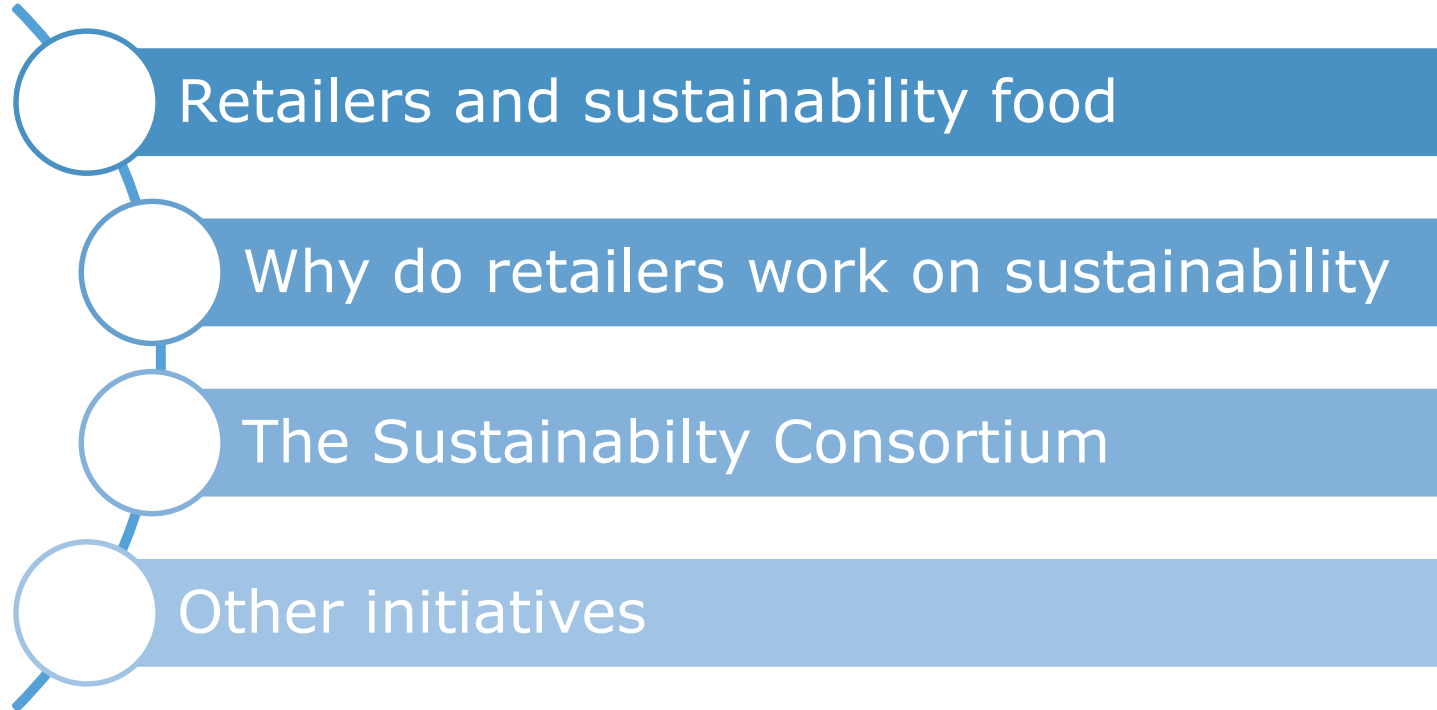


Demand for supply chain sustainability information from global retailers

Koen Boone, WUR/TSC, 7 October 2021



Agenda



Retailer's role in transforming supply chain



FERTILIZER USE



SUSTAINABLE
SEAFOOD



DISTRIBUTION



ENERGY USE



CHEMICALS
OF CONCERN

Support suppliers:

- Deliver sustainability information
- Sustainability demands
- Incentives for more sustainable products
- Select most sustainable suppliers
- Support suppliers

Support consumers:

- Transparency sustainability of products
- Stimulate sustainable choice
- Only make sustainable products available



ANIMAL WELFARE



PALM OIL



LABOR RIGHTS



WORKER HEALTH
& SAFETY



PACKAGING

CONSUMER GOODS SUPPLY CHAINS

The retailer-supplier interaction is the key point of leverage in any product's supply chain.



