Developing socio-economic indicators for overall life cycle sustainability assessment of retail sector – case of Colruyt group

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Today presentation…

- Introduction and context for the retail sector,
- Project steps,
- Scope of the project
- Data collection via surveys,
- Socio-economic indicators,
- Conclusions.

Short introduction to **WeLOOP**

Our expertise and activity sectors

Food and retail

COLRUYT GROUP

ISA LILLE

Construction Products

EQIOM A CRH COMPANY

OWENS CORNING FOAMGLAS

ECIA

ecima

argex

STABILAME ARCHITECTURE LOVES WOOD

RICHE

R&D – Innovation

Interreg

HORIZON 2020

innovation amélioration économie de ressources collaboration performance env cycle de vie réduction des impacts

Plastics (& circular economy)

Roll-Gom

MEL MÉTROPOLE EUROPÉENNE DE LILLE

Interreg 2 Seas Mers Zeeën

team2 L'innovation pour l'économie circulaire

EEE (& circular economy)

Interreg North-West Europe CEDaCI European Regional Development Fund

CEDaCI Increasing collaboration and communication to drive sustainability in the data industry

Abbott

QARNOT COMPUTING

TND La recherche des métaux rares

Others (textile, paintings, etc.)

H2O at Home

DRAGO paint

COLRUYT GROUP

We LOOP

LCM 2021

Short introduction to Colruyt Group

over EUR 9,9 billion revenue

861.000 m²
store area
of own stores

720
own
stores

591
independent storekeepers
in Belgium and affiliated
stores in France

32.945
employees

€32,1
million invested in
education and training

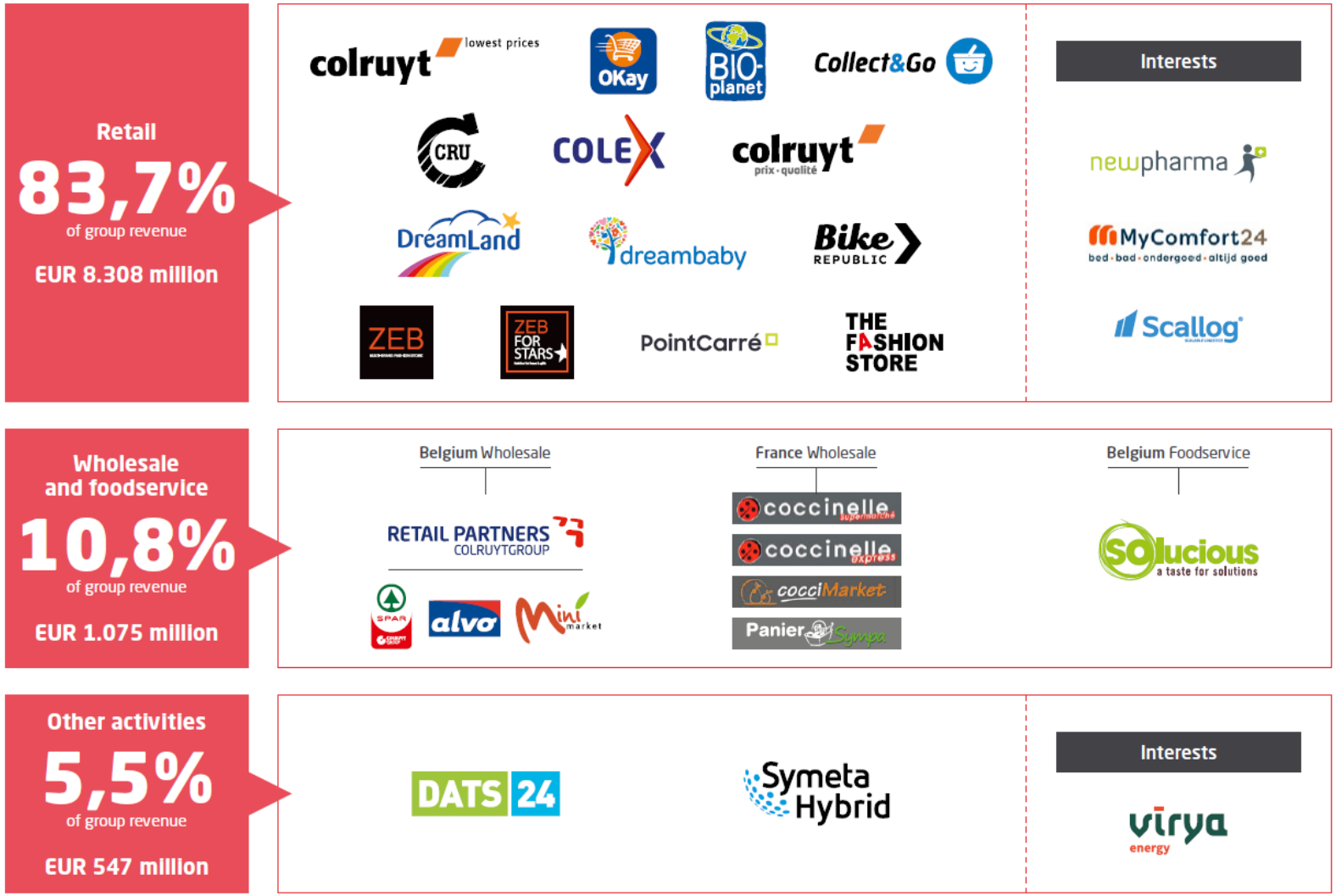
100%
of electricity consumption
is sustainable

