

Sustainable Economies Due diLigence: good EXamples and the role of social dialogue

UpCoop France

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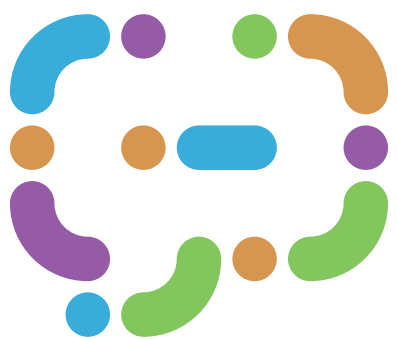
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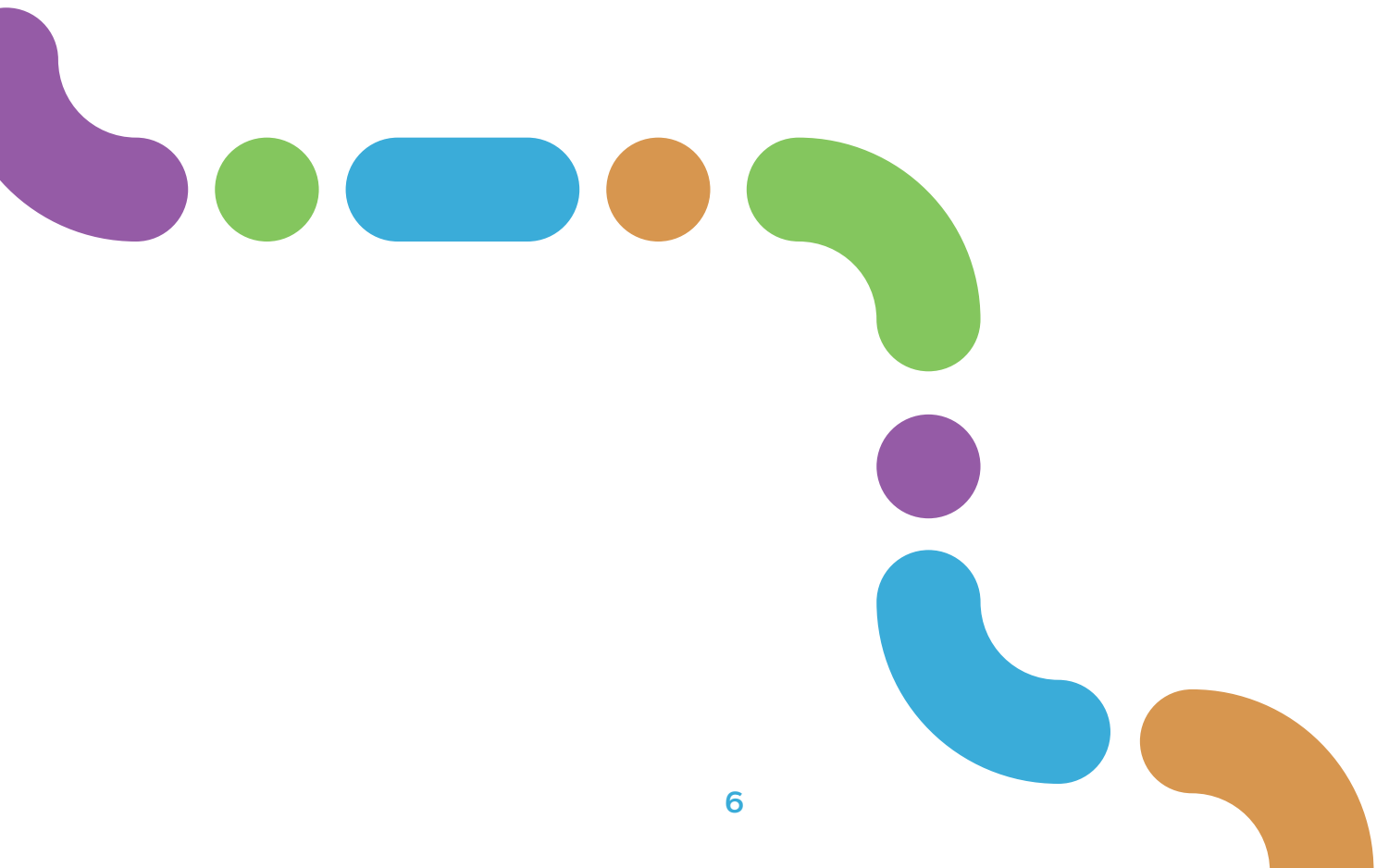
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01

Organisational model and legal status



Case study: UPCOOP – FRANCE

UpCoop, established in 1964, operates as a *société coopérative et participative* (SCOP),¹ distinguishing itself through its cooperative model centred on democratic governance and social responsibility. The organisation functions as the parent company of the Up Group, which spans 25 countries and has over 3,210 employees. UpCoop is structured to uphold the values of the cooperative movement, with 100% of its capital owned by employee-members, reinforcing its commitment to participative decision-making and shared value creation (DPEF, 2023).

The cooperative model at UpCoop brings in external stakeholders by including representatives of three founding trade unions (CGT, CFDT, and FO) on its board of directors, further embedding democratic governance in its operations. The governance model is characterised by elections held every four years, enabling employees to elect representatives to the board. This democratic approach ensures that decisions reflect collective interests rather than individual or external shareholder priorities: “The democratic governance of the cooperative

is highlighted by our elections every four years, ensuring that the entire board of directors is renewed collectively. This approach reflects our commitment to participative decision-making.” (*Up en Bref*, 2023).

The cooperative also benefits from its legal status as a SCOP. This status mandates that at least 50% of its profits is reinvested in the business, promoting sustainability and innovation. This reinvestment strategy allows UpCoop to maintain financial resilience while aligning with its social mission. Unlike traditional corporations, UpCoop’s legal framework prioritises the welfare of its members and stakeholders over profit maximisation, creating a unique organisational culture rooted in solidarity and collective benefit (DPEF, 2023).

In January 2023, UpCoop transitioned into an *entreprise à mission* (mission-driven business), a strategic move that formalised its commitment to social and environmental objectives. This transition was accompanied by the adoption of a *raison d’être*: “Coopérer durablement pour un pouvoir d’achat à utilité sociale et locale” (Cooperate sustainably for purchasing power with social and local utility.) This mission encapsulates the cooperative’s dedication to sustainable practices and its focus on creating social value for its stakeholders. This transition followed a one-year participatory process, where all employee-members were consulted through questionnaires, workshops, and an extraordinary general assembly. The move was approved by 92% of members. A mission committee was established, including both employees and external stakeholders, to oversee and evaluate mission-related objectives.