WATER USE

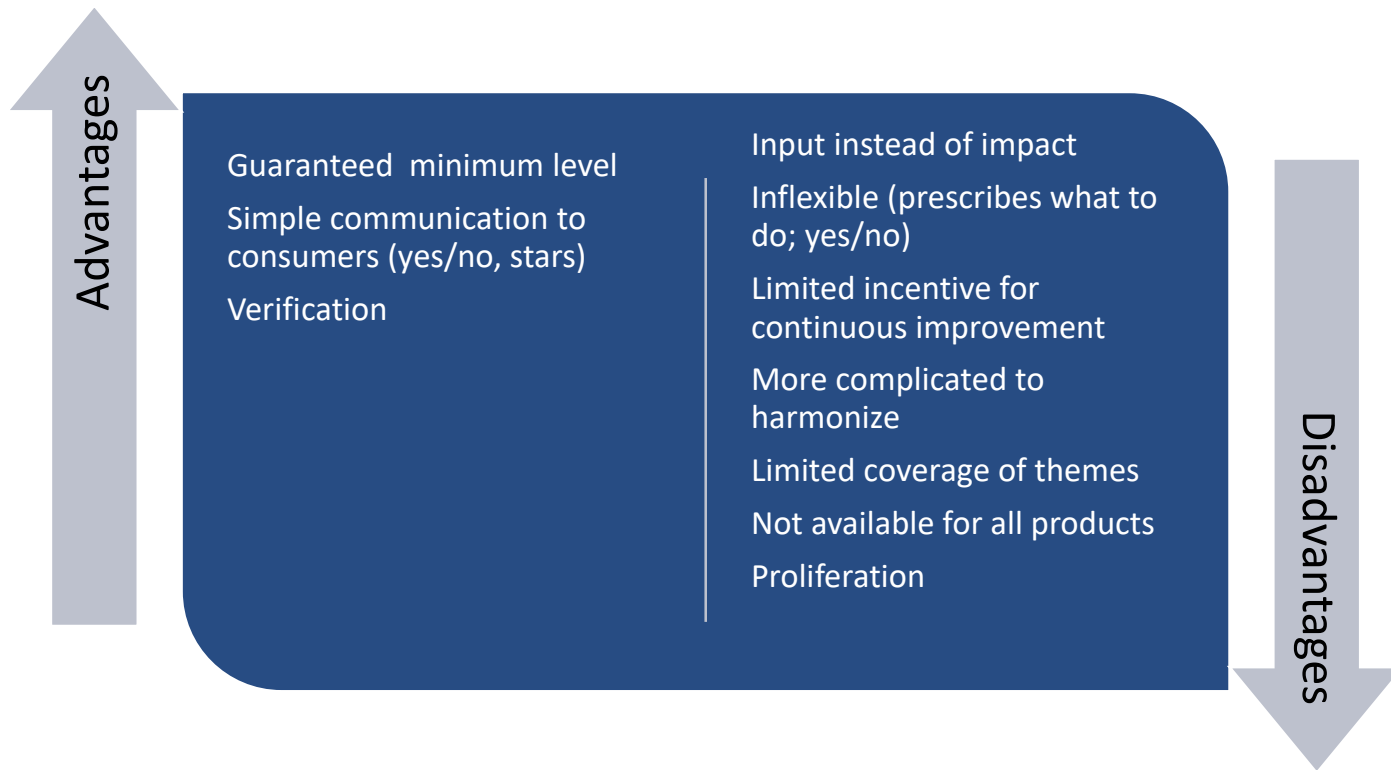


END OF LIFE
& DISPOSAL

Economic incentives for retailers around sustainability

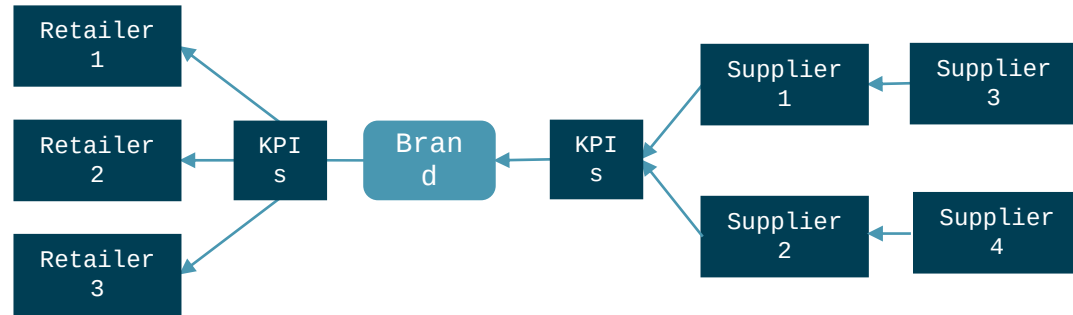
Economic Benefit	Mechanism
A. Consumers: higher margin/sales per product and/or increase customers (BtC)	Identification of sustainability of product for consumers
B. Sustainability goals	Reputation to all stakeholders (consumers, supply chain partners, ngo's, governments, employees)
C. Decrease costs	Lower costs for full supply chain
D. Risk management	Lower economic risks and lower reputational risk
E. Financial partners	Lower risks and financial cost
F. Lower costs external parties	e.g. Lower pollution can lead to lower costs for utilities or governments
G. Supply chain partners	Supply chain partners economic benefit through A to F
H. Better prepared for sustainability trends	Better decision-making to profit from A to G

