



Tutorial: **The Key to Sustainable Enterprises**

ESG, Knowledge Graphs, and Digitalization

Part II: Use case Digital Product Passport (DPP) Dr. Lutz Krüger



Part II: Use Case Digital Product Passport



Outline

- The Framework: Green Deal and Sustainable Products Initiative
- Use Case Digital Product Passport (DPP)
- Outlook

Key figures

The first climate-	At least 55% less	3 billion
neutral continent	net greenhouse gas emissions by	additional trees to be planted in the
by 2050	2030, compared to 1990 levels	EU by 2030



Green Deal

Framework - The European Green Deal

- The European Green Deal will improve the well-being and health generations by providing:
 - fresh air, clean water, healthy soil and biodiversity
 - renovated, energy efficient buildings
 - healthy and affordable food
 - more public transport
 - cleaner energy and cutting-edge clean technological innovation
 - longer lasting products that can be repaired, recycled and reused
 - future-proof jobs and skills training for the transition
 - globally competitive and resilient industry



European Green Deal



Sustainable Products Initiative



The EU Green Deal is a policy package to make the EU carbon neutral by 2050.

> **Empowering consumers in sustainable choices** (Goals)

Reduce waste

Right to repair

New Circular Economy Plan

Sustainable Product Initiative

Ecodesign for Sustainable Products Regulation (ESPR)

Focus areas

- Climate
- Energy
- Environment and oceans
- Agriculture
- Transport
- Industry
- Research and innovation
- Finance and regional development
- New European Bauhaus

Sustainable Products Initiative

- Ecodesign for Sustainable Products Regulation (ESPR) replaces the initial Ecodesign Directive (2009) and covers the "broadest possible range of products" and more Ecodesign criteria
- Ecodesign and Energy Labeling Working Plan 2020-2024 (GEN - 1221.00)

Analysis, recommendation, and selected product groups and horizontal activities

- Ecodesign Working Plan 2020-24
- Implementing act for each of the regulated product groups



31 product groups and horizontal initiatives

- Universal external power supplies
- Professional laundry appliances
- Professional dishwashers
- Professional cooking appliances
- Low temperature emitters
- Enterprise network equipment
- Small network equipment for home and office
- Industrial Smart Sensors

- Recycled Content
- Scarce and critical raw materials
- Lightweight design

15 Product groups and Initiatives (Phase 1)



	Primary energy savings PJ 2030			Resource		Regulatory	Cost-	Industrial	Recommen-
Product groups & horizontal initiatives	Use phase	Material content	Rate	efficiency	environmen- tal impacts	coverage and feasibility	effectiveness	competitive- ness	dations
Product groups									
Professional laundry appliances and dishwashers	53		++	++	++	+++	+++	+++	+++
Professional cooking appliances	117		+++	+	++	++	++	++	++
Low temperature emitters	170		+++	+	+	++	++	+++	++
Swimming pool heaters	14-63		++	+	+	++	++	+++	+
Enterprise network equipment	22	3	+	+	+	++	+++	+++	+
Small network equipment for home and office use	69	7	++	+	+	+	++	++	++
Universal external power supplies		12-27	+	+++	+	+	++	+	++
Uninterruptible power supplies	55	1	++	+	+	++	++	++	+++
Industrial smart sensors	76-152	5	+++	++	+	++	++	++	+++
Horizontal initiatives									
Lightweight design		180	+++	+++	+	++	+++	+++	++
Recycled content		160	+++	++	+	+	+	+	+
Ecological profile			+++	++	++	++	++	++	++
Durability and firmware		175-1052	+++	+++	+	+++	+++	+++	+++
Application software			+++	++	+	+	++	+++	+
Scarce and critical raw materials			+++	+++	+	++	+++	+++	+++

Energy Labeling Regulations



- The energy labeling requirements for individual product groups are created under the EU's energy labeling framework regulation, in a process coordinated by the European Commission.
- 16 of the product groups require an energy label.
- The Energy Labeling Regulation (2017) serves for recognition of the best-performing products by consumers
- Products must have a re-scaled energy label on their packing, showing an A-G scale (initiated in 2021).





