How Sustainability and Sourcing Drive Carbon Reduction in Supply Chains

Paul Lennen, Bart De Meirsman, and Liam Salter explore how carbon ambitions become practical business actions through smarter sourcing decisions.

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Sustainability, sourcing, and the operating model challenge

For much of the apparel and supply chain discussion, sustainability has been treated as a separate agenda. In this conversation, Bart De Meirsman and Liam Salter offered a more integrated view, with Paul Lennen guiding the discussion around what it takes to turn sustainability ambition into practical business action. The interview focused on how carbon reduction is shaping sourcing, how leadership and data influence execution, and why the path from target setting to delivery is often more operational than strategic in appearance.

At the centre of the discussion was a shared theme. Sustainability does not sit in isolation from business performance. In the world Bart and Liam described, carbon, cost, sourcing, and supplier management are connected. Their perspectives framed sustainability as something that becomes real only when it enters the day-to-day logic of commercial decision making. That made sourcing, planning, and internal alignment recurring topics throughout the conversation.

Carbon and profit are part of the same commercial discussion

One of the clearest ideas in the interview was that carbon cannot be separated from commercial outcomes. Liam described how sustainability conversations often begin in specialist teams, but their impact depends on whether those ideas move into the functions that shape supplier relationships and sourcing choices. Bart echoed that point from the brand and retail side, where commercial pressure is already high and sustainability enters a wider field of competing priorities.

The discussion did not present carbon reduction as separate from business economics. Instead, it framed the issue as one of trade-offs. Brands and retailers are operating within structures that already prioritise cost, lead time, quality, compliance, and resilience. Sustainability, in that context, becomes influential when it is expressed in the same language as those other priorities. That idea was central to the conversation and came through repeatedly as the speakers moved between strategic intent and operational execution.

The interview also highlighted the point that sustainability programmes often fail when they are treated as adjacent to business planning rather than part of it. Bart and Liam both pointed to the tension between target setting and real-world delivery. The goals may be clear, but the path to implementation is shaped by how decisions are made across sourcing, merchandising, finance, and supplier management.

Sourcing sits close to where sustainability outcomes are formed

A recurring thread in the conversation was the role of sourcing as a key determinant of sustainability outcomes. Liam described sourcing as the point where a carbon target can either gain traction or lose momentum. Bart expanded on that by describing the complexity of the sourcing role itself. Sourcing executives are balancing multiple, often competing demands. They are working with cost targets, supply volatility, logistics pressures, and market uncertainty. Sustainability is part of that environment, but not always the dominant consideration.

That is why sourcing relationships featured so prominently in the interview. Liam spoke about the importance of long-term supplier engagement, especially in sectors like apparel where supplier churn can make continuity difficult. When suppliers change frequently, it becomes harder to sustain improvement programmes over time. If onboarding does not include a clear carbon expectation, or if the commercial relationship does not reinforce that expectation, then progress becomes uneven.

Bart's comments reinforced the same point from an operational perspective. He described a sourcing environment that has become more fragmented and more pressured over time. In his view, the combination of price pressure, volatility, and short-term thinking has made it harder to rebuild the kind of partnership mindset that once supported more collaborative supplier relationships. The interview returned several times to that theme. Sustainable outcomes were presented less as the result of isolated projects and more as the product of durable commercial relationships.

The cost conversation is more nuanced than it is often presented

One of the more practical parts of the conversation concerned cost. Liam addressed a common assumption in the market, namely that greener supply chains carry a heavy cost premium. The example he gave suggested that, in an extreme scenario, moving from a standard mill to a very low carbon mill might add around 2 percent to fabric cost, or roughly 1 percent at product level. He emphasised that these are not typical full system shifts, but illustrative examples of how cost can behave when moving to lower carbon production.

The significance of that point lies in the scale of the numbers. The discussion positioned carbon reduction as a transition cost rather than an open-ended burden. Brands are rarely making a single jump from one operating model to another. In practice, they tend to move step by step, which means that the cost profile is spread over time and across a portfolio.