Labels versus Impact indicators



TSC's Sustainability Insight System (THESIS)

- Hotspots, improvement opportunities and indicators for 115 consumer product categories
- **Full life cycle, all sustainability themes**
- Stimulating **innovation and continuous improvement**
- **Minimize cost** by global harmonisation, alignment with leading initiatives and scale
- Implemented by nearly 2000 companies to report to retail/wholesale/catering/hospitality



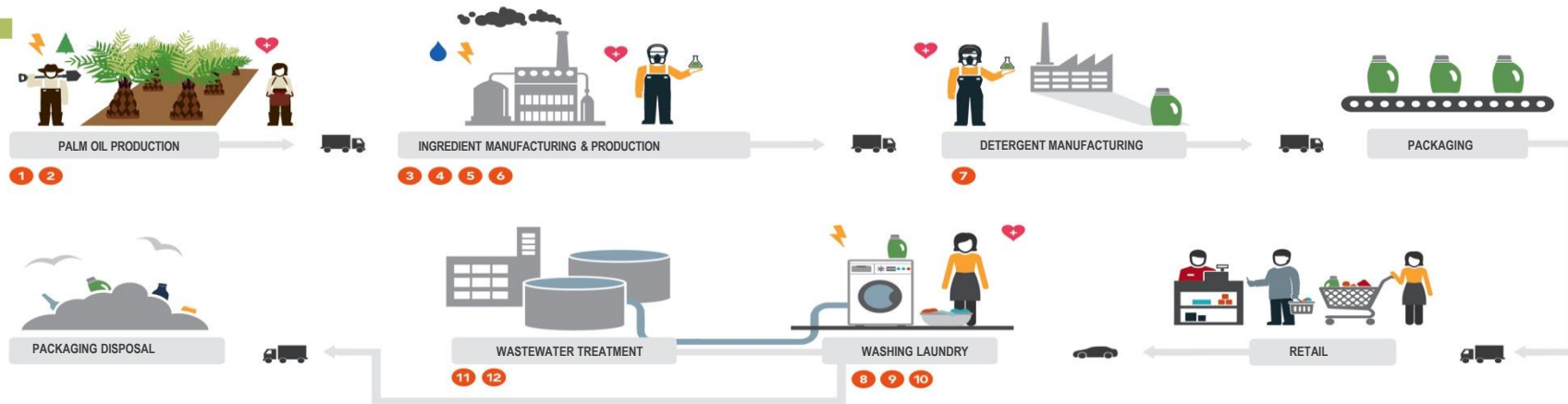
Member Network





LAUNDRY DETERGENT

SUPPLY CHAIN HOTSPOTS



HOTSPOTS

1

Palm oil production – Environmental impacts:

Palm oil cultivation uses agricultural inputs and energy, and causes deforestation.

2

Palm oil production – Social impacts:

Palm oil cultivation causes issues such as worker and community health and safety, labor rights, and indigenous rights.

3

Chemical use – Chemical plant operation:

Workers can develop respiratory difficulties and skin irritation from exposure to chemicals.

4

Electricity consumption – Chemical production:

Electricity generated to power chemical plants can cause climate change and impact human health.

5

Fossil fuel combustion – Chemical plant operation:

Energy used for operating chemical plants depletes resources and can cause climate change.

6

Water use – Chemical plant operation: Producing chemicals can deplete water resources and generate wastewater.

7

Worker sensitization and allergy – Enzymes in manufacturing: Workers can develop occupational illnesses from exposure to enzymes.

8

Adverse health effects – Product application, laundry detergent: Consumers may experience health issues when using detergent.

9

Electricity consumption – Equipment operation, laundry cleaning: Electricity generated to power washing machines can cause climate change.

10

Water heating and use – Product application: Electricity generated to heat water for washing can cause climate change.