31,38%
less CO_2 emissions
compared to 2008 in
relation to revenue

85,27%
recycling rate

COLRUYT GROUP
We LOOP
LCM 2021

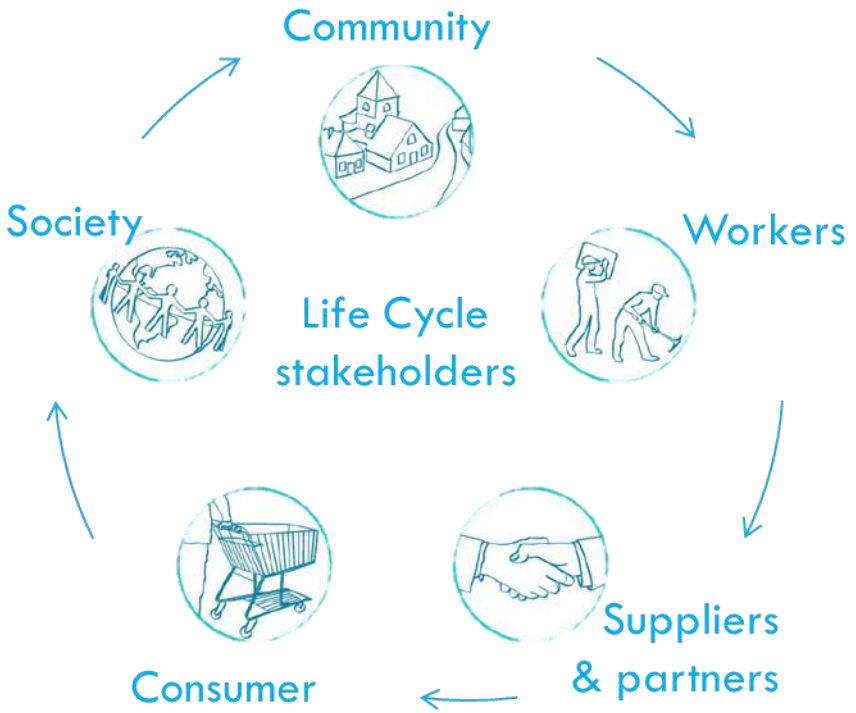
Short introduction to Colruyt Group



COLRUYT GROUP We LOOP LCM 2021

Introduction and context for retail sector

- Social Life Cycle Assessment (S-LCA) is a methodology to assess the **potential social impacts (and benefits)** of products and services across their **life cycle** (e.g., from extraction of raw material to the End of Life):
    - systematic assessment framework,
    - combines quantitative as well as qualitative data.
- S-LCA provides information on social and socio-economic aspects for decision-making, to improve:
    - performance of organization and,
    - ultimately the well-being of stakeholders.



Guidelines for Social Life Cycle Assessment of Products and Organizations 2020

Introduction and context for retail sector

- The retail sector has a complex supply chain with a very big range of products and services.
- The organisational scope is very wide with own production, own brand and other brands,
- Products are from an extensive range of sectors, technological and geographical scopes,
- No specific sectorial guidelines or case studies are available to support the implementation of Social LCA!

Project steps

- Define the scope of the project (organization/product),
- Survey to collect the most relevant stakeholders/social themes(impact categories),
- Survey to collect the existing indicators (used internally to assess social responsibility of company),
- Discussion to complete the list with other indicators,
- Consultation of the project team concerning the appropriateness of the indicators,
- Data collection for the indicators,
- For the organizational LCA, we assessed the completeness of collected data and first scoring for social indicators!
- Implement the social scoring.

Scope of the project

Organisational social LCA

Product social LCA

Coffee **Avocado** **Book – Bag / Cartable**

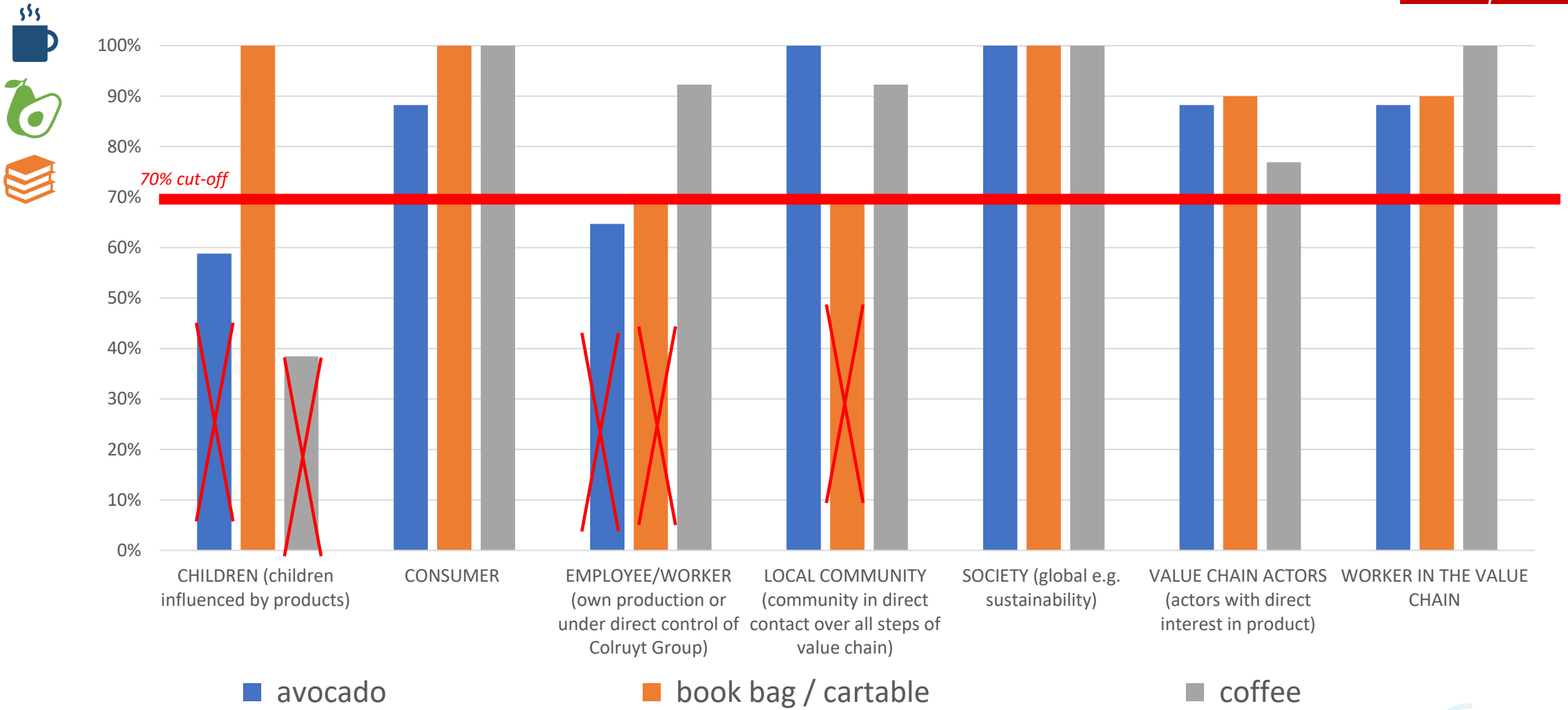
In Social LCA, a stakeholder category is **a group type** that can be **affected by the activities of organizations** involved in the **life cycle of the product, service or organization** under consideration:

- **Employee/Worker** : own production or under direct control of Corluyt Group
- **Local Community** : community in direct contact overall steps of value chain
- **Value Chain Actors** : actors with direct interest in product
- **Consumer**
- **Society** : global e.g. sustainability
- **Children** : children influenced by products

Added: Worker in the Value Chain

Survey for **Product** - Relevance of stakeholders

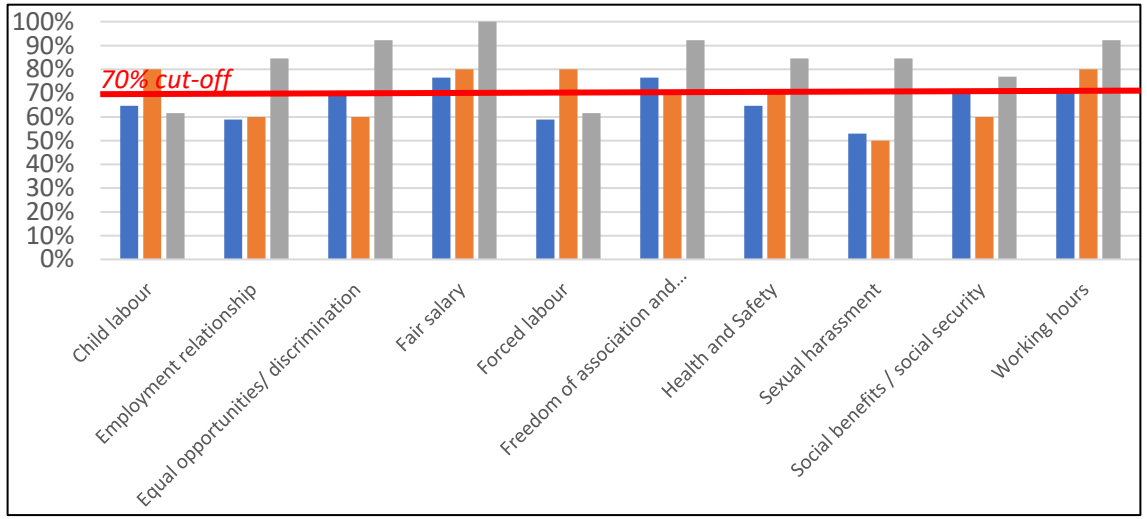
24 respondents



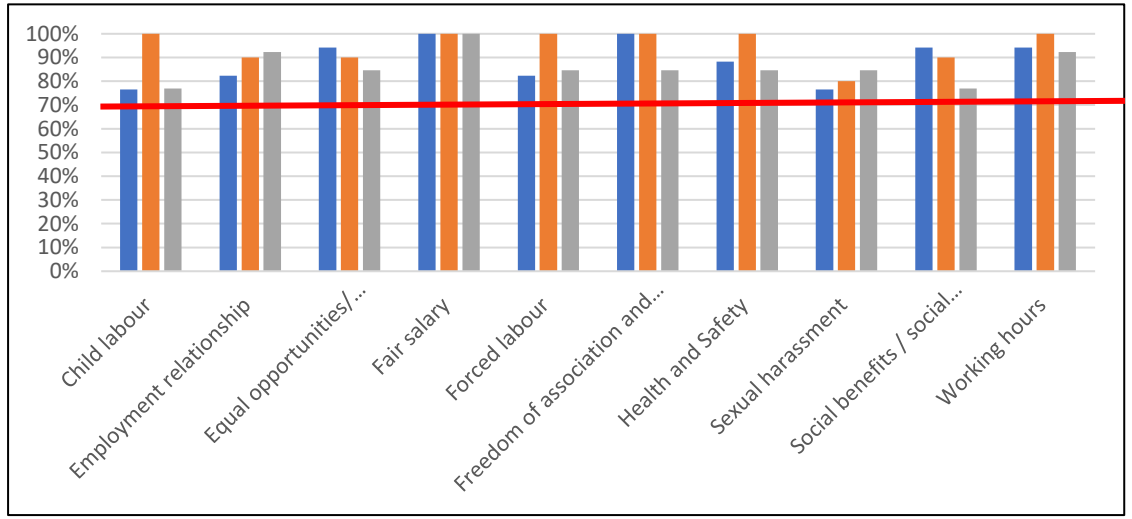
Survey for **Product** - Relevance of impact categories (I)