¹ In French law, a SCOP (société coopérative et participative) is a cooperative company in which employees collectively own and manage the business, ensuring a model based on democratic governance, profit-sharing, and reinvestment. To uphold its cooperative structure, at least 51% of the capital must be owned by employees, and they must have equal voting rights, regardless of the number of shares they hold. The profit distribution framework reinforces financial sustainability and fairness: a minimum of 25% of profits must be allocated to employee bonuses, at least 16% must be retained as reserves to strengthen the company’s long-term stability, and the remaining amount can be reinvested (generally, the company share represents 40% to 45% of the profits). or distributed as dividends (the partner share usually represents 10% to 15% of the profits. It must always be lower than both the employee share and the company share.). This structure ensures that the company prioritises collective benefit over external shareholder interests, making SCOPs a cornerstone of France’s social and solidarity economy (ESS – économie sociale et solidaire).

What is an *entreprise à mission*?

An *entreprise à mission* is a specific legal designation for organisations that integrate a social or environmental mission into their core identity. This status requires companies to define a *raison d'être* and establish a mission committee to oversee the implementation of their commitments. The advantages of being an *entreprise à mission* include:

- ➔ Alignment with cooperative values: strengthening the cooperative's identity and ensuring that its operations are guided by its founding principles;
- ➔ Enhanced trust and transparency: building credibility among stakeholders by demonstrating accountability and a commitment to ethical practices;
- ➔ Market differentiation: positioning the cooperative as a socially and environmentally conscious organisation, appealing to a growing demographic of ethically-minded consumers and partners.

This transition has allowed UpCoop to institutionalise its commitment to sustainability, ensuring that its mission remains at the forefront of its operations. The cooperative's adoption of international certifications, such as ISO 9001 for quality management and ISO 14001 for environmental responsibility, further underscores its dedication to best practices (*Up en Bref*, 2023). UpCoop is the first *SCOP à mission*.

UpCoop's legal framework also requires a portion of its profits to be distributed among employee-members, promoting economic equity and reinforcing

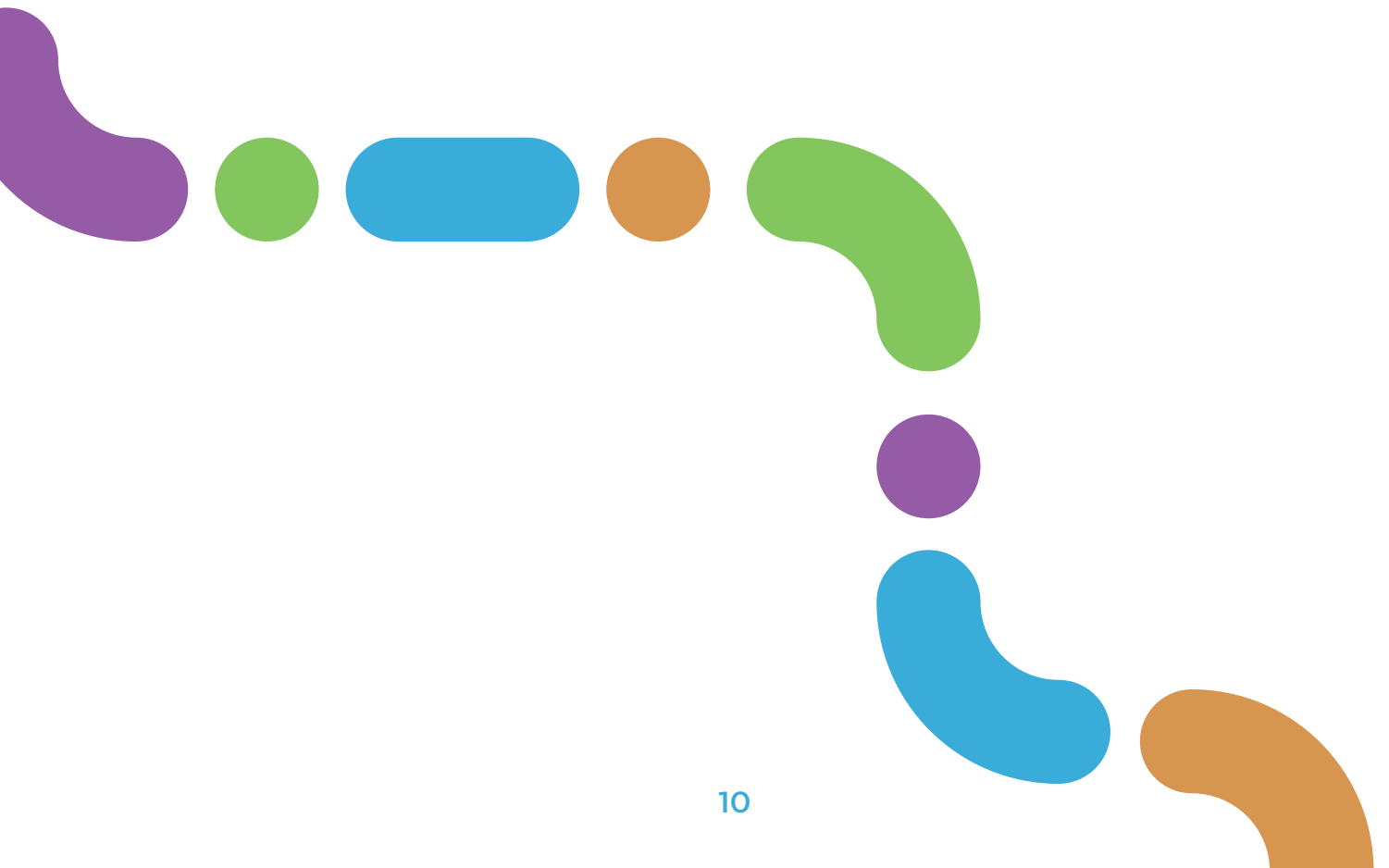
the cooperative's participative ethos. These distributions are done in parallel with reinvestments in the business, ensuring that the cooperative remains financially robust while delivering tangible benefits to its members.

"Our model ensures that value is shared equitably among members while maintaining the cooperative's long-term sustainability."



02

Background of the company



Case study: UPCOOP – FRANCE

Founded in 1964, UpCoop emerged as a pioneering cooperative dedicated to social innovation through payment and service solutions. Initially focused on meal vouchers, the organisation has expanded to encompass a diverse range of socially useful services, including gift vouchers, cultural access, and other benefits aimed at improving quality of life. Today, UpCoop operates as the cornerstone of the Up Group, an international entity with operations in Europe, the Americas and Eurasia (DPEF, 2023).

The cooperative's mission is deeply rooted in enhancing social welfare and empowering individuals through tools that facilitate responsible consumption. This mission is operationalised through a wide array of solutions that serve over 23 million beneficiaries and 1 million client organisations, including public authorities and private enterprises (*Up en Bref*, 2023). UpCoop's historical trajectory reflects its adaptability and commitment to innovation. Over the decades, it has navigated challenges such as economic crises and digital transformation while staying true to its cooperative values. For instance, the digitalisation of its products, including the development of the UpOne multi-benefits card, has allowed the cooperative to streamline services and extend its reach to diverse user groups. This digital pivot has not only enhanced user experience but also reinforced its environmental goals by reducing reliance on paper-based solutions.

