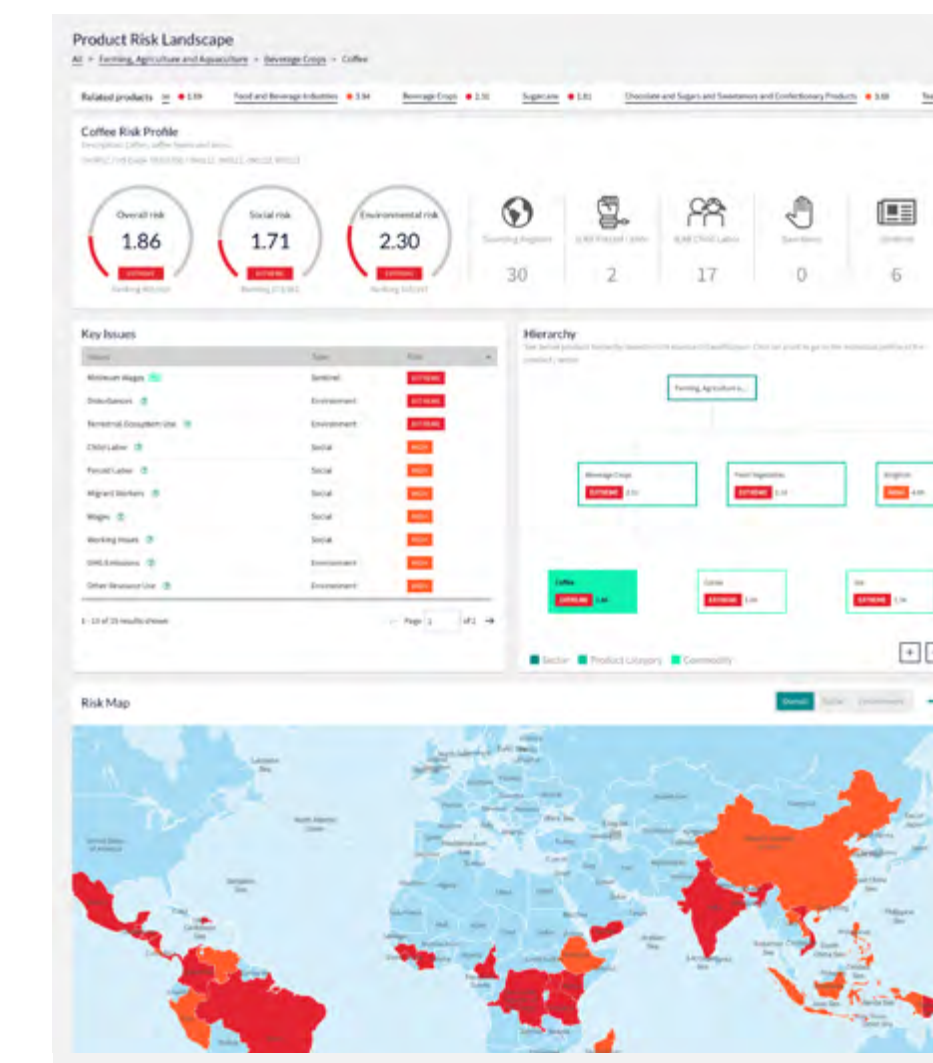
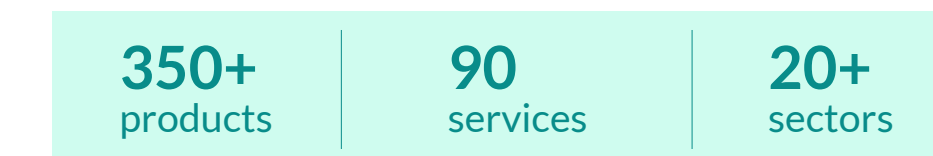
Civil society – based on public domain data

Supply chain – based on the results of more than 20,000 social audits per year.

Country risk



Product risk



Using EiQ, we conduct ESG risk exposure for both sourcing countries as well as risks related to specific commodities and their production.

EiQ segmentation

LRQA's segmentation approach overlays inherent sourcing risks and business leverage insights to determine which segments of the supply chain provide the greatest opportunity to manage business risk and drive impact.

A supply chain segmentation (prioritisation mapping) is produced to support tailored interventions. Clients can tailor the segmentation to their priorities using filters, flexible parameters, weighted categories and customisable indices.

Leverage the filter to zoom in on an area of interest like a specific country, department or product.

Customisable axis parameters allow clients to design their own segmentation models.

Segmentation results based on the parameters defined (e.g. risk exposure and risk management).

LRQA uses this model to segment areas of supply chains based on their inherent risk exposure and level of importance to a company's programme.

Analytics

Deep dive analytics based on your Site information.

Export
Hide filters

Filter

Date (All) v

Country v

Level v

Leverage v

Country v

3 more filters +

Weighting logic - Default x
Clear all filters

Supply Chain Risk by Pillar 220 sites

👤 Labor
5.00 HIGH

🛡️ Health & Safety
5.17 MEDIUM

🌿 Environment
4.62 HIGH

🏢 Business Ethics
5.02 MEDIUM

⚙️ Management Systems
4.88 HIGH

Segmentation outcome |
 Relative risk |
 Sites by risk band |
 No. of sites by country / region

Segmentation outcome

No data	-	-	-	-	-
Extreme	-	-	-	-	-
High	110	6	2	4	11
Medium	41	10	1	1	17
Low	6	-	-	-	2
	Low	Medium	High	Extreme	No data

Select X & Y axis

X (Risk Management) v

Y (Risk Exposure) v

Risk Key

- Extreme (0 - 2.49)
- High (2.50 - 4.99)
- Medium (5 - 7.49)
- Low (7.5 - 10)
- No data

Company	Risk Exposure	Risk Management	Segmentation Category
Agile Manufacturing	5.03 ●	8.75 ●	MINIMUM
Conficio Co.	2.82 ●	1.88 ●	PRIORITY
Engage Manufacturing	2.59 ●	3.75 ●	PRIORITY
Fabrico Manufacturing	6.02 ●	8.75 ●	MINIMUM
MadeManufacturing Co.	5.20 ●	6.25 ●	MINIMUM
Manufacturing Transformative	6.36 ●	6.25 ●	MINIMUM
The CanMan Company	3.80 ●	6.25 ●	MODERATE
The Involved Manufacturing Company	5.92 ●	4.69 ●	SPECIALIZED
The Manestic Company	6.38 ●	3.75 ●	SPECIALIZED
Tradufacturing	3.27 ●	4.47 ●	PRIORITY

1-10 of 220 results shown Result per page 10 v

← Page 1 of 22 →

EiQ Sentinel

Sentinel is EiQ’s adverse media scanning tool. The machine learning algorithm conducts a monthly scan on more than 300,000 global suppliers, across various media channels to detect ESG incidents connected to suppliers.

Clients can use customisable filters to see hits related to their programme, or focus on specific issues or risk levels.