24 respondents

EMPLOYEE

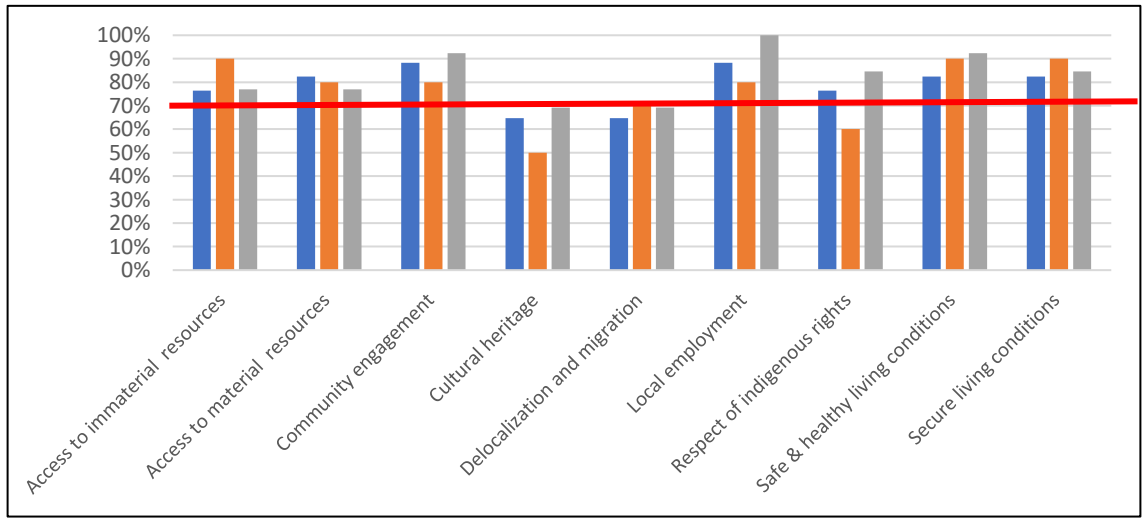


WORKER IN THE VALUE CHAIN

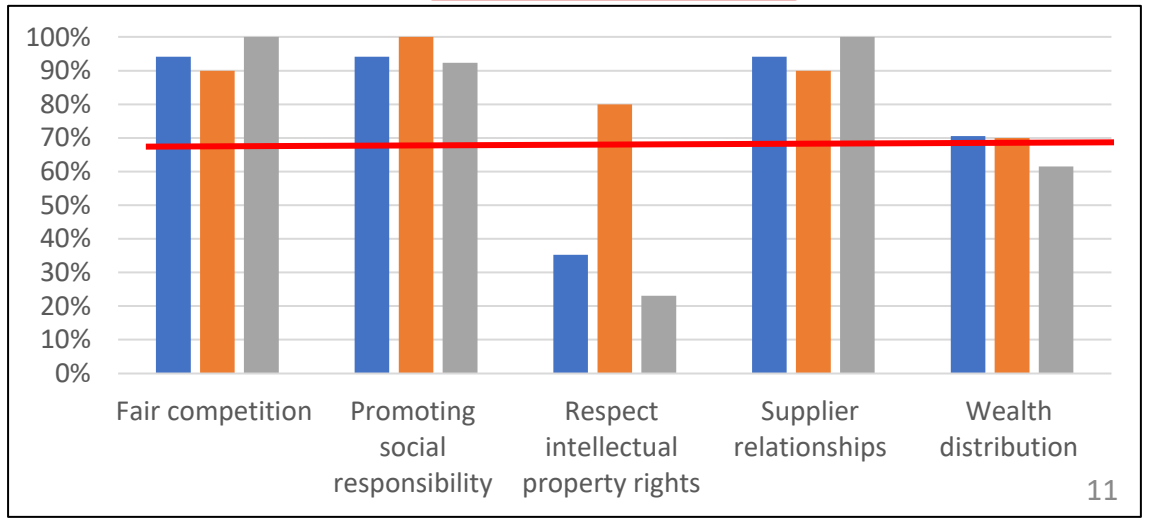


avocado book bag / cartable coffee

LOCAL COMMUNITY



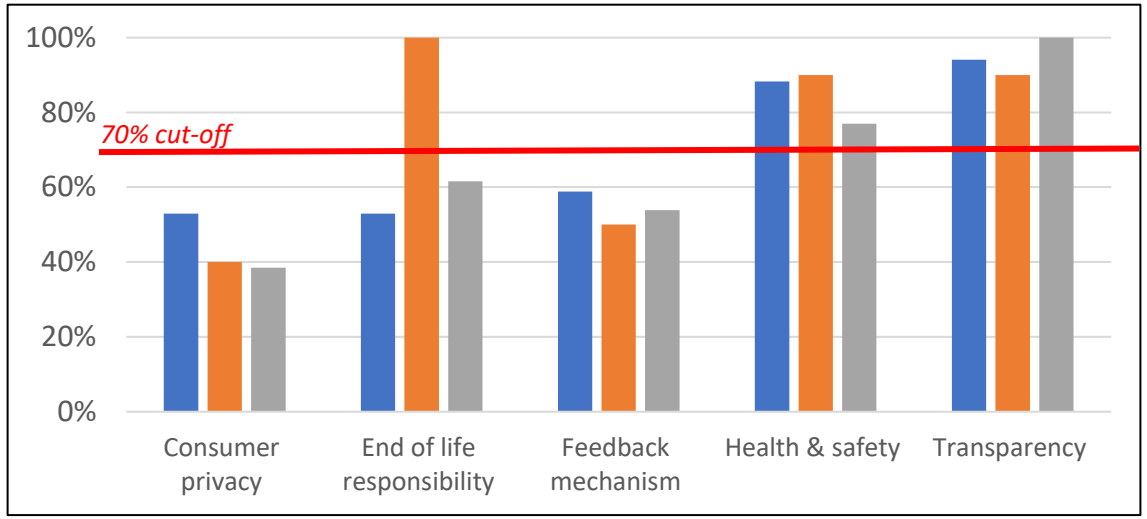
VALUE CHAIN ACTORS



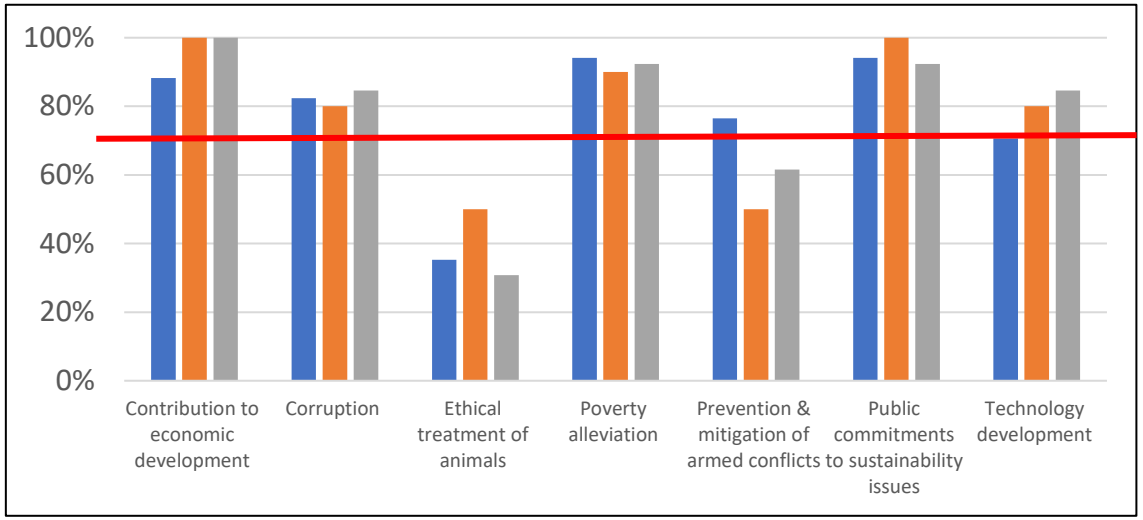
Survey for **Product** - Relevance of impact categories (II)