The cooperative's ability to respond proactively to external challenges has been a hallmark of its growth. During periods of economic instability, UpCoop leveraged its cooperative principles to maintain financial resilience and prioritise the welfare

of its stakeholders. For example, it strategically reinvested profits in community-driven initiatives and member benefits, thereby reinforcing trust and loyalty among its clients and employees. The cooperative's international expansion underscores its ability to replicate its social impact model across varied contexts. In countries like Italy, Turkey and Romania, it has adapted its solutions to meet local needs while maintaining its core values. This global presence is supported by strategic acquisitions, such as Hexeko in Belgium and Fitpass in Georgia, which have strengthened its market position and diversified its offerings (*Up en Bref*, 2023).

UpCoop has also embraced a people-centric approach to governance, ensuring that its employees are integral to decision-making processes. The inclusion of employees as sociétaires (members) ensures that decisions are made collectively, fostering a sense of ownership and accountability. Additionally, the cooperative invests significantly in employee training and development, with an 84% training access rate in 2023, demonstrating its commitment to capacity building and human capital development. The cooperative's governance structure emphasises transparency and accountability, and focuses on aligning strategic objectives with its mission. The establishment of mission-specific committees has strengthened UpCoop's ability to track progress and make informed decisions that benefit its stakeholders. This approach not only reinforces its cooperative identity but also ensures that the organisation remains responsive to emerging challenges and opportunities.

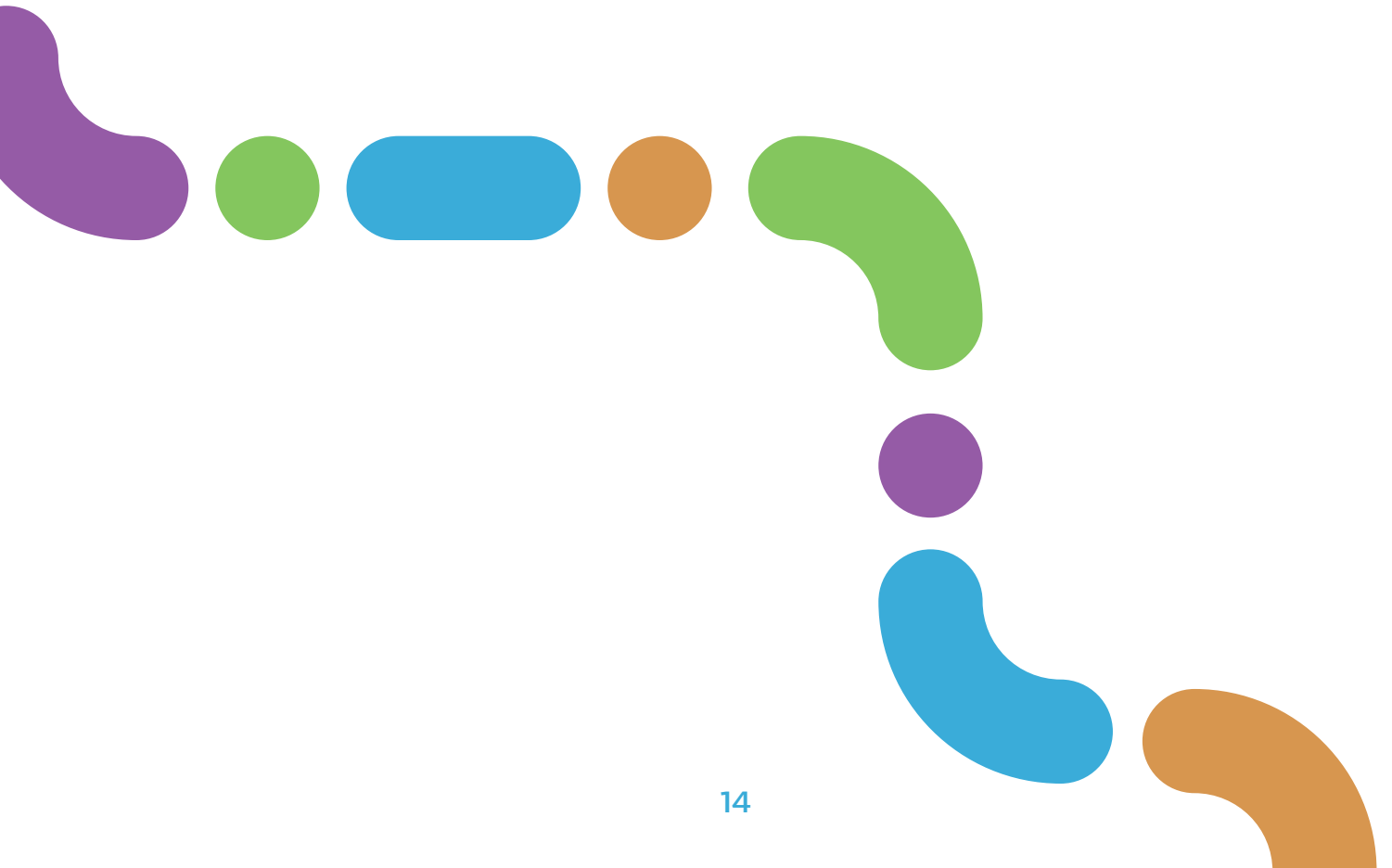
UpCoop's innovation-driven mindset has also led to the development of solutions tailored to evolving market demands. By integrating digital technologies and sustainability into its operations, the cooperative has maintained a competitive edge while staying true to its founding values. This balance of innovation and tradition has allowed UpCoop to thrive in a dynamic and often challenging market environment.

"Our ability to adapt to changing markets while upholding our cooperative principles is what sets us apart as a leader in the sector."



03

Corporate sustainability due diligence (CSDD)



Case study: UPLOOP – FRANCE

Corporate sustainability due diligence (CSDD) is a fundamental component of UpCoop's operations, reflecting its commitment to ethical practices, environmental stewardship and social responsibility. As an *entreprise à mission*, UpCoop has systematically integrated CSDD into its governance framework, ensuring that its operations comply with regulatory requirements and the cooperative's *raison d'être*.

UpCoop's sustainability framework is structured around five key pillars, which guide its Corporate Social Responsibility (CSR) strategy: governance, economic responsibility, social responsibility, societal engagement and environmental stewardship (*Up en Bref*, 2023).

UpCoop's five pillars of corporate social responsibility:

1. Democratic governance

UpCoop is a *société coopérative et participative* (SCOP) with 100% of its capital owned by employee-members, reinforcing a governance model rooted in democracy, transparency and inclusiveness. The board of directors, elected every four years, consists of 19 members, including three representatives of employee-members and three representatives of social partners (CGT, CFDT, FO).

Key initiative: UpCoop is a gold-rated cooperative under the EcoVadis certification, recognising its commitment to ethical governance and transparency.

2. Economic responsibility

UpCoop aims to balance economic growth with sustainability, ensuring that its financial activities

support local economies and responsible consumption. The cooperative operates as an *établissement de monnaie électronique* (electronic money institution), promoting digital payment solutions to reduce reliance on physical resources and enhance efficiency.

Key initiative: 78% of UpCoop's solutions have been digitalised, minimising the environmental impact associated with paper-based transactions.

