



## Organisational sustainability

Definitions of sustainability depend upon the perspective of the person or group. Organisational sustainability is an increasingly important aspect of management. Companies are being asked to account for the social, economic and ecological impacts of their business.

Ensuring the sustainability of inputs for manufacturing and marketing requires consideration of sustainable supply. Ethical investment and purchasing movements have pushed businesses to become transparent in their supply chains and impact.

Sustainability benefits organisations. Reducing waste saves money and provides an economic incentive for the pursuit of sustainability. Sustainable business practices build goodwill among staff and customers. Organisations are more likely to attract and keep talented employees; loyal customers have a more favourable attitude toward sustainable businesses.

Many industry leaders have implemented sustainability initiatives. Nestlé works with farmers and manufacturers to minimise water use and waste. IKEA works through its supply chain to reduce waste and ensure that human rights are respected by its suppliers. Pepsi and Coca-Cola have targets for water replenishment and stewardship.

## Organisational profile: Pallion precious metal refining, casting and manufacture

ABC Refinery is the largest independent precious metal refinery in Australasia, refining 43% of Australia's gold and silver. ABC Refinery is part of the larger Pallion group which offers services from mine to customer in two core divisions, Bullion and Jewellery, which include assaying, refining, manufacturing, minting, casting and jewellery production, and gold and silver smithing.

Metal refining and jewellery production are energy intensive and can involve the use of chemicals. The Pallion organisation has examined all aspects of its business to identify sustainability targets. Some of these are summarised below.

## Sustainability actions and results

Aspect of business	Sustainability targets	Solutions	Benefit to company
Procuring precious metals	Avoid purchases that may directly or indirectly support human rights abuses	Follow policies set out by OECD and maintain a transparent supply chain	Customers know supply chain and are assured of ethical sourcing
Precious metal refining and casting	Find alternate to process of gold and silver refining which uses chlorine gas, acids and electrolysis	Acidless Separation System uses air pressure and heat to separate metals	No acid used in process which is faster and requires less energy

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Aspect of business	Sustainability targets	Solutions	Benefit to company
Precious metal refining and casting	Deal with the high volume of waste that may contain residual metals	Solid waste is burnt in a pyrolytic incinerator, then reprocessed to recover and refine metals; solid particles in gases are also captured and recovered.	Pyrolytic incineration in the absence of oxygen is highly efficient, reducing energy and labour costs; metals are recovered; no waste in landfill
Administrative office	Decrease paper use (large volume)	Use 100% recycled paper, send waste to recycling	Recycled 18 tonnes of paper, saving 44.4 tonnes of carbon emissions
Corporate operations and events	Discontinue single use plastics for catering	Use recycled paper, bamboo cutlery, crockery, drinks in cans (not plastic)	Waste stream suitable for composting and recycling, avoid single use plastic
Lighting	Reduce power consumption for lighting	Install LED lights with motion sensors in low traffic areas	Power consumption reduced by 38%

## Questions

1. What aspects of sustainability may be important to organisations? \_\_\_\_\_

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2. How do companies benefit from sustainability initiatives? \_\_\_\_\_

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3. How do sustainability priorities differ with business type? Support your answer with examples.

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4. Compare the sustainability challenges of the Pallion group to those of your school.

a. What are the key differences? \_\_\_\_\_

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b. What sustainability targets are common to both Pallion and a school? \_\_\_\_\_

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5. Give examples to justify the benefits of adopting sustainable practices in the Pallion group.

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