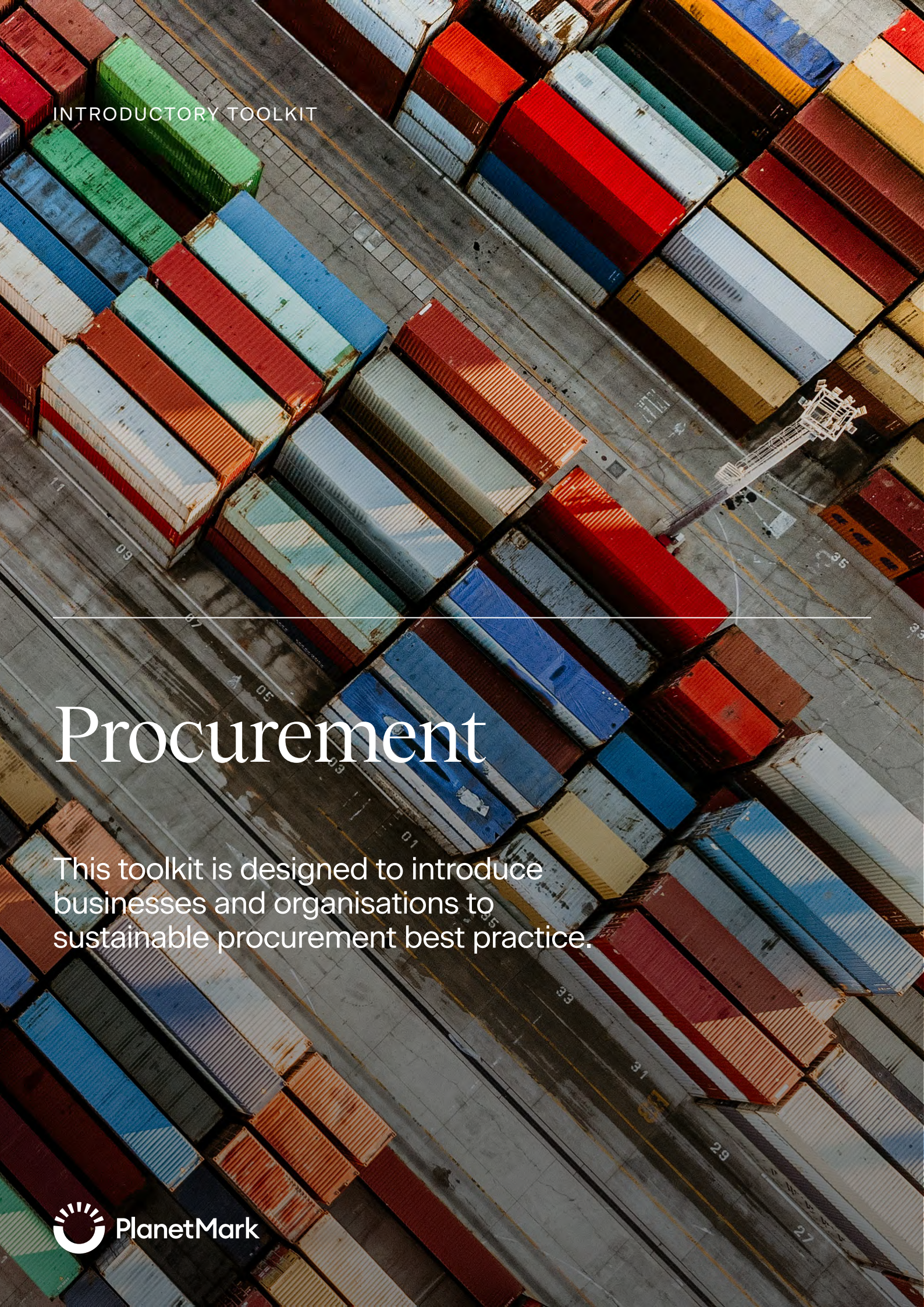

INTRODUCTORY TOOLKIT

Procurement

This toolkit is designed to introduce businesses and organisations to sustainable procurement best practice.