16 product groups (2023)

- dishwashers
- electric **motors**
- electronic displays (TVs)
- air conditioners
- mobile phones, tablets
- Game consoles
- *lighting* products
- refrigeration
- water and space heaters
- vacuum cleaners
- ventilation
- washing machines and washer-dryers
- tyres
- computers and servers

Supply Chain Act for Germany (LkSG)



- The **Supply Chain Due Diligence Act** has been in force in **Germany** since **Jan. 1, 2023.**
- Federal Office for Economic Affairs and Export Control / Bundesamt für Wirtschaft und Ausfuhrkontrolle @DE (BAFA)
- Obligation to establish an ESG risk management system to identify and minimize the risks of human rights violations and environmental damage for all Enterprises in Germany,
 - with a workforce of **3.000** or more employees, from **2024**, with a workforce of **1.000** or more employees
- **Corporate Sustainability Reporting (CSR)** including supplier data
- Statement of company principles
- Results of the risk analysis on environmental and human rights risks
- Measures for prevention and remediation
- Description of procedures for ensuring compliance

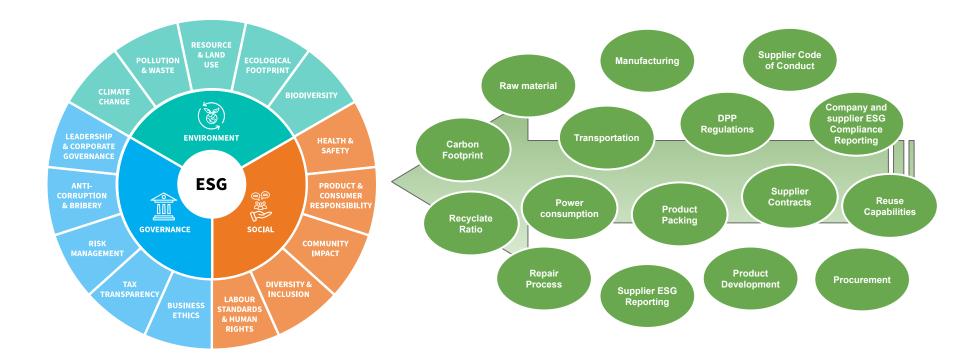
Lieferkettensorgfaltspflichtengesetz (LkSG)



Digital Product Passport (DPP)

Digital Product Passport focus areas





Digital Product Passport (DPP)



- The Digital Product Passports is an electronic record of a product which presents product data collected throughout its entire lifecycle used to illustrate product sustainability, environmental and recyclability facts and compliance.
- Only food, feed, pharmaceutical products, living plants and products of human origin are excluded from the rule as part of the European Green Deal. As a result, any business selling a product on the EU market will need to provide a product passport for both the finished product and each of its individual parts.
- The product needs to carry a link to the product passport on the product itself.



The **DPP regulation** is currently being **drafted** by the European Commission, with **final approval anticipated in the year 2024** and **implementation** of the first product groups scheduled **for the year 2026/27**.

DPP - scope and data requirements



- Unique product identifier & label
 - ▷ GTIN, GS 1 link, QR code, RFID

Basic product data

- Name, model, batch, manufacturing date, warranty details, technical parameters, estimated product lifetime
- Material data
 - Origins of raw materials and components, critical raw materials (CRM), material recycle ratios and related supplier details
- Repair data
 - Repair capability, spare parts availability, specific repair events and reasons
- Sustainability data
 - Carbon footprint of the manufacturing and distribution processes and use phase footprint, resource and energy efficiency
- Commitment to ethical business practices, transparency, and fairness

DPP - Timeline



- Implementation starts for three Product categories in 2024, prototype in progress, managed by CIRPASS DPP initiative.
- Batteries
 - New EU Battery Regulation entered into force 17 August 2023
- Textiles
 - EU Strategy for Sustainable and Circular Textiles (2022)
- Electronics
 - Ecodesign for Sustainable Products Regulation (2022)
- Construction Products
 - <u>Construction Products Regulation</u> (2022)
- Other Products
 - Announced in 2024

