



The Ultimate Sustainability Guide for Small and Mid-sized Businesses in 2025

**How to Turn Mandatory Compliance
into Competitive Advantage**

—Even If You're Not Supplying to Fortune 500 Giants (Yet)



Download e-guide and
additional resources

Table of Contents


Introduction

Welcome to the Sustainability Ripple: Where Small Actions Create Big Waves

1. **Why the Sustainability Ripple Effect Matters to SMBs**
2. **Big Pressures from Big Players**
3. **The Rising Tide of Regulations and Consumer Demands**
4. **The Business Case for SMB Sustainability**
5. **Setting A Sustainability Baseline – From Measurable Data to Immediate Wins**
6. **Industry-Specific Pressures (and Opportunities!)**
7. **Creating a Roadmap for Long-Term Success**
8. **Mastering the Ripple Effect – Turning Compliance into Competitive Advantage**

Conclusion

Riding the Wave into the Future



INTRODUCTION

Welcome to the Sustainability Ripple: Where Small Actions Create Big Waves

0.1 You're Already Making Waves

Picture yourself standing at the edge of a serene pond. In its calm, a single pebble is dropped. The act itself is small, but the impact is powerful and instant. Ripples begin to emanate from that one action, gradually spreading to every corner of the water.

In the world of sustainability, that pebble symbolizes the bold initiatives of global giants like Microsoft, Amazon, Unilever, and Walmart. These companies invest millions of dollars and countless hours to achieve net zero, zero waste, water positivity, and 100% renewable energy. Their actions create ripples, subtle yet unstoppable, that spread far beyond their own walls.

Welcome to the **Sustainability Ripple Effect**: a dynamic wave of environmental requirements, audits, and expectations that radiates out from these major players and touches every business in its path. Even if you aren't directly supplying these corporate titans, you're still in the ripple. Whether you're a Tier 2 or Tier 3 supplier or an SMB partnered with another business feeding into a larger network, the effects of their sustainability commitments are already making their way to you.

And there's no turning back.

Much like the ever-expanding ripples on that once-calm pond, the push for sustainability is relentless. Regardless of which party occupies the halls of power, sustainability is here to stay. Even as new government administrations promise change, the momentum of consumer demand and global supply chain accountability is too strong to reverse. From business services firms to local retailers, every industry is feeling the pull, and resisting the current only means risking falling further behind.

0.2 What This Guide Will Cover

In the chapters that follow, we'll break down:

- **Why** sustainability matters to SMBs more than ever (yes, even you).
- How global corporations, like Microsoft, are driving sustainability requirements across the supply chain and uncovering unexpected positive opportunities hidden in what might feel like “just another compliance headache.”
- **Which** practical steps to take first, even if you have no dedicated sustainability team (or budget!).
- **What** the **next** three to five years will look like as regulations tighten, consumer expectations soar, and “Corporate Sustainability” becomes part of everyday business language.

By the end, you'll see that **embracing the waves of the ripple effect** is far better than trying to resist it, and that sustainability, when approached thoughtfully, can enhance your bottom line, brand reputation, and long-term growth.



Why the Sustainability Ripple Effect Matters to SMBs

1.1 The “You’re In It” Moment

You might be wondering: “Why should I, a local or regional SMB, invest time and money into green initiatives and carbon accounting? I’m not Walmart’s direct supplier. I’m not listed on the stock exchange. Climate action and emissions reporting is for big corporations, right?”

Well, here’s the pivotal realization:

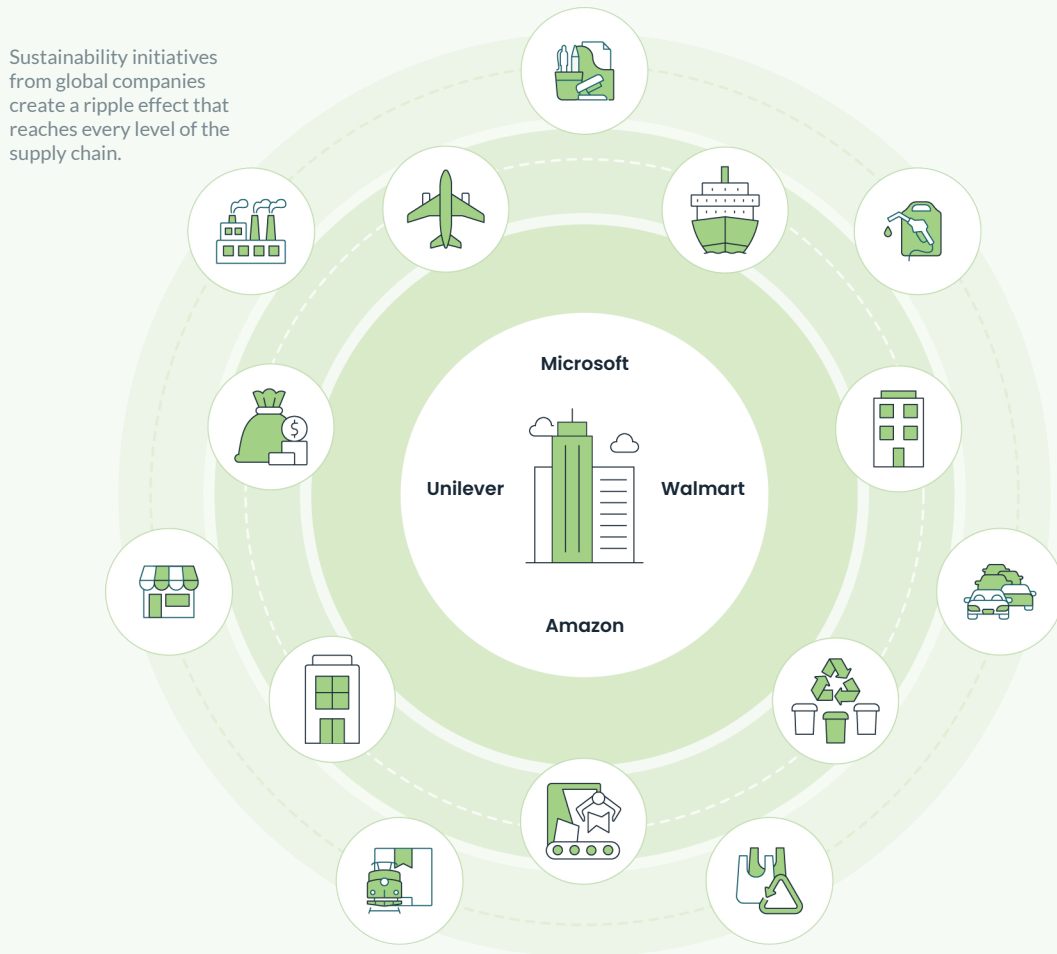
1. **Most large enterprises track not just their own emissions but also the emissions of their entire supply chain** (Scope 3 - explained in Chapter 2). They pass these reporting and reduction requirements to the next level of their value chain.
2. Those suppliers, often small and mid-sized companies, push them to their own vendors (that’s you, if you’re not already included in the first tier of suppliers!).
3. Even if you’re not in a “traditional” B2B or B2B2C supply chain, you’ll likely face consumer (B2C), investor, or community-driven demands for responsible business practices.

