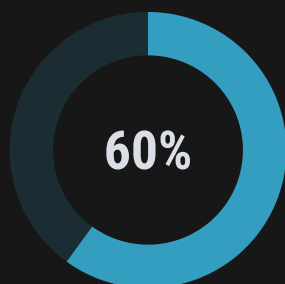


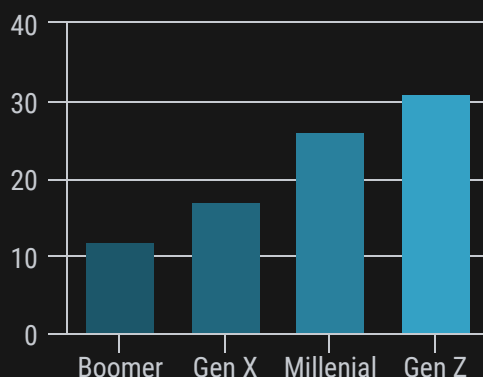
How to be a Sustainable Business

Sustainability refers to the ability to maintain a certain rate of consumption or growth, without depleting the Earth's resources and contributing waste. Supply chain processes must ensure longevity through renewable practices, rather than ensuring output at a rate that cannot be upheld with the resources we have.



"More than three in five consumers in a McKinsey survey ran in May 2020 said brands' promotion of sustainability was an important factor in their purchasing decisions."
(McKinsey, The State of Fashion 2021)

% of consumers who would pay more for sustainable products (by generation)



The Importance of Data

Sustainability is a key differentiator for cementing brand loyalty with younger consumers. In order to build brand trust, stating sustainability goals is important, but tracking data against those goals and providing that data to consumers is imperative. Utilizing blockchain technology to track supply chain data is one of the top-recommended methods for tracking and storing that data.

A Sustainable Supply Chain Looks Like...



Using materials with lower climate impacts (i.e. cotton from farmers utilizing regenerative farming practices, recyclable materials, etc.)



Shifting supply chain away from ancient and endangered forests



Eliminating unnecessary plastic packaging and utilize recycled plastic content when possible



Partnering with factories who are moving away from burning fossil fuels and incorporating renewable energy sources

Top Level Goals

When setting sustainability goals, focus on initiatives that can be tracked or measured.

- 1 Survey your supply chain and define your sustainability targets
- 2 Develop partnerships with sustainable suppliers and manufacturers
- 3 Increase supply chain traceability through use of Vi3's tools
- 4 Invest in transparency and consumer education by sharing progress and supply chain information

"As consumers become more engaged with sustainability issues, circularity will be the key that unlocks the door to a more sustainable future."

(McKinsey, The State of Fashion 2021)



Understanding Circularity

In the simplest terms, circularity ensures that there is no end life for a given product. Instead of going from manufacturing to consumer to landfill, circular business practices utilize the re-use or repurposing of products to reduce waste and overconsumption of resources.

Some brands, like North Face with their Renewed line, are implementing circularity measures with a resale marketplace. Others, like Thousand Fell, incorporate old products (recycled by consumers) into the beginning of their supply chain.

New European laws are pushing circular business models to new levels of importance. The only way to ensure compliance is through tangible data.