

# Supply Chain Accountability

- PRESENTER JEREMY PREPSCIUS | BUSINESS FOR SOCIAL RESPONSIBILITY (BSR)

GLOBAL OUTLOOK FOR AQUACULTURE LEADERSHIP

GUANGZHOU, CHINA | DAY 2

HEALTHY FISH | HEALTHY PEOPLE | HEALTHY PLANET



# Jeremy Prepscius

- As vice president, Asia-Pacific for the Bureau of Social Responsibility, Jeremy Prepscius is in charge of serving and expanding BSR's member base in Asia and integrating the work there into our global approach.
- BSR's global thought leadership, informed through field work and local implementations, enables us to work with member companies to create innovative sustainable solutions and globalize the sustainability dialogue.
- Jeremy has extensive experience in supply chain management, business integration, external communications, government relations and compliance operations.
- Jeremy holds an M.S. in Economic Development from the Patterson School of Diplomacy, and an M.S. in International Commerce from the University of Kentucky.

# Supply Chain Accountability

An Evolving Proposition

September 2016



BSR<sup>®</sup>

The Business of a Better World

# Our Mission

Our mission is to work with business to create a just and sustainable world. We envision a world in which everyone can lead a prosperous and dignified life within the boundaries of the Earth's natural resources.





## Global Nonprofit Business Network

We are a global nonprofit organization that works with our network of more than 250 member companies to build a just and sustainable world. From our offices in Asia, Europe, and North America, we develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration.



# BSR Sample Members







“The most important thing I've learned since becoming CEO is context. It's **how your company fits in with the world and how you respond to it.**”

**Jeffrey Immelt, GE CEO**

2008 BSR Conference Speaker



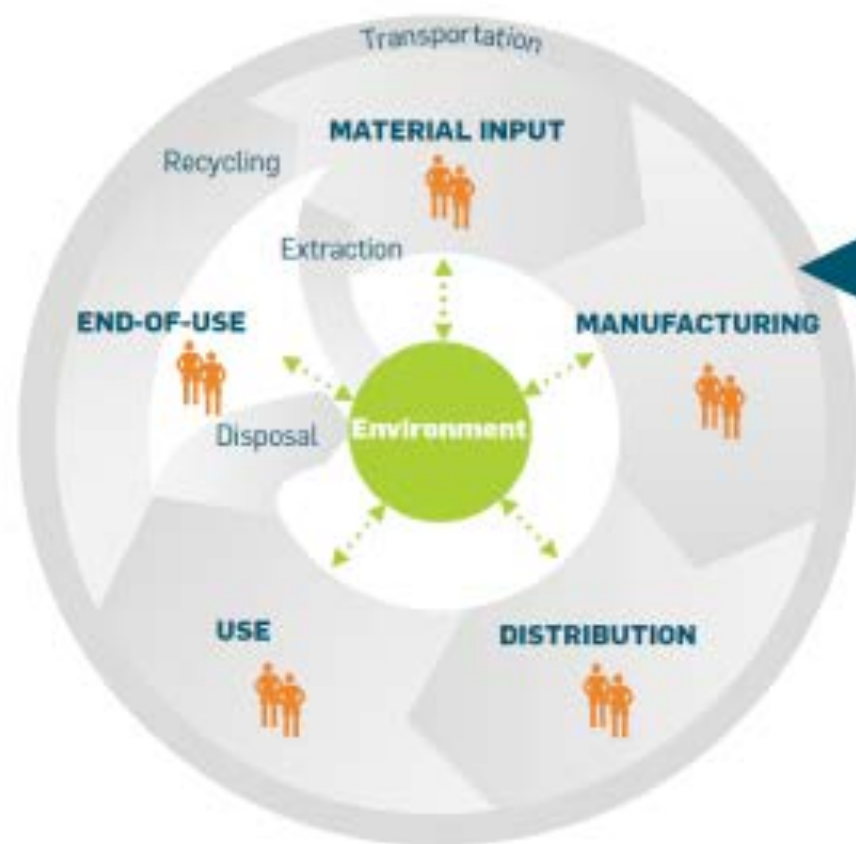
# Accountable Supply Chains

Where we are...



## The Business Case

In today's globalized economy, outsourcing business operations doesn't mean outsourcing responsibilities or risks - or that a company's responsibility ends once a product is sold.



At every stage in the life-cycle of specific products there are social and environmental impacts, or externalities, on the environment and on people. In addition, governance, or the accountability of organizations to their stakeholders for their conduct, is important at every stage throughout the supply chain.

# Supply Chains are Complex

Illustrative supply chain for canned tuna

**Products often traverse complex global supply chains to reach U.S. consumers**

Supply chain for canned tuna



## The Business Drivers

The most common business drivers for supply chain sustainability are:



Managing  
business  
risks

Realizing  
efficiencies

Creating  
sustainable  
products

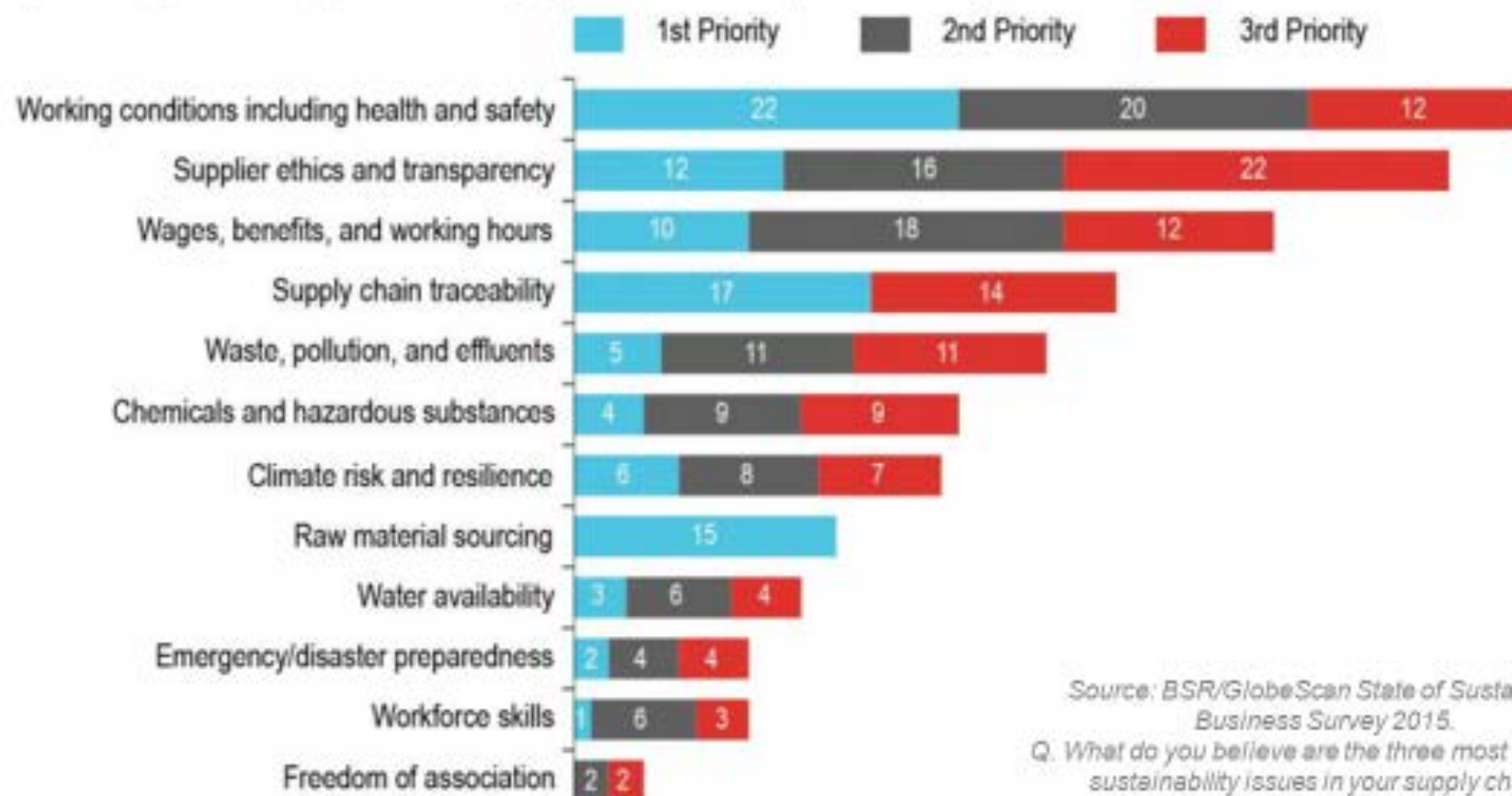


# Key Supply Chain Issues

Good working conditions and transparency among top supply chain issues

Top Mentions, Ranked, 2015

(Percentage of All Respondents Identifying an Issue as a Top-Three Priority, Combined)



Source: BSR/GlobeScan State of Sustainable Business Survey 2015.

Q. What do you believe are the three most important sustainability issues in your supply chain? 10

## Our Vision for Supply Chains

Supply chains are a critical leverage point for companies to scale their sustainability impacts.

BSR's vision is a future where all supply chains are **inclusive**, **resilient**, and **transparent**.





## An Integrated System

Sustainable supply chains depend on companies adopting and embedding an **integrated system** of internal, supplier-facing, and collaborative efforts across industries and geographies. Three pillars must work in tandem:

### Proactive management

of the supply chain, with processes and practices in place that enable purchasing decisions with a positive impact.

### Supplier leadership

in sustainability, enabled through engagement and an understanding of sustainability from supplier and worker perspectives.

### Accountable

**collaboration** with others who share your drive and ambition to accelerate change.

Many of today's challenges require a collective commitment.



# Sustainable Supply Management

Key elements to address how well a company manages its supply chain?

1. Corporate governance and leadership
2. Supplier management
3. Measuring and Reporting
4. Integration into purchasing process
5. Ambition



(illustrative example:  
addressing climate change  
in the supply chain)

# Supplier Engagement is Key

There are many options to engage your supply chain

- **Codes.** Set high, but realistic goals. Construct and adopt strategies and policies to achieve them.
- **Communication.** Communicate expectations clearly with suppliers, and engage often to improve performance.
- **Auditing/Assessment.** Ensure compliance with internal codes of business principles and ethics, and with external guidelines.
- **Capacity Building.** Enable better business practices through incentivized knowledge transfer.
- **Partnership.** Find mutual solutions to chronic problems.

Don't reinvent the wheel! Guidance already exists.

- Guidance on traceability and sustainability in supply chains, e.g. UN Global Compact guide.



# Accountable Supply Chains

...where we are going to.





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