In other words, you’re already part of the ripple effect, engaged in a movement toward sustainability, whether you actively signed up for it or not. This is your **“You’re In It” Moment**: the instant you recognize that climate action is no longer optional but a **strategic opportunity for innovation and growth**.

1.2 Understanding the Supply Chain Waves

- **Tier 1:** Microsoft, Amazon, and other giant brands make ambitious commitments: “We’ll be carbon negative by 2030!” “Zero waste by 2040!”
- **Tier 2:** Their direct suppliers must show progress on reducing emissions, sourcing ethically, or meeting new environmental standards.
- **Tier 3:** Those suppliers have their own network of vendors, contractors, and partners. Guess what? Those same standards trickle down.

By the time they get to you, an SMB that might not even know who the ultimate client is, it can feel like these demands have come out of nowhere. But the flow is unstoppable because **the bigger the brand, the more they're being watched and regulated**, and the more that accountability expands across the entire supply chain.



1.3 Sustainability Commitments From a Few Brands You Know

- **Microsoft:** Aims to be **carbon negative** by 2030 and to eliminate its entire historical carbon footprint by 2050.
- **Amazon:** Founded The Climate Pledge, pushing for net-zero carbon by 2040 (10 years ahead of the Paris Agreement)
- **Unilever:** Announced a Climate Transition Action Plan and strict procurement policies for suppliers in order to reach net-zero across their value chain by 2039.
- **Walmart:** Project Gigaton is aiming to cut 1 billion metric tons of greenhouse gases from its supply chain by 2030.

Each of these pledges influences thousands (sometimes tens of thousands) of suppliers. And yes, that includes **small and mid-sized** suppliers that together play a critical role in driving industry-wide responsible practices.

Big Pressures from Big Players

2.1 Large Corporations Are Setting the Tone

In their most recent reporting, Microsoft (as outlined in the 2024 [Environmental Sustainability Report](#)) underscores the significance of **Scope 3 emissions** (those generated by suppliers and other third-party partners). They explain:

“We believe Microsoft also has a role to play in bringing the global supply chain with us on our journey to net zero”

This direct acknowledgment reflects the understanding that achieving ambitious sustainability targets requires coordinated responsible business efforts across the entire value chain. This collaborative approach isn’t unique to Microsoft; Apple, Amazon, IKEA, Unilever, and countless others are pursuing similar strategies to integrate decarbonization initiatives into every aspect of their operations.

2.2 Microsoft’s 2024 Environmental Sustainability Report at a Glance

- **Carbon emissions:** Doubling down on renewable energy procurement and carbon removal projects.
- **Water:** Seeking to be “water positive,” meaning replenishing more water than it uses in its operations.
- **Waste:** Ramping up “zero waste” commitments in data centers, supply chains, and packaging.
- **Ecosystems:** Funding biodiversity initiatives that also ask suppliers to reduce negative environmental impacts.

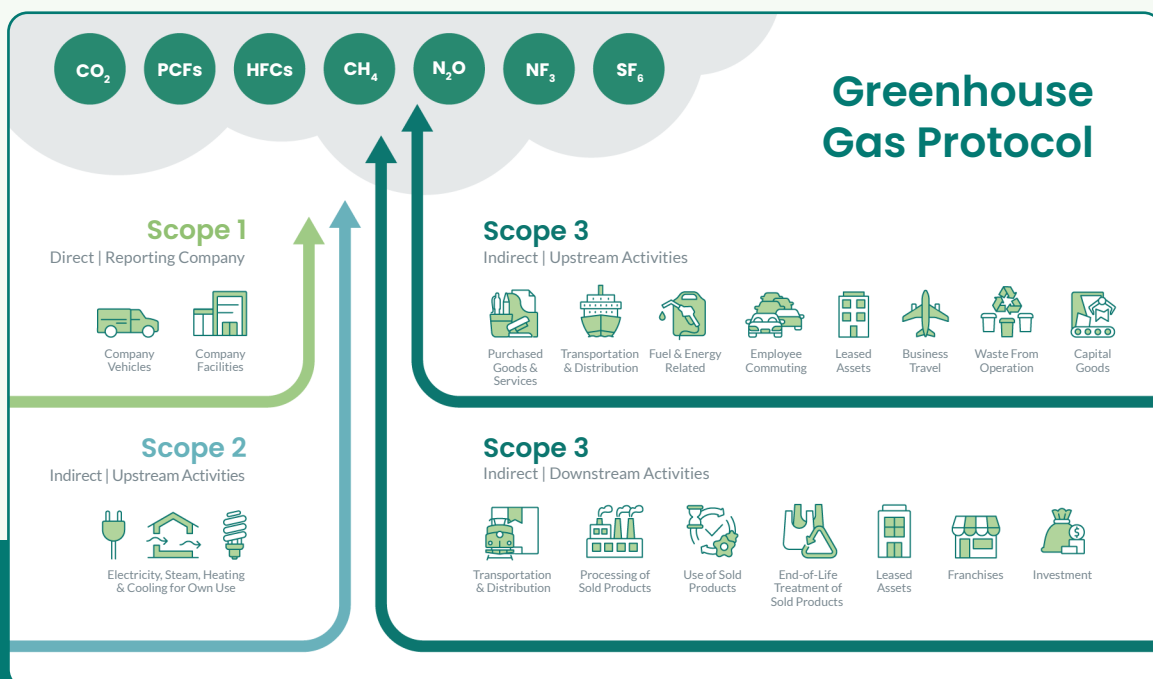
What’s crucial for SMBs here is that **Microsoft doesn’t do this alone**. They request sustainability data and emissions reduction plans from most suppliers. If you’re anywhere near their ecosystem, you’ll feel that ripple.

