The hidden financial cost of weakening EU CSDDD

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Executive summary

After rejecting proposed cuts to the Corporate Sustainability Due Diligence Directive (CSDDD), the European Parliament has decided to relaunch negotiations.
The move doesn't kill the package; it resets it. Parliament will now revisit the text and its key provisions, putting both the scope and the legislative timeline under pressure.

At the heart of the debate lies one question: how far should the law reach, and at what cost?

So far, discussions on thresholds have focused on administrative burden, not on the financial consequences of narrowing the law's scope.

Key findings

- In France, AlphaYoda's analysis shows that raising the CSDDD threshold to 5,000 employees and €1.5 billion in turnover would exclude 52% of companies**,** initially in scope, particularly in **manufacturing, finance, and retail**, the sectors most exposed to ESG and supply-chain risks.
- For listed firms in the manufacturing sector, a **high-severity ESG controversy** leads to an average **€5 million loss in market value over two months (-0.8 %)**, and **€16 million over a year (-2.3 %)**.
- The financial cost of compliance, by contrast, represents only **0.13 % of the average shareholder payouts made in 2023**, a negligible burden compared with the potential cost of inaction.

Beyond market losses

Controversies rarely stop at stock-price impact.
They cascade into reputational, legal, and operational costs: investor lawsuits, consumer backlash, supply-chain disruption, and loss of market access. For investors, the message is equally clear: opacity is risk. As global supply chains grow more complex, investors are showing growing caution toward companies that lack transparency and traceability in their operations.

The bigger picture

Raising thresholds might appear to ease red tape, but it would shift oversight away from the sectors and firms where risks, and therefore financial exposure, are greatest.
In reality, regulation is not the source of Europe's competitiveness problem; it is part of the solution.
Due diligence prevents systemic shocks before they reach markets. Weakening it would not reduce costs, it would hide billions in potential losses behind a false sense of competitiveness.

AlphaYoda's perspective

AlphaYoda quantifies the financial consequences of ESG risks and controversies, translating complex data into measurable impact.
Our analysis shows that the real cost of the CSDDD debate is not in compliance, but in failing to account for the financial risks of inaction.

Introduction

After months of political tension, the European Parliament has rejected the “Omnibus I package” proposal to water down the Corporate Sustainability Due Diligence Directive (CSDDD).

Among the options discussed, one proposal suggested raising the thresholds from the original 1,000 employees and €450 million in turnover to 5,000 employees and €1.5 billion, a change that would have removed hundreds of firms from the directive’s scope.

Supporters justified this approach as a way to “reduce the regulatory burden” and protect European competitiveness.

The debate is far from over.

Negotiations will now restart from scratch, with new amendments to be voted on in November 2025. Once again, Parliament must decide how far the directive should reach, and how many companies should be held accountable for human rights and environmental risks in their supply chains.

So far, the discussion has focused almost exclusively on administrative costs and competitiveness.

But what about the financial cost of exclusion?

What would Europe lose in value, resilience, and oversight if hundreds of companies were left outside the CSDDD’s scope?

That is the question AlphaYoda set out to quantify.

This case study assesses the financial impact of the proposed threshold change in France (5,000 employees and €1.5 billion in turnover), the country that pioneered corporate duty of vigilance in 2017.

By linking controversy data, market impacts, and sectoral exposure, AlphaYoda reveals what policymakers have so far overlooked: cutting due diligence obligations may appear to ease pressure on business, but it could cost billions in hidden risks and long-term losses.

1. Understanding the CSDDD: origins, scope, and stakes

1.1 A landmark directive dividing Europe

In April 2024, the European Union adopted the **Corporate Sustainability Due Diligence Directive (CSDDD)**, a landmark law making large companies legally responsible for identifying, preventing, and addressing human-rights and environmental harms in their global value chains.

Since then, the directive has split Europe in two. On one side stand France and Germany, backed by major corporations such as TotalEnergies and Siemens, who have urged the law's repeal, warning that it threatens European competitiveness. In an open letter, they even called for the *"full abolishment of CS3D as a clear and symbolic signal."*

On the other side, a broad coalition of citizens, investors, companies, and academics defends the directive's ambition. Across Europe, more than 80 % of citizens believe multinationals should be legally required to prevent social and environmental harm. Over 260 scholars signed the Copenhagen Declaration, calling for simplification "without compromising ambition," while 480 signatories, including 134 investors and 88 companies, urged the EU to preserve the core of its sustainable-finance framework.

This debate matters because the CSDDD arrives at a pivotal moment. Trade tensions and tariff wars are redrawing global supply chains. As *The Conversation* (October 2025) reported, the new wave of U.S. tariffs is reshaping migration patterns and pushing production to countries with weaker labour protections, heightening the risk of exploitation. In this context, the CSDDD is less a regulatory constraint than a strategic safeguard, helping European firms compete responsibly in a market exposed to ethical and operational risks.

Before the CSDDD, Europe's due-diligence landscape was fragmented: France (2017), Germany (2021) and others adopted separate national laws with differing standards. The directive now seeks to harmonise these obligations, providing clarity and legal certainty across borders.