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1 Who is this toolkit for?

1. Procurement Managers
2. Facilities Managers
3. Office Managers
4. Operations Managers
5. Finance Teams



2 The importance of sustainable procurement

Sustainable procurement is the process of making purchasing decisions that meet an organisation's needs for goods and services in a way that benefits not only the organisation but society, while minimising its impact on the environment.

From ensuring that the working conditions of its suppliers' employees are decent, to endeavour sourcing products or services that are sustainable and favour circularity models, to addressing socio-economic issues such as inequality and poverty — sustainable procurement plays a key role in all these elements.



Acquisition of goods and services may account for over 50% of a company's expenses and may exceed 80% in sectors such as retailing, electronic and automotive industries.

What an organisation buys, who it buys from, and how it uses the goods and services once bought, can have a huge influence on everything from performance and employee well-being to reputation and stakeholder relations. For this reason, the private sector has a great ability to influence markets, playing a key role in social responsibility and helping integrate it at the governance level.

Every business is unique, and the procurement needs of, and alternatives available for your business will of course vary. Thus, organisations must deep dive into Scope 3 emissions to identify hotspots and areas of significant impact.

Acquisition of goods and services may account for over 50% of a company's expenses.



3 The benefits of sustainable procurement

Adopting a sustainable procurement policy will ensure you bring the triple bottom line of sustainability to life, which will help you:

1	Reduce your environmental impact
2	Increase your positive contributions to society
3	Set yourself apart from competitors

01
Environmental impacts

Sustainable procurement aims to promote conservation and responsible management of resources by using renewable or recycled materials wherever possible, and by reducing waste.

Sustainable procurement also involves looking at production practices and making sure they don't have any negative impacts on the environment such as pollution, biodiversity loss or habitat destruction. This guide will focus on this first element.



02
Social contributions

Sustainable procurement is also used to address societal issues, such as diversity and inclusion, inequality, and international labour standards.

Criteria for Socially Responsible Procurement can be applied to every stage of a supply chain, from mining to assembly and distribution.

03
Competitive advantage

Customers and clients, suppliers, investors... all your stakeholders are increasingly interested in the sustainability credentials — and that is not only what you do, but how you do it.

On the other hand, purchasing sustainable goods and services, even if that means higher costs upfront, ensures savings on energy, water and waste over the lifetime of the product or service, which can bring significant financial savings to the organisation — allowing companies to allocate those extra resources to other relevant parts of the business.



4 How can a business ensure the sustainable procurement of goods and services?

Every business is unique, and the procurement needs of, and alternatives available for your business will of course vary dependent on industry, location, and working style.

However, there are some good practices that all organisations are encouraged to follow in order to reduce the environmental impact of their supplies.

We summarise them on the following page:



Consider local suppliers

In many cases, the goods and services you need can be purchased from local suppliers, minimising the ecological footprint, such as transportation and packaging. It also supports the local economy and enhances the local business network.

Favour re-use and re-purposing

Consider whether repairing or refurbishing old items instead of purchasing new ones is possible, which will also help you save money.

It will also avoid the unnecessary use of materials and can be as simple as a stationary amnesty or keeping office equipment for longer than planned.

Purchase recycled content goods

Where possible, purchase recycled paper and other goods for office use. The quality and range of recycled products have greatly improved, making them higher quality and reasonably priced.

Consider the life-cycle costs

Incorporating life-cycle costs into your procurement procedure can reduce operating costs over time. Does the product use energy, fuel or water more efficiently or use less paper, ink, light or other resources?

Consider inuse heating, ventilation, lighting, IT and transportation requirements. Products and services with high efficiency ratings may cost more in the short term but save much more in the longer term.

Consider the product end of life

Is the product reusable or durable, have a long economically useful life and/or can be economically repaired or upgraded, compared to alternatives? Is the product recyclable and do local facilities exist that are capable of recycling the product at the end of its useful life? Does the product contain toxic substances which require special handling and disposal?