Bart added an important commercial nuance. Even when the direct cost increase is limited, there are still implementation costs and organisational costs. That includes the effort needed to align teams, reshape supplier engagement, and fund new processes. The question, as he framed it, becomes who carries that cost, how it is structured, and how brands think about the investment horizon.

The interview did not present cost as a false issue. Instead, it suggested that the industry sometimes overstates cost while underestimating the potential return. Liam pointed out that many of the technologies used to reduce emissions also deliver operational savings over time. As energy prices rise, that return becomes more visible. The result is a commercial conversation that is more dynamic than the usual “green equals expensive” narrative allows.

Tier 2 remains a major challenge in the apparel footprint

The interview drew a clear distinction between Tier 1 and Tier 2 in the apparel supply chain. Bart noted that Tier 1 suppliers have made meaningful progress in many cases, particularly around renewable energy and cleaner operations. Tier 2, however, remains much harder to influence. That is where a significant part of the emissions footprint sits, and it is also where brands often have less direct visibility.

Liam explained that this creates a real structural challenge. Where sourcing is direct, brands can sometimes engage mills and factories more easily. Where the chain passes through converters, agents, or intermediary suppliers, the task becomes more complex. Brands are then trying to influence carbon outcomes through relationships that are less direct and less consistent.

The discussion pointed to benchmarking as one possible way to address this challenge. The new Apparel Impact Institute carbon benchmark was described as particularly useful because it normalises performance by production type. That makes it possible to compare mills more fairly and to identify relative performance in a way that can be used within sourcing decision making.

What stood out in this part of the conversation was the emphasis on consistency. Bart and Liam were not suggesting that benchmarking solves the whole problem. Rather, they were pointing out that common standards can reduce the fragmentation that often gets in the way of action. If every brand uses a different system, suppliers receive mixed signals. If a shared benchmark gains traction, the conversation becomes more coherent.

Data is abundant, but not always useful

Data was another major theme, and the conversation treated it as both an opportunity and a constraint. Bart and Liam both described a landscape in which companies are collecting significant amounts of information but struggling to use it in a coordinated way. The issue was not lack of data. It was fragmentation.

Liam referred to this as data chaos. In practice, that means multiple programmes, overlapping standards, inconsistent reporting formats, and data sets that do not always connect cleanly to decisions. Suppliers can end up providing similar information to different parties in different ways, with limited clarity about how it will shape sourcing choices.

Bart developed that point further by noting that sourcing teams often lack the tools needed to connect sustainability metrics with the commercial variables they already manage. A sustainability dashboard may show a score or a ranking, but that does not automatically tell a sourcing leader how to weigh that information against cost, flexibility, or risk. The discussion made a clear distinction between visibility and usability.

That distinction matters because it explains why data collection alone does not lead to change. Information becomes influential when it is shaped into a decision-making tool. The interview repeatedly returned to the idea that sourcing teams need a clearer, more integrated view of supplier performance if sustainability data is going to affect allocation, procurement, and supplier development.

Alignment across functions emerged as a central issue

While the conversation touched on sustainability, sourcing, data, and cost, the broader issue underneath all of it was organisational alignment. Bart was particularly direct on this point. He described a situation in which leadership gives one set of expectations to sustainability, another to sourcing, and another again to planning or merchandising. The result is not necessarily conflict in a personal sense, but a system that pulls in different directions.

Paul introduced the idea of joint roadmap development, which aligned closely with the discussion. The basic premise is that sustainability and sourcing are not separate tracks. They are connected planning functions whose choices affect each other. When they are developed independently, the company is more likely to encounter trade-offs that were not discussed at the outset.

Bart's perspective was that this kind of misalignment is one of the reasons progress can stall. Sustainability targets may be approved, but sourcing is still measured on cost, lead time, and other operational KPIs. If those measures are not adjusted together, the business can end up with contradictory expectations. The interview did not present this as a theoretical issue. It came through as a familiar reality in many organisations.