As the debate reignites, one thing is clear: the CSDDD will continue to shape Europe's political and economic agenda.

1.2 What the CSDDD covers

The CSDDD builds on decades of evolving global standards, from the UN Guiding Principles (2011) to the OECD Due Diligence Guidance (2018), which gradually turned voluntary norms into common expectations.

After repeated corporate scandals, from Nike to Rana Plaza, Europe's next step was to make responsibility binding, ensuring companies act on their commitments across global value chains.

In its original form, the directive applied to:

- EU companies with **more than 1,000 employees** and **€450 million in annual turnover**,
- Non-EU companies generating equivalent revenue within the Union.

The law requires companies to assess and act on risks throughout their value chains, covering both:

- Upstream: design, manufacturing, extraction, and sourcing;
- Downstream: distribution and storage.

(Activities directly related to product sale, use, or disposal are excluded from the definition of "chain of activities.")

However, financial institutions are largely exempt. Their due diligence obligations are limited to their own operations, subsidiaries, and upstream activities. They are not required to assess the social and environmental impacts of their clients or portfolios, a decision that has sparked intense debate, given the financial sector's influence on global supply chains.

What companies must do:

- Integrate due diligence into governance and risk systems.
- Identify and mitigate actual or potential human rights and environmental risks;
- Align their business models with the 1.5°C target under the Paris Agreement;
- Establish stakeholder engagement and grievance mechanisms;
- Publicly report on progress.

Non-compliance can be costly:
Companies face fines of up to 5% of global turnover, and victims gain the right to sue in national courts for damages resulting from negligence or inaction.

As the Parliament reopens the debate ahead of the November plenary, the CSDDD stands at a crossroads; its final shape, scope, and impact on European competitiveness remain wide open.

2. Who is left out? Mapping the missing half of the CSDDD

2.1 The shrinking scope of corporate accountability

Under the current thresholds of the CSDDD, **328 corporate groups fall within the scope of the regulation.** If the thresholds were raised to €1.5 billion in net turnover and 5,000 employees, more than half of these companies **(approximately 52%)** would be excluded, leaving only a limited number of corporate groups within the proposed scope.

