



Sustainability, opportunity and the circular economy

Our global economic system has long been dominated by a linear model with a “take, make and dispose” approach to production and consumption. This linear model is wasteful and grounded in short-term thinking, relying on large quantities of easily accessible resources and energy, many of which are in danger of rapid depletion.

True sustainability is circular rather than linear. There is growing societal expectation around a more inclusive and circular economy, one in which resources are recovered at their highest quality, re-used and kept in circulation for as long as possible. Senior executives and management teams across the world are now challenged with embedding sustainability into every aspect of their operations.

Aside from the ethical imperatives, moving towards circularity is essential for long-term organizational survival, providing both resilience and competitive advantage. Beyond resource efficiency, a circular approach creates long-lasting value. It goes beyond waste reduction, to adaptable product design: offering versatile services that remove the concept of waste altogether. The circular model also allows businesses to remain relevant to customers and serve their evolving expectations, offering value from both a commercial and reputational perspective.

Many organizations are awakening to these opportunities, although making the shift towards circular thinking, and adapting corporate systems, is certainly not an easy task. It requires a frank examination of your relationship with our planet’s natural resources. This benchmarking is important to inform the resulting process changes and internal initiatives to create integrated cultural and behavioural change across an organization. These practices must also be implemented in a way that will support consumption habits for current and future generations.

Senior management teams seldom lack the good sustainability intentions, more the means to embark on large-scale permanent organizational change of this kind. What’s needed is a practical framework that empowers organizations to identify what is relevant to them. BS 8001 provides a framework designed exactly for this purpose. It provides comprehensive advice to help companies adjust systems to better fit



with circular economy principles, helping the long-term transition to sustainable operations.

The standard highlights the six principles of the circular economy: innovation; stewardship; collaboration; value optimizations; transparency; and systems thinking, offering guidance on the practical implementation of each.

BS 8001 falls systematically in line with ISO 14001 on environmental management. This management standard maps out a framework that businesses can use to improve resource utilization up and down the supply chain, again maximizing the value of the resources used, minimizing the creation of waste and reducing environmental impact.

Both of these standards are based on the principle of continual improvement and offer a holistic approach that encourages organizations to evaluate and mitigate their impact on an ongoing basis. Not only does this include looking internally at business operations, but also at surrounding environmental conditions that might require an organization to adapt.

One specific area to draw focus to is energy, which is one of the most critical challenges currently facing the international community.

ISO 50001 on energy management systems tackles this problem head on, supporting leadership teams across all sectors to use energy more efficiently. Implementation of the standard enables businesses to continually improve energy performance, drive cumulative energy savings, reduce emissions and contribute to a low-carbon economy.

With sustainability at the core of its strategy, any organization can achieve substantial cost savings through increased operational efficiency. But more than this, with systems in place to encourage a culture of re-use and repair, industry can set a new benchmark for climate and clean energy action. This commitment and dedication matches the that of today's society – consumers are increasingly moving to support companies that demonstrate circular economy principles. A move to circularity therefore, is also an investment in brand reputation and customer loyalty, which further aids growth and financial security.

Ultimately, when an organization commits to a circular and sustainable business approach, they become part of a wider movement – one that is defining a more positive vision of the future. With systems in place that support this commitment, and enable such a transition, all businesses should be ready for this change.

Summary

- Our global economic system has long been dominated by a linear model with a “take, make and dispose” approach to production and consumption. There is growing societal expectation around a more inclusive and circular economy, where resources are recovered at their highest quality, re-used and kept in circulation for as long as possible.
- Aside from the ethical imperatives, moving towards circularity is essential for long-term organizational survival, providing both resilience and competitive advantage. It allows businesses to remain relevant to customers and serve evolving societal expectations and offers clear commercial opportunities.
- Making the shift towards circular thinking,

and adapting corporate systems, is certainly not an easy task. BS 8001 provides a framework for this transition, falling systematically in line with ISO 14001 on environmental management.

- ISO 50001 on energy management systems supports leadership teams to use energy more efficiently, continually improve energy performance, drive cumulative energy savings, reduce emissions and contribute to a low-carbon economy.
- With sustainability at the core of its strategy, any organization can achieve substantial cost savings through increased operational efficiency, as well as help set a new industry benchmark for climate and clean energy action.

For more information on our sustainability standards, visit:

www.bsigroup.com/sustainability