The list of hits can be exported for further analysis, internal sharing and follow-up actions.

Sentinel data is integrated into ESG risk ratings and supplements the limitation of traditional due diligence activity data. Sentinel identifies issues such as fire incidents, harassment and abuse, forced labour and non-compliant discharge and emissions in close to real-time and significantly strengthens the robustness of our ESG risk data.

Examples of hits


Identifying hits that are hard to find during traditional due diligence activities, on a close to real-time basis.

Tags	Forced Labor
Name	Shinkong Synthetic Fibers Corporation
Country	Taiwan
Date	Feb 13, 2023
Analyst Comment	Vietnamese workers paid recruitment fees up to €6350, as well as other issues including fines, deductions, retention of ID papers, and tight curfews.

Migrant workers squeezed in Taiwan

What are Walmart, L’Oreal, Bosch and Continental doing about debt bondage risks in Taiwanese supply chains?

By PETER BENGTSSEN, 14 FEBRUARY 2023



Tags	Other Wages and Benefits
Name	Suvidha Appliances
Country	India
Date	Mar 1, 2023
Analyst Comment	Suvidha appliances accused of not paying salary, deducting esi and pf. Workers protest at company gate in baddi.

बढ़ी में कंपनी गेट पर कामगारों का प्रदर्शन: सुविधा एपलाइंस पर वेतन न देने का आरोप, ESI व PF काटने की भी मांग


नालागढ़ 5 महीने पहले



Tags	Fire Incidents and Other Fatal Accidents
Name	Formosa Plastics Corp
Country	United States
Date	Jul 15, 2023
Analyst Comment	Contract worker dies in accident at formosa plastics corporation in point comfort, Texas.

Contract company scaffold inspector dies in accident Formosa Plastics Corp.

James Muñoz - 25 News Now Jul 16, 2023 (Updated Jul 15, 2023)



Name of Formosa contractor killed on the job Friday released

POINT COMFORT, Texas - The Galveston County Sheriff's Office has released the name of a scaffold inspector killed on the job July 14 at Formosa...

POINT COMFORT, Texas - 25 News Now has learned a young contract worker died at Formosa Plastics Corporation this morning. Workers reported having a safety stand down meeting to discuss an accident. They also learned of a fatality in new construction at the Point Comfort location. Early reports indicate the worker who died was only on his second day on the job and fell 40 feet from a scaffold to his death. It's unclear if the worker had an experienced journeyman with him, it's unclear if he was tied down with fall protection or if it failed.

Human Rights Impact Assessments (HRIA)

Human Rights Impact Assessments (HRIA) are in-depth risk analyses which enable the identification of potential risks and allow companies to determine how to allocate resources more effectively based on the outcomes. HRIAs differ from standard compliance approaches as they are more tailored to high-risk areas in the supply chain.

LRQA supports companies across the globe to conduct HRIAs on specific sourcing countries or commodities to identify and manage human rights risks. Our HRIA methodology is informed by our technical expertise in human rights, “boots on the ground” knowledge of supply chains, and proprietary data insights from EiQ.

We offer a tiered approach for HRIAs, depending on the business’ needs and based on varying degrees of stakeholder alignment.

HRIA approach

Alignment with stakeholder exp	Limited alignment Full alignment		
Focus area	Target commodity / product and geography selected by client	Target commodity / product and geography selected by client	LRQA supports selection of commodity / product and geography aligned with client’s sourcing practices and supply chain risk
Inputs	Research includes desktop analysis, stakeholder interviews, and LRQA’s EiQ.ai risk analytics insights	Research includes desktop analysis, stakeholder interviews, and LRQA’s EiQ.ai risk analytics insights	Research includes desktop research, stakeholder interviews, LRQA’s EiQ.ai risk analytics insights, supplier site visits (max. 6 sites selected by client and LRQA), and community engagement
Outputs	<ul style="list-style-type: none"> • Internal facing report (approx. 10-15 pages), developed under privilege • No action plan or recommendations 	<ul style="list-style-type: none"> • Workshop to review findings and saliency assessment • Internal report (approx. 25 – 40 pages), can be prepared for publication by client • High-level action plan and recommendations 	<ul style="list-style-type: none"> • Workshop to review findings and saliency assessment • Report ready for publication (approx. 25-40 pages), up to three rounds of review • Detailed action plan and recommendations

Human Rights Impact Assessments (HRIA)

Operating in more than 180 countries, our HRIsAs benefit from our global network of supply chain researchers who spend time at representative sites and use LRQA's suite of data-driven human rights investigatory tools designed to identify risks that are often hidden such as forced labour, harassment, dangerous working conditions, child labour, sexual abuse and harassment and others.

Tools to support HRIA

On-site tools



Human Rights Impact Assessment tool

Includes onsite assessment and worker interviews. Added a narrative supplement to capture researchers' qualitative observations.



Labour risk survey

Analyses forced labour indicators according to the International Labour Organization standards, by surveying workers at each site.



Community investigation and focused group discussion tools

Used at the towns nearest to the sites to include other stakeholders' perspectives on potential human rights impacts of the industry.

Contextual research



Stakeholder interviews

Held with business partners, civil society, research institutions and certification bodies working in the industry. Informal interviews can also be conducted with local government officials, community members, workers, and management on sites.



Desktop research

Used to triangulate and understand broader human rights impacts in the country as defined by governments, international organizations, trade associations and civil society and research institutions.

Forced labour investigations

LRQA also conducts Forced Labour Investigations (FLIs) as a highly specialised solution to support companies in identifying, assessing and remediating forced labour incidents in their supply chains. Investigations are conducted using the International Labour Organization's (ILO) 11 Forced Labour Indicators as a reference.

We leverage our Consulting and Assessment capabilities with proprietary worker engagement tools to gather data and insights in the field, assess suppliers' exposure to forced labour risks, and design remediation programmes to address any adverse findings. Our experts include former U.S. investigators whose specialised experience allows unparalleled insight into compliance preparation and government sanctions/enforcement response.

Our FLIs result in robust investigative reports and remediation plans designed to be trusted and accepted by global regulators, including U.S. Customs and Border Protection (CBP), as well as publicly shareable with external stakeholders.

ILO Forced Labour Indicators

-
- | | |
|---------------------------------|---|
| 1. Abuse of Vulnerability | 7. Retention of Identity Documents |
| 2. Deception | 8. Abuse of Vulnerability |
| 3. Restriction of Movement | 9. Withholding of Wages |
| 4. Isolation | 10. Debt Bondage / Recruitment Fees |
| 5. Physical and Sexual Violence | 11. Abusive Working and Living Conditions |
| 6. Intimidation and Threats | 12. Excessive Overtime |
-

You have prevented and mitigated potential and actual adverse impacts



The obligation

Based on the impacts identified, companies must prevent and mitigate the potential environmental and human rights impacts. If an actual impact cannot be immediately ended, companies must minimise its extent. Appropriate measures should consider whether the impact is caused by the company alone, jointly with a subsidiary or business partner, or solely by a business partner, and the company's ability to influence the business partner.