3. Social responsibility

UpCoop prioritises equity, inclusion and employee well-being, with policies designed to promote diversity and social justice. Its human resources strategy includes commitments to:

- ✦ Diversity and inclusion: 7.83% of employees are people with disabilities;
- ✦ Equal opportunities: 55% of employees are women, with gender equality policies in place;
- ✦ Skills development: 84% of employees have access to training programmes.

Key initiative: UpCoop adheres to the United Nations Global Compact and the French Diversity Charter, reinforcing its commitment to fair employment practices.

4. Societal engagement

UpCoop integrates solidarity and social impact into its business model, ensuring that its activities support community well-being. The Up Foundation funds initiatives that promote education, housing, healthcare and social inclusion, particularly for vulnerable people.

Key initiative: Since 2017, UpCoop has supported

80 social projects, with €2.4 million allocated to community-driven initiatives.

5. Environmental stewardship

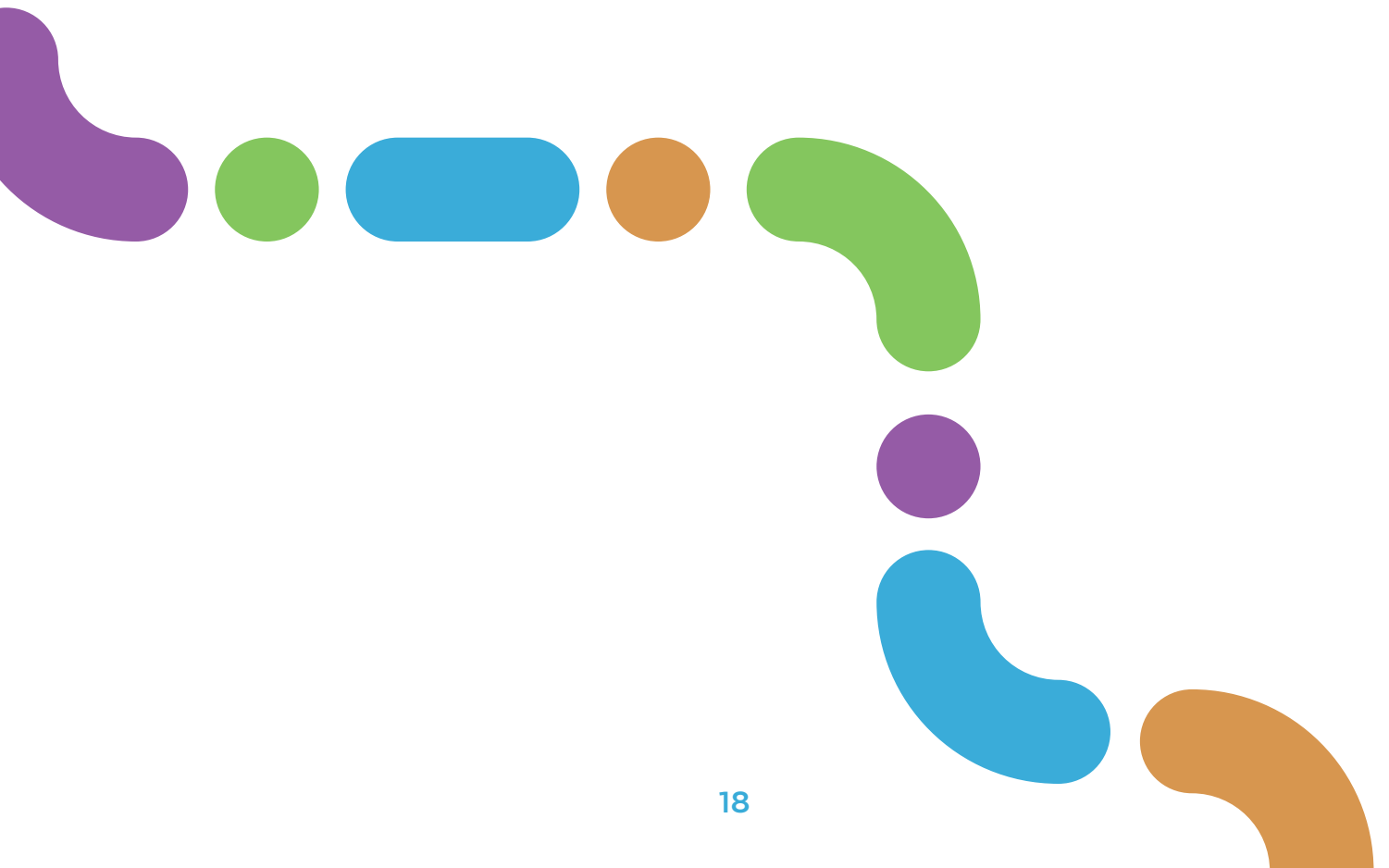
UpCoop is committed to reducing its ecological footprint, and complies with the Paris Agreement and the French Climate and Resilience Law. The cooperative implements sustainable practices across its operations, including by using renewable energy and eco-friendly materials.

Key initiative: over 90% of the paper used in UpCoop's products comes from sustainably managed forests, and nearly 85% of the electricity consumed in its offices comes from renewable sources.



04

Social dialogue



Case study: UPCOOP – FRANCE

Social dialogue is a cornerstone of UpCoop's governance and operational philosophy, reflecting its commitment to fostering inclusive, participative decision-making processes. This approach agrees with the cooperative's core values of democracy and transparency, which are integral to its identity as a *société coopérative et participative* (SCOP) and its designation as an *entreprise à mission*: "The presence of trade union representatives in our governance structure ensures that all voices are heard and that decisions are made collectively for the benefit of the cooperative".

UpCoop facilitates social dialogue through a robust organisational framework that includes formal and informal channels of communication. The cooperative's board of directors includes representatives from three founding trade unions (CGT, CFDT, and FO), enabling direct engagement between management and employee representatives. Regular meetings and participative forums ensure that employee concerns are heard and addressed effectively. This structure not only enhances transparency but also fosters a culture of trust and collaboration (*Up en Bref*, 2023).

Employee assemblies, held quarterly, provide a platform for discussing operational strategies, financial performance and upcoming initiatives. These assemblies empower employees to contribute to decision-making processes, reinforcing their sense of ownership and accountability. UpCoop's approach to social dialogue goes beyond traditional mechanisms by prioritising employee engagement and empowerment. Each employee becomes a member and co-owner after one year of tenure, granting them

voting rights and the ability to influence strategic decisions. This ownership model fosters a deep sense of belonging and commitment to the cooperative's mission (DPEF, 2023).