2.3 “Scope 3” and Why It Inevitably Affects SMBs

Within corporate sustainability, supplier carbon emissions and climate impact have emerged as a key metric world-wide. You may be asking why your company’s carbon emissions matter to your customers. Let’s back it up a bit and take a high level look at how the Greenhouse Gas Protocol (GHG Protocol), the world’s most widely used carbon accounting standard, categorizes corporate carbon emissions. Through the GHG Protocol, organizations report emissions into three scopes, based on their original source:

- **Scope 1:** Direct emissions from owned or controlled sources (e.g., company vehicles, on-site fuel combustion).
- **Scope 2:** Indirect emissions from the purchase of electricity, steam, heating, or cooling.
- **Scope 3:** All other indirect emissions, from goods and services purchased from suppliers to product distribution and employee travel.

Large corporations have made **Scope 3** the new frontier. Since Scope 3 often accounts for the majority of a company’s carbon footprint (typically 75–90% according to the UN Global Compact Network), they can’t ignore it. The most challenging part about decarbonizing Scope 3, however, is that because these emissions are indirect, organizations are at the mercy of their suppliers and vendors to take action. **They can’t reach their goals without you**, because you contribute to the largest part of their footprint. For SMBs, this is also an opportunity to showcase responsible business practices and drive innovation.



“Your company’s emissions are part of your customers’ Scope 3 emissions.”

–Hannah Moskowitz, Sustainability Director, RyeStrategy

2.4 The “Ripple Effect” in Action: Real-World Examples

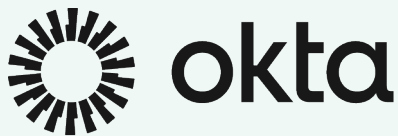


Walmart’s Project Gigaton



Goal: Walmart’s Project Gigaton set out to reduce one billion metric tons of CO₂e emissions from its global value chain by 2030 by encouraging suppliers to set goals, report progress, and implement sustainable practices.

Result: The initiative has achieved remarkable participation with a total of 6,294 suppliers joining, 1,135 earning "Giga Guru" status, and 761 recognized as "Sparking Change" partners, demonstrating how even incremental sustainability efforts can create a powerful ripple effect down the supply chain. In 2024, Walmart achieved their goal six years early, with suppliers reporting projects exceeding the one billion metric ton target.



Okta Pursues Strategic Vendors



Goal: Okta, the Worlds Identity Company, set ambitious decarbonization goals, including a science-based target to ensure that 65% of Okta’s suppliers (by spend) have science-based targets by FY27. Okta is committed to reducing Scope 3 emissions through robust supplier engagement initiatives. "99% of Okta’s greenhouse gas emissions come from the vendors in our value chain," explains Sophia Gluck, ESG & Sustainability Lead at Okta. "We have the opportunity to engage our vendors and drive greater environmental impact by asking them to join us in reporting and reducing emissions."

Result: In FY2024, Okta’s strategic vendors were asked to set SBTs and provided with resources to complete a GHG inventory, set targets, and start reducing emissions. Okta is gaining supplier engagement momentum according to the FY2024 ESG Fact Sheet which shows that 23% of Okta suppliers have set targets, up 10% over FY2023.

Okta Supplier Spotlight: *Launch*

Industry: Event Management and Product Services
 Location & Size: Based in San Francisco, 40+ Employees
 Projects: Manages 35+ Events Across 8 Countries Annually

With a hybrid workforce of 40+ employees managing 35 in-person multi-day events across eight countries annually, Okta's Sustainability Request initially seemed nearly impossible for the lean team at Launch.

Ruth Voorhies, CFO at Launch, recalled, "When we first received the request from Okta, we didn't think we had the staff to do it. We also didn't understand it. We heard the term 'science-based target initiative,' and we said, 'what does that mean?'" While Okta's request to set science-based targets felt overwhelming, Ruth and the leadership team at Launch were aligned on doing their part to support Okta's sustainability goals.

In July 2023, Okta introduced RyeStrategy to suppliers as its trusted supplier decarbonization partner, inviting select suppliers to take advantage of free and discounted resources to help them navigate the request. Initially uncertain about their ability to fulfill the request, Launch scheduled a meeting with RyeStrategy. "We took the initial call with RyeStrategy to understand whether measuring our 2022 carbon emissions was even possible based on the data we had available," explained Robin Laybourn, People Operations Director at Launch. "Cooper at RyeStrategy communicated Okta's supplier request in a way we understood and reassured us they could work with our data as it was. After talking with Cooper, we decided we were ready to move forward. We also suspected that our other large tech clients might make similar requests. The timing felt right, and Okta's trust in RyeStrategy gave us confidence they would be a great partner."

Over the next six weeks, RyeStrategy worked with Launch to collect and import all required data into the RyeStrategy platform, including

utilities, commuting data, air travel, and all spend data for the reporting year, including capital assets. Eventually Launch was able to fulfill Okta's Supplier Sustainability Request accurately and on time, cementing its position as a committed and responsive vendor.

Over the course of the project, Launch began seeing science-based targets as more than just a one-off project.

"The more we discussed our carbon emissions internally, the more we realized that committing to reducing our emissions would help Launch across the board. Our sustainability initiative became part of a long-term strategy to strengthen our position with other clients and our overall brand."

Ruth Voorhies
CFO, Launch



In December 2023, the leadership team invited employees to get involved in Launch's carbon reduction commitment. Robin reflected on the positive response: "Our employees were excited to hear that Launch had set goals to reduce carbon emissions. They seemed proud to work for a company committed to helping the planet, and they immediately started brainstorming about how they could contribute."

The Rising Tide of Regulations and Consumer Demands

3.1 Governments Turn Up the Heat

It's not just about big corporations. Governments worldwide are ramping up sustainability reporting requirements, forcing businesses of every size to step up their game:

- **European Union (EU):** The Corporate Sustainability Reporting Directive (CSRD) mandates companies (including large ones with EU operations) to disclose Scope 3 emissions.
- **United States:** In states like California and New York, regulatory measures are on the rise. California SB 253 requires companies with **\$1B+ in revenue** operating in California to report full emissions, affecting many national and international brands, and by extension, their suppliers. Meanwhile, New York has introduced bills seeking to require companies to disclose climate risks and emissions data across their operations and supply chains.