How LRQA can support you

LRQA Advisory Services

- Support setting up a programme to prevent and mitigate potential and adverse impacts. This programme can include, for instance: Corrective Action Plan (CAP) management, in-person training, deep dives into specific impacts to devise action plans, review and adaptation of purchasing policies, and more.

EiQ solutions

- Digital Learning
- Corrective Action Plan (CAP) Management
- ERSA Assessments
- Sentinel

Risk prevention through digital training courses

Our comprehensive portfolio of digital learning opportunities supports supply chain risk prevention. Our digital learning service empowers suppliers to implement business best practice and offers training courses in local languages on various supply chain ESG topics.

Course library

- 70+ courses in various languages
- Learning plans
- Content hosting
- PDF takeaways
- Audience catalogue and topic filters

Assess and support

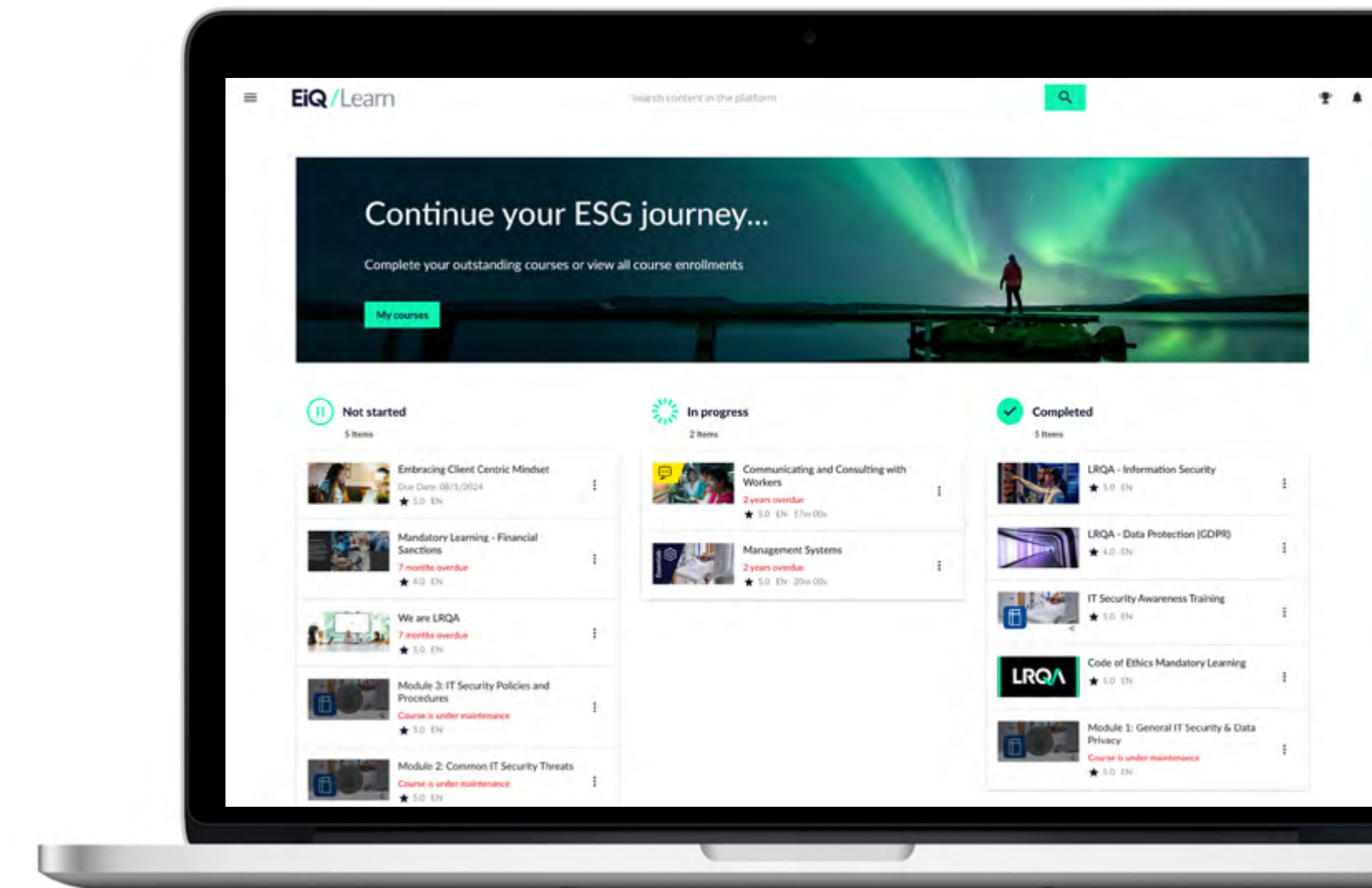
- 15 user interface languages
- Globally accessible, including China
- EiQ Learn Connect newsletter
- Ongoing client and user support

Administration & reporting

- Power User and Learning accounts
- Management features and reporting
- Email notifications
- Self-registration
- User branches
- User profile fields
- Audience catalogues and topic filters

Quizzes and surveys

- Course quizzes with feedback
- Pre/post assessments for learning plans
- User feedback surveys
- Custom survey