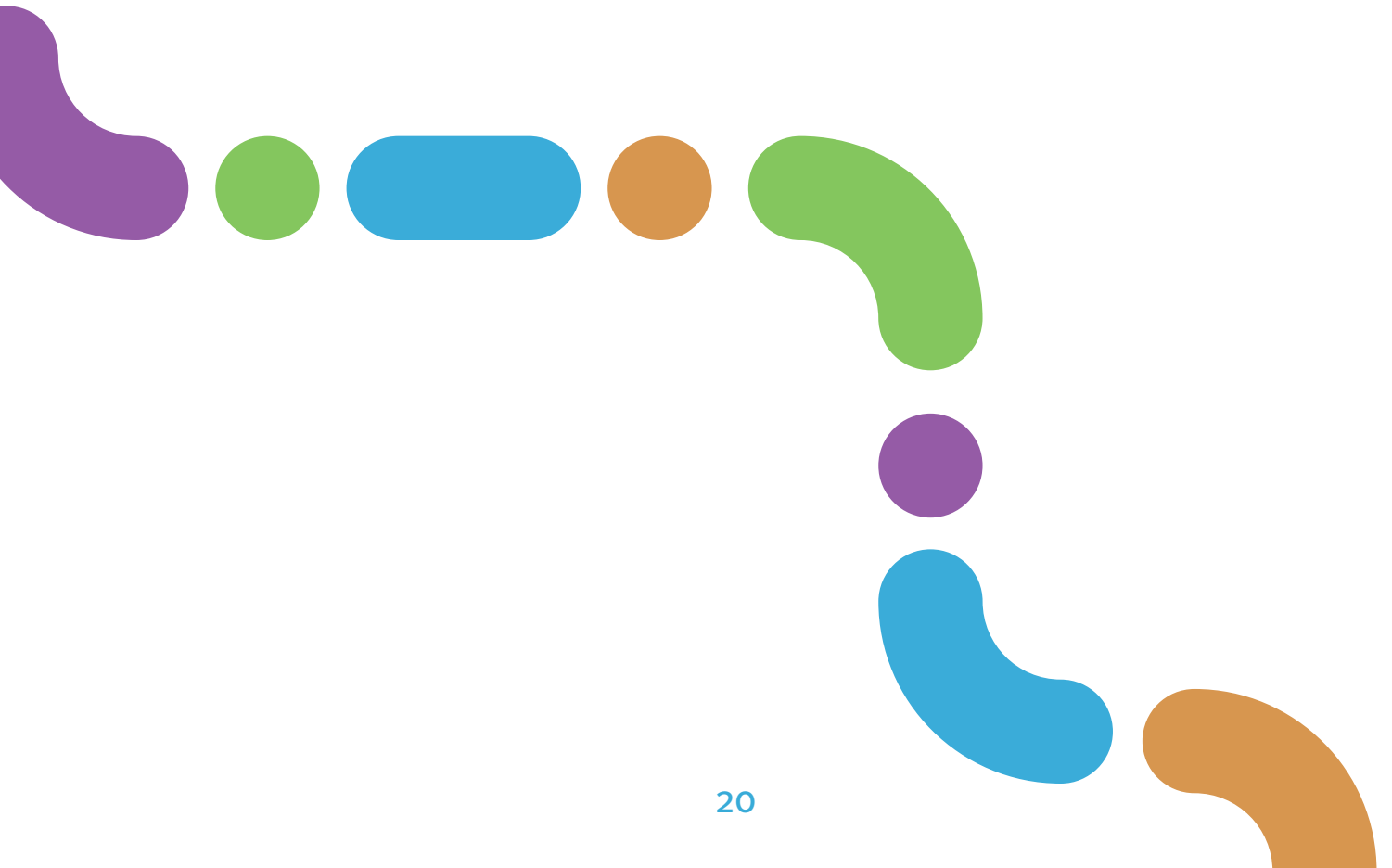
In 2023, UpCoop invested significantly in employee training, with an 84% training access rate. Its training programmes are designed to equip employees with the skills needed to participate effectively in governance processes and contribute to the cooperative's success: "Our training programmes are not just about skills development but also about nurturing leaders who understand and uphold our cooperative values".

Social dialogue at UpCoop is integrated into its broader strategic objectives, ensuring that cooperative principles underpin every aspect of its operations. For example, during the development of its environmental sustainability initiatives, employee representatives collaborated with management to design policies that fit with both the cooperative's mission and stakeholder expectations.

Balancing diverse perspectives within the cooperative can sometimes lead to protracted decision-making processes. However, UpCoop views this as a necessary trade-off for ensuring inclusiveness and achieving consensus: "Consensus-building takes time, but it is essential for maintaining the integrity of our cooperative model". The cooperative's commitment to its democratic principles remains unwavering, even in the face of these complexities.

05

Challenges and opportunities



Case study: UPCOOP – FRANCE

UpCoop operates in a dynamic environment where it faces both challenges and opportunities shaped by economic, social and environmental factors.

Challenges

One major challenge is the increasing competition from private-sector organisations offering similar services but without the constraints of a cooperative model. These competitors often benefit from greater financial flexibility and scalability, allowing them to invest heavily in innovation, digitalisation and marketing.

“Private-sector organisations have the advantage of agility in resource allocation, which often puts cooperatives at a strategic disadvantage in highly competitive markets.”

Additionally, the complexity of maintaining the cooperative identity while scaling up operations globally presents challenges. Ensuring that core cooperative values are upheld across 25 territories, including non-EU subsidiaries, requires significant investment in training, governance structures and regulatory alignment. Another key challenge is navigating the European Corporate Sustainability Reporting Directive (CSRD), which mandates enhanced sustainability reporting. Implementing CSRD compliance across all subsidiaries – including those outside Europe – requires robust data collection, internal coordination, and process adjustments. Moreover, environmental accountability in digitalisation is an emerging issue. While UpCoop’s digital transformation efforts – such as the UpOne

multi-benefits card – have reduced paper use, they introduce new sustainability trade-offs, particularly in energy consumption and electronic waste. Ensuring supply chain sustainability compliance also remains an ongoing challenge. UpCoop works with numerous suppliers across different countries, making it essential to monitor environmental and labour practices effectively while maintaining operational efficiency.

Finally, balancing cooperative governance with market agility is another structural challenge. UpCoop’s participatory decision-making model, while fostering inclusion, often takes longer than traditional corporate decision-making processes, requiring a careful balance between democratic engagement and operational efficiency.

Opportunities

Despite these challenges, UpCoop has several key opportunities to leverage its cooperative model as a competitive advantage. The growing demand for ethical business practices presents a significant opportunity. Consumers and investors increasingly prioritise sustainability, corporate responsibility and social impact, which matches closely with UpCoop’s cooperative identity and mission-driven status.

“Our mission-driven approach resonates with a growing segment of consumers who prioritise ethical and sustainable choices.”

UpCoop also benefits from competitive differentiation due to its unique governance model. Unlike private-

sector competitors, the cooperative structure allows UpCoop to offer participatory governance and sustainability-driven business practices, positioning it as a leader in socially responsible finance and payment solutions. Technological advancements further enhance UpCoop's growth potential. The cooperative's investment in digitalisation has already increased efficiency, improved user experience, and reduced environmental impact. For example, the UpOne multi-benefits card has successfully combined cutting-edge technology with UpCoop's sustainability goals, reducing reliance on physical resources and enhancing accessibility (*Up en Bref*, 2023).