If your **client** is bound by these regulations, **you** could be asked (or required) to provide climate data and a plan for emissions reduction. This is how regulatory ripples and waves become business imperatives.

3.2 Consumers: The Most Impactful Drivers of Sustainability Trends

Surveys show that **81% of global consumers** believe companies should actively improve the environment (Nielsen).

According to PwC's 2024 Voice of the Consumer Survey, 80% of consumers are willing to spend more on sustainable products – often nearly 10% extra. Millennials and Gen Z, who now dominate the consumer landscape, actively evaluate a company's sustainability practices before making a purchase or considering employment.

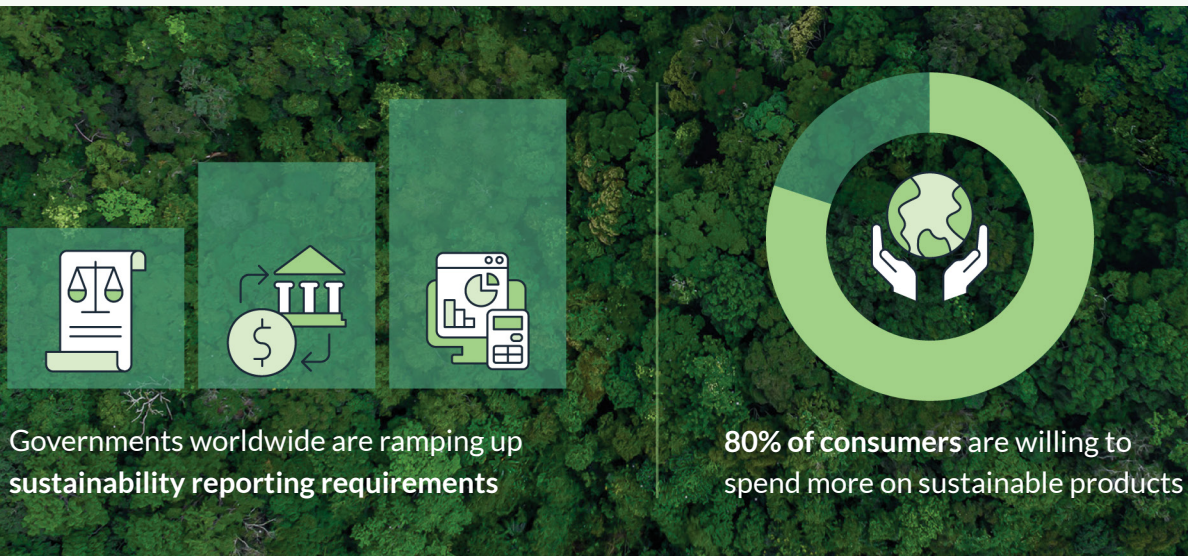
In fact, many of these young consumers are willing to pay a premium for sustainable products, and the survey suggests that they are even prepared to leave a job if their employer does not take meaningful climate action.

Additionally, research from Deloitte indicates that B2B buyers are 2.7 times more likely to trust suppliers with strong sustainability credentials, making eco-friendly practices not only a consumer expectation but a competitive advantage.

3.3 Investor Expectations: ESG as a Financial Mandate

Investors are increasingly placing sustainability at the heart of their decision-making. A [McKinsey survey](#) of chief investment officers found that 85% consider ESG factors crucial when evaluating investments. Moreover, a significant majority of these long-term, intrinsic investors are prepared to pay a premium for companies that clearly articulate how their sustainability initiatives translate into long-term value creation.

The growing demand for clarity on how ESG connects to value means that companies with robust sustainability strategies not only mitigate risk but also attract more funding and secure better borrowing terms.



3.4 The Consequences of Inaction

Ignoring sustainability can have serious repercussions:

- **Lost Contracts:** Many RFPs now include mandatory sustainability and climate data sections that can account for up to 20% of the overall score. Suppliers lacking robust eco-friendly practices risk being excluded from competitive bids.
- **Brand Weakness:** With B2B buyers being more likely to trust suppliers with demonstrating sustainability action, failing to illustrate environmental commitment through measurable data can harm your brand's reputation.
- **Regulatory Fines:** As carbon taxes and emissions regulations expand, you could face penalties for non-compliance.
- **Higher Costs:** Companies that fail to invest in sustainability initiatives risk higher operating costs, missing out on energy efficiency improvements that can reduce expenses by up to 15% ([International Energy Agency](#)).
- **Competitive Disadvantage:** As climate commitments become a key differentiator, without strong environmental action, you may struggle to attract premium customers and investor capital.

The Business Case for SMB Sustainability

If you're in "panic mode" from the last chapter, take a breath. There's a silver lining: **Embracing sustainability initiatives can actually strengthen your business.** Let's explore how.

4.1 Cost Savings Through Resource Efficiency

- **Energy Efficiency:** Upgrading to LED lighting, optimizing HVAC systems, or simply shutting down unused equipment can slash utility bills, and your emissions.
- **Waste Reduction:** Reducing packaging or embracing digital processes lowers material costs and disposal fees.
- **Logistics Optimization:** Rerouting delivery trucks or switching to fuel-efficient vehicles can deliver huge savings over time.

For instance, UPS famously saved \$400 million by minimizing left turns on delivery routes, reducing idle times and gas usage which ultimately reduced carbon emissions as well. Small changes often yield massive decarbonization and financial returns.

4.2 Brand Differentiation and Sales Growth

Sustainability is becoming a **unique selling proposition**:

- **Marketing Edge:** If you can proudly state "Net Zero Emissions" or "All our packaging is made from 100% recycled materials," you stand out to the statistically environmentally-minded consumer base described above.
- **RFP Advantage:** A robust record can tip the scales in a close bidding war.

For example, Mondi's transition to innovative, fully recyclable packaging helped secure a multi-year contract with Unilever, a brand renowned for its stringent sustainability goals. This example shows that even modest improvements in sustainable practices can deliver significant competitive benefits.

4.3 Risk Mitigation and Resilience

Climate change brings operational risks: extreme weather, supply chain disruptions, resource scarcity. Building sustainability into your core processes doesn't just help the planet, it **shields** your operations from shocks. Diversifying suppliers, investing in water-saving tech, or generating some of your own renewable energy can keep your business running even when disruptions strike.

