

# Reality Check Sustainability Reporting Assessment Sustainability Reporting of Belgian Companies



# What proportion of Belgian companies have a strategy in place for social sustainability in their own operations and in their global supply chains?

30%

60%

80%



# Research HIVA (2019) Towards Socially Sustainable Supply Chains? Belgian companies' Approaches on Human Rights and Supply Chains?

- **60% of Belgian companies dispose of some form of sustainability reporting**
- Large **differences exist in quality of reporting**. Some have forms of systematic reporting, according to international standards, such as ***Global Reporting Initiative***, but more reports do not follow any form of format or methodology
- Focus almost always on **ecological footprint of the company** and on own **philanthropical activities**

[https://www.researchgate.net/publication/331951200\\_Towards\\_Socially\\_Sustainable\\_Supply\\_Chains\\_Belgian\\_Companies'\\_Approaches\\_to\\_Human\\_Rights\\_and\\_Working\\_Conditions\\_in\\_their\\_Supply\\_Chains](https://www.researchgate.net/publication/331951200_Towards_Socially_Sustainable_Supply_Chains_Belgian_Companies'_Approaches_to_Human_Rights_and_Working_Conditions_in_their_Supply_Chains)



# Research HIVA (2019) Towards Socially Sustainable Supply Chains? Belgian companies' Approaches on Human Rights and Supply Chains?

- **Aspects of social sustainability only in a about half of the reports, mainly working conditions in own activities**
- **Belgian companies use **SDG's** as reference for sustainability reporting SDG Barometer 2022 : 73% of Belgian companies & organisations have some form of **SDG** implementation strategy**

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## II. Initiatives of Belgian companies for social sustainability in their own activities and value chains

What type of initiatives in social sustainability do Belgian companies report on?

- 1<sup>st</sup> group focus on **ecological footprint reduction** and own **philantropical initiatives** and **social sustainability initiatives** in their own activities.
- 2<sup>nd</sup> group of initiatives of **individual company initiatives** for sustainable procurement or purchases with **conduct codes for 1st tier suppliers** as leading mechanism – purely voluntary character



## II. Initiatives of Belgian companies for social sustainability in their own activities and value chains

What type of initiatives in social sustainability do Belgian companies report on?

**3<sup>rd</sup> category = coordinated sector initiatives that develop a collective code of conduct.** Combination with **social audits for compliance.** Purely **business driven initiatives.** Trade unions and NGO's not involved. Very top down – not very realistic picture of on the ground experiences. See Rana Plaza – passed Business Social Compliance International audit on health and security

## II. Initiatives of Belgian companies for social sustainability in their own activities and value chains

**4th category are third party sustainability certification initiatives.** More guarantees for compliance with standards because of independence of audits. Labels are also form of sensitization instrument for the consumers. More inclusive – participation of stakeholders NGO's and trade unions in decision making bodies of 3rd party certification initiatives such as Fairwear Foundation etc





## II. Initiatives of Belgian companies for social sustainability in their own activities and value chains

**5th group are Multistakeholder initiatives** = broad cooperation initiatives of companies with unions and NGO's but also governmental services for due diligence for human rights, labour rights and environmental standards and sustainable development. Exist mainly in the Netherlands and in Germany, but also some in Belgium. Positive: focus on social dialogue [*but not in country of production*]



## II. Initiatives of Belgian companies for social sustainability in their own activities and value chains

- In Conclusion: only 1 in 3 large Belgian companies has a strategy for social sustainability all along the supply chain in place. t.i companies with initiatives for initiatives category 2 – 5.
- These findings match findings of survey commissioned by Com. Reynders in 2020. Only 1/3<sup>rd</sup> of European companies have some form of due diligence for labour rights, human rights and environmental standards in place.
- These findings are a call to action to Belgian and European authorities of binding legislation on due diligence for respect of business for **labour rights, human rights and environmental standards. A level playing field is necessary!**

[european commission study on due dilligence](#)

