

## **Sustainability – An integrated approach for improving performance on People, Planet, Profit and Product.**

Sustainability is high on the agenda of many industries, governments and organisations. Focus is not “only” on how to ensure high quality, safe products, a good working environment and how to reduce the environmental impact of the factory.

Now focus is increasingly concentrating on how the business performs as a whole, and how it operates from principles concerning people, planet and profit – and how a positive development is ensured in the long term indicating that sustainability is a long-term strategic process for which individual solutions are needed.

For the food and dairy industry there are a number of common elements that are relevant to focus on. The “People, Planet, Profit” concept is therefore expanded with “Product” and examples of focus areas are given below;



### **People:**

- Competent staff, including training and retention of skills
- Safe and healthy workplace which prevents illness and attrition
- Good support to daily work such as leisure facilities, childcare and medical support



### **Planet:**

- Minimize the usage of non-renewable resources
- Reduce the environmental impact of the business
- Utilisation of existing resources – raw materials and equipment
- Building design and materials



### **Profit:**

- Capacity of the existing plant
- Efficiency of utilities
- Focus on and reduction of product wastage
- Supply chain efficiency



### **Product**

- Product safety
- Good quality ingredients
- Sound and sufficient packaging

Within the dairy industry, some companies have come a long way in developing policies within these “People, Planet, Profit and Product” areas and have turned these into essential elements of their overall business strategy, often by combining health and safety, environment, food safety and social responsibility in core business objectives and strategies.

### **Getting started**

A sustainability policy and strategy is not developed overnight, but is based on the values of the company, its market and ideas along the path to where the company wishes to be in the future.

**People** - At a strategic level you need to have skilled and competent employees and to retain them, by providing a safe working environment, continuous education and training and being able to attract new employees through collaboration with local educational institutions and

attractive benefit programs such as medical care and on going education programs. For this you need targets on incidents, accidents and absence, but also on employee turnover and training days per year.

**Planet** - Efficient usage of resources can be obtained in many ways either through objectives and targets on energy and CO<sub>2</sub> reductions, allocation for environmental investments within the annual CAPEX investment pool or through calculation of carbon or water footprint of products manufactured at the production facility.

Proactive collaboration with suppliers of process equipment and ingredients should also be part of the sustainability strategy. For example purchase of a new homogenizer with lower noise level and less energy usage or supply of ingredients sourced from sustainable manufacturers and producers.

**Profit** - An efficient plant and supply chain is an essential part of a sustainability strategy. Production audits and LEAN programs are some of many methods to identify and optimise the capacity of the production equipment. Business structure analyses may help optimizing supply chain activities in general.

**Product** - For the food and dairy industry efficient usage of raw materials is a must. Furthermore the industry must also ensure that healthy and safe products are developed, manufactured and distributed to customers and consumers. Packaging must be sound and sufficient both for protecting the products throughout their storage life, volume and convenience desired by the customer as well as disposal and/or recycling of the packaging material.

For all the above mentioned four aspects it is important that initiatives are not only initiated from own interest or isolated activities within the company, but also from being in dialogue with external stakeholders, e.g. consumers, customers, authorities and suppliers, and to jointly work towards long-term sustainable solutions to the benefit of People, Planet, Profit and Product.

### **How to actively manage a sustainability strategy**

To make a difference the sustainability strategy must be transformed to actions and results – it must become operational at all levels within the organisation so each division, business unit or department can contribute to and drive the overall strategy. For each area specific indicators must be agreed and targets must be set for actions and initiatives.

FoodEfficiency can assist you in preparing both a business specific sustainability strategy and objectives – and also in making the strategy operational in the day-to-day work.

Our approach to sustainability is based on many years of experience with Quality, Environment, Health & Safety and Production as well as extensive experience with clients from the food and dairy industry.