4.4 Talent Attraction and Retention

It's no secret that a company's environmental and social values are top-of-mind for younger workers. The same consumers who are driving sustainability are also your employees. **Millennials** and **Gen Z** now comprise 54% of the workforce as Baby Boomers retire, and 48% say they will not work for a company whose social or environmental values do not align with their own. ([Randstad Workforce Insights](#)) This shift is reshaping not only consumer behavior but also corporate talent strategies. Embracing sustainability can enhance your ability to attract and retain top talent. Consider these key benefits:

- **Competitive Hiring:** Highlight your green efforts to attract top talent.
- **Employee Engagement:** People are more motivated when they see a greater purpose in their work.
- **Retain Top Talent:** Retaining employees is crucial, as the cost to replace an employee can be 6 to 9 months of the employee's salary ([The Society for Human Resource Management \(SHRM\)](#)), and 70% of workers are ultimately somewhat or very likely to depart from a company that does not implement sustainable business practices. ([iCIMS](#))



Embracing sustainability helps reduce costs, earn consumer trust, attract talent, and reduce risks — all while protecting the planet.

4.5 Case Study: Visions Management, Turning Intimidation into Opportunity

Visions Management, a 40-person project management firm in the San Francisco Bay Area, started its sustainability journey like many small businesses by doing the basics. As founder Amy Garber candidly recalls, "Early on, we were doing what we knew to do –recycling and trying our best not to be wasteful." At that time, their efforts were limited to what every company does by default, with no strategic intent.

The turning point came when larger companies began pushing sustainability initiatives down the supply chain. In particular, being approached by Salesforce's sustainability accelerator program was a wake-up call. "It wasn't until Salesforce reached out with a program designed to help us measure our carbon emissions that we realized we were part of a much larger conversation," Amy explains. This external pressure transformed sustainability from a daunting checklist into a real opportunity.

Taking the First Measurable Step

Realizing that clarity was key, Amy and her team began calculating their carbon footprint across Scopes 1, 2, and 3. "Starting with a basic GHG inventory allowed us to see exactly where our emissions were coming from," Amy notes. With measurable data in hand, the team discovered that carbon accounting was not an overwhelming burden but a practical entry point into broader sustainability efforts.

Unlocking Tangible Benefits

By partnering with RyeStrategy for guidance on GHG data collection and target setting, Visions Management unlocked multiple benefits:

- **Cost Efficiency:** Simple changes, such as switching to LED lighting and streamlining energy use, translated into significant cost savings.
- **Enhanced Brand Credibility:** As their sustainability practices matured, Amy leveraged the progress to build stronger relationships. "Once we started sharing our journey, from basic recycling to active carbon accounting, we noticed new business opportunities emerging," she explains.
- **Operational Success:** Transforming from a business intimidated by sustainability demands to a proactive, eco-conscious supplier, Visions Management achieved notable operational milestones. In a recent commercial relocation decommission project, they repurposed or recycled 63% of materials, preventing 21 tons from going to a landfill. This achievement not only improved efficiency but also strengthened relationships with clients who value sustainable practices.

A Story of Transformation and Connection



Amy Garber, President, Visions Management

Amy's experience is more than a case study; it is a blueprint for other SMBs. Her journey shows that the first step is always the most accessible: measuring what you have today to build a roadmap for tomorrow. What began as a modest, almost accidental entry into sustainability evolved into a strategic initiative that addressed regulatory pressures while enhancing operational efficiency and brand strength.

In Amy's words,

"We realized that sustainability was not an intimidating, distant requirement; it was something we could own, learn from, and ultimately use to grow our business."

By turning a potential compliance burden into a competitive advantage, Visions Management now stands as a testament to the power of a growth mindset and the benefits of early, focused action.

Setting A Sustainability Baseline

From Measurable Data to Immediate Wins

Ready to step into your climate action journey? Rather than feeling overwhelmed by broad sustainability trends, start with what you can measure. In this chapter, we explain how calculating last year's carbon footprint provides a solid, data-backed baseline that transforms the abstract idea of sustainability into tangible, actionable insights. Once you have this foundation, you can implement quick wins that drive immediate impact while building momentum for long-term improvements.

5.1 Establishing Your Carbon Footprint Baseline

Begin by completing a Greenhouse Gas (GHG) inventory using activity data from the previous year. Calculate your carbon footprint according to the GHG Protocol, which categorizes your emissions into three scopes:

- **Scope 1:** Direct emissions from sources you own or control (for example, company vehicles and on-site fuel usage).
- **Scope 2:** Indirect emissions from purchased electricity, heating, or cooling.
- **Scope 3:** All other indirect emissions, including those from purchased goods, shipping, waste disposal, and business travel.

Gathering this data not only provides clarity on where your emissions originate, but it also lays the groundwork for setting realistic reduction targets and measuring progress over time.

5.2 Quick Wins for Immediate Impact

With your baseline established, focus on simple, practical actions that yield tangible benefits:

- **Switch to LED Lighting:** Lower energy consumption and enjoy a quick return on investment.
- **Optimize Printing and Paper Use:** Transition to digital processes to reduce waste and cut costs.
- **Enhance Recycling and Waste Reduction:** Improve practices across your office and supply chain to conserve resources.
- **Adopt Remote or Hybrid Work:** Reduce commuting and business travel to lower Scope 3 emissions.
- **Conduct a Targeted Energy Audit:** Identify specific areas of inefficiency, such as outdated HVAC systems or excessive lighting usage, and address them without the need for a full-scale audit.

These quick wins are designed to create immediate improvements while building confidence in your sustainability journey.

5.3 Encouraging Employee Ownership

A dedicated ESG director is not required to kickstart your sustainability efforts. Instead, appoint a Sustainability Champion or form a small Sustainability Committee that can include key team members from operations, HR, or even executive leadership. This group should:

- Track progress on environmental goals.
- Coordinate with external consultants or utilize sustainability tools.
- Communicate successes and challenges across the organization.
- Monitor evolving regulations and customer expectations.

When employees take ownership, the journey becomes a collective effort, ensuring that progress is consistent and dynamic.

