



## GET IT FAIR "ESG RATING SCHEME" AND SISTEMA ITALIA FOR RESPONSIBLE SUPPLY CHAINS

**FEB 22, 2022 | 12:00 PM - 1:15 PM**



OECD Forum on Due Diligence in the  
Garment and Footwear Sector



**KEY NOTE SPEAKER**  
**Cesare Sacconi**

(Diligentia ETS President) - Get It Fair  
ESG Rating scheme for responsible supply chains



## EMERGING NEEDS

How to provide  
credible and  
reliable  
information on  
the non-financial  
or ESG risks?

# Credible and reliable information on non-financial risks

## ORGANIZATIONS

Need to mitigate the level of exposure to non financial risks that could compromise their reputation and to disclose reliable Corporate Sustainability Reporting (**Responsible Organizations**)

## BUYERS

Need to mitigate the level of exposure to non financial risks in the supply chains by adopting more stringent and credible Due Diligence (**Responsible Sourcing**)

## BANKS

Need to integrate the credit risk model with reliable ESG rating risks  
(**EBA - Loan Origination and monitoring**)

## INVESTORS

Need to take decisions on the basis of ESG risks to protect their investment from unexpected non-financial risks  
(**Responsible Investment**)

## CONSUMERS

Wish to take purchasing decision on the basis of reliable information available at the point of sale regarding the responsibility of suppliers and the sustainability of products.  
(**Responsible Consumption**)

# The galaxy of EU Regulatory framework

## **Directive 2014/EU**

Disclosure of non-financial information  
by certain large undertakings and  
groups (under modification)

## **Regulation EU 2019/2088**

sustainability-related disclosures  
in the financial services sector

## **Regulation EU 2020/852 (Taxonomy)**

on the establishment of a framework  
to facilitate sustainable investment,  
amending Regulation (EU) 2019/2088

## **Proposal for a Directive (2021)**

on corporate Due Diligence  
and Corporate Accountability

## **Proposal for a Directive (2021)**

as regards corporate  
sustainability reporting

**EU FRAMEWORK**







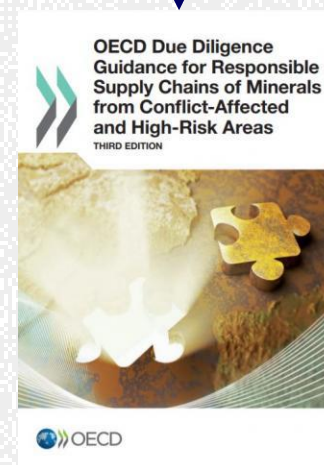
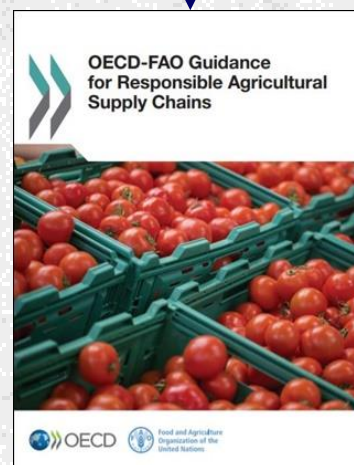
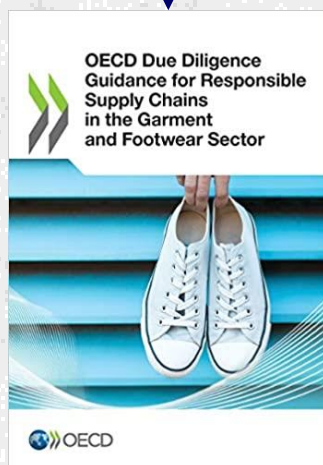
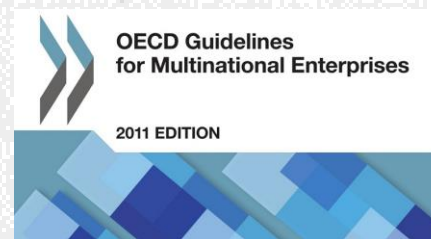
# DUE DILIGENCE



## Guidelines for responsible supply chains

“Due diligence on **actual or potential adverse impacts (risks)** related to the following topics :

- human rights, including workers and industrial relations
- Health and safety
- environment,
- bribery and corruption,
- consumer interests (RBC issues)”



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We need to find  
an answer to  
the following  
questions

## Key questions

How to **optimize and integrate a Due Diligence process** and meet the needs of different stakeholders in compliance with emerging rules?

How to provide Stakeholders with reliable and credible information regarding the “**forward looking**” **ESG risks to support the Corporate Sustainability Reporting certification?**

How to grant **ethical claims and label according to international standards** interlinking the organization and its supply chains?

