

Bettercoal Case Study

UL provides advisory services to promote continuous improvement of corporate responsibility in the coal supply chain.

The Challenge

In 2010, a group of European energy utilities started discussions on establishing a new initiative that would promote the continuous improvement of corporate responsibility in the coal supply chain. After consultations with a variety of stakeholders, Bettercoal was created as a global not-for-profit organization to advance improvement of corporate social responsibility in the coal supply chain.

The organization's vision is a coal supply chain that protects the environment, respects the rights of people and contributes positively to the livelihoods of workers and communities. Bettercoal hopes to advance the continuous improvement of the ethical, social and environmental performance of coal mines by improving business practices through engagement with stakeholders and based on a shared set of principles laid out in the Bettercoal Code. To create this framework, Bettercoal needed support to develop materials to inform suppliers on Bettercoal's principles and tools to assess the performance of suppliers in the implementation of the Code.

UL's Work

In 2012, UL's Responsible Sourcing group began working with Bettercoal to create supporting documents to disseminate Bettercoal's guidelines and implement onsite assessments. Our team of human rights and risk identification managers developed a series of tools for the organization based on UL's extensive experience with supply chain management programs, a thorough research of initiatives similar to Bettercoal, and various consultations with the Bettercoal team.

UL delivered a suite of tools to operationalize the Bettercoal framework. These included:

- Code Guidelines for third party assessment companies detailing the Bettercoal Principles and expectations for their implementation,
- A quantitative Grading Matrix to evaluate implementation of the Code,
- Assessment Procedures outlining policies that should be followed by third-party assessors,
- · Assessment Preparation Guidelines, and a
- Self-Assessment tool to gather supplier data in anticipation of onsite assessments.







Expected Impacts

We believe these tools will enable Bettercoal to achieve its mission of advancing corporate responsibility in the coal supply chain more effectively. The tools help coal mine operations understand and implement the Bettercoal Principles, assist third party assessors with consistent and standardized evaluation of implementation of the Principles and allow Bettercoal to track the overall implementation of its Code across members and across time. The use of quantitative tools to assess performance will further help Bettercoal report on and communicate the progress and achievements of its objectives to internal and external stakeholders.

UL's Responsible Sourcing team helps coal mine operations understand and implement the Bettercoal Principles.



UL is a leading global provider of responsible sourcing auditing and advisory services, which include supply chain monitoring, research and program development, and training. UL's Responsible Sourcing team has the global footprint to provide services in over 140 countries.

For more information, email RSinfo@ul.com or visit ul.com

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