

## SUSTAINABILITY IN VENDOR AGREEMENTS

### *Executive Summary*

*Sustainability in Vendor Agreements*, a benchmarking study recently conducted by the Retail Industry Leaders Association (RILA), finds that retailers take a range of approaches toward communicating sustainability commitments to vendors.

As retailers continuously evaluate agreements with their vendors, many would like to ensure their partners maintain a certain standard of corporate social responsibility and environmental protection. One approach is to include statements of the company's sustainability commitments and any additional requests in the vendor agreement process. These include agreement with both indirect and merchandise vendors, RFP processes, etc.

This benchmarking study was undertaken to determine how retailers communicate sustainability commitments to their vendors. Specifically, it seeks to find out what language, requirements or other statements retailers include in vendor agreements to encourage or hold suppliers accountable for supporting sustainability commitments.

Responses revealed that the language in retailers' vendor agreements range from no references to sustainability whatsoever (though some respondents noted that this may be subject to change within the next 12 months) to a more holistic view of embedding social and environmental responsibility requirements throughout the vendor agreements wherever appropriate and relevant.

The full results of RILA member benchmarking studies are only available to participating companies. The findings are based on a survey of RILA's Retail Sustainability Initiative (RSI) members in January 2009.

### *Contact Information*

For more information on this or other benchmarking or research studies, or if there is a subject you would like RILA to conduct a study on, please contact Sarah Walczewski, manager, sustainability & retail operations at [sarah.walczewski@rila.org](mailto:sarah.walczewski@rila.org) or call (703) 600-2042.