

# MGT2600 Learning Week 10.

## SUSTAINABLE PRODUCTS



### Component View of the Mirra Chair



### Noteworthy Features of the Mirra Chair

- Contains no polyvinyl chloride (PVC)
- 96% recyclable
- Takes 15 minutes to disassemble with simple tools

# Agenda

- ▶ 1. Reminder of module LO's and session LO's.
- ▶ 2. Review of prior sessions.
- ▶ 3. Ice breaker - brainstorm How Sustainable are your NIKE trainers?
- ▶ 5. SUSTAINABLE MATERIALS AND PRODUCTION.
- ▶ 6. Activity 2: NIKE case material
- ▶ 7. Activity 3: Review reports on NIKE and present next week.
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- ▶ 9. REMINDER for QUIZ (this week).

# Module Learning Outcomes

## Knowledge

On completion of this module, the successful student will be able to:

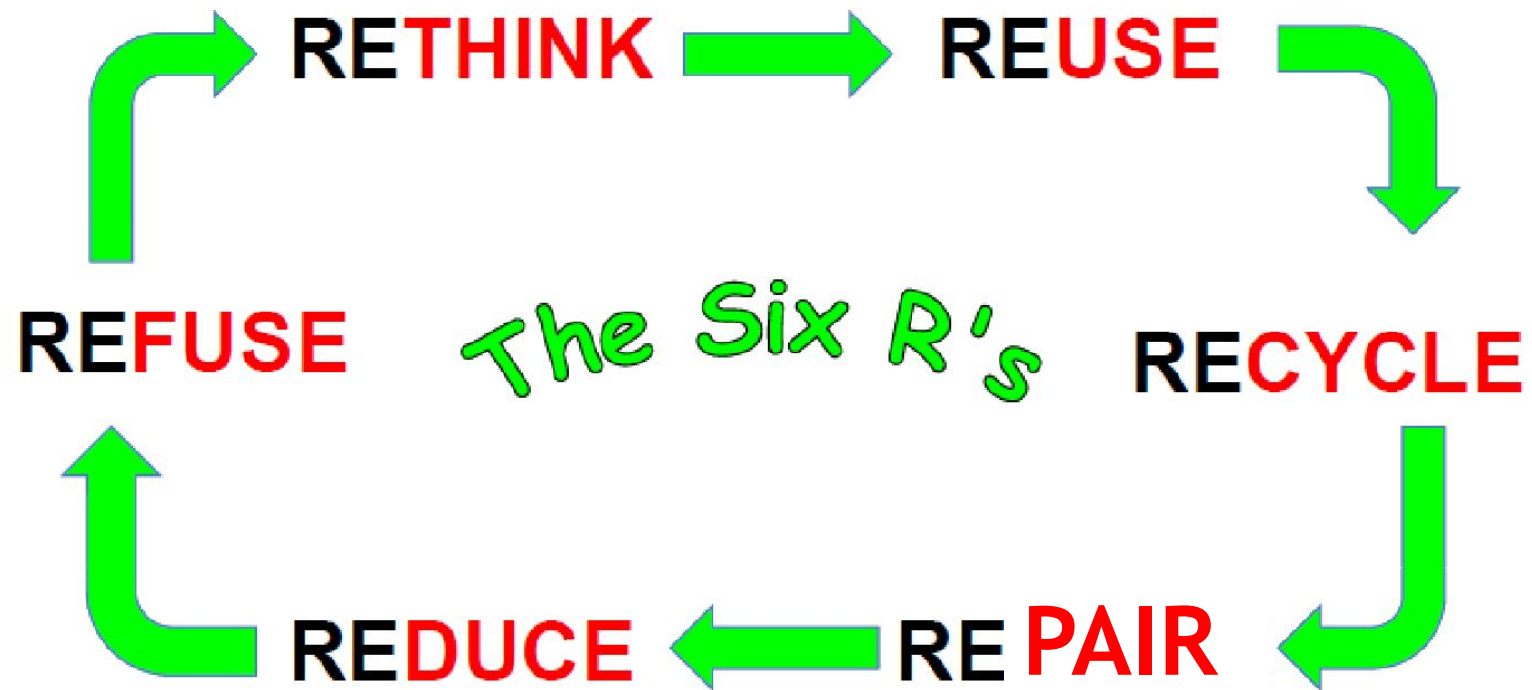
- ▶ 1. **Identify** and discuss **the drivers for developing sustainable and innovative products**;
- ▶ 2. Evaluate the main **strategies** to mitigate climate-related risk for business success;
- ▶ 3. **Relate resources, infrastructure and design in the context of sustainability**;
- ▶ 4. Evaluate the role of consumers, **the firm, technology and innovation** developing responsible products.