Sustainable office design, refit, and relocation

When moving offices or refurbishing, consider how to make your refit sustainable using recycled or repurposed materials, recycling old furniture and equipment and using a sustainable office redesign company. Communicate the sustainable features of your office with information in common areas for staff and visitors. Search The Planet Mark Sustainability Solutions Directory for office design and fit out companies that can help you.



Procurement for catering services can be an opportunity to demonstrate your sustainability commitment to staff and visitors.

Hold sustainable events and meetings

Hosting sustainable events can include considerations such as the choice of venue, accessibility by public transport, minimising hard copy materials, sustainable catering and choosing remote conferencing.

Have sustainable catering services

Procurement for catering services can be an opportunity to demonstrate your sustainability commitment to staff and visitors. Consider non-disposable cutlery and crockery, locally sourced food, low package products and recyclable products. Reduce food waste by portion planning and ordering suitable amounts for meetings and events.

Improve data collection through supply chain

Work with your suppliers to obtain carbon footprint data on energy, water, waste, travel, paper use and courier services. Ensure that regular and detailed reporting is part of the service that they provide and explain that it is to support your sustainability objectives.

Consider a green procurement group

If buying more sustainable products and services is not cost-effective, consider collaborating with other business to buy larger volumes and secure price discounts, better service and favourable contract terms.



5 Policies and procedures for sustainable procurement

Sustainable procurement must be purposely done.

Re-think your procurement policies and procedures and re-write them with sustainability at their core. This way you will ensure the system is robust, helping integrate corporate responsibility at the governance level.



Being a sustainable supplier can help you win business in a competitive market place.

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Implement a sustainable procurement policy

You can implement a full sustainable procurement programme based on the standard BS 8903:2010 'Principles and framework for procuring sustainably'.

Encourage sustainability in your supply chain

Work with your suppliers to ensure that they meet your sustainability standards. Check environment policies, environmental management systems and certifications, demonstrating how they are helping you to reduce your carbon footprint.

Be a sustainable supplier

If your business is part of other supply chains, you may need to demonstrate your sustainability credentials. Being a sustainable supplier can help you win business in a competitive market place. Consider obtaining sustainability certifications appropriate for your business, making you stand out and meet tender requirements.

Review purchasing systems

Consider how purchasing takes place at your office. If purchasing is centralised, work with your suppliers to set or limit buying options to those which meet your sustainable procurement policy. Provide training and information for budget holders so they are aware of prevailing policies and procedures. Use e-invoicing as part of your eProcurement solution to reduce paper use and increase efficiency.

Use independent certifications and kitemarks as a guide

Request brands and products that are certified as sustainable, ethical and environmentally safe.

There are various recognisable kitemarks which should make identifying sustainable products and services easier.



6 Engaging and communicating with the relevant internal staff

Engagement and communication are indeed two of the main pillars that underpin a good and effective sustainability strategy.



Bringing teams across departments along with you will be crucial to succeed in your efforts as a company. The earlier on the process and the more of them, the better. Some ideas to get you started with sustainable procurement would be as follow:

Encourage thoughtful buying

Encourage staff to ask questions before making a purchase:

- Do I need this product or service?
- Can I substitute alternative products or seek innovative solutions if they are more sustainable?
- Can I loan, lease or buy it from someone else?

Offer incentives to influence buying choices

Provide incentives to encourage staff to take the more environmentally friendly option — e.g. a discount on your coffee if you take a refill instead of a new cup. Offer alternatives, such as issuing re-usable cups and providing kitchen facilities.



For the majority of business', their top 10 products or materials often contribute to as much as 30-40% of their carbon footprint.

