



2# PROJECT STATUS REPORT

Developing a Sustainability Assessment Standard
Framework (SASF) for the global ICT industry

October 2015

We are on track

With the Sustainability Assessment Standard Framework (SASF) - project we have set the ambitious goal of developing a comprehensive assessment tool to evaluate the environmental, social and utility aspects of ICT products and services.

Launched in February 2015, the SASF-project is initially scheduled to run until the end of 2015. In order to achieve a cohesive, sector-wide approach, we are proceeding with gradual improvements of the SASF. In the short term the aim of the SASF is therefore the application among GeSI member companies. In the initial period the SASF will be used as an internal management tool, allowing companies to manage their portfolios of sustainable products and services, and will provide a solid foundation for further improvements as well as for policy/decision-making purposes. After the SASF has been applied and tested intensively in a business environment, the framework is to be gradually improved towards achieving a sector-wide standard.

Figure 1: The project phases in detail. The green arrow marks the current project status.

framework should allow the assessment of products and services. For this reason the evaluation is focused on three important pillars of ICT: Networks, Data Centre and End-User Hardware. Focusing on these three components allows for the definition of more specific indicators while remaining applicable to a majority of ICT products and services. All three currently identified components have repeatedly been identified as important not only in terms of energy consumption/GHG emissions but also other sustainability impacts (c.f. GeSI Smarter 2030 study).

Furthermore, the following requirements are taken into consideration for the development the SASF:

- **Comprehensiveness:** Assessing environmental, human rights and utility aspects and on a qualitative level also indirect benefits.
- **Practicality:** Use and referencing of existing standards and tools; focus on most important aspects in the supply chain.
- **Modularity:** Applicable to diverse ICT current/future products and in very different companies in different ICT sub-sectors.
- **Relevancy:** Focus on most important topics; weighting between criteria, sub-criteria and indicators possible and substantiated.
- **Acceptance:** Transparency in criteria, criteria development and assessments.

The SASF elaboration requires the participation and contribution of relevant actors in order to ensure the validity of its outcome. For this reason, we have chosen a transparent process, involving external experts at different stages. Key actors within the ICT sphere have the opportunity to participate actively during the course of the project through workshops and webinars.

Stakeholder engagement as a key driver for success

A key element of active stakeholder participation throughout this project is a series of procedural integration steps. These include two stakeholder



What do we mean by a 'comprehensive' framework?

Since we have the aim to develop a framework for a versatile industry with diverse sub-sectors, the framework should be usable by different companies, from hardware manufacturers to service providers. This also implies that the

workshops (April and September) and two webinars (June).

The first SASF Stakeholder Dialogue (see #1 Project Status Report) took place on April 28th. The meeting marked the starting point for an ongoing stakeholder exchange and was particularly intended to provide project information to the participants and to jointly identify the possible challenges and opportunities which could occur in the development of such a project.

The second Stakeholder Dialogue on September 25th 2015 pursued the goal of discussing the first draft of framework criteria and indicators in detail and reflecting on the proposed weighting system.

To serve stakeholders from overseas who were not able to join in the meeting we also organized webinars. In these and in parallel to the first Stakeholder Dialogue in Brussels, the provision of project information and the discussion of challenges and opportunities were central (please find the webinar recording on our project website: <http://gesi.org/portfolio/project/81>).

Milestone: Second Stakeholder Dialogue

To validate the progress to date and gather feedback on the adjustments needed, a number of stakeholders were invited to join the project team for a one-day workshop in Brussels. The group debated the sets of criteria and related indicators developed so far, and discussed the specific areas

of Environment and Human Rights.

For the workshop we set the following targets: (1) Evaluating the proposed criteria and indicators of the framework and (2) Reflecting on the weighting system.

At the outset of the meeting, the past months of the SASF development were reviewed. The learnings from the first stakeholder meeting and the webinars have been incorporated into the framework. Participants from the first meeting particularly highlighted the challenging issue of integrating indirect benefits in the evaluation. It was mentioned that the framework should avoid neutralizing negative impacts by focusing too much on the benefits side (see #1 Project Status Report). The project group therefore decided to approach indirect benefits separately from Environment, Human Rights and Utility aspects. Benefits are best captured in validated qualitative or quantitative statements.

Once the development and current status of the SASF had been presented, the breakout session started in which the experts were invited to join either an Environmental or Human Rights table.

Lessons learned from the 2nd Stakeholder Dialogue

In the light of progress towards a comprehensive assessment, the participants generally agreed on the range of presented criteria and indicators. Nonetheless valuable findings and learnings were identified which will support the finalization of the framework.