# A jigsaw puzzle

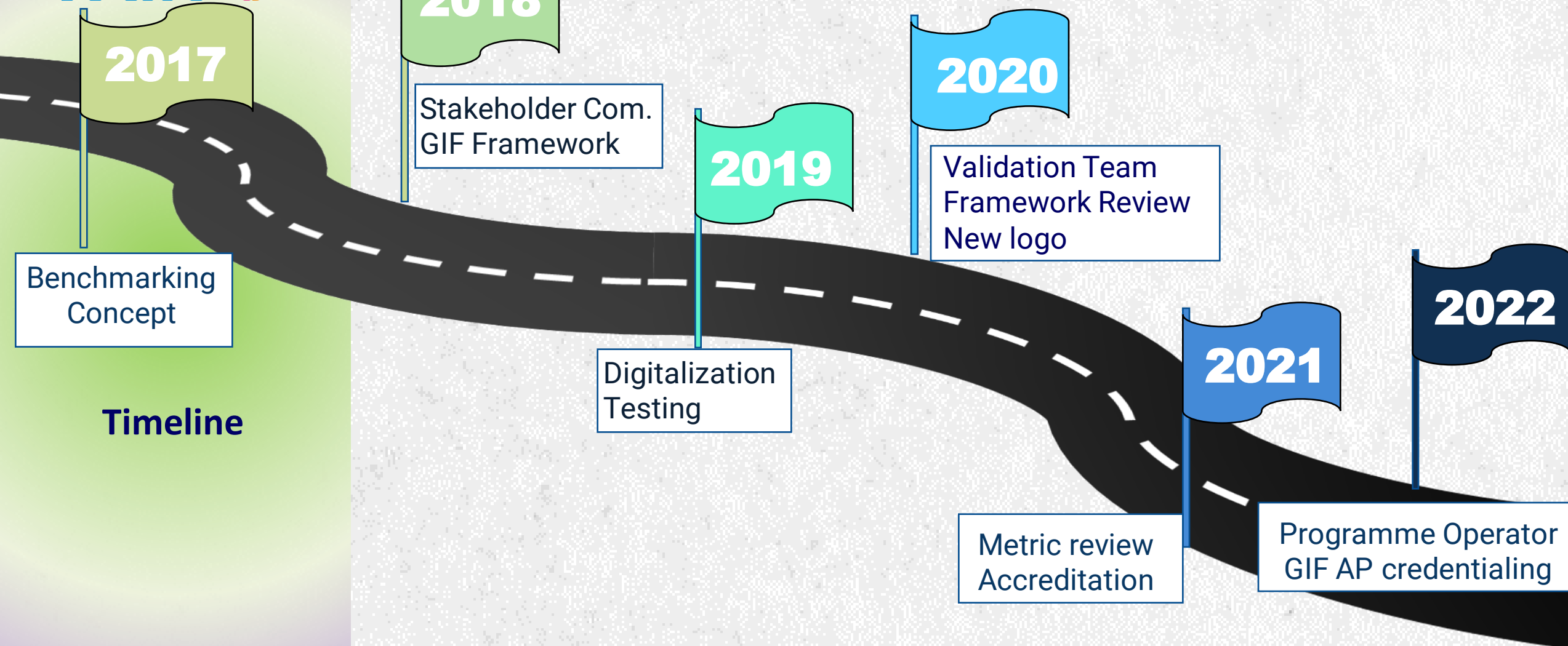


## THE JIGSAW

How to design a programme able to meet different stakeholders' needs



# 5 years journey to reach the final destination



**Timeline**

**We propose**



*Responsible Organization*

**Get It Fair**  
**“GIF ESG Rating scheme”**  
**for «Responsible Organization»**





## WHAT IS

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A programme  
for ethical claim  
validation  
(UNI/Pdr 102 – 1)

### **“Get It Fair “GIF ESG Rating Scheme”**

**Programme** aiming to grant the  
**“GIF Responsible organization” validated claim**  
based on a reasonable quantitative evaluation (scoring) of the  
**exposure level to risks of actual or potential events**  
**that can result into future adverse impacts**  
on the organization and its Stakeholders related to:

- **Governance and Management system**
- **Social**
- **Health and Safety**
- **Environment**
- **Business Ethics**



*Responsible Organization*

# ONE FRAMEWORK → ONE DUE DILIGENCE → MULTIPLE OUTPUTS



Covering the social responsibility aspects and ESG risks based on OECD guidance and ISO 26000

A single assessment to evaluate all the ESG risks according to ISO 17029



Diligentia community services



# GIF GOVERNANCE

## Roles and responsibilities

Development

Scheme Owner

MOU

ACCREDIA

Promotion  
VB approval  
GIF AP register



VBs  
Accreditation:  
ISO 17029 &  
Get It Fair

Credentialing



Validation

Validation Body 01

Validation Body ..