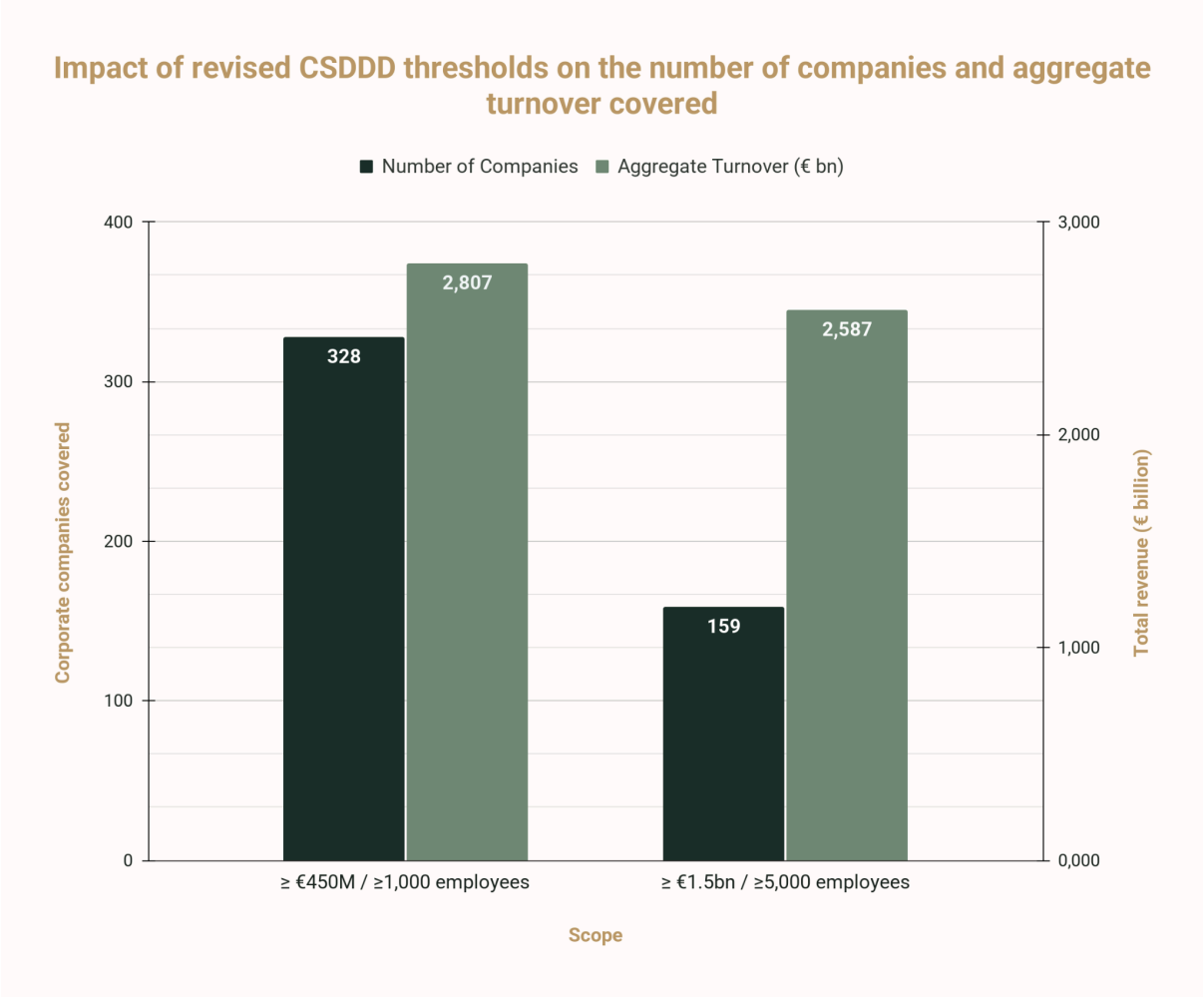


Figure 1: Impact of revised CSDDD thresholds on the number of companies and aggregate turnover covered in France

Now, let's look at the overall turnover loss. Even with this sharp drop in coverage, the total revenue of the companies still covered would fall by only **7.8%**, from **€2.8 trillion to €2.6 trillion**. In other words, the reform would cut the number of firms under scrutiny in half, but barely touch the economic weight of the system.

Most of Europe's industrial and mid-sized companies would slip out of the directive's reach, while the big multinationals would remain almost entirely covered. That was the idea: by raising the thresholds, the EU aimed to focus on the "systemically important" companies, the ones with real leverage over global supply chains.

However, that reduced number and aggregate revenue is only a part of the story. When Brussels redrew the CSDDD thresholds, it didn't just tweak a few figures in a spreadsheet; it redrew the map of accountability. To see the full picture, we need to take a closer look at the sectoral breakdown of who's in and who's out.

2.2 Manufacturing and finance: high exposure, low oversight

While the new threshold would exclude roughly **169 French companies**, the impact of the proposed threshold is far from evenly distributed.

To understand which parts of the economy would be most affected, AlphaYoda analysed the number of excluded firms and their aggregate turnover by sector.

Table 1 – Impact of the revised CSDDD thresholds by sector (France)

Nace sector	Companies under original threshold (≥ €450 M / ≥ 1,000 employees)	Companies under proposed threshold (≥ €1.5 Bn / ≥ 5,000 employees)	Companies excluded if new threshold applies
C - Manufacturing	87	45	**42**
K - Financial and insurance activities	52	24	**28**
G - Wholesale and retail trade, repair of motor vehicles and motorcycles	36	12	**24**
M - Professional, scientific and technical activities	45	25	20
J - Information and communication	31	12	19
L - Real estate activities	13	3	10
F - Construction	14	5	9
H - Transportation and storage	14	10	4
N - Administrative and support service activities	11	7	4
I - Accommodation and food service activities	5	3	2
D - Electricity, gas, steam and air conditioning supply	6	5	1
B - Mining and quarrying	4	3	1
Q - Human health and social work activities	3	2	1
E - Water supply, sewerage, waste management and remediation activities	2	1	1
O - Public administration and defence; compulsory social security	2	1	1
R - Arts, entertainment and recreation	2	1	1
S - Other service activities	1	0	1
TOTAL (All sectors)	**328**	**159**	**169**

The proposed threshold would exclude 42 manufacturing companies, 28 in finance and insurance, and 24 in wholesale and retail, together accounting for over half of all exclusions.

Why does this matter?
Because these are precisely the sectors most exposed to ESG and supply-chain risks. The reform doesn't make Europe safer; it simply moves risk out of sight, beyond regulatory oversight.
Across nearly all industries, the majority of environmental pressures (carbon emissions, water use, pollution, resource extraction) occur upstream, among suppliers and subcontractors.

According to the Principles for Responsible Investment (PRI)[1], manufacturing industries generate 70–96% of their environmental footprint in their supply chains.

The financial sector, though largely exempt from the CSDDD, carries over 98% of its impact through its financing and investment activities, deciding which projects get funded, insured, or scaled. For policymakers and experts, this exclusion is a major blind spot. Financial institutions act as leverage points in the global economy: their portfolios can accelerate the transition.

But environmental risk is only half the story.

Behind every supply chain lie social and human-rights risks just as pressing, and just as invisible[2]. The International Labour Organization (ILO) estimates that 63% of forced labour exploitation occurs in the private economy, with manufacturing and agriculture among the most affected sectors. Precisely the sectors most affected by the potential rollback of the CSDDD.

Many of these supply chains stretch across Asia and sub-Saharan Africa, where low labour costs often come at the expense of basic rights.

This vulnerability is structural.

Global supply chains in manufacturing are fragmented and opaque: most firms monitor only their Tier 1 suppliers, while real production often relies on Tier 2 and 3 workshops or even home-based workers with no contracts or protections.