24 respondents

CONSUMER

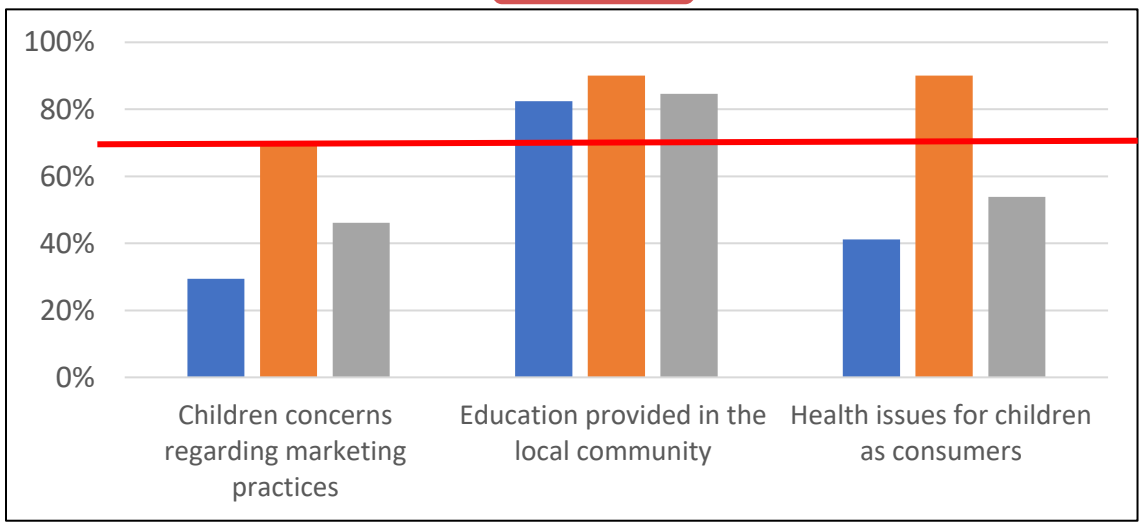


SOCIETY



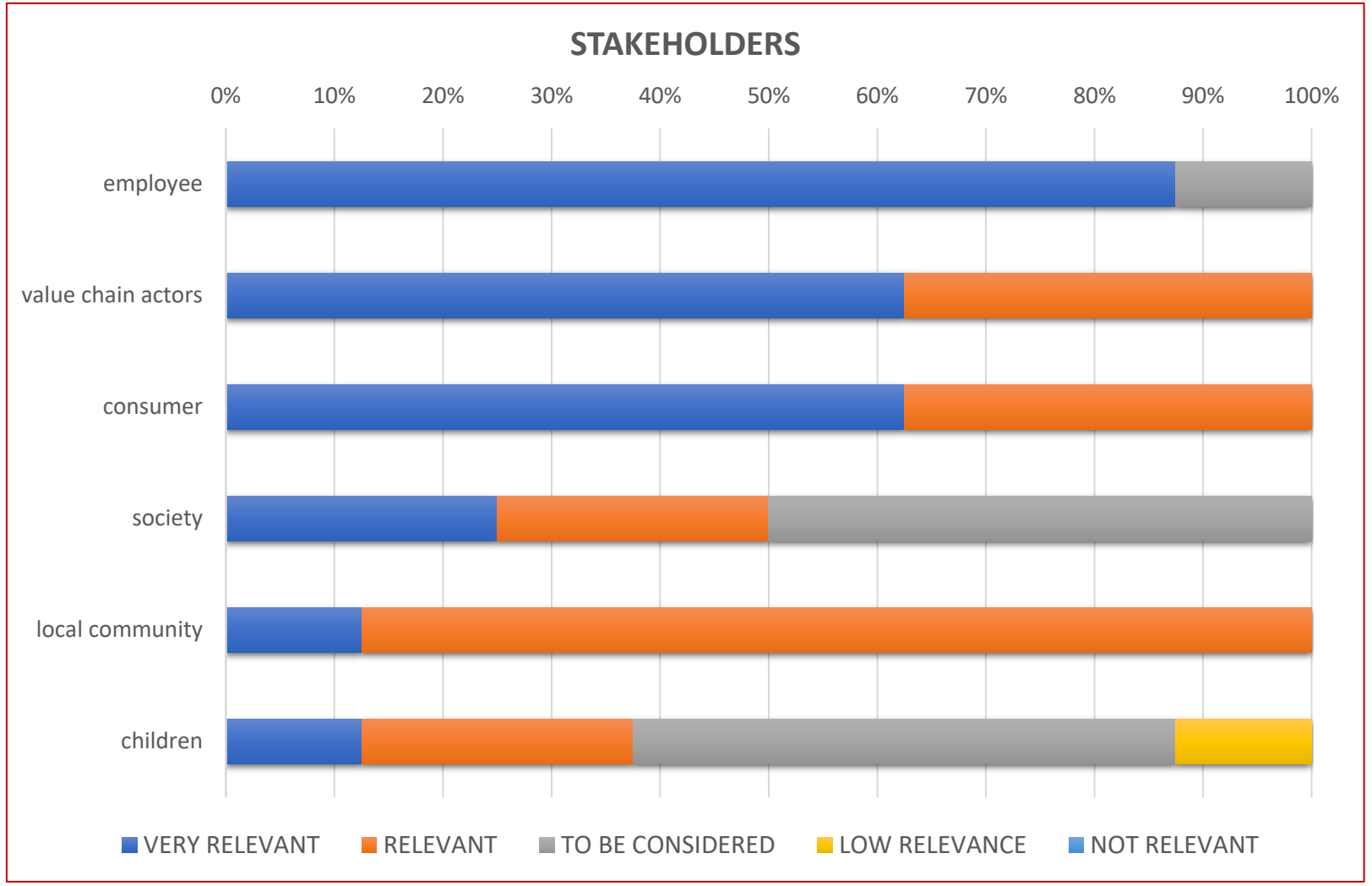
avocado book bag / cartable coffee

CHILDREN



Survey for **Organisation** - Relevance of stakeholders

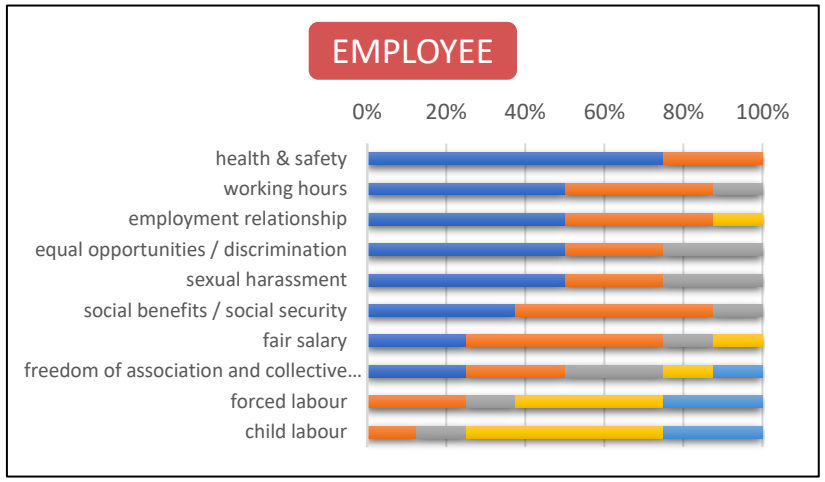