CIRPASS DPP Initiative (Digital Europe Association) to ensure a **gradual piloting and deployment of DPPs** based on common rules, principles, standards, **taxonomies**.



poolparty. Sample: Toyota Sustainability Data Book (6.2023)

(94)

Recycling

Raw Materials Used and Recycled Materials Use Rate: Global GRI 301-1, 301-2, 306-4

			(million tone
Amount of raw materials used	2019	2020	2021
All materials	14.54	12.32	13.66
Iron	9.4	7.97	8.83
Aluminum	1.33	1.12	1.25
Others	3.81	3.24	3.58
			(9
Ratio of recycled materials used	2019	2020	2021
Ratio of recycled materials used in raw materials	24	24	25

	Vehicles Recycled in Accordance
M	with the End-of-life Vehicle Recycling
	Law: Toyota Motor Corporation



(converted into a per-vehicle value)	00	00	00
ASR ¹² recycling rate ¹³	96	96	96
		(th	ousand tons)
	2019	2020	2021
ASR processing volume	24	143	136

*1 Calculated by combining the percentage recycled through the dismantling and shredding processes, approximately 83% (quoted from the report by the council of the End-of-Life Vehicle Recycling Law), with the remaining ASR rate of 17% and the ASR recycling rate of 96%

*2 Automobile Shredder Residue: Residue after End-of-life vehicles are shredded *3 Recycling volume/amount collected

N	

Remanufactured and Used Parts Supplied (for Repair and Replacement): Toyota Motor Corporation GRI 301-1, 301-2, 301-3, 306-4

							lanes
		2019		2020		2021	
		Remanufactured/ used parts	Reference: Replacement with new parts	Remanufactured/ used parts	Reference: Replacement with new parts	Remanufactured/ used parts	Reference: Replacement with new parts
	Automatic transmission	855	52	714	49	655	65
Remanufactured parts	Power steering gear	3,391	1,673	3,102	1,654	3,429	1,782
puita	Torque converter	794	2,569	750	2,230	645	2,265
Used parts		26,716	-	24,100	1.00	21,008	-

Information on Vehicles Recycled in 0 Accordance with SASB⁴ Standards: **Toyota Group**



	(%)
	2021
Vehicle recovery rate*4 (converted into a per-vehicle value)	99

*4 Sustainability Accounting Standards Board

<Organizational Boundary>

. Domestic results of Toyota Motor Corporation, Daihatsu Motor Co., Ltd. and Hino Motors, Ltd.

			(million units
	2019	2020	2021
Bumper	0.658	0.535	0.544

Parts Recycled: Toyota Motor Corporation

2019

39,184

2019

2019

6.0

69.7

4

2020

40,694

2020

2020

10.0

59.7

26

(units)

(units)

39

(tons)

7.5

58.4

2021

41,366

2021

2021

*5 Magnets used in drive motors

Lead wheel balance weight*6

*6 Weights used to adjust rotation balance when joining a wheel and tire



P

Drive battery

FC stack

Magnet*5

(million tons)

2021

1.16

GRI 301-3

Bulk Supply System⁷ Oil Supply Rate¹⁸: Toyota Motor Corporation GRI 306-2

			(9
	2019	2020	2021
Drive battery	64.0	63.7	48.8

*7 A system of directly filling tanks at dealers or supplying oil using tanker trucks rather than oil cans and so on to reduce container usage *8 Percentage of oil (by bulk supply system) in volume sold by parts distributors



Standards and Principles

Greenhouse Gas Protocol (Scope x emissions)



- Classification system for Greenhouse Gas (GHG) emissions a company is creating through operations, energy usage and the entire value chain
- Classifies emissions based on where they originated from
 - **Scope 1** <u>direct</u> emissions generated onsite from activities a company owns
 - Company facilities and vehicles
 - Scope 2 indirect emissions caused by purchased energy
 - Purchased energy, heating, cooling and steam
 - Scope 3 all other <u>indirect</u> emissions outside the company controlled by other actors in the value chain (15 categories)
 - **Upstream**: Capital goods, business travel, fuel & energy, transport and distribution, employee commuting, ...
 - **Downstream**: Transport and distribution, processing and use of sold products, end of life treatments, ...



