



Sustainability Across the Supply Chain



4: Sustainability Across the Supply Chain

You are likely to have done a lot of thinking about what makes your business sustainable at its core. This section provides guidance on some additional things to consider in all areas of your business to maximise its positive impacts on the environment and the community.

Sustainability in practice

At each stage of the business, green entrepreneurs will consciously think about how their business can increase positive impacts on people and the environment, measure the negative impacts, and determine how they can address and reduce them.

The first steps for any business in thinking about sustainability are developing an awareness of how the business affects people and the environment, assessing the current status, and setting goals for improvement. As a new business owner, you have the opportunity to shape the direction of your business from the outset – and to make sustainability a core part of your business operations and not an afterthought.

It is often useful to break down the value chain of the business into specific components to help assess the impact your business has on the environment and society. Don't just recognise the things that you do on a regular basis (e.g., recycle paper, conserve energy and water, use ecologically-friendly cleaning products), but also consider the policies and structures you have that ensure these practices continue into the future.

The following are some questions to ask yourself to help make your business greener:

Supply chain and procurement

- Do you source your materials from local, environmentally-friendly businesses?
- Do you have a specific procurement policy to ensure that suppliers conform to environmental and social best practices?
- Do you require suppliers to meet any environmental/social standards?
- Have you banned single-use plastics?

Production/Service delivery

- Will you be constructing anything as part of the business? How will you ensure that it conforms to environmental best practices?
- How is waste minimised across the production chain?
- Do you actively look for ways to substitute materials to reduce waste?
- How do you manage the waste that is created?
- Do you use transport as part of your product or service? What measures have you taken to minimise fuel consumption?
- Do you have measures in place to conserve water and energy?
- Do you use sustainable packaging materials?

Retail/Customers

- Does your product actively solve an environmental or social issue?
- Does your marketing include information on how your customers should behave in line with your policy (e.g., what to bring, what not to bring, things to do)?
- Is your product sold and marketed in a way that reduces environmental impact (e.g., by using sustainable packaging, or by marketing online only rather than printing out brochures)?



Think about sustainability from the outset. Develop a simple sustainability policy (see Box 3) as one of the first guiding policies for your business. Revisit it regularly to check that you are on track, and continue to add and improve as you go! Engage all employees and partners in the process to ensure that everyone involved in the business is on the same page. And, don't forget to think about how sustainability adds appeal or value to your product or service!



Box 3: Developing a Sustainability Policy²¹

In developing a sustainability policy for your business, here are some elements that you may want to include:

- **Vision** – What is the vision of the business and the type of world it wants to operate in? How does it contribute to creating that world?
- **Principle and values** – What are the main principles and values that the business adheres to? This helps articulate why sustainability is important to the business.
- **Key issues** – What are the important environmental and social challenges that are relevant to the business?
- **Commitment and scope** – What things can the business influence and is committed to doing something about, and what things are beyond the ability of the business to influence?
- **Objectives/Aims** – What are the environmental and social objectives of the business? This section of the policy should include specific measures, targets, and indicators. Targets should be achievable, and performance indicators should be measured and tracked. Think about incorporating sustainable practices across areas related to the environment, culture, and community.
- **Monitoring, improvement, and reporting** – How will you report on the measures outlined in the policy? How will you ensure that you are improving every year? Can your sustainability credentials be used in your marketing material to attract customers with these values?

21 Adapted from: Go Green, "Resource: A Model Sustainability Policy," <http://gogreenbusiness.co.uk/wp-content/uploads/2015/02/Go-Green-Sustainability-Policy-Template.pdf>; and Robert Fenn, "How to create an environmental policy statement for your small business," Startups, 18 September 2018, <https://startups.co.uk/how-to-create-an-environmental-policy-statement/>.