Validation Body nn

Validated Organizations

Organization 01

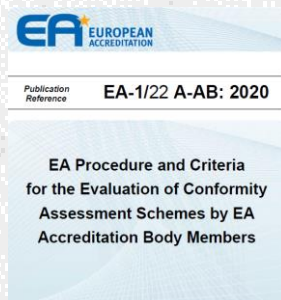
Organization 02

Organization nn

**Please be patient!**  
**Just a few concepts before take off**







## Validation (ISO 17029)

## Validation programme

**Programme (Conformity Assessment Scheme) – ISO 17000**  
documented and publicly available set of requirements which establishes:  
**the Object, the requirements** against which conformity is to be assessed,  
the **mechanism** by which conformity is to be assessed and **Any specific requirements, application or interpretation**

**Statement, symbol, graphic or report that declares one or more ethical aspect of a product, process, service or organization**

Confirmation of a «claim», **through the provision of objective evidence** that the requirements for a specific intended use or application have been fulfilled.  
(confirmation of plausibility of assumptions)

**The validation programme should comply with a set of requirements specified in ISO/IEC 17029 standard – Annex 2**







# What makes Get It Fair unique

**TAKE OFF**

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## AT GLANCE

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**ESG rating scheme  
aiming to grant a  
validated ethical  
claim**

### **10 key features making Get It Fair credible and reliable**

- 1) Program approved for accreditation scopes** according to international standards
- 2) Focus on the organizations and its ethical characteristics**
- 3) Reference to international guidelines (OECD) and standards (ISO 26000)**
- 4) Comprehensive framework:** Governance, Social, Safety, Environment, Ethics)
- 5) Forward looking risk evaluation approach (Predictive)** as required by OECD
- 6) Semi-quantitative scoring system** representing the level of exposure to risks
- 7) Due Diligence based on site visit** (referring to ISO 17029 standard)
- 8) Assessment conducted by certified professionals** (GIF APs)
- 9) Thresholds established** for passing the Due Diligence
- 10) Third party accredited body** to ensure competence, impartiality and integrity

## RECOGNITION

Approved for  
accreditation  
purposes

# Positive evaluation for accreditation scopes

**1° Validation Programme based on an ESG Rating worldwide approved for accreditation purposes** according to international (ISO 17033 and ISO 17029) and national (UNI/Pdr 102:2021) standards by an internationally recognized accreditation body: ACCREDIA