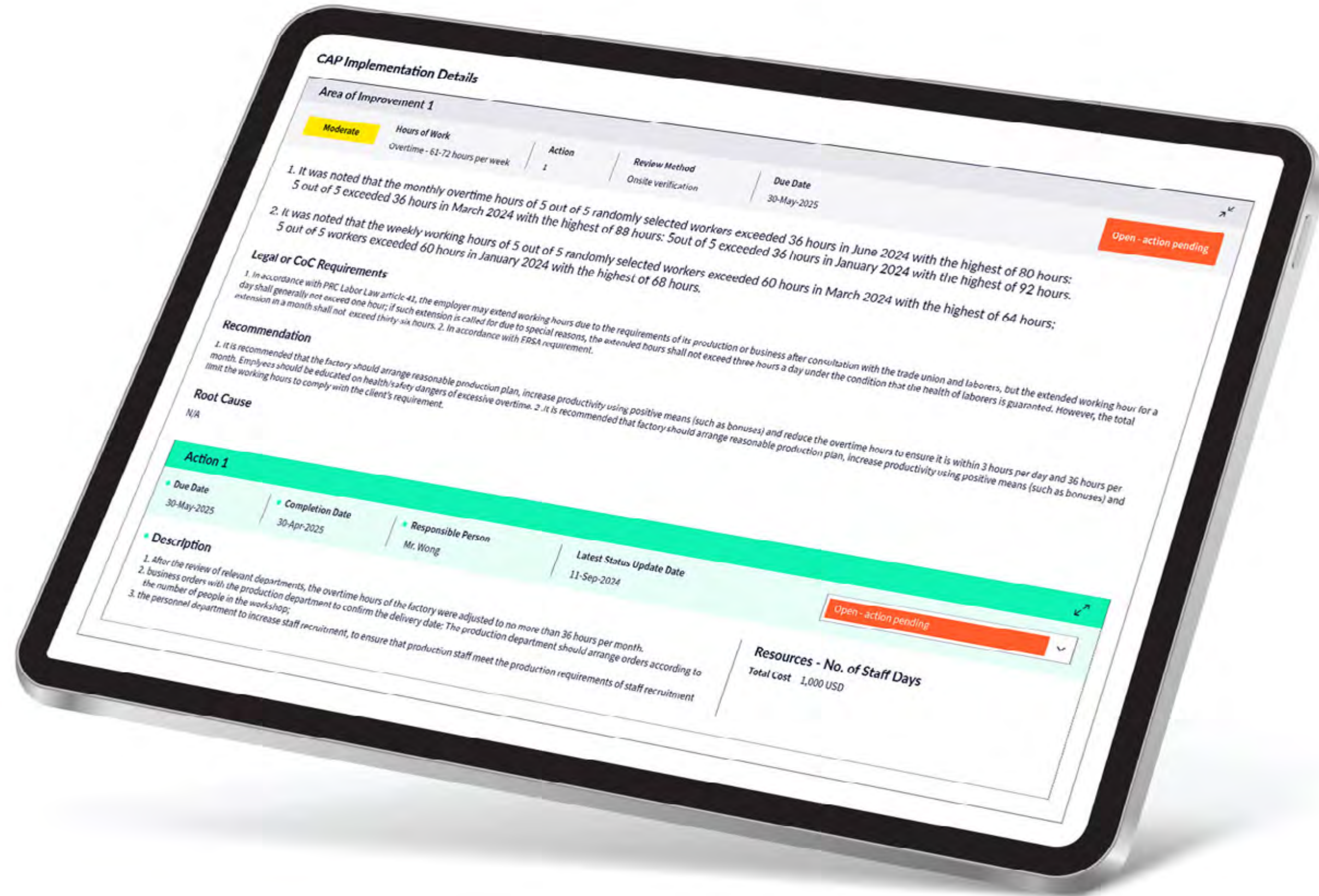


Corrective Action Plans (CAP)

CAP is the process of developing, implementing, tracking and closing out corrective actions in response to identified non-conformities, issues or deficiencies found in a particular assessment.

LRQA supports sites with creating CAPs to address non-conformities identified during assessments.

Through EiQ, companies can then monitor which sites are implementing CAPs and the status of site plans. This then promotes ongoing monitoring and site improvement.



ERSA Assessment Standard

ERSA is LRQA's audit standard which assesses site performance and integrates supplemental data points to provide a more granular view of a site's risks and performance. ERSA is mapped against international standards and allows for integrated reporting in EiQ.

ERSA assessment checklist has 300+ checkpoints and sites are rated from A to D, with A being a best performing grade to D, which has identified critical violations from a site. This methodology allows investors and corporates to identify and benchmark suppliers based on risk levels and promotes proactive risk monitoring and supply chain transformation. ERSA integrates worker sentiment data and consolidates EiQ risk exposure data with audit result data to provide a holistic risk view. Social audits support the prevention and mitigation of supply chain ESG risks.

ERSA Responsible Sourcing Assessment Report (Onsite)



Responsible Sourcing

Excellent Apparel Co., Ltd.

Service provider: ELEVATE Global Limited.
 Report no.: EVT-CN-CE-123456
 Assessment type: Initial
 Schedule type: Announced
 Assessors: David Lin
 Assessment date: 2020/10/19




Report summary

Site information

Country/Region China	Site name Excellent Apparel Co., Ltd.	Sector (primary) Apparel, footwear and textile	Total employees 247	Avg. units produced / week 40,000
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Audit summary



Score
33 / 100

Findings

Zero Tolerance	1
Critical	1
Major	2
Moderate	5
Minor	1

Total findings
10

Key workforce statistics

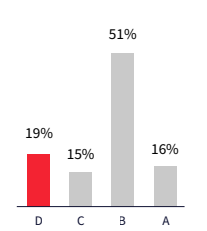
Domestic migrant workers	232
Foreign migrant workers	0
Language spoken by workers	Mandarin
Juvenile workers	0
Use of labor agent	Yes

Performance details

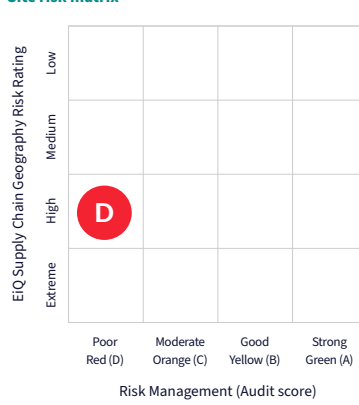
Pillars	No. of findings	Sub total	Risk management (Audit score)	Risk management (Worker sentiment)	Risk exposure (EiQ supply chain geography risk ratings)
Labor	1 Critical, 1 Major, 1 Moderate	3	6.40	9.22	3.23
Health & Safety	1 Major, 3 Moderate	4	6.00	9.75	1.98
Environment	0	0	10.00	9.54	4.20
Business Ethics	1 Critical	1	2.49	N/A	2.78
Management Systems	0	0	10.00	7.59	3.21
Add-on Foreign Migrant Workers	2 Moderate	2	6.00	N/A	3.21
Overall	1 Critical, 1 Major, 5 Moderate, 1 Minor	10	Red (D)	8.96	High

Benchmarking

*** Grade distribution (China)



Site risk matrix



Worker Sentiment is based on anonymous worker survey conducted as part of the assessment. It provides a snapshot of worker's feedback regarding assessed dimensions with the purpose to help various levels of stakeholders effectively identify high priority improvement areas and key topics for additional support. If it is shown as N/A, it means a worker sentiment survey was not conducted.

EiQ Supply Chain Geography Risk Rating provides insight into the inherent risk in the supply chain. It is based on risks associated with countries / regions based on public domain data and aggregated LRQA audit data generated from 30,000+ days per annum on site in supply chains in over 100+ countries and regions.

Benchmarking data is based on aggregated standard ERSA audits conducted globally. This does not include data from critical issue assessments, equivalence or SAQ services.

You have remediated or are remediating actual adverse impacts



The obligation

Where a company has caused or jointly caused an actual adverse impact, CSDDD requires companies to provide remediation. If the impact is caused by a business partner, the company can offer voluntary remediation and leverage its influence to encourage the business partner to provide remediation as well.

How LRQA can support you

LRQA Advisory Services

- Capacity building
- Investigations and root cause analysis
- Worker grievance channels
- Supporting site transformation / change in the factories

EiQ solutions

- Corrective Action Plans (CAPs)
- Segmentation

Worker grievance channels support risk remediation

Our Grievance Mechanisms - which operate across 10+ geographies, reaching over 2 million workers - and remediation protocols are based on industry best-practices and aligned with United Nations Guiding Principles (UNGPs) effectiveness criteria. We partner with locally based, trusted NATO Standardisation Offices (NSOs) in the countries we operate in to raise awareness and trust among beneficiaries and supply chain partners. Our approach and trusted channels support remediation of complex grievances, as we provide follow-up with the rights holder to ensure effective remedies for issues communicated by workers have been provided.