5.4 Measuring What Matters: Tools and Reporting Frameworks

The value of your carbon data grows when it is measured against trusted standards. Leverage established frameworks to set targets and report progress:

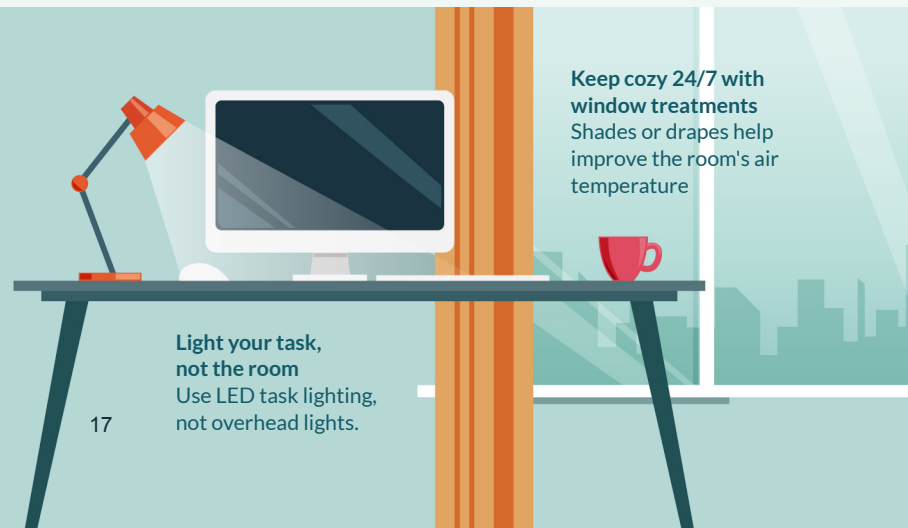
- **GHG Protocol:** The global standard for tracking Scope 1, 2, and 3 emissions – an ideal starting point for any business.
- **SBTi (Science-Based Targets Initiative):** Align your reduction goals with the Paris Agreement to enhance credibility with investors and customers.
- **CDP (Carbon Disclosure Project):** Increase transparency by disclosing climate-related risks and achievements.
- **EcoVadis:** Utilize ESG ratings to demonstrate your commitment to sustainable practices in B2B procurement.

Selecting the right framework not only strengthens your sustainability strategy but also signals to clients and partners that you are committed to measurable, long-term environmental progress.

Quick Win: Lighting

Lighting accounts for 35% of energy use in commercial buildings.

Lights also contribute to the extra need for space cooling



Industry-Specific Pressures and Opportunities!

Every SMB is different, and sustainability expectations vary by sector. Let's skim the main industries where the ripple effect is especially prominent.

6.1 Manufacturing & Industrial

- **Pressure Points:** High energy use, potential pollution, material sourcing, and waste management.
- **Opportunities:**
 - Upgrading machinery for efficiency can cut operational costs significantly.
 - Switching to renewable energy or capturing process heat can reduce your carbon footprint.
 - Recycled and reused materials can appeal to eco-conscious clients.

6.2 Logistics & Transportation

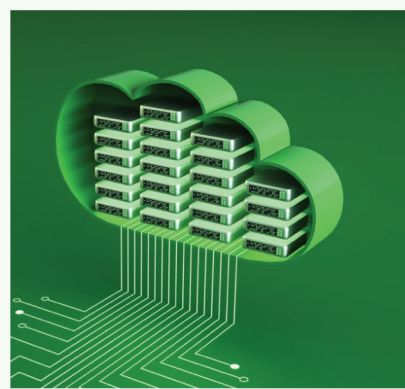
- **Pressure Points:** Fuel consumption, vehicle emissions, route inefficiencies.
- **Opportunities:**
 - Route optimization software saves fuel costs.
 - Switching parts of your fleet to EVs or alternative fuels.
 - Warehouse optimization (lighting, insulation) to save on energy.

6.3 Retail & Consumer Goods

- **Pressure Points:** Packaging waste, consumer-facing brand image, potentially complex supply chains.
- **Opportunities:**
 - Adopt minimal or sustainable packaging to cut costs and boost brand loyalty.
 - Eco-labels or green certifications can attract environmentally conscious shoppers.
 - Partnerships with local, certified suppliers can differentiate you from big-box competitors.

6.4 Tech & Services

- **Pressure Points:** Data center energy usage (if applicable), e-waste from hardware, travel for staff or events, work-from-home (WFH) emissions
- **Opportunities:**
 - Migrate to cloud services with strong renewable energy commitments (e.g., Microsoft Azure, Google Cloud).
 - Offer remote work or flexible hours to reduce commuting footprints.
 - Showcase “green hosting” or efficient coding practices as a selling point.
 - Provide employees with guidance, incentives, or resources to adopt energy-efficient home office practices.



Pressure points in sustainability can create new opportunities to improve efficiency, reduce costs, and strengthen market positioning

6.5 Lessons from Microsoft's Approach

Across industries, there is a recurring theme: **corporate transparency and making data-driven decisions**. Microsoft's approach in its 2024 Sustainability Report emphasizes:

- **Rigorous Measurement:** Knowing your baseline before you set targets.
- **Ambitious Yet Achievable Goals:** Carbon negative by 2030 is bold but has a clear roadmap.
- **Supplier Engagement:** They aren't just telling suppliers to “be greener”. They provide tools, training, and sometimes, incentives.

For SMBs, the lesson is:

Don't be afraid to ask for help. Even if it's from your own larger clients, from trade associations, or from specialized consultancies.

Collaboration can drastically simplify your sustainability journey.

Creating a Roadmap for Long-Term Success

Sustainability isn't a box you check once. It's an ongoing journey. Let's break it down into phases, so that it feels **manageable** (and not like a flood).

7.1 Phase 1: Laying the Groundwork

- **Create a Sustainability Committee:** One person (or a small team) to coordinate efforts.
- **Conduct a Full GHG Emissions Inventory**
- **Implement Quick Wins Based on Carbon Footprint Analysis:** LED lights, better insulation, recycling programs.
- **Respond to Any Immediate RFP Requirements:** If a big client needs data, start gathering it now.

By the end of Phase 1, you'll have a **baseline** understanding of your environmental impact, plus a handful of ready-to-go cost-saving changes and compliance with your most pressing customer requirements.