<https://www.accredia.it/en/servizio-accreditato/gif-esg-rating/>







## REFERENCES

Internationally  
recognized  
guidance and  
standards

GET IT  
FAIRO  
FRAMEWORK





## **HOLISTIC FRAMEWORK**

**Composed of  
three integrated  
elements**

**Three components**

**THE SEVEN  
PRINCIPLES**

**SCORING  
SYSTEM**

**THE GIF CRITERIA**



## CRITERIA

### Structure of the GIF Criteria

# Comprehensive and structured criteria



5 Criteria



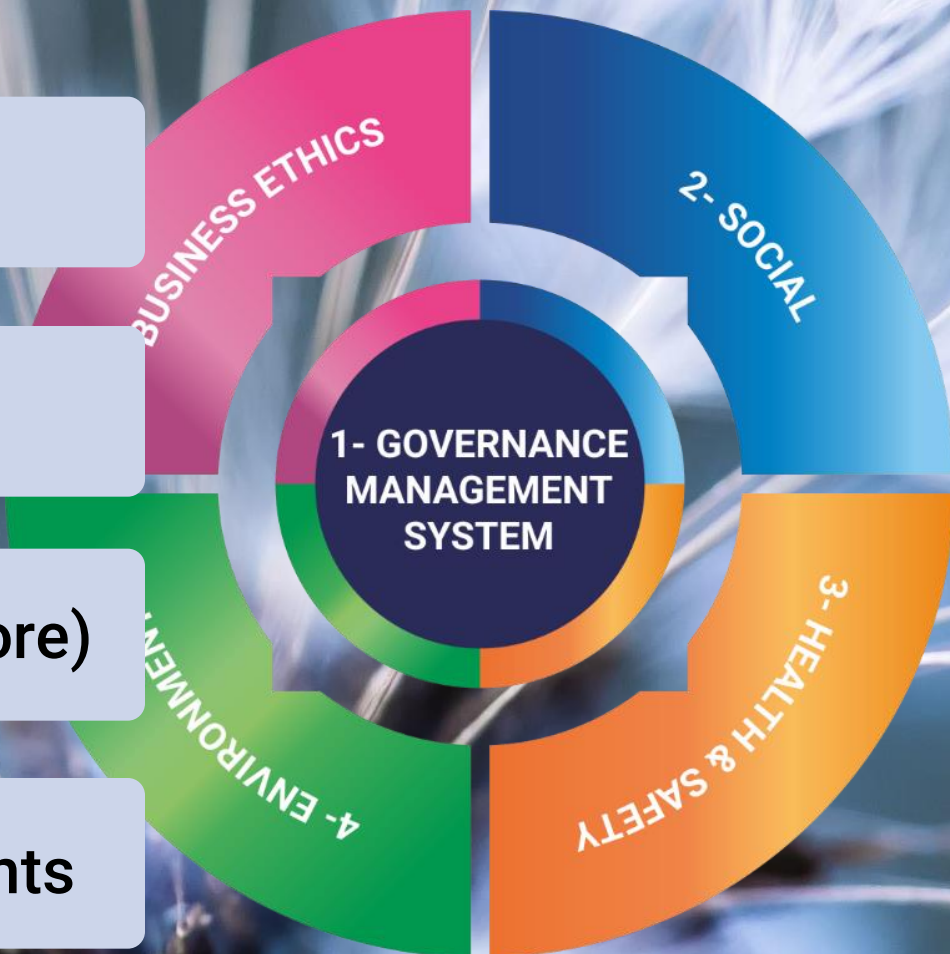
18 Topics



75 Areas (Core & Non Core)



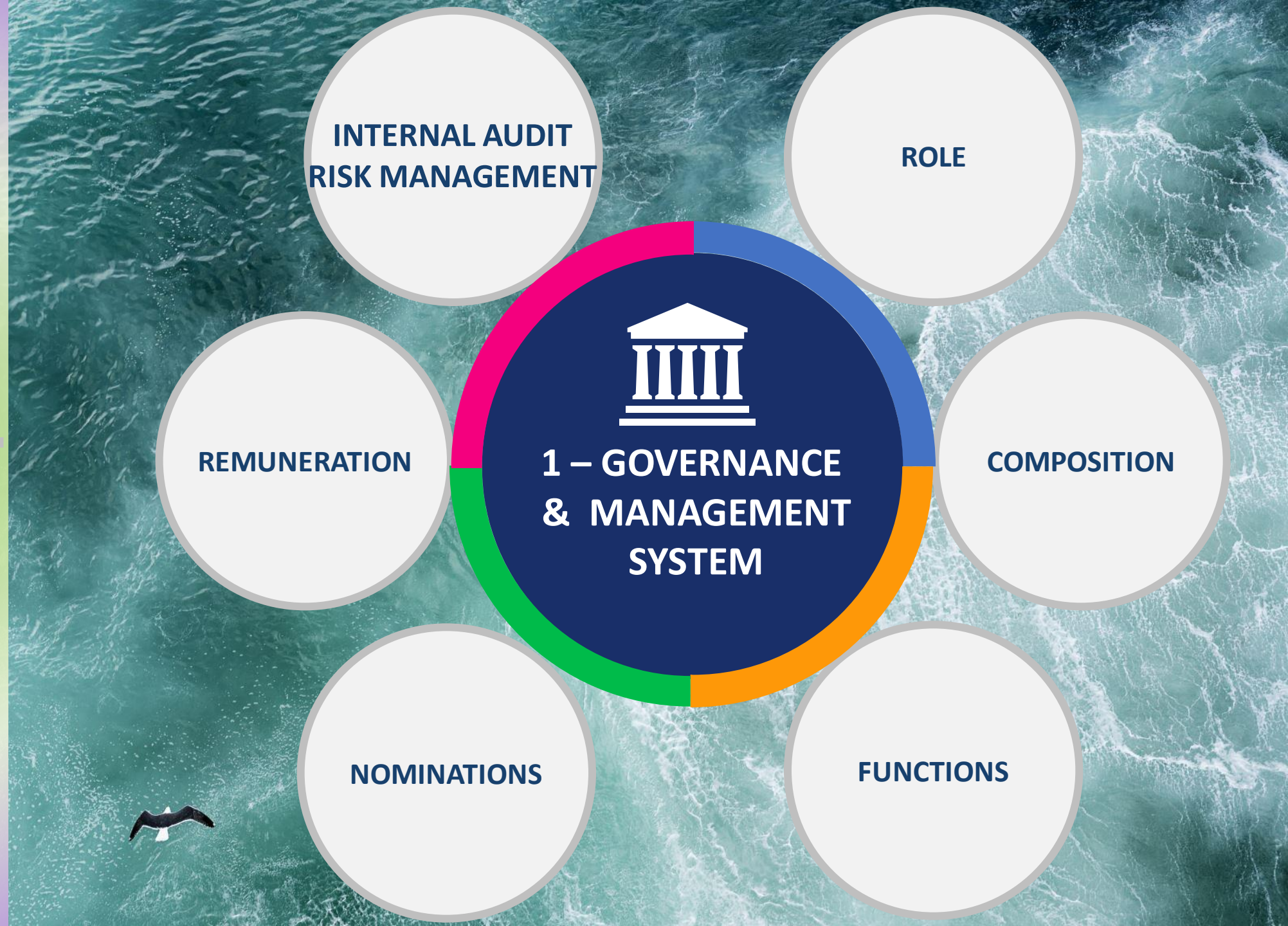
Over 500 Assessment Points





## GOVERNANCE

How the  
Governance Body  
governs and  
control social  
responsibility





# MANAGEMENT SYSTEM

How an integrated  
Social responsibility  
management  
system is  
established and  
implemented