8 respondents

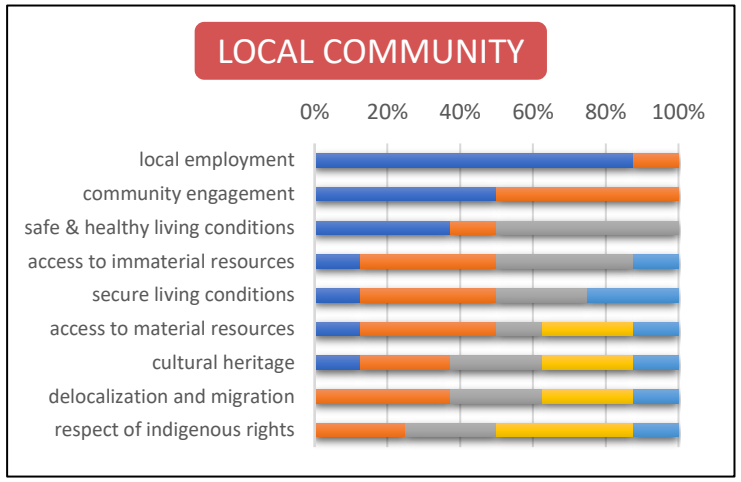


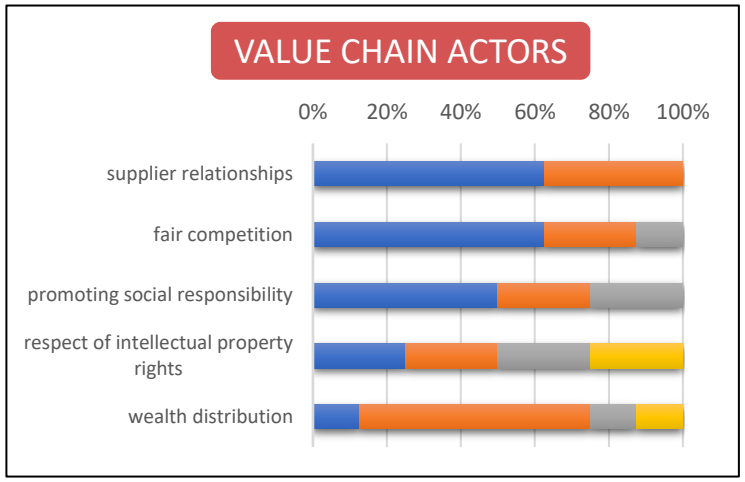
All stakeholders have been taken into account for the first S-LCA of the organisation.

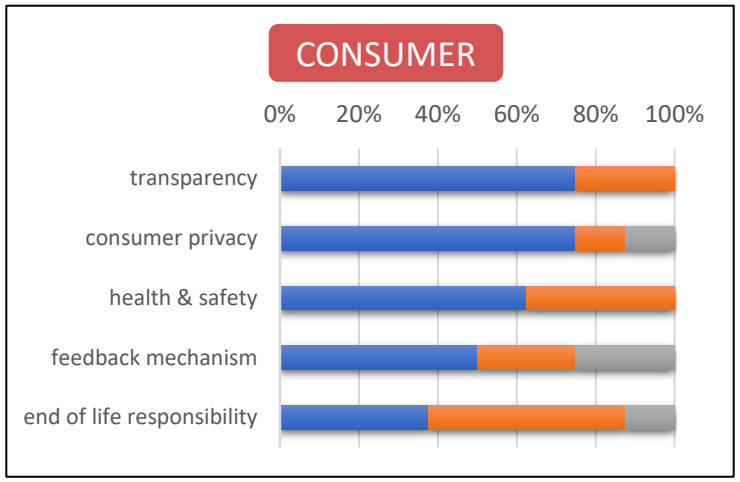
8 respondents