Code of Conduct for Suppliers



Sustainability Standards, Code of Conduct

- Adherence to **national laws** and regulations
- Human and labor rights
- Environmental and climate protection
- Business ethics
- High standards of safe working conditions
- Fair and respectful treatment of employees
- Transparency and checks
- Corrective measures by the responsible party
- Material, asset, component and packing related details
 - Rare earth elements use (group of 17 metals)
 - Ratio of recycled materials used in raw materials
 - **GHG Scope 3** (upstream, 15 categories) data
 - **Repair and reuse capabilities** of components and packaging



Design Principles, Standards and Platforms

Design Methodologies

- Circular Design
- Cradle to Cradle concept
- Double Materiality concept

Classification and Labeling Standards

- ECLASS, IEC CDD, VDA*
- GTIN, UPC, EAN, GS1 Digital Link
- RFID, QR code, bar code (Automatic identification and data capture (AIDC))

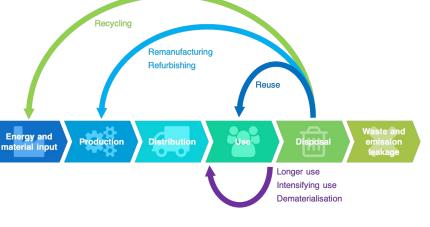
Energy and

Frameworks

- Model Based Engineering
- Digital Twin Asset Administration Shell (AAS)

*German Automotive Industry Standard

** CC BY 4.0, "The Circular Economy concept", 9 Dec-2020





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GS1 GTIN / Digital Link example

- QR Code, RFID
- **GTIN**: 4005906003717
- GS1 Digital Link (minimal)
 - Manufacturer / Marketplace base address
 - <u>https://ulm.poolparty.biz/01/4005906003717</u>
 - or GS1 base address
 - https://id.gs1.org/01/4005906003717
- GS1 Digital Link (DPP)
 - <u>https://ulm.poolparty.biz/01/4005906003717/10/ABC/21/123456?17=23</u> <u>1231&linkType=DPP</u>

GTIN: 4005906003717 Expiration day: 31-Dec-2023 Batch: ABC Serial number: 123456 linkType: **DPP**