Audits rarely go deep enough, leaving abuses hidden until a crisis breaks out. The collapse of the Rana Plaza factory in Bangladesh in 2013, which killed more than 1,100 garment workers, remains the starkest reminder of these systemic failures.

Together, these findings show that the sectors and regions most exposed to ESG and human-rights risks are precisely those most likely to be excluded from the CSDDD. The paradox is clear: the directive's scope is shrinking in the very areas where risk concentration is highest. The next section examines what this means financially, how much value and how much risk is effectively left out.

[1] See Appendix 2: UN PRI analysis of environmental impact distribution across value chains.
[2] See Appendix 3: Sectoral overview of supply-chain exposure to human-rights and social risks.

3. The cost of inaction: financial materiality of ESG risks under reduced CSDDD coverage

The proposal to raise the CSDDD threshold aims to reduce compliance costs for European firms.

Yet evidence suggests the opposite may occur: by excluding hundreds of companies, particularly in manufacturing, one of the sectors most exposed to supply-chain risks, Europe risks obscuring a significant share of financially material ESG risks from regulatory oversight.

At AlphaYoda, ESG controversies are treated as a key manifestation of these risks, events such as public scandals, regulatory sanctions, lawsuits, or NGO investigations in which a company's responsibility is directly or indirectly engaged. We quantify these controversies along two dimensions: direct market impacts and broader financial consequences, including reputational, operational, and compliance-related costs.

3.1 Financial impacts: when controversies destroy value

The central question is: what is the financial cost of excluding manufacturing companies from the CSDDD?

To assess this, AlphaYoda applied his methodology[3], which measures market-value losses following ESG controversies.

↘ € 5 million

Average market value loss for a listed manufacturing firm after a high-severity controversy (2 months)

↘ € 16 million

Average market value loss for a listed manufacturing firm after a high-severity controversy (12 months)

For listed manufacturing firms, a high-severity controversy can wipe out around **€5 million in market value over two months (–0.8 %), and up to € 16 million over a year (–2.3 %).**

These results align with Moody's Analytics (2022) research and academic findings of Lin, She & Yoon (2024) demonstrate that the impact of supply-chain ESG incidents is especially pronounced in business equipment and manufacturing industries.

In some cases, losses can be far greater.

[3] See Annex 1.3

The UK-based fast fashion retailer Boohoo paid a high price for its social failings. After allegations of modern slavery in its domestic supply chain, including wages below the legal minimum and breaches of health and safety protocols during the COVID-19 pandemic, the company's share price plunged by 40% in 2020, wiping out nearly £1.5 billion in market value.

The fallout didn't stop there.
Boohoo now faces a lawsuit from 49 institutional investors, who claim to have suffered losses due to the company's failure to disclose material information about labour rights violations at supplier factories. The investors are seeking over £100 million in damages, arguing that Boohoo breached its disclosure obligations under UK market regulations.

These figures are, of course, estimates. The actual impact of a controversy depends on its severity, its frequency, the size of the company, and the credibility of its response.

But the message is clear: manufacturing firms face financially material ESG risks, and excluding them from mandatory due diligence may obscure a large share of those risks from regulatory oversight.

Moreover, the manufacturing sector is highly exposed to social material risks, as shown in the previous section. According to Moody's, social controversies (S), those involving labour conditions, human rights, or community impacts, tend to erode market value more severely than environmental or governance incidents. For a sector that relies heavily on labour-intensive supply chains, this sensitivity translates into higher and faster market losses when such events occur.

Finally, smaller firms are not less vulnerable, quite the opposite.
Moody's finds that small- and mid-caps experience average **share-price declines of 17 %** over twelve months after a severe ESG event, compared with **7 % for large firms.** The data shows that controversies hit smaller companies faster and harder, reflecting their limited visibility, weaker monitoring, and fewer resources to manage crises.

Beyond short-term valuation shocks, ESG failures carry other financial risks, from reputational damage to legal costs, supply chain disruptions, and loss of market access.

3.2 Hidden costs: reputation, regulatory, and operations at risk

AlphaYoda sees that when companies fail to identify and address ESG risks in their operations and supply chains, the fallout spreads across three interconnected fronts: reputation, compliance, and operations.

Reputational risk

Reputation has become one of the most valuable and fragile assets a company owns. According to the World Economic Forum (2012), up to 25% of a firm's market value is directly tied to its reputation.

Social or environmental scandals break, whether linked to labour rights, deforestation, corruption, or greenwashing, the damage can be immediate and profound. Public outrage triggers media scrutiny, investor withdrawals, and consumer boycotts that can shake even long-standing brands.

The recent BHV–Shein affair in France is a textbook case.
In October 2025, the Parisian department store BHV, owned by the Galeries Lafayette group, announced the opening of a permanent retail space for Shein, the Chinese ultra–fast-fashion giant. The backlash was instant: strikes involving 150 employees, the withdrawal of partner brands, exclusion from the Fédération des grands magasins, and even the Bank of Territories suspending its partnership. A citizen petition quickly exceeded 100,000 signatures, and politicians publicly condemned the alliance.