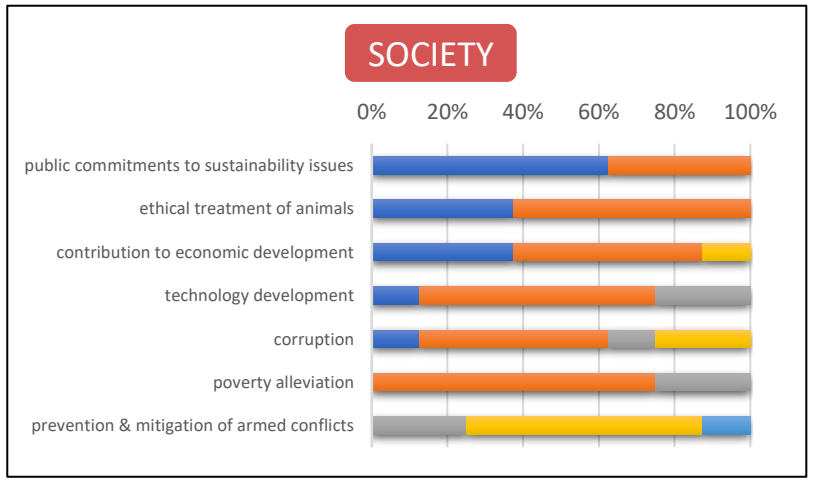
Survey for **Organisation** - Relevance of impact categories

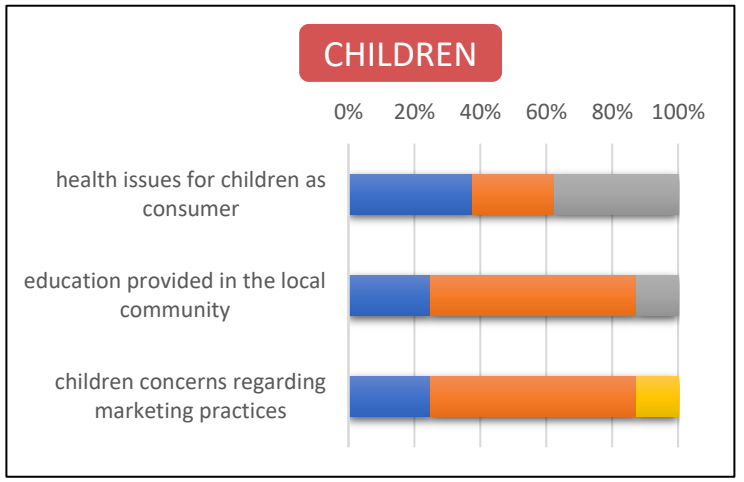












All impact categories have been taken into account for the first S-LCA of the organisation.