List of participants (Stakeholder Dialogue, Sept 25th)

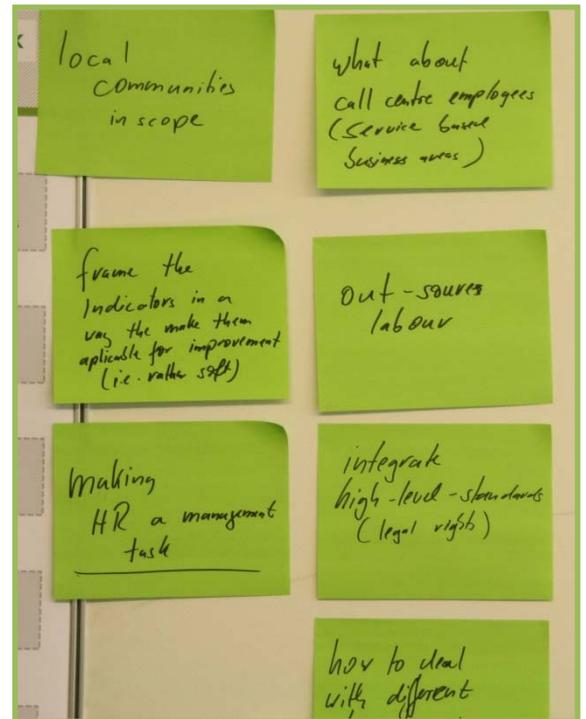
- Anders Andrae, Huawei
- Christian Behrendt, Stakeholder Reporting
- Sylvie Feindt, DIGITALEUROPE
- Carolin Friedrich, Stakeholder Reporting
- Andreas Harker, Swisscom
- Thomas Henschel, Mediationsakademie
- Friedel Hütz-Adams, SÜDWIND
- Cristobal Irazoqui, European Commission
- Judith Lichtenberg, Global Network Initiative
- Danaé List, GeSI
- Kan Matsuzaki, IndustriALL Global Union
- Anne Meldau, Oekom Research
- Yves Nissim, Orange
- Geert Paemen, Telefónica
- Heinz-Gerd Peters, Deutsche Telekom
- Siddharth Prakash, Oeko-Institut
- Rasmus Prieß, Oeko-Institut
- Sandeep Rana, Samsung
- Danilo Riva, ETNO / Telecom Italia
- Daniel Schien, University of Bristol
- Monica Schroeder, European Commission
- Hanna Sjölund, UNI Global Union
- Christoforos Spiliotopoulos, ECOS
- Chiara Venturini, GeSI
- Michael Winter, Stakeholder Reporting

The following general comments were made:

- The stakeholders appreciate the decision that indirect benefits have been excluded from the scoring system.
- Recognition that data protection, privacy and freedom of speech are included in the assessment.
- The participants stressed that the current status of the SASF seems too hardware-driven. Aspects should target products and services on an equal footing (e.g. include a service carbon footprint), since the innovation of the SASF is its character to include services in the assessment.
- The presented weighting setting for products and services is value-driven but a sound starting point for further development.
- A 'scenario approach' could be applied within the SASF, with different weighting schemes to identify additional potentials within the ICT supply chain.
- Clarify how to address services more specifically (e.g. music streaming).
- A range of indicators can already be applied from existing standards (e.g. ETSI), pushing the SASF towards a standard approach. The upcoming pilot cases provide an opportunity to better understand which specific indicators are actually in use.
- In general, it was recommended to focus more on ILO core conventions for Human Rights aspects. The project team emphasized that the current systematic approach covers not only employees but also local communities, their environment and society in general. However, there was an agreement to include ILO core conventions for all levels of the supply chain.
- The challenge was stressed that ICT production is often located in emerging countries (e.g. Asia), where worker representation is non-existent and governmental regulations hinder human rights as freedom of expression and privacy. According to the current systematic, infringements of the abovementioned human rights are still to

be avoided by the company as international agreements and declarations on human rights are rated higher than national and local laws.

- There was a suggestion to differentiate between three levels of verification: questionnaires, platforms and audits – and to weight respective levels of compliance accordingly.



Outlook: What's Next

The first Stakeholder Dialogue marked the starting point for an ongoing stakeholder exchange. The findings from the discussions formed the basis for the SASF indicator-development phase. The second meeting on September 25th aimed to gather specific stakeholder advice on the proposed framework structure and to discuss criteria and indicators on a content level. Moreover, the project team demonstrated how the feedback from the first meeting has been included into the design of the current SASF.

In summary, the participating stakeholders support and appreciate our ambition to develop a holistic assessment framework for the global ICT industry. However, the meeting made clear that to some extent the SASF needs further adaptation in order to cope with the demands. In this context, a key take-away is the need to address the evaluation of services more explicitly. In addition, the discussion highlighted that the scheduled pilot phase in October/November will be essential for the completion of the SASF.

Upcoming pilot phase: testing the applicability of the SASF

The main objective of the pilot phase is to pre-test the applicability of the first draft of SASF for the global ICT industry. Specifically, the following aspects of the SASF need to be tested:

- Understandability and interpretation of the terms used, as well as of the major elements of the SASF (criteria, sub-criteria, indicators, levels of achievement, evidence, scores and weighting).
- Understanding of major content-based challenges faced when applying the SASF (e.g. data requirements, temporal, financial and workforce related constraints)
- Relevance for the ICT industry.

After the pilot testing is completed, the feedback from the companies will be included in the finalization of the framework.

With regards to the project plan, the next upcoming milestones are:

- Pilot Phase in October/November
- Finalization of the framework by including the learnings from the case studies in November/December
- Share the final SASF and communication of results in January 2016.

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