Regulatory risk

Ignoring due diligence obligations no longer just damages reputation; it breaks the law. Across jurisdictions, new regulations on human rights and environmental compliance are turning soft principles into hard liabilities. Companies are exposed to fines, litigation costs, and remediation expenses, not to mention lost investor confidence.

The Ponemon Institute (2018) found that the cost of non-compliance is, on average, 2.65 times higher than the cost of compliance.

In France, the Duty of Vigilance Law (2017) has already led to a wave of lawsuits against major companies, including TotalEnergies, EDF, Casino, and Suez, for alleged failures to prevent human-rights or environmental abuses in their global supply chains. While no fines have yet been imposed, these cases signal a shift toward judicial accountability, where companies must demonstrate that they acted to identify and mitigate risks. Under the upcoming CSDDD, that exposure will become even clearer: firms found in breach could face financial penalties of up to 5 % of global turnover, alongside civil liability for victims of harm.

Operational risk

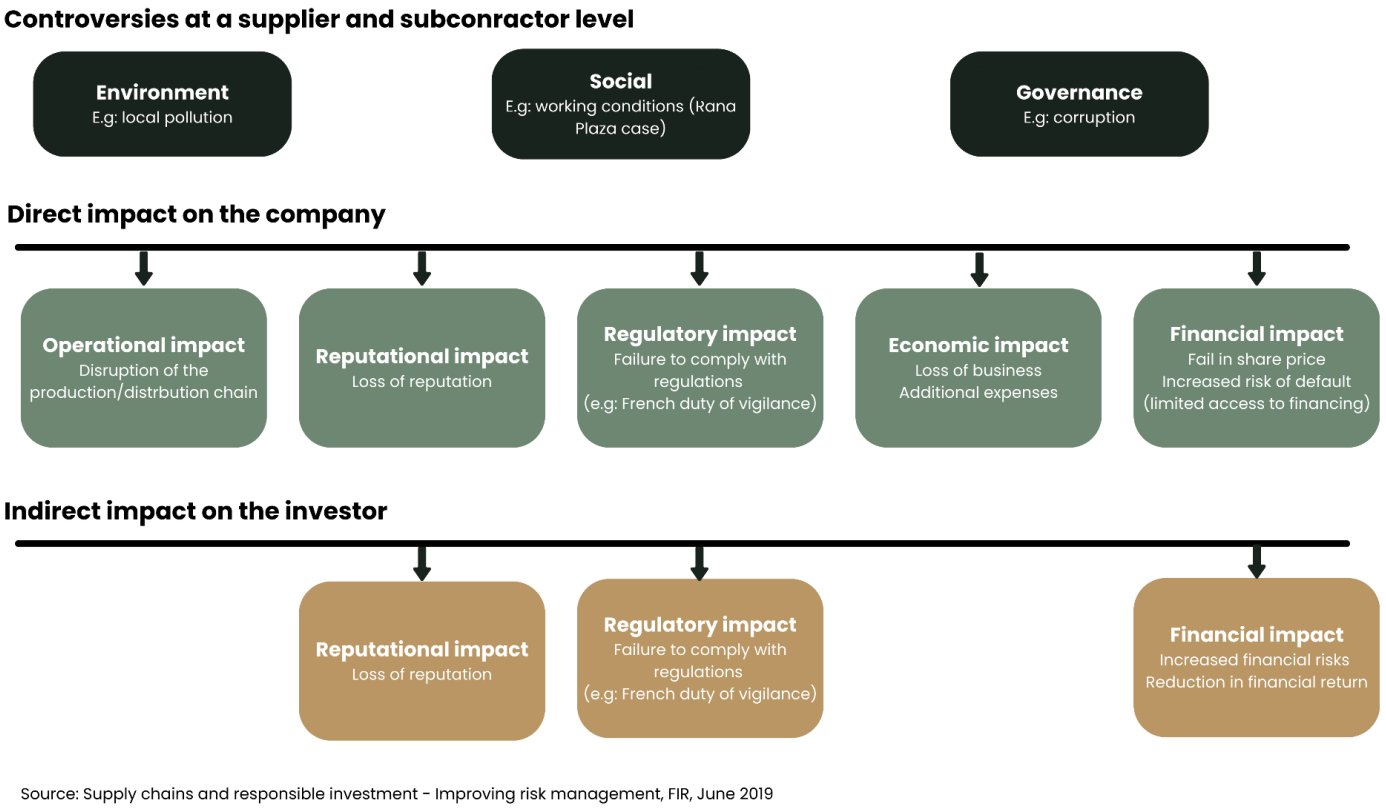
Failing to address supply chain risks can lead to disruptions, product recalls, quality issues, and increased operating costs. These incidents translate directly into financial losses, as companies must absorb higher production costs, delayed deliveries, or reputational clean-up expenses.

According to CDP (2021), companies could face up to US$120 billion in additional costs by 2026 from environmental risks in their supply chains, from climate impacts and deforestation to water scarcity. The manufacturing sector tops the list, with potential extra costs of US$64 billion, followed by food, beverage & agriculture (US$17 billion) and power generation (US$11 billion).