7.2 Phase 2: Scaling and Refining

- **Set Formal Goals:** For instance, "Reduce our energy usage by 20% by 2026", or setting and validating a science based target through an initiative such as the Science Based Targets Initiative (SBTi).
- **Calculate Carbon Footprint:** Annual process you'll complete using last year's data to measure your progress year over year.
- **Address Scope 3:** This is more complex: asking suppliers for their sustainability data, optimizing shipping routes, reevaluating materials, etc.
- **Report Emissions Data:** report your progress through recognized platforms such as the Carbon Disclosure Project (CDP) or EcoVadis to ensure transparency and credibility.
- **Publicize Your Progress:** Updating your website, proposals, or marketing materials to highlight your journey (transparency builds trust).
- **Validate Your Net Zero Commitment:** As you refine your strategy, consider leveraging validation services and marketing programs, such as [RyeStrategy's Emissions Reduction Badge Program](#), to confirm and publicize that your progress and targets align with industry standards.

7.3 Phase 3: Transforming Compliance into Market Leadership

- **Integrate Sustainability into Every Department:** From product design to HR policies, make environmental thinking standard.
- **Annually Calculate Full Emissions Inventory**
- **Intermediate and Advanced Decarbonization Initiatives**
- **Innovate:** Explore circular economy models, invest in carbon offset projects, or pilot advanced technologies.
- **Partner Up:** Form or join local business coalitions, collaborate with universities or NGOs.
- **Share Your Experience:** Encourage and educate other businesses by sharing your key learnings and business benefits at conferences, networking events, social media, and articles
- **Become a Preferred Supplier:** When large enterprises update their vendor lists, you'll be at the top because you're not just compliant, you're proactive and reliable!

Roadmap for Long-Term Success



1

Laying the Groundwork

Sustainability Committee setup, emissions inventory, quick wins, and immediate actions



2

Scaling and Refining

Set reduction goals, calculate footprint, report progress, and share commitment



3

Transforming Compliance into Market Leadership

Expand sustainability, implement advanced decarbonization initiatives, and grow your leadership impact

7.4 Certifications and Recognitions

Achieving recognized certifications and regular reporting can **amplify** your credibility. Once earned, display your badge, score, or validation on website, pitch decks, company signage, and more:

- **Science-Based Targets (SBTi):** Aligns your emission reductions with the Paris Agreement goals.
- **CDP (Carbon Disclosure Project):** Creates standardized reports that many corporate and government entities trust.
- **EcoVadis:** Validates your sustainable practices across environmental, social, and governance dimensions.
- **RyeStrategy Emissions Reduction Program Badge:** Confirms your measurable, scalable progress in reducing carbon emissions and reinforces your commitment to continuous improvement.



RyeStrategy Emissions Reduction Program provides guidance, support, and recognition at every step of your climate journey.

Mastering the Ripple Effect

Compliance into Competitive Advantage

8.1 Leveraging Sustainability in Contracts and RFPs

- **Highlight ESG in Proposals:** Dedicate a section to your emissions data, reduction roadmap, or relevant certifications.
- **Share Success Stories:** Did you reach Level 3 of the Emissions Reduction badge program? Shout it out.
- **Stay Proactive:** Keep an eye on new regulations or client demands so you can address them pre-emptively.

8.2 Storytelling and Marketing Your ESG Efforts

- **Show, Don't Just Tell:** Photos, infographics, or short videos of your sustainable operations are more compelling than a written claim.
- **Engage Employees:** Encourage them to share your sustainability wins on LinkedIn or at networking events.
- **Community Impact:** Collaborate with local nonprofits or schools to underscore that your ESG efforts benefit real people, not just corporate checklists.

8.3 Avoiding Greenwashing

Be careful not to oversell or inflate your green achievements:

- **Substantiate Claims:** Provide data or references (e.g., “We cut our packaging waste by 25% in the last year, verified by regular waste audits.”).
- **Third-Party Supported:** Reduce risk by hiring a third party to calculate or validate your emissions data.
- **Admit Imperfections:** It's okay not to be net-zero tomorrow. Honest communication about challenges and gradual improvements builds trust.

8.4 The Future of Sustainability for SMBs

As climate pressures intensify and more jurisdictions adopt stringent regulations, the “voluntary” aspects of sustainability will become standard practice. By getting ahead now, you:

- **Lock in** cost savings early.
- **Build** a loyal customer base who values your ethos.
- **Secure** your position in an increasingly eco-focused marketplace.
- **Future-proof** your operations against the next wave of compliance mandates.

Riding the Wave into the Future

9.1 Final Takeaways

1. You're Already in the Ripple Effect

Whether you realize it or not, consumer buying trends, large enterprises' sustainability goals and new regulations ensure that SMBs must adapt.

2. It's Not a Burden, But an Opportunity

Sustainability can reduce costs, attract customers, and differentiate you in competitive bids.

3. Start Where You Are

Even basic carbon tracking or waste reduction efforts can yield immediate benefits.

4. Plan for the Long Haul

Sustainability is a journey. Phase your rollout (1 year, 3 years, 5 years), celebrate small wins, and keep improving.

5. Tell Your Story

Show partners, customers, and employees that you're committed. Use your progress to market yourself as a forward-thinking, responsible business.

9.2 Your Next Steps

☐ Appoint a Sustainability Champion or Committee

This single move ensures someone stays on top of deadlines, data, and ideas.

☐ Do a Quick Audit

Start with your office energy use and waste outputs.

☐ Talk to Clients

Ask if they have upcoming sustainability requirements. Propose ways you can help them achieve their own targets.

☐ Set 1- or 2-Year Targets

Make them realistic and measurable. Track them openly.

☐ Celebrate and Iterate

Every time you hit a milestone, like cutting electric bills by 10%, publicize it. Then aim higher!

☐ Consider a Sustainability Partner

Many SMBs can't justify a full-time sustainability employee. Partnering with a sustainability firm specialized in supporting SMBs is often the most cost efficient, non-disruptive way to get started and maximize the benefits to your business. RyeStrategy guides hundreds of SMBs through this process every year - [schedule a call](#) to learn more.

Final Word

Embrace the Flow

You might not have chosen to be part of the sustainability ripple, but here you are, swept up in oncoming waves. Rather than flailing or resisting, learn to navigate and harness the power of this current. It's not just about avoiding penalties or meeting contract requirements; it's a chance to innovate, differentiate, and build a stronger, more resilient business.

Corporate sustainability is the new normal: those who embrace it early will lead the way, and those who ignore it risk being swept aside by the current. The best part? You don't have to do it alone.