LRQA grievance channels provide:

- Multi-channel support by toll-free numbers, social media, SMS, instant messaging, webform, or apps. Allows reach to workers who do not have internet, data, smartphones, or do not trust apps
- Live operators in over 15 languages who are trusted by workers, gather information, and support remediation
- Digital case management platform to allow you to track, monitor, and report live grievance data down to the site level
- Full support for on-site training to build worker awareness and trust in the grievance mechanism and encourage adoption
- Specialist support to remediate complex issues including forced labour, child labour, migrant worker rights, discrimination and other sustainability issues

Grievance remediation support includes:

	Forced labour investigations
	End-to-end responsible recruitment programmes
	Recruitment fee investigations and remediation programs
	Supplier training and Corrective Action Plans (CAP)
	Audits and worker surveys

We have supported the remediation of over **US \$39million** in recruitment fees to **over 15,000 workers worldwide**.

EiQ segmentation: Example of programme design for remediation efforts

Monitor the results and statuses of suppliers' corrective action efforts and remediation efforts using EiQ - Worker grievance channels.

		SAQs or Audits		Remediation				
Segment	Assurance Tool	Result	Actions	Self-managed CAPs	CAP Support	Digital Learning	Supplier Engagement	Grievance Mechanism
Priority	Own Full Scope Assessment	A	Biennial Audit	✓		✓		✓
		B	Annual Audit		✓	✓		✓
		C	Follow-up Audit		✓	✓		✓
		D	Potential suspension of business & re-audit			✓	✓	
Moderate	Critical Issue Assessment	A B C	Bi-annual / Annual CIA Audit		✓	✓		
		D	Potential suspension of business & re-audit			✓	✓	
Specialised	Specialised Audits + EQ / SAQ	A B C	Annual EQ + SAQ		✓			✓
		D	CIA or Full Scope Assessment				✓	✓
Minimum	EQ / SAQ	A B C	Annual EQ + SAQ		✓			
		D	CIA or Full Scope Assessment				✓	

You have carried out meaningful stakeholder engagement



The obligation

Companies are expected to carry out stakeholder engagement with employees, worker representatives, civil society and others whose rights or interests might be affected by the company. The consultation of stakeholders is required across the following stages of the due diligence process:

- a. When identifying, assessing and prioritising adverse impacts
- b. When developing prevention and corrective action plans, and deciding to terminate or suspend a business' relationships
- c. When adopting appropriate measures to remediate adverse impacts
- d. As appropriate, when developing qualitative and quantitative indicators for the monitoring

How LRQA can support you

LRQA Advisory Services

- Capacity building
- Stakeholder identification and mapping
- Stakeholder engagement planning across all relevant actions
- Internal and external stakeholder engagement
- Worker sentiment surveys / worker engagement



Worker surveys support stakeholder engagement

Worker feedback directly contributes valuable insights for businesses to enhance performance and mitigate risks. The LRQA focused Survey Tools are designed to assess worker engagement and well-being by providing deeper insights into workers' experiences. They also serve as an independent mechanism for workers to identify workplace improvement areas.

Focused survey designed by LRQA



Worker Sentiment Survey

(Most signature surveys can be integrated with ERSA audit)



Labour Risk Survey

(Design based on the 11 ILO force labour indicators)



Grievance Mechanism Survey

(Design based on eight UNGP GM effectiveness criteria)



Critical Issues Survey

(Design based on 10 ERSA critical non-compliance categories)

Five major topics covered in surveys



Labour



Health & Safety



Environment



Business Ethics



Management Systems

Worker surveys promote:

Transparency and compliance

Serve as a powerful tool to gather valuable feedback, ensuring adherence to regulations, ethical standards, and legal requirements, while fostering transparency, trust, and alignment within the organisation.

Scalable workplace insights

Enable large-scale data collection, identifying trends and concerns across teams, informing strategic decisions, and facilitating targeted interventions for improved organisational effectiveness.

Productivity and stability

Optimise productivity by identifying performance drivers, addressing concerns proactively, reducing turnover rates, and promoting a stable work environment conducive to employee satisfaction and engagement.

Due Diligence Checklist:
Corporate Sustainability Due Diligence Directive (CSDDD)

You have established a notification mechanism and a complaints procedure



The obligation

Companies must enable affected persons, trade unions, and civil society organisations to submit complaints about adverse impacts. Companies are also expected to have a notification mechanism in place that allows those not directly affected to provide the company with information about impacts in its chain of activities. Companies must establish publicly available, accessible, predictable, and transparent procedures for handling complaints. This obligation can be fulfilled through collaborative complaints procedures.