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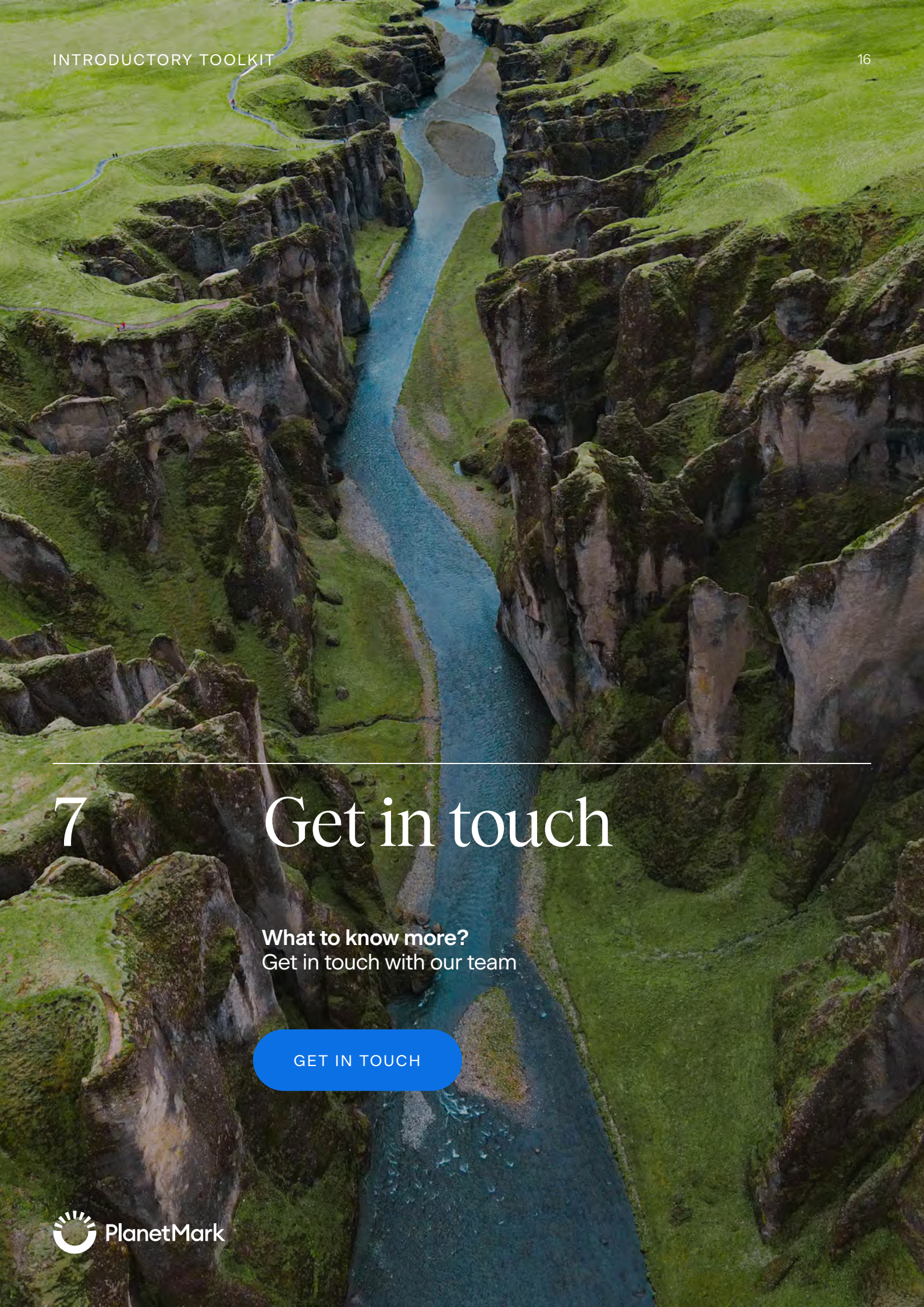
Set limits to procurement and resource use

Consider quotas and caps on resources used regularly in your business and offer rewards to teams who meet those targets.

An example is a cap on volume of paper used per day/week/month/year. Have a league table of paper users and set a competition to reduce it.



7 Get in touch

What to know more?
Get in touch with our team

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