## Skills

This module will call for the successful student to:

- ▶ 5. **Integrate technological and innovation capabilities** into sustainable business strategies;.
- ▶ 6. **Discriminate** and analyse **relevant information in order to make informed decisions**;
- ▶ 7. **Assess the effects of climate-related risks on a firm.**

# The 6 R's



# Eco-design toolkit - for product improvement



# Definitions of terms

**Whole Systems Thinking** is a way of thinking about the related social, environmental, and technical systems that a product is a part of.

For example, how is the product used, who manufactures it, what other products are used with it?

**Lifecycle Thinking** is a way of thinking about all of the stages involved in a product's life: raw materials extraction, manufacture, transport, use, and disposal.

**Lifecycle Assessment** is a way of quantifying the environmental impacts that occur at each stage.

Last session: Activity 3. Have a go yourself...

Use the worksheet provided to help you map out the different stages of a product's lifecycle.

**PRODUCT LIFECYCLE ANALYSIS**

Activity: Mind map the resources used at each stage of the product's lifecycle.



# NIKE - how sustainable are they?

## Morgan Stanley's list of the most sustainable clothing and shoe brands

S&P Sustainability Index score (out of 300)



2008

**NIKE RELEASES THE TRASH TALK** - the first performance basketball shoe that gives a second life to waste from the factory floor. The shoe's upper is pieced together from leather and synthetic leather waste from the factory floor using zig-zag stitching, the mid-sole uses scrap-ground foam from factory production and the outsole uses environmentally-preferred rubber.