These figures cover both physical risks (floods, droughts, raw material shortages) and regulatory shifts (carbon taxes, import bans, traceability requirements).

3.3 Systemic risks: the cost of inaction

The financial risks described above, reputational, legal, and operational, do not simply add up; they interact and amplify one another. A controversy rarely stays confined to one dimension. These risks are non-linear, creating chain reactions that can erode market value faster than any single event would suggest.



Source: Supply chains and responsible investment - Improving risk management, FIR, June 2019

Figure 3: Investor/Corporate collateral impacts

But these effects rarely stop there.
In the figure above, they are transmitted upstream to the financial sector, where investors and lenders face indirect losses through reputational damage, regulatory exposure, or declining portfolio value.
In other words, corporate ESG risks quickly become financial risks.

This is precisely what CSDDD seeks to prevent. By requiring companies to identify and mitigate risks across their value chains, it aims to reduce systemic exposure, not just for individual firms, but for the European economy as a whole. Due diligence is therefore not an administrative burden, but a risk-management tool: it provides early detection, crisis prevention, and reputational protection.

At AlphaYoda, our mission is to help quantify and anticipate these risks before they materialise. We analyse reputation dynamics, market capitalisation impact, and customer sentiment to measure how controversies affect corporate value and stakeholder trust. We translate controversies into measurable financial exposure, turning what was once intangible into actionable intelligence.

Overall, the data show that ESG controversies carry measurable costs. Yet, the same mechanisms that generate losses when due diligence is absent can create value when it is applied.

Conclusion

When politics hesitates, markets keep counting the cost.

AlphaYoda's findings show that weakening the CSDDD would exclude 52 % of French companies, initially concerned, precisely those most exposed to ESG and supply-chain controversies. Each high-severity incident can erase millions in value, destroy trust, and trigger cascading losses across portfolios.

Regulation is not Europe's risk; inaction is.
Supply chains collapse with or without directives.
Climate shocks, social unrest, and pandemics will not wait for political consensus.
Yet there is also opportunity.

Corporate gains: Why due diligence pays off
Compliance is not just about avoiding penalties; it's about building resilience, efficiency, and trust. Companies that invest in due diligence enjoy stronger supply chains, better cost control, and greater brand credibility. As shown previously, a controversy cost in average €5 million and empirical data confirms that firms with robust ESG management outperform peers by 6.77 % annually and face fewer earnings shocks (Lin, X., She, G., Yoon, A., & Zhu, H., 2025).

Investor gains : Why transparency creates value
For investors, the CSDDD debate reveals a simple truth: opacity is risk, transparency is value. Three-quarters of global investors now rank supply-chain governance as "very important," and limited visibility beyond Tier 2 suppliers is increasingly seen as a red flag. More than 200 investors managing €6.6 trillion support the directive because it aligns business with market stability. Financial institutions are becoming silent regulators, demanding more ESG data to price risk accurately in volatile markets.

The message is clear: regulation doesn't hinder competitiveness, it builds it.
At AlphaYoda, we quantify what others overlook: the financial cost of looking away.
Because the true financial risk lies not in regulation, but in ignoring ESG realities already shaping markets.

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Annex

1. Methodology and limitations

1.1 Data sources and selection criteria: defining the initial perimeter

Because there is no official EU database of corporate groups, the first step was to reconstruct a database of reliable perimeters of companies operating in France that could potentially fall under the CSDDD.

The dataset used for this case study was compiled from several French databases, Pappers, Infogreffe, Sirene.fr, and INSEE (exported on 1 October 2025), using a structured, multi-step shortlisting process to identify companies relevant to the CSDDD and the ongoing Omnibus-related discussions at the Council and Parliament.

We selected all companies that:

- are registered in France,
- have an active legal status, and
- met at least one of the following conditions in 2022, 2023, or 2024:
    - a minimum of 1,000 employees, or
    - An operating revenue (turnover) of at least €450 million.

Company financial and employment data used in this selection correspond mainly to their most recent filings: 2024 (85% companies), 2023 (12%), 2022 (2%), 2021 (1%).

1.2 Entity identification, consolidation, and sector classification

Entity identification

There are significant discrepancies across existing studies estimating the number of French companies potentially in scope of the CSDDD.
For example, the NGO SOMO identifies 346 companies, while the ASCEND study estimates 466 under the €450 million turnover and 1000 employees threshold, highlighting the absence of standardised EU statistics on corporate group structures.

In this study, AlphaYoda initially identified approximately 565 French companies meeting the CSDDD thresholds. However, many of these entities belong to corporate groups with multiple subsidiaries or holding structures operating under the same umbrella. To ensure consistency and avoid double-counting, AlphaYoda consolidated subsidiaries and holdings into single corporate groups, resulting in a total of 328 French groups. When the ultimate parent company was identified as a passive holding, fund, foundation, or non-commercial entity, it was replaced by the operational company at the head of the group, that is, the entity conducting actual economic activity and exercising operational decision-making power. Overall, this reclassification affected around 30% of companies in the dataset. For family-owned groups, when the parent entity was a patrimonial holding, the operational subsidiary was treated as the relevant company under the CSDDD, pending final interpretation by competent authorities.