How LRQA can support you

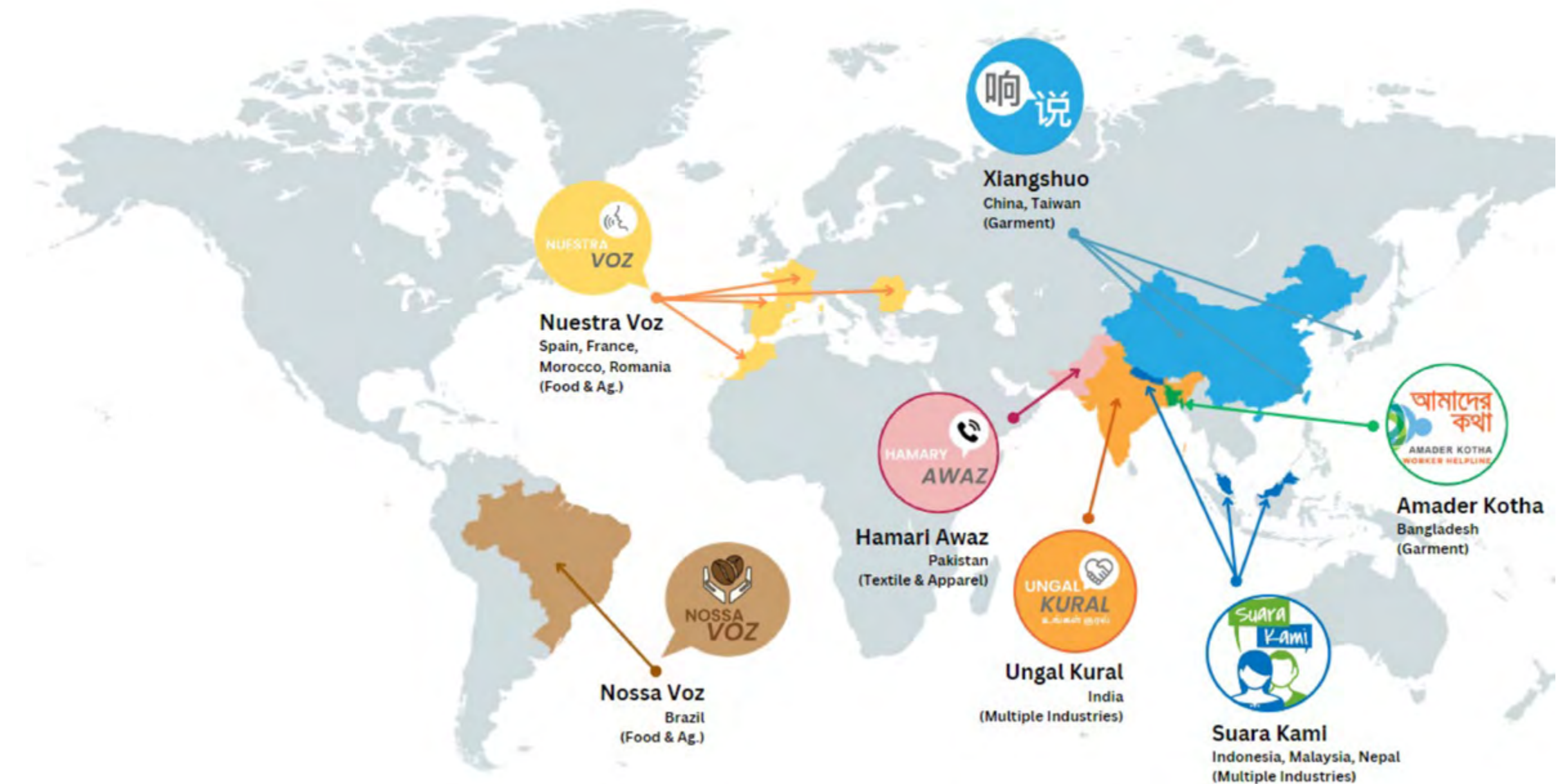
LRQA Advisory Services

- LRQA grievance helplines and mechanisms
- Evaluate, benchmark and/or set up of grievance procedures, protocols and Standard Operating Procedures (SOPs)
- Conduct trainings on how to manage grievance mechanisms and investigate cases

LRQA's grievance channel operates in at least 10 sourcing regions and has reached millions of workers.

We operate some of the most successful industry-level worker helplines and grievance mechanisms globally

1,800+ suppliers | **3,000+** monthly calls | **39** brands subscribed



We operate worker-centric grievance mechanisms across: **10+ geographies**, reaching over **2 million workers**.

You have monitored the effectiveness of due diligence policies and measures



The obligation

Companies must carry out assessments of their own operations and measures and those of their subsidiaries / chain of activities to assess the implementation and to monitor the adequacy and effectiveness of the HREDD process at least annually.