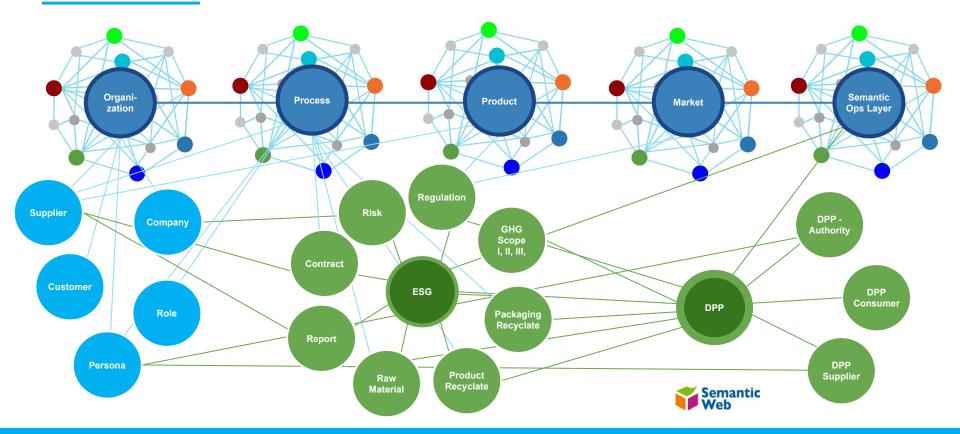
Adelholzener Mineral Water

GTIN: 4005906003717



Best Practices

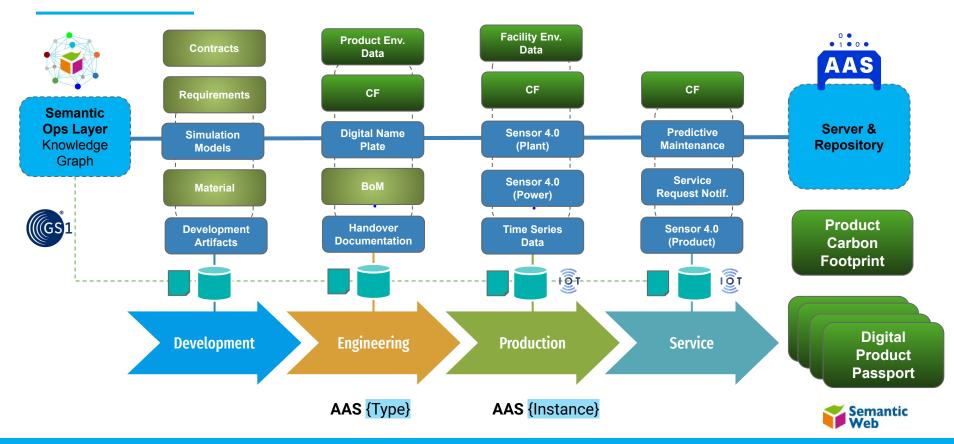
Knowledge Graph - Enterprise & ESG submodels





Digital Twin - Asset Administration Shell (AAS)





DPP related AAS models

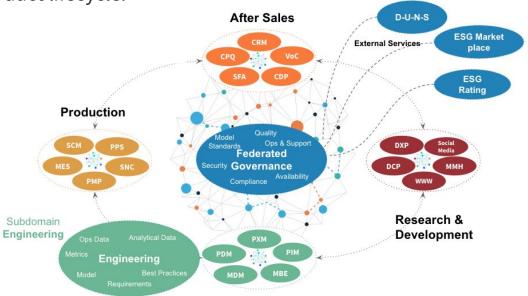


- The Asset Administration Shell is the basis of the "Digital Nameplate", which is supplemented by further product and process information and thus leads to the "Digital Product Passport".
- AAS submodels (submodel ID)
 - **Digital Nameplate** for Industrial Equipment (02006)
 - **Facility Related Environmental Data** (Interopera, 2022.04, 6/23)
 - Product Related Environmental Data (Interopera, 2022.05, 6/23)
 - **Carbon Footprint** (02011)
 - Hierarchical Structures enabling Bills of Material (02011)
 - **Time Series Data** (02008)
 - **Sensor 4.0** (02029)
 - Handover Documentation (02004)
 - iiRDS Handover Documentation

and objects across complex products, customer requirements and supply bases and provides an integrated view of an asset throughout the entire

Digital Thread and Digital Twin

product lifecycle.



Digital thread is a communication framework that connects all data silos

Data Mesh

- Data as a product
- Subdomain-driven ownership of data
- Self-service Data Platform
- Federated Governance incl. Semantic Industry and Business Models







Initiatives

Digital Battery Passport



- Battery Self-Sovereign Digital Twin (SSDT)
 - The battery SSDT can store and receive information about the battery from outside sources, respond to internal and external queries, and verifiably assert its identity and the information it stores/presents.
 - Because the battery SSDT leverages self-sovereign identity, the battery can assert its own identity with the help of an external trust anchor or a blockchain (DID).

European Self-Sovereign Identity Framework (ESSIF) makes use of *Decentralized Identifiers (DIDs)* and the *European Blockchain Services Infrastructure (EBSI).*



Digital Battery Passport

decentralized identifier (DID)



Self-Sovereign Digital Twin (SSDT) INFORMATIO REQUESTER OWNER Requestor submits request Owner grants Sends requested access using a data to requestor

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DID

Green Deal Dataspace



Green Deal Dataspace

Green Deal Dataspace Resilience & Sustainability

Federated ecosystem for resilience and sustainability

Challenge

The frequency of global crises such as pandemics, wars, and disasters has increased, and building shared solutions using data connections is crucial to mitigate their impact. The Green Deal Dataspace (GDDS) supports risk and crisis management solutions and offers a platform to build projects and services and provides access to existing ones.

Success

The Green Deal Dataspace is a central projection surface for solutions to strengthen resilience and sustainability. It's a pioneering cross-domain data space that enables participants to showcase their own solutions or explore and discover resources for their projects. The PAIRS and SPELL platforms are examples of prominent use cases of the GDDS.