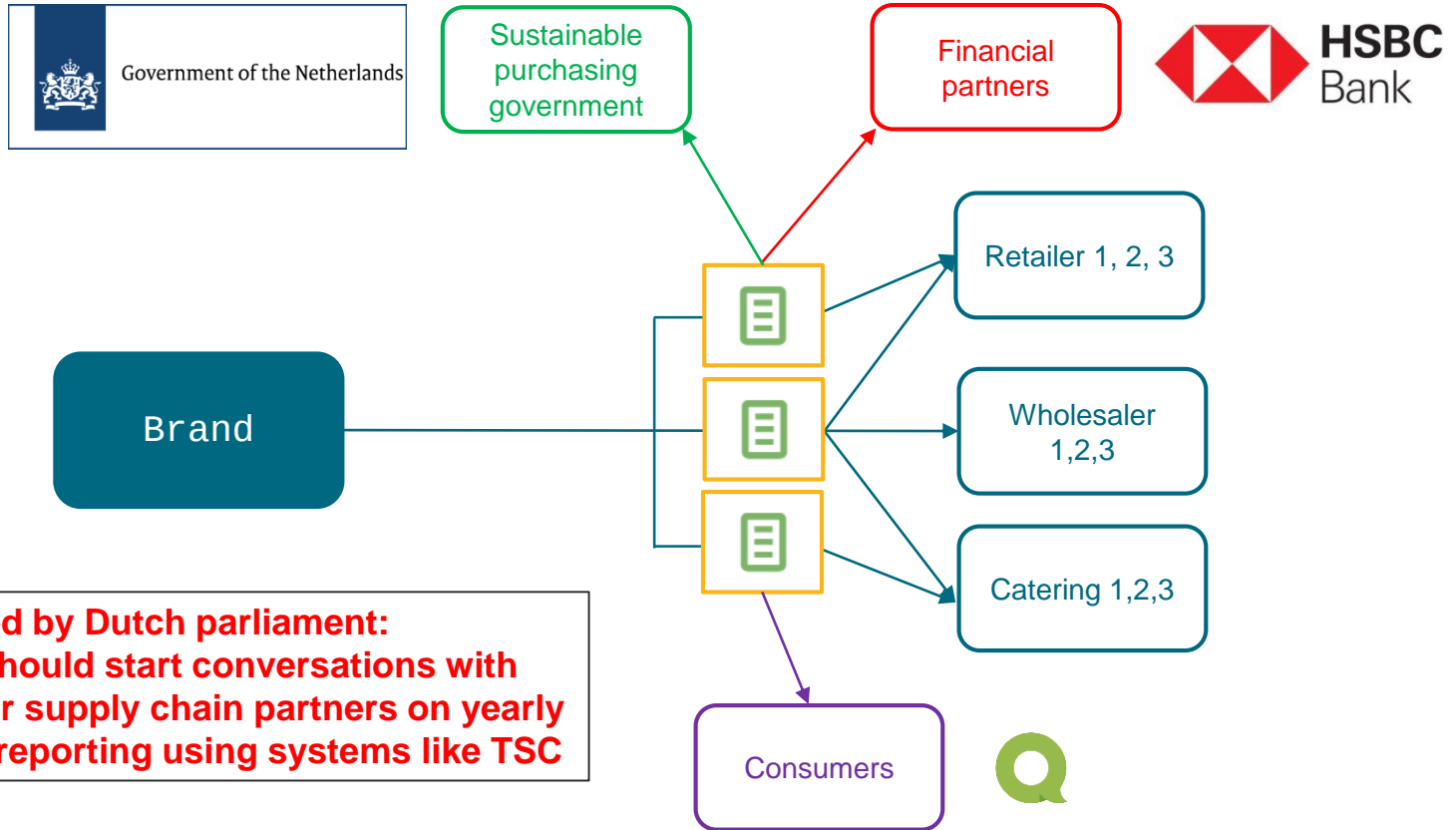
11

Greenhouse gas release – Product flush: Gases that are formed when detergent biodegrades can cause climate change.

12

Wastewater generation – Product flush: Some detergent ingredients do not fully biodegrade and may accumulate in or cause toxicity to aquatic life.

Multiple use of the results



Innovation projects: TSC's Ag Metrics Task Force



Grower Incentives Projects:

Research to survey growers about incentives to collect/share sustainability data titled *["Understanding Farmer's Perspectives on Collecting and Sharing Farm Data"](#)*.

[Farmer-Perspectives-on-Data-2021.pdf \(trustinfood.com\)](#)



Ag Data Landscape :

Bringing together farm metrics tool owners

[Data landscape mapping in agricultural supply chains](#)

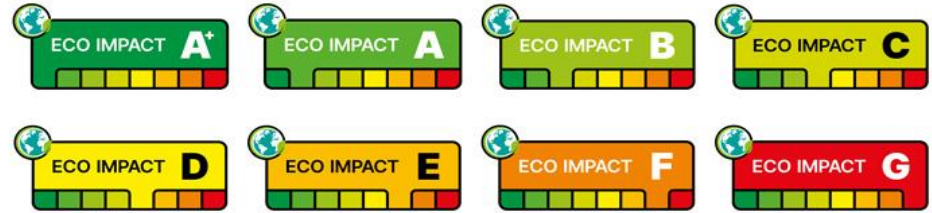
API creation

Our Agricultural Metrics Partners



Other tools for retailers: Eco-score and Eco-impact

- LCA/PEF based
- Only environmental
- Individual data of supplier
- UK
- Selection between product categories and within product category



foundation-earth.org



<https://docs.score-environnemental.com/english/presentation>

Thanks for your attention

Questions?

Koen.boone@wur.nl