Why Partner with RyeStrategy?

RyeStrategy specializes in guiding small and medium-sized businesses through the exact challenges you've read about in this guide. Whether you need:

- **Baseline Carbon Accounting:** Our friendly sustainability managers will guide your annual GHG inventory project and deliver a comprehensive carbon footprint report.
- **Compliance & Reporting:** Avoid lost contracts by staying ahead of new regulations and client-driven sustainability demands. As a client, RyeStrategy assists in any reporting requests that come in throughout the year.
- **Decarbonization:** From quick wins in Year 1 to long-term transformation over the next 3 - 5 years, we build custom mitigation strategies that align with your goals and budget.
- **Storytelling & Brand Enhancement:** We don't stop at compliance; we help you market your sustainability journey to customers, employees, and partners.

Our mission is simple: empower SMBs to thrive in an era where sustainability is **non-negotiable**, turning what might seem like a burden into a **profitable, value-driving opportunity**.

"I would highly recommend partnering with RyeStrategy on carbon accounting initiatives, especially for small companies who don't have the staff or bandwidth to commit to fully learning the GHG protocol."

—Tonia Steed, RedCloud



Learn how partners like [RedCloud Consulting](#) and [VCNY Home](#) have achieved measurable success with our approach. Embrace the flow, and let's build a more sustainable future together.

Ready to Ride the Wave?

If you're ready to transform sustainability into a competitive advantage, **connect with RyeStrategy** for a no-obligation consultation.

We'll help you position your organization as a resilient and forward-thinking leader; driving innovation, growth, and lasting value for both your bottom line and the planet.

Contact Us Today!



**Schedule Your
Free Consultation**



info@ryestrategy.com
(206) 580-3046
Seattle, WA

www.ryestrategy.com

Sources

1. Microsoft Will Be Carbon Negative by 2030
<https://blogs.microsoft.com/blog/2020/01/16/microsoft-will-be-carbon-negative-by-2030/>
2. The Climate Pledge Amazon
<https://www.aboutamazon.com/planet/climate-pledge>
3. The Paris Agreement
<https://unfccc.int/process-and-meetings/the-paris-agreement>
4. Unilever Climate Transition Action Plan
<https://www.unilever.com/sustainability/climate/our-climate-transition-action-plan/>
5. Walmart Project Gigaton
<https://www.walmartsustainabilityhub.com/project-gigaton>
6. OECD: SMEs – Key Drivers of Green and Inclusive Growth
https://www.oecd.org/en/publications/smes-key-drivers-of-green-and-inclusive-growth_8a51fc0c-en.html
7. Microsoft Sustainability Report
<https://www.microsoft.com/en-us/corporate-responsibility/sustainability/report>
8. GHG Protocol
<https://ghgprotocol.org/>
9. UN Global Compact UK – Scope 3 Emissions
<https://www.unglobalcompact.org.uk/scope-3-emissions/>
10. Walmart Emissions Recognition
<https://walmartsustainabilityhub.emissionscalculators.walmart.com/main/recognition>
11. Okta's Climate Targets: Progress and Opportunities – One Year In
<https://www.okta.com/blog/2024/01/oktas-climate-targets-progress-and-opportunities-one-year-in/>
12. Okta ESG Report 2024
https://www.okta.com/sites/default/files/2024-08/Okta_ESG_Report_2024.pdf
13. RyeStrategy Website
<https://www.ryestrategy.com/>
14. PwC: EU Corporate Sustainability Reporting Directive
<https://www.pwc.com/us/en/services/esg/library/eu-corporate-sustainability-reporting-directive.html>
15. California's Climate Disclosure Requirements
<https://calawyers.org/business-law/californias-climate-disclosure-requirements-an-overview-of-senate-bills-253-and-261/>

16. New York Climate Risk and Emissions Disclosure Bills
<https://www.esgdiver.com/news/new-york-reintroduces-bills-seeking-climate-risk-emissions-disclosures/739365/>
17. Nielsen: What Sustainability Means Today
<https://www.nielsen.com/insights/2018/what-sustainability-means-today/>
18. PwC: Voice of the Consumer Survey
<https://www.pwc.com/gx/en/issues/c-suite-insights/voice-of-the-consumer-survey.html>
19. Deloitte/WSJ: Demonstrating Sustainability to Improve B2B Customer Trust
<https://deloitte.wsj.com/sustainable-business/looking-to-improve-b2b-customer-trust-demonstrating-sustainability-can-help-ddeeb940>
20. McKinsey: Investors Want to Hear About the Value of Sustainability
<https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/investors-want-to-hear-from-companies-about-the-value-of-sustainability>
21. IEA: Energy Efficiency 2020 Report
<https://www.iea.org/reports/energy-efficiency-2020>
22. CNN: How UPS Saved \$400 Million by Minimizing Left Turns
<https://edition.cnn.com/2017/02/16/world/ups-trucks-no-left-turns/index.html>
23. Packaging Gateway: Mondi & Unilever Packaging Innovation
<https://www.packaging-gateway.com/news/mondi-unilever-packaging/>
24. Randstad Workmonitor 2025
<https://workforceinsights.randstad.com/hubfs/Inbound%20Program/Content%20offers/LV%20journeys/LV-CJ23/Randstad%20Workmonitor%202025.pdf?hsLang=nl>
25. SHRM Blog: Essential Elements of Employee Retention
<https://hrshrm.shrm.org/blog/2017/10/essential-elements-employee-retention>
26. iCIMS Blog: 3 Sustainability Initiatives to Help Attract and Retain Talent
<https://www.icims.com/blog/3-sustainability-initiatives-to-help-attract-and-retain-talent/>
27. Visions Management LinkedIn Sustainability Update
<https://www.linkedin.com/feed/update/urn:li:activity:7290163611375702016>
28. RyeStrategy Net Zero Validation
<https://www.ryestrategy.com/net-zero-validation>
29. Microsoft 2024 Environmental Sustainability Report
<https://cdn-dynmedia-1.microsoft.com/is/content/microsoftcorp/microsoft/msc/documents/presentations/CSR/Microsoft-2024-Environmental-Sustainability-Report.pdf>



Printed on 100% post-consumer-waste paper,
made in the USA with 100 % wind power;
chlorine- and acid-free.

© 2025 RyeStrategy. All rights reserved.