Components

- » IDS Broker
- » IDS Connector
- » IDS Clearing House
- » IDS App Provider
- » Advaneos Trusted Data Hub

+ Benefits

- » Through the transparency of the GDDS crises and their effects can be detected earlier.
- » An IDS-based solution is implemented, and first prototypes have been tested in a use case.
- » The data marketplace offers participants access to an extensive compilation of over 2 million open data sets.



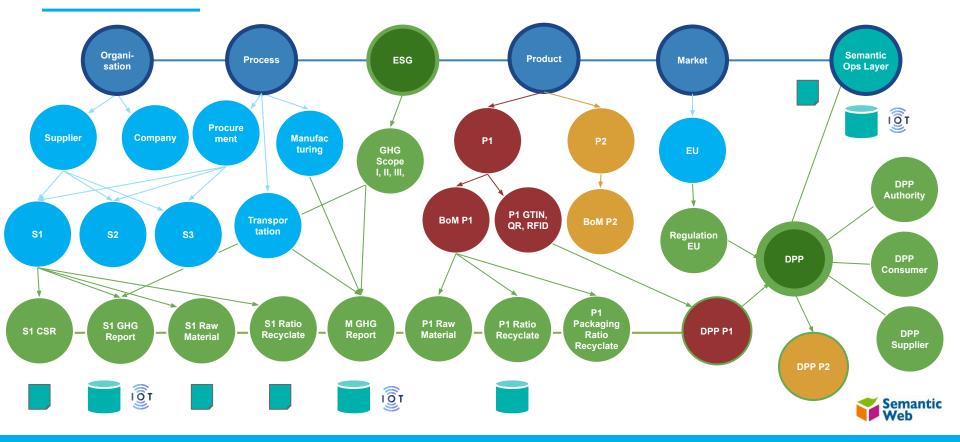
https://internationaldataspaces.org/



DPP Prototype

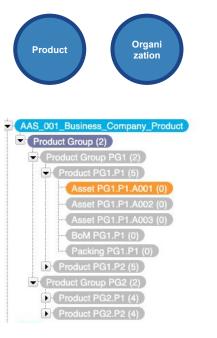
DPP Knowledge Graph Network





Prototype model and sample data





BusinessEntityDUNS (i)	DPP
\oplus	DPP
BusinessEntityLocation (i)	
\oplus	
BusinessEntityName (j)	
Ø Supplier S1	
\oplus	
BusinessEntityType (i)	
Ø Supplier	
\oplus	
CriticalRawMaterialRate (1)	
Ø 0.2	
\oplus	
CSRCompliance (j)	
⊗ true	
\oplus	
DPPActor (i)	
\oplus	

DPPAccessRole

DPPAuthority

DPPOwner

DPPSupplier

Organization

Product

ContainsAsset

containsCRM

containsRecylate

hasDPPRoleAuthority

hasDPPRoleOwner

hasESGReport

hasManufacturer

hasSupplier

hasGHG

hasDPPRoleSupplier

hasDPPRoleConsumer

hasCSRReport

DPPConsumer





SPARQL queries (authority vs consumer view)



SELECT ?product ?attrName ?value WHERE {

GRAPH

<https://ulm.poolparty.biz/aas/001/Business_Company/Product/thesaurus>

?s ?attr ?value ; skos:prefLabel ?product

}

GRAPH

<https://ulm.poolparty.biz/aas/AAS/001/Business_Company_Ontology> {
<https://ulm.poolparty.biz/aas/AAS/001/Business_Company_Ontology>
swc:containsAttributeProperty?attr.