## SOCIAL

Minimize the risk  
of adverse impacts  
related to  
human rights and  
labour practices

### HUMAN RIGHTS

#### METRIC

Level of exposure to  
**social risks**  
in operations and  
their supply chain

### LABOUR PRACTICES

### LOCAL COMMUNITY

Avoidance of complicity

Child Labour [CORE]

Discrimination and equal opportunities [CORE]

Forced Labour [CORE]

Civil and political rights

Employment and employment relationship

Working Time [ CORE]

Remuneration and Wage [CORE]

Social Dialogue [CORE]

Welfare and Worklife balance

Community relationship

Social/financial value for communities

5 GENDER  
EQUALITY



8 DECENT WORK AND  
ECONOMIC GROWTH



10 REDUCED  
INEQUALITIES





## SAFETY

Minimize the risk  
of adverse impacts  
related to health  
and safety

3 GOOD HEALTH  
AND WELL-BEING



8 DECENT WORK AND  
ECONOMIC GROWTH



### SAFETY

#### METRIC

Level of exposure to  
health and safety risks  
in the operation and  
its supply chain

### WELFARE

Violence by animal or person

Transportation incidents

**Fire and Explosions [CORE]**

Falls, slips, trips

Exposure to harmful environment

**Exposure to harmful substances [CORE]**

**Exposure to electricity [CORE]**

Contact with object and equipment

**Struck, caught or crushed in collapsing structure,  
equipment or material [CORE]**

Over exertion and bodily reaction

Welfare



## ENVIRONMENT

Minimize the risk  
of adverse  
impacts to the  
environment

### POLLUTION & EMISSIONS

Waste  
**Water pollution [CORE]**  
Air pollution  
Toxic hazardous chemicals and other sources  
of pollution

### GREENHOUSE EMISSIONS

**GHC Emissions [CORE]**

#### METRIC

Level of exposure to  
environmental risks  
in the operation and  
its supply chain

### SUSTAINABLE RESOURCES

Materials consumption  
Energy consumption  
Water consumption

### PROTECTION OF THE ENVIRONMENT

Environmental Compliance  
Natural system  
Pesticide and fertilizers impact  
Animal welfare





## BUSINESS ETHICS

Minimize the risk  
of adverse impacts  
due to unfair  
business practices

12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



16 PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



### FAIR OPERATING PRACTICES

#### METRIC

Level of exposure to  
business ethics related risks  
in the operation and  
its supply chain

### CONSUMER ISSUES

#### Anti-corruption [CORE]

Fair competition  
Promoting social responsibility  
Respect of property rights

#### Fair marketing, unbiased information [CORE]

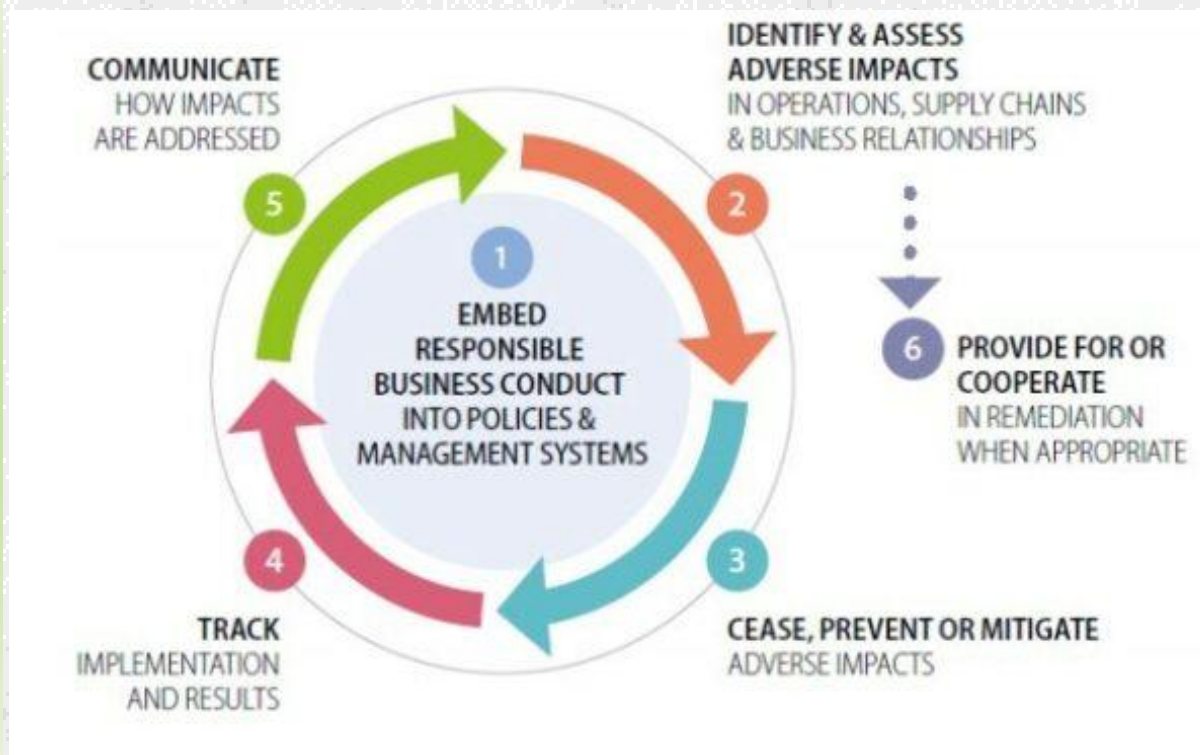
#### Consumers health and safety [CORE]