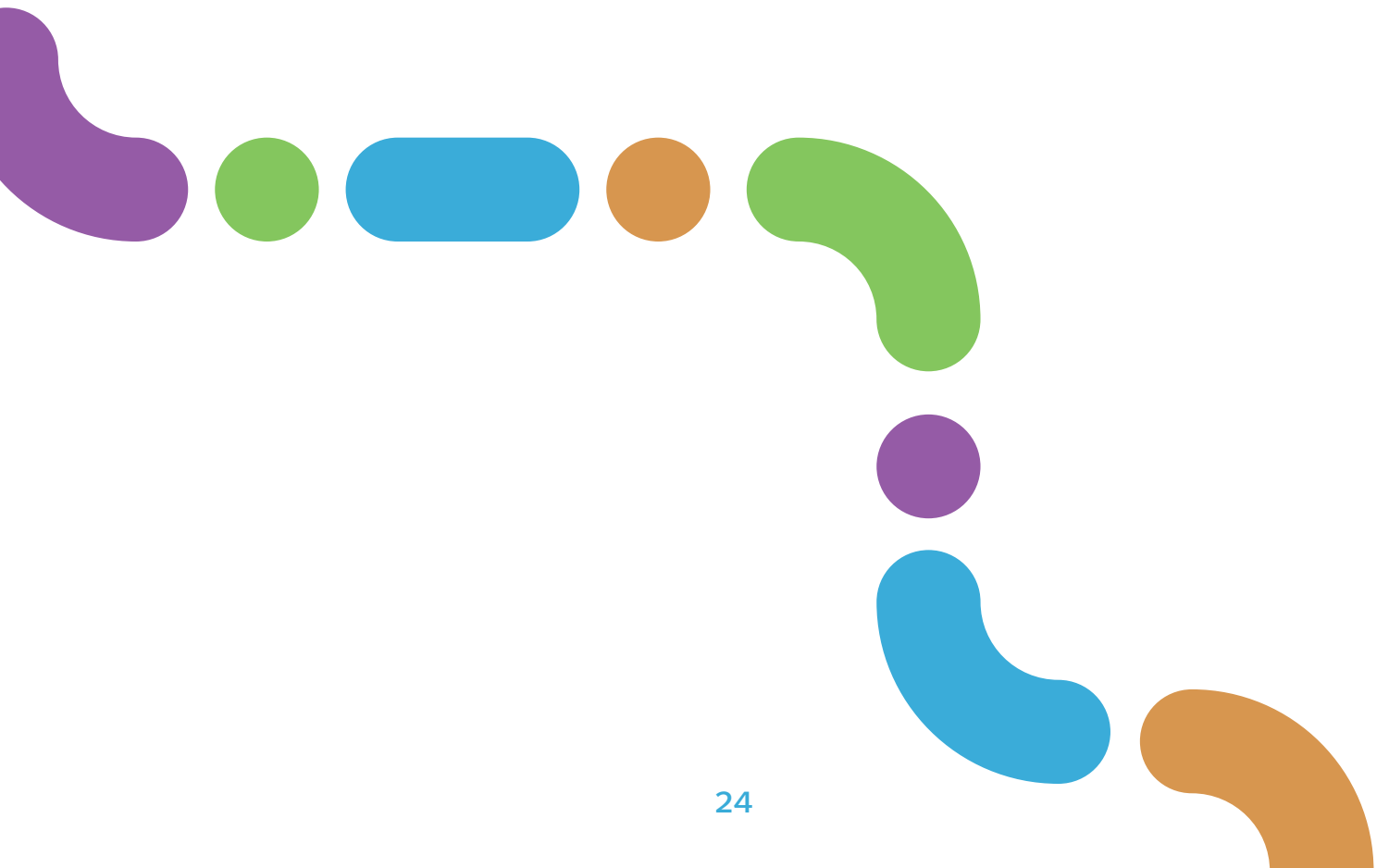
UpCoop's commitment to environmental sustainability is also aligned with broader societal trends towards eco-consciousness and circular economy principles. By dematerialising services, optimising energy consumption, and reducing its carbon footprint, the cooperative is strengthening its position as a sustainability leader. UpCoop's global expansion with local adaptation enables it to tailor solutions to diverse cultural and regulatory environments while maintaining its core cooperative values. This adaptability ensures continued relevance in markets with growing demand for ethical and responsible financial services.

To capitalise on these opportunities, UpCoop is actively investing in employee training and development, ensuring that its workforce remains equipped to drive innovation and uphold cooperative principles. By fostering a culture of continuous learning and engagement, the cooperative not only strengthens internal expertise but also enhances its resilience in the face of emerging challenges.



06

Strategies and actions



Case study: UPLOOP – FRANCE

To address its challenges and capitalise on opportunities, UpCoop has implemented a comprehensive ESG strategy, integrating environmental (E), social (S) and governance (G) factors into its core operations. By embedding sustainability, governance and employee engagement into its business model, the cooperative ensures long-term viability and resilience while staying true to its mission-driven cooperative identity.

Environmental (E): sustainability and circular economy

UpCoop prioritises reducing its ecological footprint through digitalisation, energy efficiency, and responsible resource management. Investments in dematerialised payment solutions, such as the UpOne multi-benefits card, have significantly reduced paper consumption while enhancing user convenience. This approach fits with UpCoop's carbon reduction objectives and circular economy principles, ensuring that technological advancement does not come at the expense of environmental responsibility. The cooperative is also actively working towards a 42% reduction in its carbon footprint by 2030, by focusing on renewable energy use, sustainable procurement, and eco-design in product development. Additionally, UpCoop adopts stringent environmental standards as regards its supply chain, and ensures that its suppliers comply with its commitment to sustainability and ethical sourcing. Sustainability is at the heart of UpCoop's business model, influencing every strategic decision to create a positive impact for future generations.

Social (S): employee engagement and social equity

UpCoop's social strategy is deeply embedded in its cooperative identity, ensuring inclusiveness, fair treatment, and participatory governance. Employee ownership and democratic governance reinforce the cooperative's mission, as each employee becomes a *sociétaire* (co-owner) after one year of tenure, gaining voting rights and direct participation in decision-making. This structure fosters a strong sense of ownership, accountability and cooperative solidarity, ensuring that employees are not just workers but stakeholders shaping the cooperative's strategic direction.

In 2023, UpCoop achieved an 84% training access rate, reflecting its commitment to capacity building and workforce development. Training programmes are designed to equip employees with the skills necessary to engage in governance, contribute to innovation, and strengthen social responsibility efforts. Additionally, UpCoop has implemented policies to promote diversity and inclusion, ensuring equal opportunities for all employees, with a strong emphasis on gender balance, disability inclusion (7.83% of employees), and fair representation in governance structures. These social responsibility efforts extend beyond the organisation, as UpCoop actively collaborates with local authorities, NGOs and social enterprises to develop community-driven initiatives that enhance access to education, healthcare and responsible consumption.