Liam made a related point when he said that sourcing teams are often not the ones asking for help in integrating carbon into decisions. In his experience, sustainability teams are frequently the ones trying to gain access to the sourcing agenda. That observation underscored a practical truth. Alignment is not just about good intentions. It is about which functions are invited into the planning process early enough to shape it.

Collaboration is valuable, but too much fragmentation can create noise

The conversation also considered the broader industry environment. Bart pointed to the value of collaboration in apparel, including previous work on social compliance, transparency, and industry standards. He described examples of collective action that improved outcomes when the sector was able to align around common frameworks.

At the same time, both speakers acknowledged that the current landscape can become crowded. Too many programmes, too many scorecards, and too many overlapping initiatives can create confusion rather than clarity. Bart used this to argue for a sharper focus on the measures that really matter. The point was not that collaboration is unhelpful. It was that collaboration becomes less effective when it multiplies complexity.

That idea was especially relevant in the context of sustainability data. Suppliers are often asked to respond to many different frameworks at once. Brands may think of these as complementary, but from the supplier's point of view, they can feel fragmented. The interview suggested that the industry may benefit from more convergence around a smaller number of useful benchmarks.

This was one of the more practical strands in the conversation. Rather than arguing for more activity, Bart and Liam were pointing to the value of better focus. In that sense, the interview presented simplification as a business issue, not just an administrative one.

The discussion was grounded in execution, not theory

What made the interview effective was its grounding in practical detail. The speakers were not discussing sustainability in abstract terms. They were talking about how sourcing works, what brands ask of suppliers, how targets are implemented, and what happens when commercial and sustainability priorities collide.

That practical focus was clear when the discussion turned to the question of what actually drives supplier behaviour. Liam described the importance of rewarding performance through sourcing decisions. If sustainability data is not used to differentiate between suppliers, then it remains informational rather than consequential. Bart took that idea further by explaining that sourcing teams need a way to connect sustainability performance to the way they manage cost, flexibility, and allocation.

In other words, the conversation was not about whether sustainability matters. It was about whether the business has the tools and habits needed to translate sustainability information into commercial action. That is a more precise and more operational question, and it was one of the strengths of the interview.

The outlook is more encouraging than the challenges might suggest

Although the conversation was frank about the barriers, it was not pessimistic. Both Bart and Liam expressed a degree of confidence that the major problems are solvable. Liam suggested that much of the technology needed to reduce emissions already exists and is affordable. Bart argued that data and transparency can be improved in ways that make sourcing teams more capable. The implication was that the remaining challenge is less about invention than about execution.

The energy market point at the end of the interview added another layer of relevance. Liam noted that energy costs in parts of Asia are likely to rise, which could change the economics of decarbonisation quite materially. If that happens, the commercial case for cleaner operations becomes stronger. That does not solve the organisational challenge, but it does sharpen the business case for action.

This is where the conversation finished on a notably pragmatic note. Rather than framing sustainability as a separate moral agenda, Bart and Liam presented it as part of a broader business response to changing operating conditions. Rising energy prices, pressure on supply chains, and the need for more transparent sourcing decisions all contribute to a context in which decarbonisation becomes increasingly relevant.

Closing view

The interview between Paul Lennen, Bart De Meirsman, and Liam Salter offered a clear view of how sustainability is being discussed at the intersection of sourcing, leadership, and supply chain design. The message was not that sustainability is simple. It was that progress depends on how well companies connect ambition to execution.

Several ideas stood out. Sourcing has a direct influence on sustainability outcomes. Cost matters, but it is not the whole story. Tier 2 remains a difficult part of the footprint. Data is abundant, but not always usable. Alignment across functions is critical. And industry collaboration only works when it helps simplify the work rather than add to the noise.

Taken together, those points painted a picture of a sector that is still working through how to operationalise carbon ambition. The conversation suggested that the ingredients are already visible. The challenge is in combining them in a way that changes decisions at scale.