Sustainable consumption  
Customer service, supports and complaints  
Customer data protection and privacy  
Consumers' education and awareness

# Governance & Management system alignment

## ALIGNMENT

How to confirm  
the plausibility  
of assumption:



STAKEHOLDER ENGAGEMENT

MATERIALITY

POLICY

KPI AND OBJECTIVES

ESG RISK MANAGEMENT

MITIGATION PLANS

OPERATIONAL CONTROLS

INTERNAL AUDITING

MANAGEMENT REVIEW

DISCLOSURE



## EMERGING NEEDS

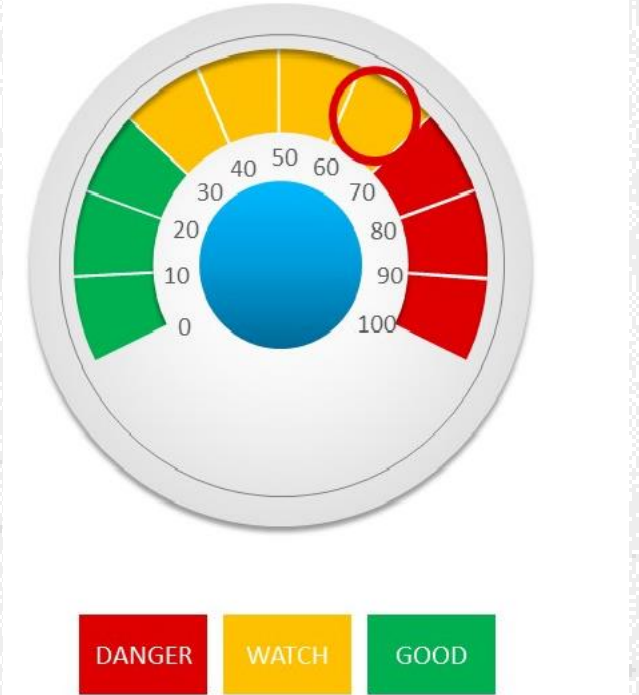
### Evolution of Non- financial risks information

(OECD Due Diligence  
Guidance for  
Responsible Business  
Conduct - 2018)