Governance (G): ethical leadership and cooperative decision-making

UpCoop's governance model is rooted in transparency, inclusiveness and regulatory compliance, ensuring that cooperative values guide business decisions. As an *entreprise à mission*, UpCoop has established a mission committee comprising external stakeholders and employee representatives, which is responsible for monitoring and ensuring alignment with social and environmental objectives. This governance framework enhances accountability, particularly as the cooperative has to comply with the European Corporate Sustainability Reporting Directive (CSRD), requiring comprehensive ESG reporting across all subsidiaries, including non-EU branches.

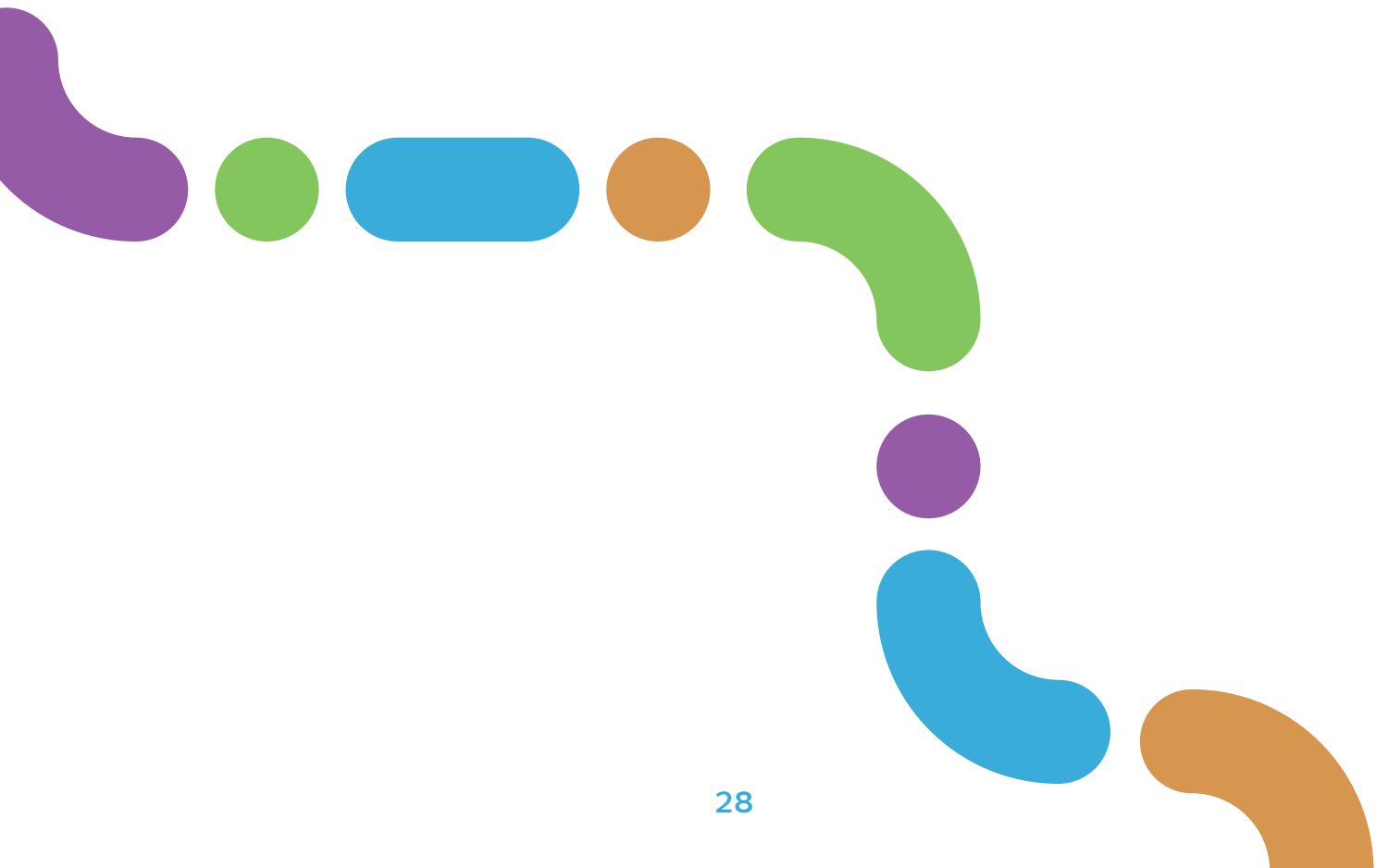
The participatory decision-making model remains central to UpCoop's governance approach, as employees actively engage in governance through open forums and social dialogue mechanisms. This reinforces transparency and democratic leadership while ensuring that strategic decisions reflect collective interests rather than external shareholder priorities. UpCoop's commitment to responsible governance extends beyond internal operations, as it actively participates in global cooperative governance forums, shaping sustainability standards and ethical business models at an international level. Collaboration remains a key driver of UpCoop's governance success, allowing it to leverage collective expertise to create meaningful change and amplify its cooperative mission.

UpCoop's ESG-driven strategies have resulted in a strong financial performance, enhanced stakeholder trust, and significant social and environmental impact. The transition to digital solutions and sustainable procurement practices has reduced emissions and optimised resource efficiency. The cooperative's participatory model has strengthened employee engagement, resulting in high satisfaction levels and increased governance participation. By meeting CSRD and sustainability reporting standards, UpCoop is strengthening its position as a leader in responsible business practices. By integrating ESG factors, fostering cooperative engagement, driving innovation, and strengthening governance, UpCoop ensures that its business growth remains socially responsible and environmentally sustainable. Every step taken is guided by the cooperative's mission, ensuring that sustainability, inclusion and ethical governance remain at the core of its long-term strategy.



07

Good practices and lessons learned



Case study: UPCOOP – FRANCE

UpCoop's journey offers valuable insights into how social economy (SE) models foster a corporate culture that maximises sustainability potential. The cooperative's success demonstrates that embedding democratic governance, transparency and adaptability into an organisation's structure enhances both business performance and social impact. At the same time, UpCoop's experience highlights the challenges SE models face in maintaining their values while scaling up operations, and offers lessons for mainstream companies striving to integrate sustainability into their business models.

A key strength of UpCoop's model is its emphasis on participative governance, which ensures that employees are not just workers, but co-owners actively involved in decision-making. This governance structure cultivates a strong sense of ownership and accountability, enhancing organisational cohesion and resilience. The cooperative's commitment to transparency, through regular assemblies and open communication channels, allows employees to stay informed about strategic decisions, reinforcing trust and collaboration across all levels of the organisation. By embedding these principles into its governance framework, UpCoop demonstrates how operational efficiency can co-exist with democratic ideals, fostering an engaged and motivated workforce.

At the same time, maintaining cooperative values while scaling operations up is a challenge. UpCoop has navigated this by prioritising adaptability, ensuring that its cooperative principles remain embedded across diverse regulatory and cultural environments. The cooperative's international expansion, through

strategic acquisitions such as Hexeko in Belgium and Fitpass in Georgia, highlights its ability to adapt its model to different contexts without compromising its mission. This flexibility is essential for SE models, as it enables them to remain relevant and effective in an evolving economic landscape, demonstrating that scalability and sustainability can coexist.