How LRQA can support you

LRQA Advisory Services

- Setting up and tracking KPIs
- Process reviews

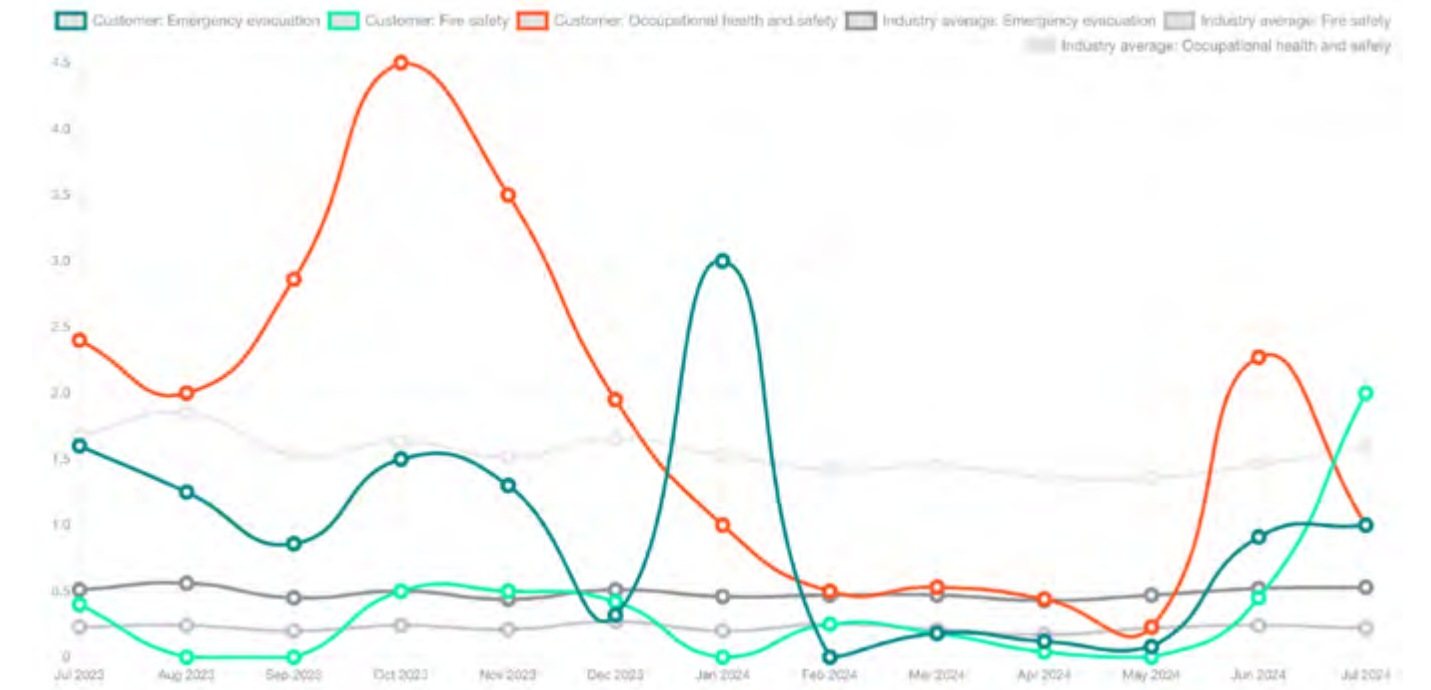
EiQ solutions

- Supply chain monitoring
- Segmentation
- Programme benchmarking

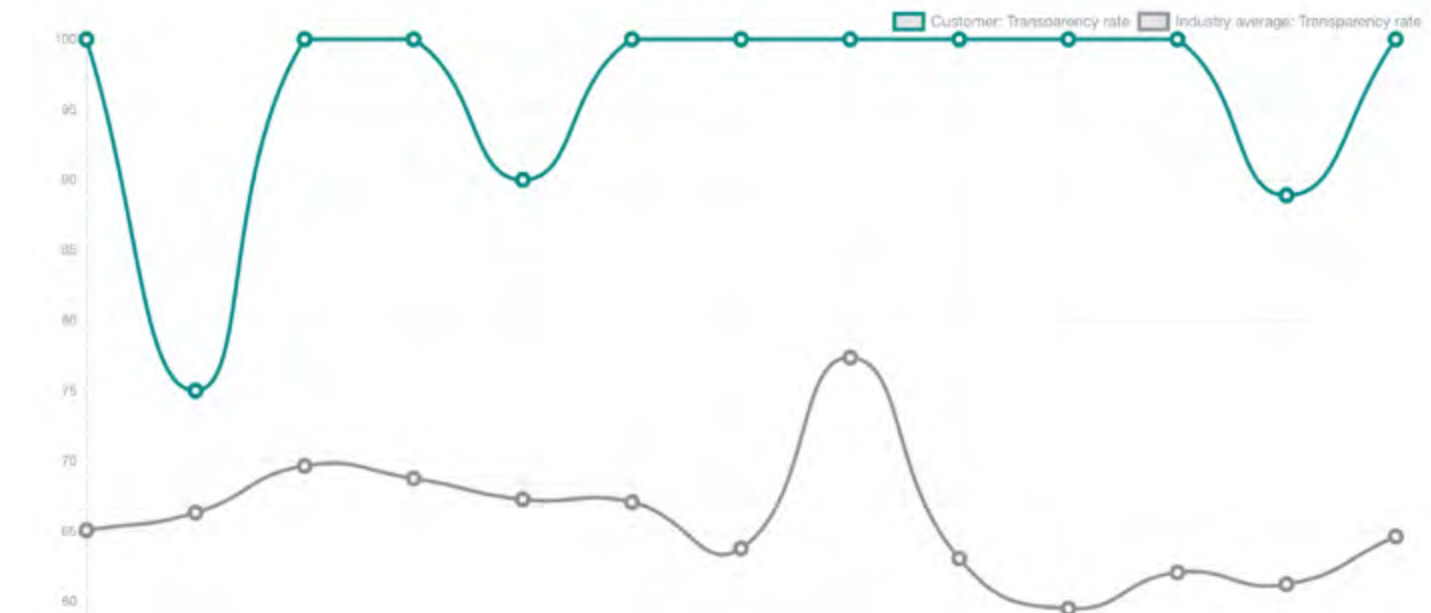
EiQ empowers clients to see benchmarking against industry and country average in terms of:

- Common violations observed during assessments
- Key quantitative metrics including:
 - Transparency rate
 - Average monthly take-home wages
 - Average % of workers paid correctly
 - Average / highest weekly hours
 - Average continuous working days
- YoY trends

Common violations observed during assessments



Transparency rate

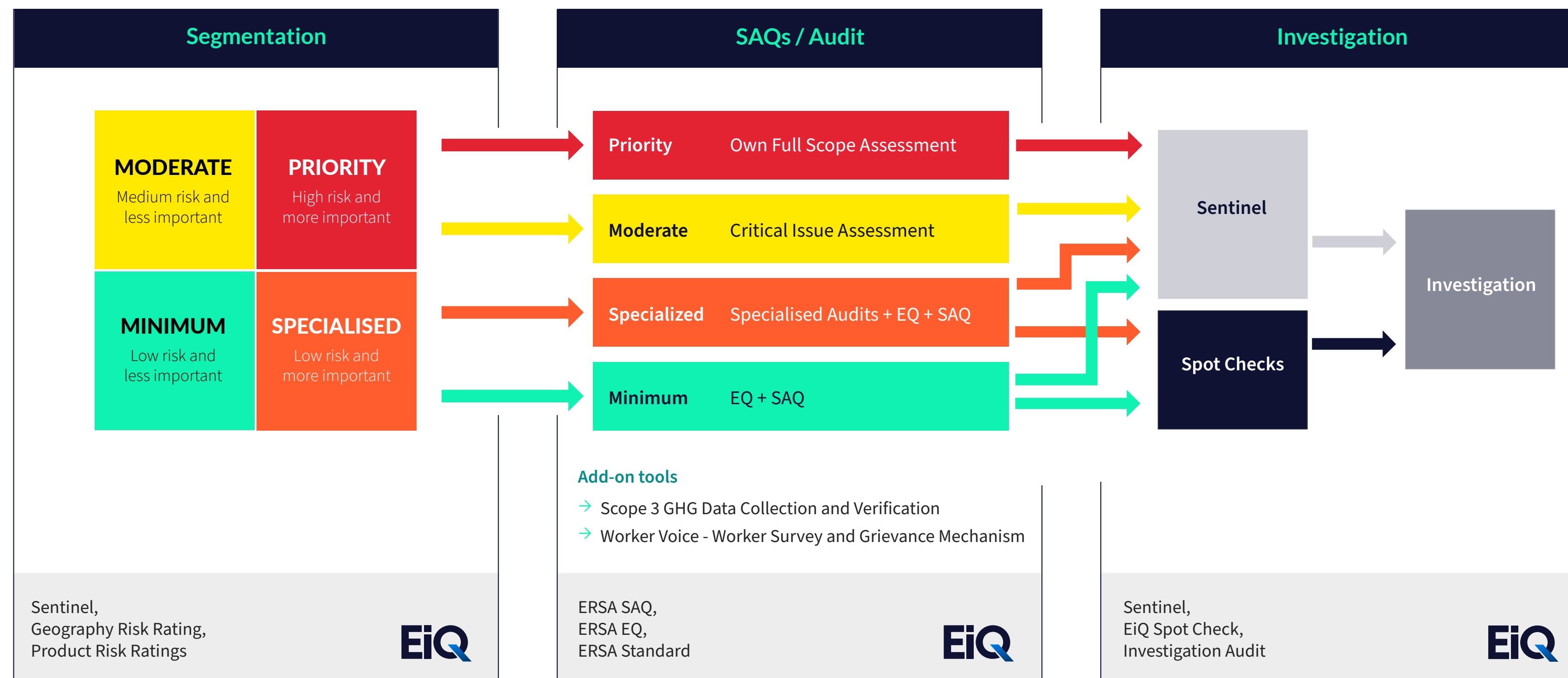


Segmentation workflow: enabling supplier monitoring

Segmentation allows for ongoing monitoring of supplier performance, risk data, and statuses of corrective action efforts.

Programme design

Supplier monitoring



You have adopted a climate transition plan



The obligation

Companies must adopt a climate transition plan in line with Paris Agreement targets, aligned with obligations under CSRD.

How LRQA can support you

LRQA Advisory Services

- Capacity building
- Set up climate transition plans
- Conduct Carbon Accounting

Our Advisory Services support companies through setting up a climate transition plan, setting climate targets and defining means of achieving these targets.

EiQ allows companies to collect factory-based GHG emission data.

Our tool accommodates 23 primary energy types representing nearly all fuels utilised in global supply chain

Subcategories further delineate coal, biodiesel and petrol consumption into finely-tuned options like anthracite coal and ethanol petrol for precise energy profiling.