From  
Retrospective or current



Towards  
Looking forward  
**RISK EXPOSURE**



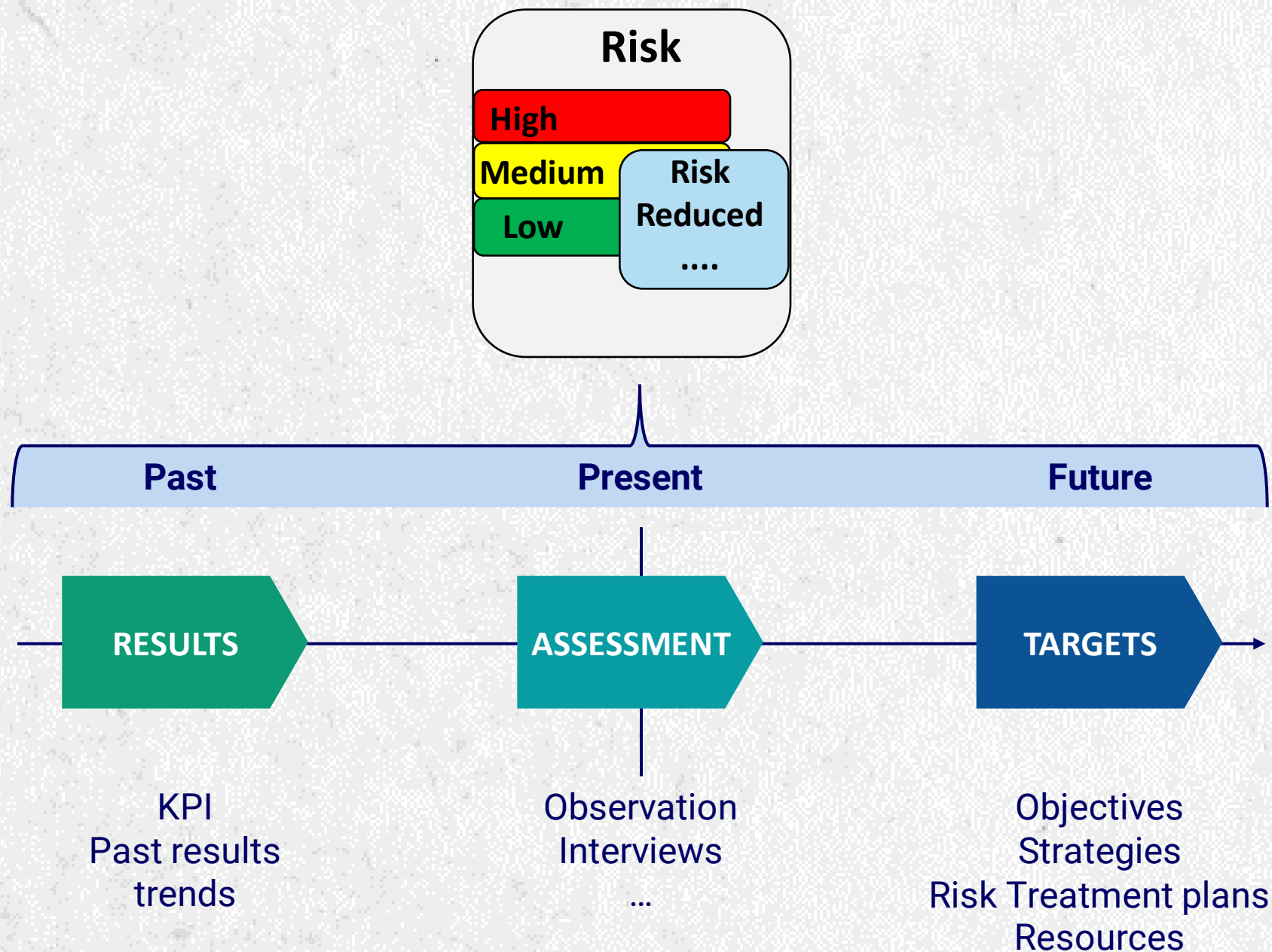
**Due diligence addresses actual or potential adverse impacts (risks) related to the following topics: human rights, including workers and industrial relations, environment, bribery and corruption, disclosure, and consumer interests.**



## PREDICTIVE EVALUATION

How to confirm  
the plausibility  
of assumption:

### «Forward-looking» risk evaluation



## VERIFICATION

Only a site visit  
allows to verify  
and determine  
the exposure to  
ESG risks

## Site assessment: focal point

Self-assessment, algorithms and publicly available information do not provide reliable information on the ESG Risks

**Only a site assessment allows to gather objective evidence (documents, plans, records, interviews, observation,) and support a “forward looking” risks’ evaluation**



## **DUE DILIGENCE**

**Based on Site  
Assessment to  
cover all  
ESG risks  
(ISO 17029 – A2 c)**











**GIF AP**

**Credentialing  
system –  
Designation and  
description**

## Certified professionals

Only professionals trained and certified according to stringent eligibility criteria including education, work and audit experience can be appointed in an assessment team.

Without knowledge and experience the professional judgement on the non-financial risk exposure cannot be consistent.

Designation	Description
 The logo for GIFAP ASSESSOR features a circular graphic with four colored segments (blue, green, orange, pink) and the text "GIFAP ASSESSOR" in a bold, blue sans-serif font.	Credential for practitioner in the field social responsibility and ESG risks management able to conduct Due Diligence according to the GIF ESG Rating Scheme.
 The logo for GIFAP GOVERNANCE features a circular graphic with four colored segments (blue, green, orange, pink) and the text "GIFAP GOVERNANCE" in a bold, blue sans-serif font.	Credential for practitioner in the fields of social responsibility and ESG risks with technical competence and ability to assess and evaluate the Governance and Business Ethics risks.
 The logo for GIFAP TE SOCIAL features a circular graphic with four colored segments (blue, green, orange, pink) and the text "GIFAP TE SOCIAL" in a bold, blue sans-serif font.	Credential for practitioner in the fields of social responsibility and ESG risks with technical competence and ability to assess and evaluate the health & safety and environmental risks.
 The logo for GIFAP TE HSE features a circular graphic with four colored segments (blue, green, orange, pink) and the text "GIFAP TE HSE" in a bold, blue sans-serif font.	Credential for practitioner in the fields of social responsibility and ESG risks with technical competence and ability to assess and evaluate the social risks.