Survey to collect **indicators**

- 16 respondents

- No internal indicators have been proposed or identified for 10 (25%) of the 40 impact categories,

  Child labour, Forced labour, Working hours, Delocalisation & migration, Respect of indigenous rights, Access to material resources, Access to immaterial resources, Fair competition, Prevention & mitigation of armed conflicts, Corruption

- The project team has added quite some indicators.
- In the end, 253 indicators have been included in the data collection file for Organisation S-LCA

Stakeholders - Impact categories - Indicators

6 stakeholders

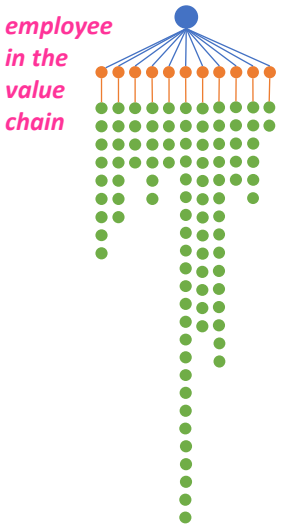
40 impact categories

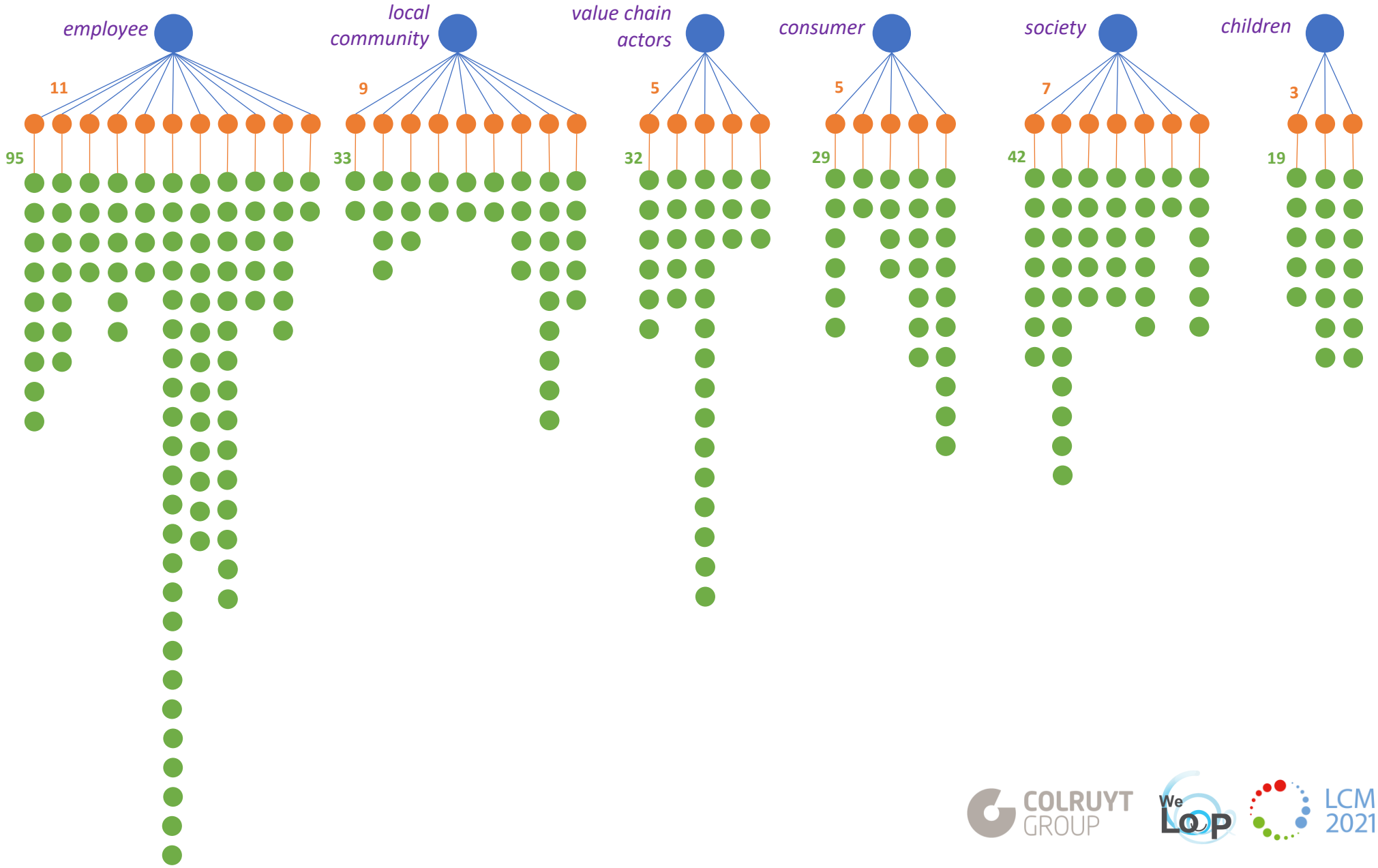
⬆ fixed

⬇ not fixed

253 indicators

for product:
1 extra stakeholder
identified by project team





First conclusions regarding the social-lca for retail

- **The S-LCA method is very relevant for retail because it helps to centralise and structure social metrics. However, it's very time/resource intensive in collecting the already existing indicators in the company.**
- **For the moment, the S-LCA method seems not mature enough to guide a retail company in performing an S-LCA study**
    - Generic guidance
    - Social indicators are mostly relative
    - The guidance is still in the R&D phase.
- **The method is lacking precise terminology for indicators (and sub-indicators).**
    - This creates real confusion for people that are asked to provide an answer on the indicators. (-)
    - It could give those same people a (legitimate?) excuse not to spend (extra) time participating in the S-LCA exercise. (-)
    - Applying S-LCA mainly for internal benchmarking (over time) gives the organisation performing the S-LCA an opportunity to develop its interpretations for the indicators. Potentially these own definitions could be used as input in case sectorial guidance at (inter)national level would be established. (+)
- **Social LCA indicators need to be adapted to the retail company's current practices of social reporting (e.g. if there is already a social indicator collected in the company, it needs to be used).**

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