Adaptability is also evident in UpCoop's workforce management approach. Recognising that sustainability depends on continuous learning and development, the cooperative has invested heavily in employee training. In 2023, 84% of UpCoop employees took part in capacity-building programmes, which aimed to equip them with the skills they would need to navigate the digital transformation and emerging market challenges. This approach not only strengthens UpCoop's competitiveness but also ensures that employees can actively contribute to decision-making, reinforcing the participatory ethos of the cooperative model.

A critical lesson from UpCoop's experience is the importance of aligning business objectives with cooperative values. The cooperative's *raison d'être*, *Coopérer durablement pour un pouvoir d'achat à utilité sociale et locale* (Sustainably cooperating for purchasing power with social and local value), serves as a guiding principle that balances economic performance with social responsibility. Unlike many mainstream companies where sustainability is a secondary objective, UpCoop integrates social and environmental impact directly into its core business model. This alignment strengthens stakeholder trust and enhances long-term resilience, demonstrating

that SE models provide a viable and scalable approach to sustainability.

However, UpCoop's experience also underscores the challenges social economy models face in maintaining their values. As the cooperative expands, it must continuously ensure that commercial pressures do not dilute its mission. This is a lesson for mainstream companies that seek to integrate sustainability but often struggle with short-term financial incentives that conflict with long-term social impact. UpCoop's strategy – embedding governance mechanisms to uphold cooperative values, investing in employee training, and engaging in transparent decision-making – provides a practical blueprint for companies looking to transition towards a more sustainable and socially responsible business model.

In conclusion, UpCoop's journey reinforces the SEDLEX hypothesis that social economy models create a corporate culture that enables sustainability to reach its full potential. At the same time, SE models also face structural and operational challenges that require constant balancing between mission and market pressures. The cooperative's experience demonstrates that achieving sustainability through a social economy approach is possible, but requires continuous governance reinforcement, stakeholder engagement and adaptability. This case serves as a compelling example for companies from many sectors, and proves that economic success and sustainability can be mutually reinforcing rather than conflicting objectives.



08

Conclusion: how to achieve the full potential of corporate sustainability?



Case study: UPLOOP – FRANCE

Social economy models, such as cooperatives, foster a corporate culture that maximises sustainability potential by embedding democratic governance, social responsibility and long-term resilience into their operations. UpCoop exemplifies this by prioritising participative decision-making, stakeholder engagement and reinvestment, which ensures that sustainability is at the core of its business rather than a secondary objective. Unlike shareholder-driven corporations focused on short-term profitability, cooperatives operate with a broader social and environmental mission, which strengthens their long-term commitment to employees and communities.

A key factor in UpCoop's sustainable model is its strong social dialogue, which has been embedded in its governance since its founding in 1964. Unlike many private-sector organisations where employee representation is limited, UpCoop ensures that employees are co-owners and active participants in decision-making. This engagement guarantees that sustainability goals are aligned with both workforce needs and broader societal expectations. For example, UpCoop was among the first companies in France to implement the 35-hour working week more than a decade before it became legally required, demonstrating its commitment to work-life balance and employee well-being.

Another defining feature is UpCoop's solidarity-based economic model, which fosters mutual support and financial security for employees. The cooperative created a solidarity fund to provide financial assistance to employees in difficult situations, reinforcing a culture of social responsibility beyond

standard corporate benefits. Additionally, UpCoop established a works council long before it became mandatory, highlighting its proactive approach to employee engagement and welfare. These initiatives illustrate how social economy enterprises integrate sustainability into their governance structures, ensuring that economic decisions support social well-being.

Beyond governance, UpCoop actively promotes collaborative work and internal cooperation. Employees have autonomy in managing tasks, but the cooperative model ensures that projects are aligned with collective goals. While this participatory approach may take more time than hierarchical decision-making, it fosters engagement, shared responsibility, and long-term cohesion. This internal culture of cooperation enhances resilience to economic fluctuations and supports long-term strategic alignment, which are key aspects of sustainable business models.

However, achieving sustainability requires leadership commitment. UpCoop learned that meaningful change could not be driven solely by dedicated sustainability teams or industry experts – it had to be embedded at the highest levels of governance. Sustainability efforts gained real momentum only when they were championed by the presidency and the general secretariat, ensuring coherence, accountability, and long-term integration into business strategy. Without leadership engagement, sustainability remains fragmented and ineffective.

UpCoop's *entreprise à mission* status further reinforces this commitment by embedding sustainability

objectives into its legal and governance framework. This structured approach ensures that sustainability is not just a marketing promise but a binding obligation, with a measurable long-term impact. Unlike shareholder-driven corporations that face pressure for short-term returns, UpCoop's model ensures consistent investment in environmental and social initiatives, such as digitalisation for sustainability and ethical supply chain management.

Despite the advantages of social economy models, scaling up cooperative values while maintaining competitiveness remains a challenge. As UpCoop expands internationally, it must balance governance principles with operational agility, ensuring that its participatory culture remains intact across different regulatory and cultural landscapes. However, its ability to maintain stakeholder trust, long-term financial stability, and ethical decision-making proves that social economy enterprises offer a viable, scalable model for corporate sustainability.

UpCoop's experience demonstrates that economic performance and sustainability can be mutually reinforcing rather than conflicting objectives. Its cooperative model provides a blueprint for mainstream businesses, showing how integrating democratic governance, social responsibility, and long-term resilience can drive both profitability and sustainability, ensuring a more inclusive and responsible future.



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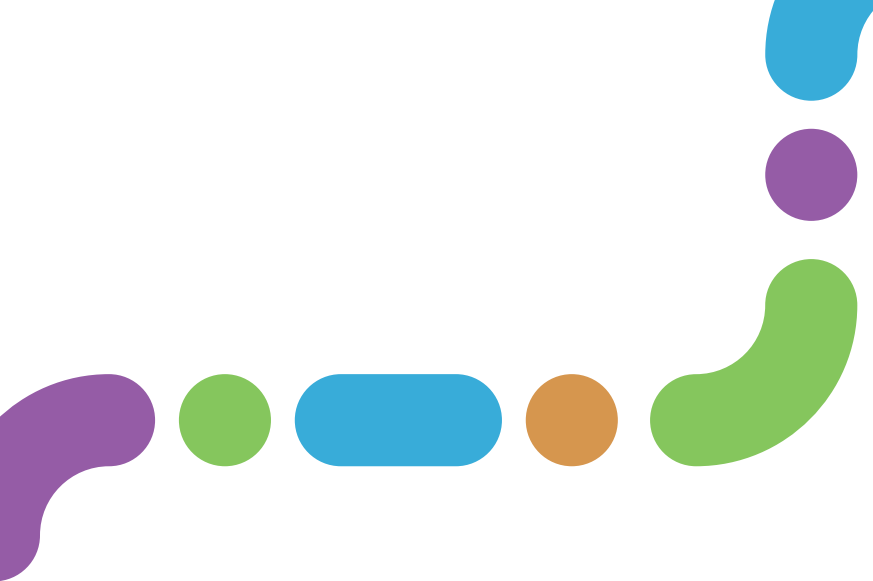
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