**Ready for landing**

## **ARRIVAL**

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**What is there at  
your final  
destination?**







# Final Assessment Report

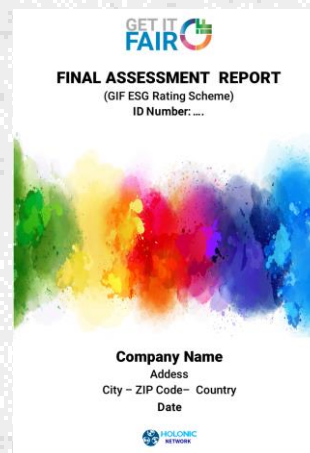
Strictly confidential document

- Prepared by the Lead Assessor
- Reviewed by the Validation Body reviewer
- Delivered to the assessed organization
- Includes findings and evidences
- Identifies improvement areas and strength points
- Includes the overall score and its breakdown per topic and areas

## MANAGEMENT

Reporting  
requirements  
(ISO 17033 - 8  
ISO 17029 – A2 f)

### Supporting information



Strictly  
Confidential



Publicly  
Available

Corporate  
Sustainability  
Reporting  
Certification



# Validated “GIF Responsible Organization” claim



*Responsible Organization*

## MARKETING

**Powerful  
marketing tool  
to distinguish  
the organization  
and its products**

This logo can be placed (ISO 17033):

- on a product or package label,
- in product literature,
- in technical bulletin,
- in advertising or in publicity
- In the WEB site





SALES

Ethical label and supporting information  
(ISO 17033 – 9.5.1)

# Ethical label for responsible supply chain

Linking products and units by mean of a standard for traceability: UN-UNECE

Yarn

SCAN & CHECK RESPONSIBLE SUPPLYCHAIN	
Raw material	Origin: Uzbekistan
Raw material manufacturing	GET IT FAIR
Material manufacturing	
Component manufacturing	
Finished good manufacturing	
Product Storage	
Use	
Reuse/Recycle	
GIF third party ethical labelling programme According to ISO/TS 17033	

Fabric

SCAN & CHECK RESPONSIBLE SUPPLYCHAIN	
Raw material	Origin: Uzbekistan
Raw material manufacturing	GET IT FAIR
Material manufacturing	GET IT FAIR
Component manufacturing	
Finished good manufacturing	
Product Storage	
Use	
Reuse/Recycle	
GIF third party ethical labelling programme According to ISO/TS 17033	

T-shirt

SCAN & CHECK RESPONSIBLE SUPPLYCHAIN	
Raw material	Origin: Uzbekistan
Raw material manufacturing	GET IT FAIR
Material manufacturing	GET IT FAIR
Component manufacturing	GET IT FAIR
Finished good manufacturing	GET IT FAIR
Product Storage	
Use	
Reuse/Recycle	
GIF third party ethical labelling programme According to ISO/TS 17033	

Button

SCAN & CHECK RESPONSIBLE SUPPLYCHAIN	
Raw material	
Raw material manufacturing	
Material manufacturing	
Component manufacturing	GET IT FAIR
Finished good manufacturing	
Product Storage	
Use	
Reuse/Recycle	
GIF third party ethical labelling programme According to ISO/TS 17033	



The GIF Due Diligence process, based on a site assessment  
And conducted by certified professionals  
enables the Corporate Sustainability Reporting certification  
with a “**reasonable assurance level**”

## COMPLIANCE



**Corporate  
Sustainability  
Reporting Directive  
(Proposal)**

	Limited	Reasonable
<b>Approach</b>	Documentary approach	Extensive approach including consideration of internal controls of the reporting undertaking
<b>Tests</b>	Fewer	Substantive
<b>Work effort</b>	Less	Higher
<b>Conclusion</b>	<b>Negative form</b> of expression by stating that no matter has been identified by the practitioner to conclude that the subject matter is materially misstated	<b>Positive form</b> of expression and states an opinion on the measurement of the subject matter against previously defined criteria





# Who is Get It Fair for

## BENEFITS

Get It Fair meets the stakeholders needs of credible and reliable information on the ESG risks

### ORGANIZATIONS



**Corporate Sustainability Reporting Certification**  
with «Reasonable Assurance Level  
In compliance with EU Directives

### BUYERS



**Responsible Sourcing**  
supporting buyers to conduct Due Diligence on suppliers according to OECD guidance for responsible supply chains

### BANKS



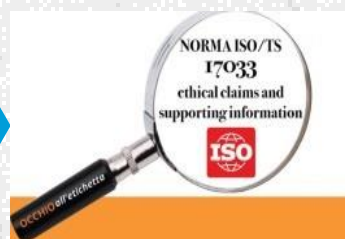
**LOM (Loan Origination and Monitoring)**  
supporting banks in embedding ESG Rating in the credit risk according to EBA guidelines

### INVESTORS



**Responsible Investment**  
supporting financial market players in implementing the EU Regulation 2019/2088

### CONSUMERS



**Responsible Consumption**  
providing customers with verified ethical claims and labels according to international standards



## **PUZZLE DONE**

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**Get It Fair meets  
different  
stakeholders  
needs**

**Final destination**







**BE RESPONSIBLE!  
GET IT FAIR**

**[www.getit-fair.com](http://www.getit-fair.com)**