# Sustainable Products - production considerations



# Sustainable materials

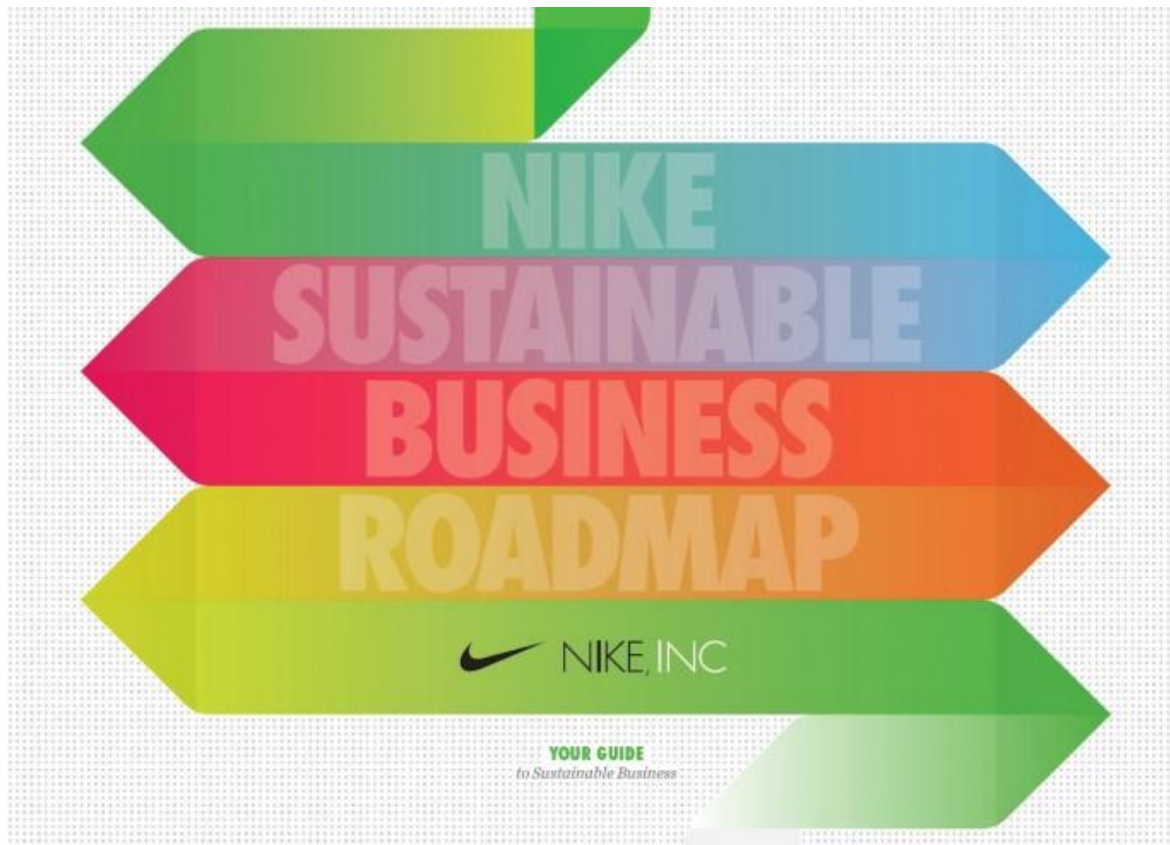
## Sustainability index for materials in development



# UNEP Sustainable Production & Consumption



# NIKE - case study - codes and roadmaps



## **EMPLOYMENT is VOLUNTARY**

The contractor does not use forced labor, including prison labor, indentured labor, bonded labor or other forms of forced labor. The contractor is responsible for employment eligibility fees of foreign workers, including recruitment fees.

## **EMPLOYEES are AGE 16 or OLDER**

Contractor's employees are at least age 16 or over the age for completion of compulsory education or country legal working age, whichever is higher. Employees under 18 are not employed in hazardous conditions.

## **CONTRACTOR does NOT DISCRIMINATE**

Contractor's employees are not subject to discrimination in employment, including hiring, compensation, promotion or discipline, on the basis of gender, race, religion, age, disability, sexual orientation, pregnancy, marital status, nationality, political opinion, trade union affiliation, social or ethnic origin or any other status protected by country law.

## **FREEDOM of ASSOCIATION and COLLECTIVE BARGAINING are RESPECTED**

To the extent permitted by the laws of the manufacturing country, the contractor respects the right of its employees to freedom of association and collective bargaining. This includes the right to form and join trade unions and other worker organizations of their own choosing without harassment, interference or retaliation.

## **COMPENSATION is TIMELY PAID**

Contractor's employees are timely paid at least the minimum wage required by country law and provided legally mandated benefits, including holidays and leaves, and statutory severance when employment ends. There are no disciplinary deductions from pay.

## **HARASSMENT and ABUSE are NOT TOLERATED**

Contractor's employees are treated with respect and dignity. Employees are not subject to physical, sexual, psychological or verbal harassment or abuse.

## **WORKING HOURS are NOT EXCESSIVE**

Contractor's employees do not work in excess of 60 hours per week, or the regular and overtime hours allowed by the laws of the manufacturing country, whichever is less. Any overtime hours are consensual and compensated at a premium rate. Employees are allowed at least 24 consecutive hours rest in every seven-day period.

## **REGULAR EMPLOYMENT is PROVIDED**

Work is performed on the basis of a recognized employment relationship established through country law and practice. The contractor does not use any form of home working arrangement for the production of Nike-branded or affiliate product.