Purchased energy	Electricity	Purchased electricity (On-grid)		Purchased renewable energy (Off-grid)	
	Other purchased energy	Steam (Purchased)	Heating (Purchased)	Chilled water (Purchased)	Geothermal (Purchased)
Onsite combustion energy	Solid fuel	Coal	Biomass wood	Biomass general	
	Liquid fuel	Diesel	Petrol	Fuel oil	Propane
		LPG	LNG	Biodiesel	
	Gaseous fuel	Natural gas	Biogas		
Onsite generated renewable energy	Solar photovoltaic	Wind	Solar thermal	Micro hydro	Hydro

You have publicly communicated on human rights and environmental due diligence



The obligation

Companies must carry out assessments of their own operations and measures and those of their subsidiaries / chain of activities to assess the implementation and to monitor the adequacy and effectiveness of the HREDD process at least annually.

How LRQA can support you

LRQA Advisory Services

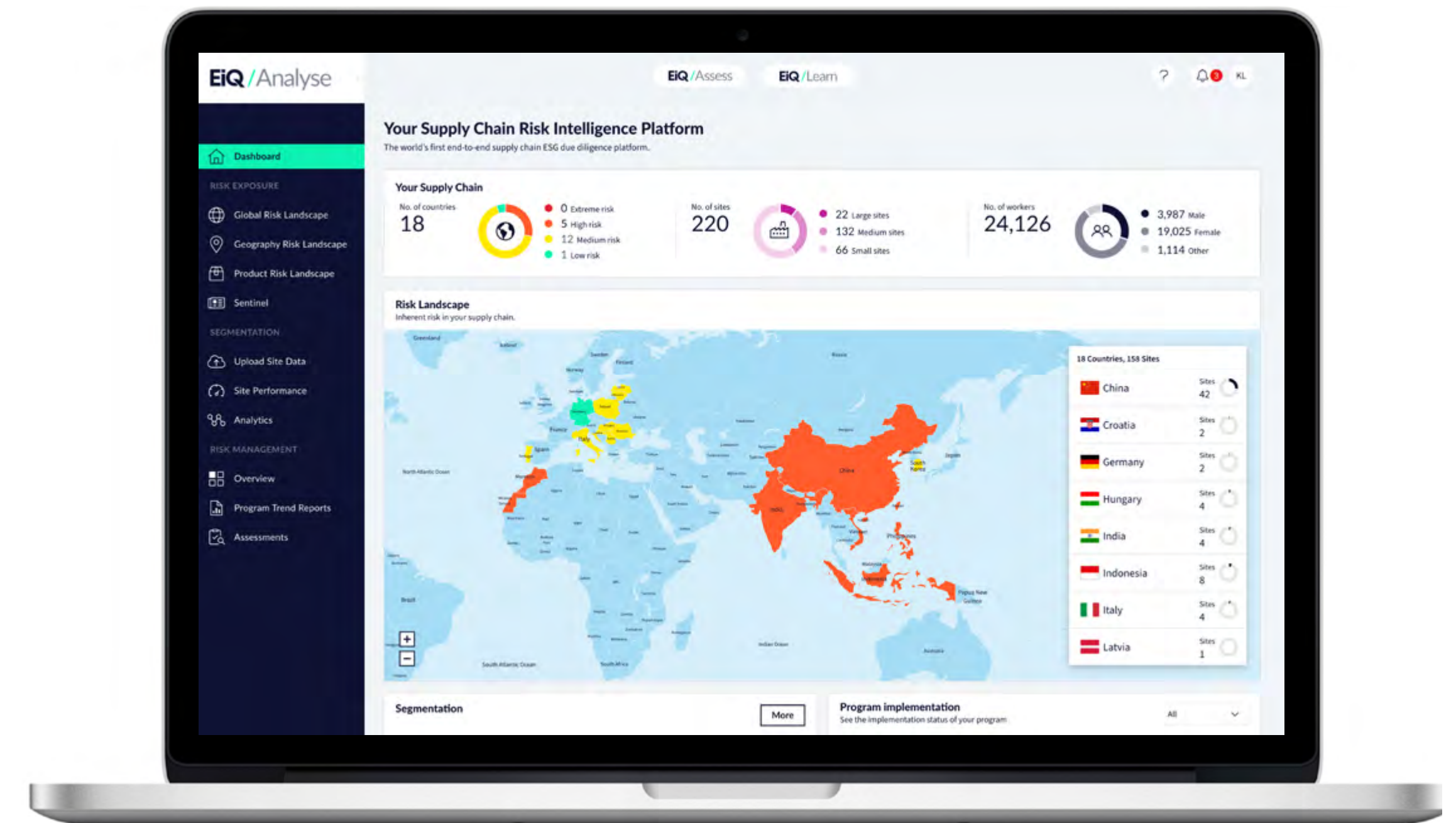
- Double Materiality Assessments
- Data Collection Plans
- Report development in line with CSRD
- Support through the Approval and Audit Process until the publication of the report

EiQ solutions

- Programme Benchmarking
- Supplier Scorecards
- Sentinel Reports

Our platform optimises ESG reporting and benchmarking through:

- Centralised data consolidation that integrates siloed sources into a unified system
- Dynamic visualisations of key metrics tailored to reporting requirements with near real-time refresh
- Powerful benchmarking against a robust database of over 20,000 on-site audits per year



About EiQ



EiQ is the leading supply chain due diligence software, supporting clients with every step of the environmental, social and governance (ESG) risk management and mitigation process. The platform helps businesses operate with confidence - providing the solutions needed to identify and remediate critical human rights risks and environmental risks in global supply chains. EiQ supports end-to-end due diligence, from analysing individual supplier risks to generating ESG risk scores for sourcing countries and commodities.

With EiQ, businesses have access to in-depth risk analysis, benchmarking and reporting capabilities, adverse media alerts and segmentation solutions to continually monitor your supply chain's health. EiQ supports LRQA's experts, helping businesses adhere to due diligence regulations and to maintain supply chain integrity.

[Request a free demo of our EiQ platform →](#)

75,000,000+
audit data points

Audit Data

25,000+ audits per year
300+ data points per audit
10+ years of audit history

Worker Viewpoints

Grievance mechanism 6,000+ per month
3,000+ worker surveys per year

eLearning Data

1 million+ course completions

500,000+
index values

Analytics Data

50+ supply chain indices | 200+ regions
20+ key sectors | 400+ products and services
200,000+ entities scanned for adverse media

250,000+
entities

Corporate Scorecards

500+ multi-nationals

Vendor Scorecards

15,000+ vendor profiles

Site Scorecards

50,000+ unique factories and farms



About LRQA:

The leading global assurance partner, bringing together decades of unrivalled expertise in assessment, advisory, inspection and cybersecurity services – underpinned by data-driven insights – to help its clients navigate a new era of risk.

Operating in more than 160 countries with a team of more than 6,000 people, LRQA's award-winning compliance, supply chain, cybersecurity and ESG specialists help more than 61,000 clients across almost every sector to anticipate, mitigate and manage risk wherever they operate.

In everything we do, we are committed to shaping a better future for our people, our clients, our communities and our planet.

Get in touch

Visit www.lrqa.com/uk for more information, email enquiries.uk@lrqa.com or call +44 (0)1221 817 4000



LRQA
1 Trinity Park
Bickenhill Lane
Birmingham
B37 7ES

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