Sector attribution

Once consolidated, each corporate group was assigned a main activity sector using NACE Rev. 2 codes extracted from Pappers. These codes serve as the reference for EU regulatory alignment and sectoral analysis.

For this analysis, AlphaYoda retained only the main activity sector declared by each company. For example, if a company is classified under NACE 41.1, Development of building projects, but operates in other sectors as well, only the primary code was considered, as detailed business-line data were not publicly available.

It is therefore important to note that all figures in this case study refer to the number of companies by main sector of activity, not to the percentage of their business activities. For instance, when stating that 20% of companies belong to the luxury sector, this means that 20% of the companies analysed have luxury as their primary declared sector, not that 20% of their turnover comes from luxury activities.

1.3 Limitations and interpretation

AlphaYoda is aware that there are several limitations to the data retained:

- The data are derived from several databases, which are not guaranteed to be fully accurate and exhaustive.
- The company selection took place based on the turnover and employee figures from the latest available year. For practical reasons, AlphaYoda did not verify whether these companies had met these threshold criteria for two consecutive years, as per the CSDDD requirement.
- Due to the unavailability of standardised data on royalty payments, AlphaYoda was unable to assess how many companies meet the CSDDD threshold criteria for franchisors/licensors.

As a result, the figures presented in this study should be interpreted as indicative of the order of magnitude of companies in scope, not as legally exhaustive counts.

Financial estimates are derived from AlphaYoda's proprietary methodology.

2. Environmental risks

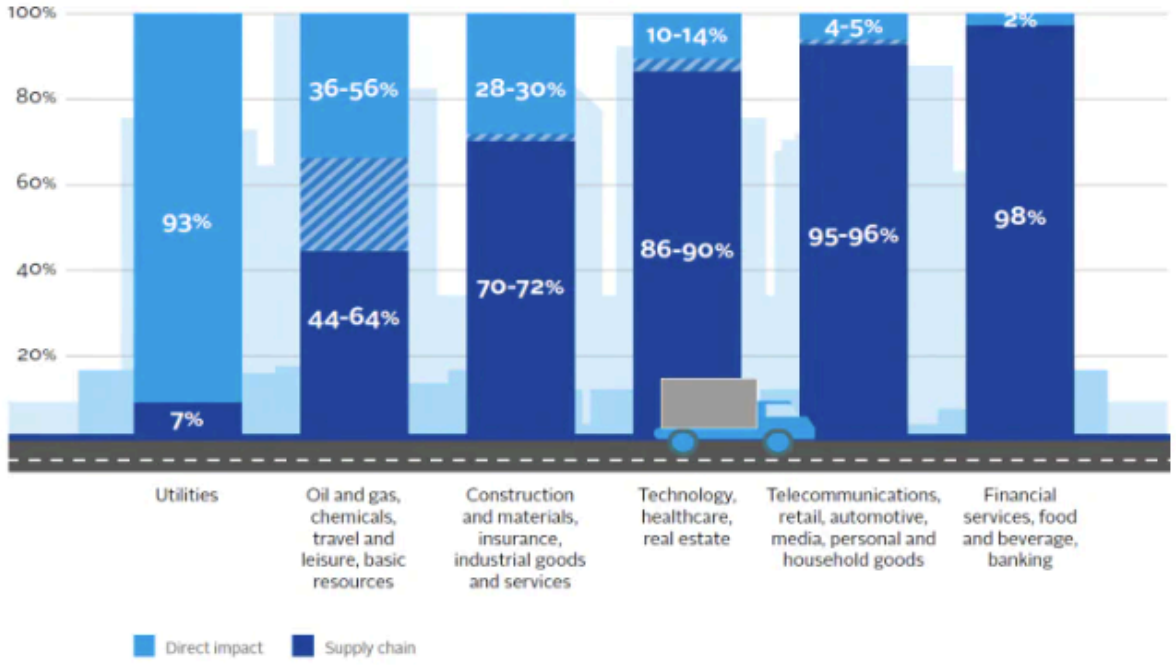
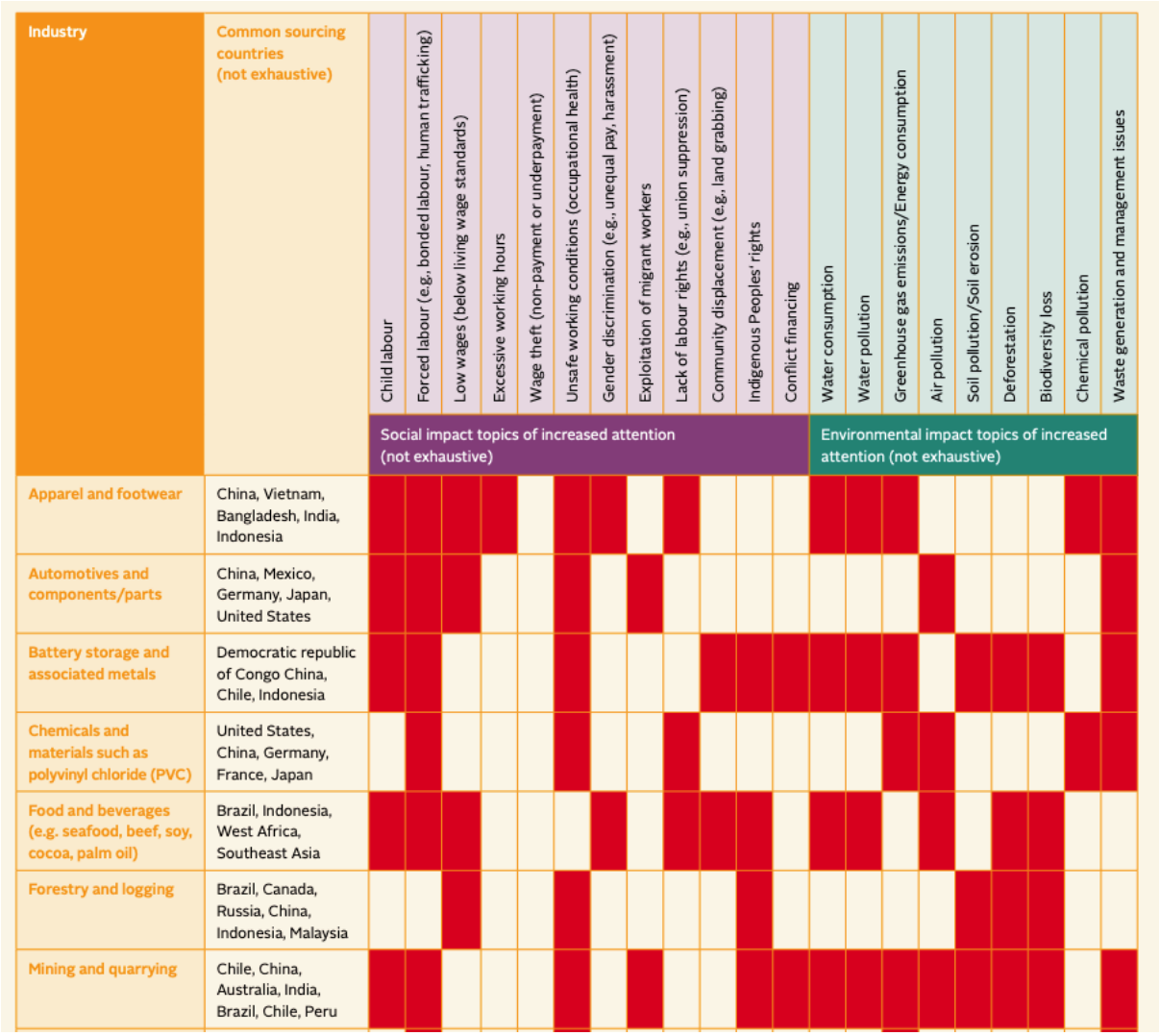