?attr rdfs:label ?attrName

ł

GRAPH <https://ulm.poolparty.biz/DPPConsumerFacets> {
<https://ulm.poolparty.biz/DPPConsumerFacets>
swc:linksToAttributeProperty ?attr



	product \$	attrName 🗘	value 🗘
1	"Product PG1.P1"®en	*ProductSerialNumber*®en	"12345679"
2	"Product PG1.P1"®tn	*ProductRepairInstruction*®en	https://ulm.poolparty.biz/001/AAS/PG1.P1/RepairInstruct
3	"Asset PG1.P1.A001" ^{@en}	*GS1DL ^{i@en}	https://ulm.poolparty.biz/01/4005906003717/10/ABC/21 17=231231&linkType=DPP
4	"Asset PG1.P1.A001"Ben	*GHG*®en	"14.3*" xsd:float
5	"Asset PG1.P1.A001"@en	*GHG*®en	"4.2*"\xsd:float
6	"Asset PG1.P1.A001"Ben	"GHG*®en	"6.7" "xed:float
7	"Asset PG1.P1.A001"Ben	"GHG*Ben	"3,4""xetfloat
8	"Asset PG1.P1.A001"Ben	"CriticalRawMaterialRate*Sen	"0.2""'xsd:float
9	"Asset PG1.P1.A001"8en	"ProductBatch"®en	"ABC"
0	"Asset PG1.P1.A001"8en	*CSRCompliance*®en	"true""'xsdboolean
11	"Asset PG1.P1.A002*®en	"GHG*®en	"9,9* [™] xsd:float
12	"Asset PG1.P1.A002*®en	*CriticalRawMaterialRate*®en	"0.15* "xstificat
13	"Asset PG1.P1.A002*®en	*CSRCompliance*®en	"true""xst.boolean
4	"Packing PG1.P1*®en	"GHG*®en	"2.8" "xsd float
15	"Packing PG1.P1*®*n	"CriticalRawMaterialRate*Ben	"0.0*"'xsd:float

	product \$	attrName 🗘	value 🗘
1	*Product PG1.P2* ^{@en}	"ProductTargetMarket"®en	"European Union"
2	*Product PG1.P1*®en	"ProductSerialNumber*®en	*12345679*
3	*Product PG1.P1*®en	"ProductVariant*®en	"001"
4	*Product PG1.P1*®en	"ProductRepairInstruction"®en	https://ulm.poolparty.blz/001/AAS/PG1.P1/RepairInstructi
5	"Product PG1.P1"®en	"GTINLInkType" ^{@en}	*https://ulm.poolparty.biz/01/4005906003717/10/ABC/2 1/123456?17=231231&linkType=DPP*
6	*Product PG1.P1*®en	"ProductProductionDate*@en	*2023-09-15* ^{**} xsd.slate
7	"Product PG1.P1"®en	"RareEarthElementsRate"®en	"0.02" "xsd-float
8	"Product PG1.P1"®en	"ProductTargetMarket"®en	"European Union"
9	"Asset PG1.P1.A001"®en	"BusinessEntityType" ^{Ben}	"Supplier"
10	"Asset PG1.P1.A001"®en	"ReclyateMaterialRate"®en	"0.22""xstfloat
11	"Asset PG1.P1.A001"®en	"ProductAssetAAS-ID" ^{gen}	https://ulm.poolparty.biz/001/aas/123456
12	"Asset PG1.P1.A001"®en	"ESGCompliance*8en	"true" "xsd:boolean
13	"Asset PG1.P1.A001"®en	"BusinessEntityName*®en	"Supplier S1"
14	"Asset PG1.P1.A001"®en	"RawMaterialRate"®en	*0.8* ^{**} xsd:float
15	"Asset PG1.P1.A001" ^{@en}	"GS1DL" ^{@en}	https://ulm.poolparty.biz/01/4005906003717/10/ABC/21/ 17=2312318/inkType=DPP



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Outlook

Outlook and Recommendations



- ESG (DPP) ecosystem, integrated with all business processes, models and data
- Semantic standards (W3C) and components
 - Knowledge Graph (W3C, RDF, SKOS, OWL, SPARQL)
 - LinkedData
 - Concept and term extraction for reports and contracts
 - Semantic Operations Layer (SPARQL endpoint, Data Catalog, Unified namespace)

Industry standards

- ECLASS, GS1, Data Spaces
- W3C and industry vocabularies and ontologies
- Asset Administration Shell
- New emerging technologies
 - LLM, GAI, RAG
 - Blockchain









Thank you!

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