## **The WORKPLACE is HEALTHY and SAFE**

The contractor provides a safe, hygienic and healthy workplace setting and takes necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of contractor's facilities. The contractor has systems to detect, avoid and respond to potential risks to the safety and health of all employees.

## **ENVIRONMENTAL IMPACT is MINIMIZED**

The contractor protects human health and the environment by meeting applicable regulatory requirements including air emissions, solid/hazardous waste and water discharge. The contractor adopts reasonable measures to mitigate negative operational impacts on the environmental and strives to continuously improve environmental performance.

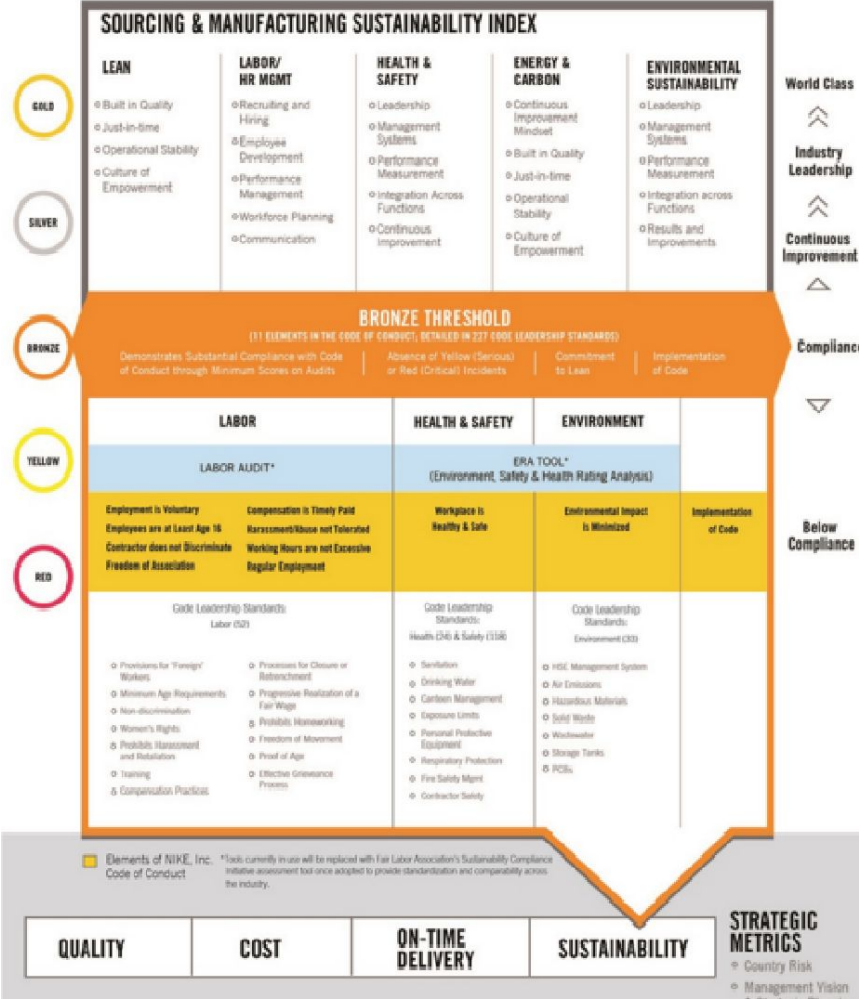
## **The CODE is FULLY IMPLEMENTED**

As a condition of doing business with Nike, the contractor shall implement and integrate this Code and accompanying Code Leadership Standards and applicable laws into its business and submit to verification and monitoring. The contractor shall post this Code, in the language(s) of its employees, in all major workspaces, train employees on their rights and obligations as defined by this Code and applicable country law, and ensure the compliance of any sub-contractors producing Nike branded or affiliate products.

August 2010

<http://www.nikeresponsibility.com/innovations>

# NIKE - case study - manufacturing index



<http://www.nikeresponsibility.com/report/content/chapter/manufacturing>

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