Figure 1: Supply chains' environmental impact by sector (source UN's PRI)

3. Social and environmental risks across supply chain



Industry	Common sourcing countries (not exhaustive)	Child labour	Forced labour (e.g., bonded labour, human trafficking)	Low wages (below living wage standards)	Excessive working hours	Wage theft (non-payment or underpayment)	Unsafe working conditions (occupational health)	Gender discrimination (e.g., unequal pay, harassment)	Exploitation of migrant workers	Lack of labour rights (e.g., union suppression)	Community displacement (e.g., land grabbing)	Indigenous Peoples' rights	Conflict financing	Water consumption	Water pollution	Greenhouse gas emissions/Energy consumption	Air pollution	Soil pollution/Soil erosion	Deforestation	Biodiversity loss	Chemical pollution	Waste generation and management issues
		Social impact topics of increased attention (not exhaustive)												Environmental impact topics of increased attention (not exhaustive)								
Apparel and footwear	China, Vietnam, Bangladesh, India, Indonesia	■	■	■	■		■	■		■				■	■	■					■	■
Automotives and components/parts	China, Mexico, Germany, Japan, United States	■	■	■			■		■								■					■
Battery storage and associated metals	Democratic republic of Congo China, Chile, Indonesia	■	■				■				■	■	■	■	■	■		■	■	■		■
Chemicals and materials such as polyvinyl chloride (PVC)	United States, China, Germany, France, Japan		■				■			■						■	■				■	■
Food and beverages (e.g. seafood, beef, soy, cocoa, palm oil)	Brazil, Indonesia, West Africa, Southeast Asia	■	■	■				■		■	■	■		■	■		■		■	■		
Forestry and logging	Brazil, Canada, Russia, China, Indonesia, Malaysia			■			■					■						■	■	■		
Mining and quarrying	Chile, China, Australia, India, Brazil, Chile, Peru	■	■				■		■			■	■	■	■	■	■	■	■	■		■

Figure 2: Examples of selected industries with high-risk exposure to adverse human rights and environmental impacts in their supply chain (Source: UN PRI)

AlphaYoda

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