



CONESTOGA
Connect Life and Learning

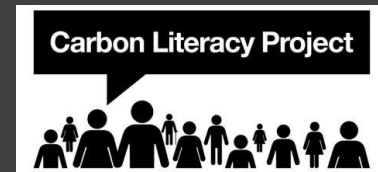
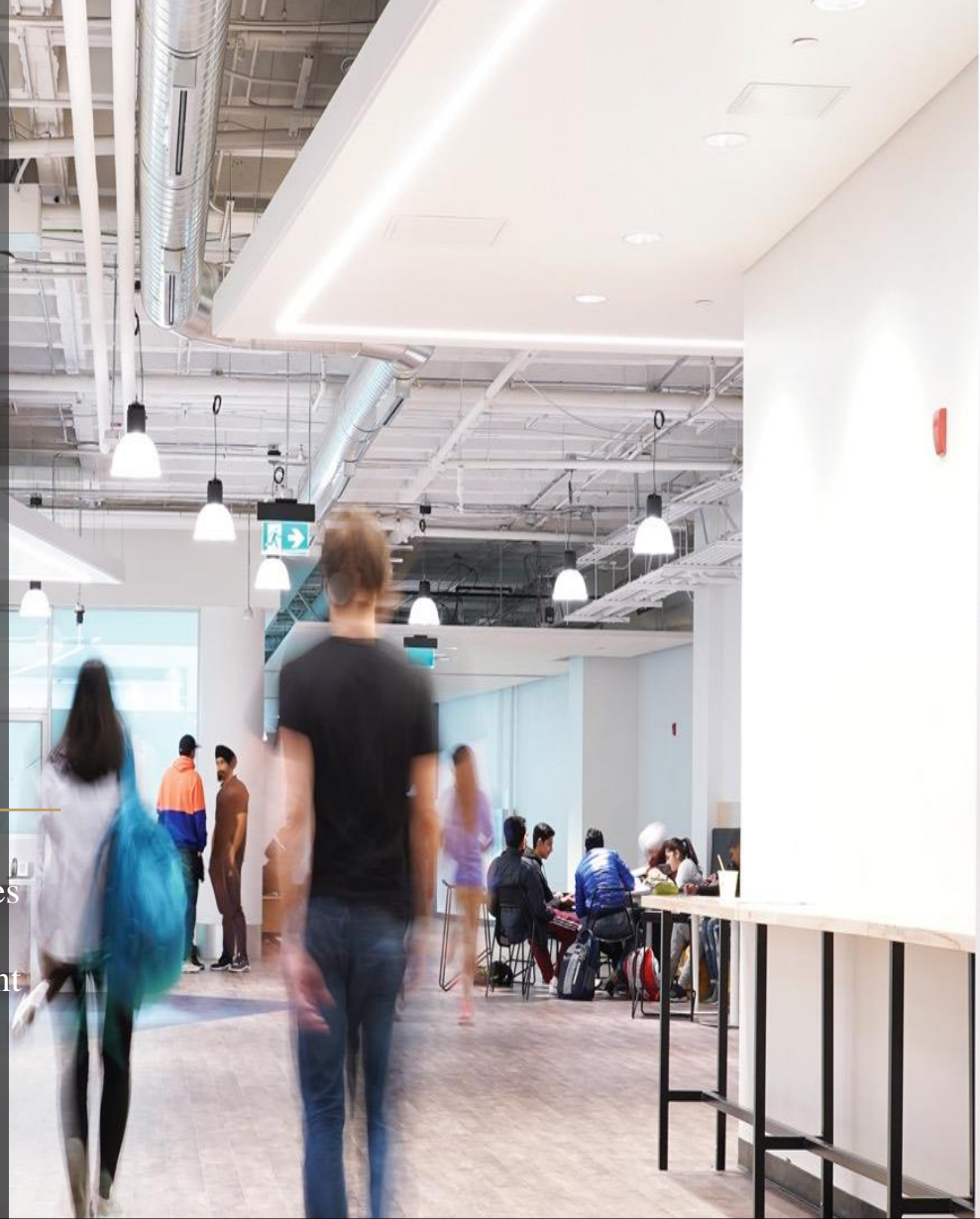
Sustainable Procurement: Definitions, Practices and Guidelines

Perian Tebbutt, Director, Procurement and Contract Services

Laura Matheson, Project Manager, Sustainability Consultant

Professor Marlon Nangle

Professor Michael Quartermain



CONESTOGA'S E3 CONFERENCE

Virtual Employees for Excellence in Education Conference

MAY 27 - MAY 30, 2024

Before we start, please:

1. Ensure that your mic remains muted unless you intend to interact with the audience
2. Click the "Chat" button on the task bar and say hello in the chat window
3. Check the features list (right)
4. This workshop will be recorded

Features for this workshop

- Group chat
- Raise hand (in the task bar 'Reactions')
- Breakout groups
- Camera/mic welcome but optional!

All E3 recordings and resources will be available at:

<http://bit.ly/VirtualE3>

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Click on the Info icon or link beside it for additional resources



All blue, underlined texts are live links, and can be followed to external sources for more information



Indicates recourses specific to Canada

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SUSTAINABLE PROCUREMENT SESSION OVERVIEW

AGENDA

1. Introduction
2. Sustainability is a Mindset
3. Sustainable Procurement – Definitions
4. Sustainable Procurement Benefits
5. Conestoga College Sustainable Procurement Guidelines
6. Conestoga College Sustainability Planning link
7. Questions

LEARNING OUTCOMES

- Definitions of sustainable procurement
- Explore sustainable procurement ideas and practices
- Understand the importance of procurement in achieving organizational sustainability goals
- Introduce Conestoga College Sustainable Procurement Guidelines
- Taking action!



INTRODUCTIONS WHILE WE ARE MEETING YOUR FACILITATORS!



While we're waiting, please introduce yourself in the chat:

- Name
- Department
- Role

INTRODUCTIONS

YOUR FACILITATORS



Perlan Tebbutt

Director, Procurement and Contract Services

Over 20 years experience in private and public procurement

Conestoga Supply Chain and Operations Management graduate,

Degree in business administration, Certified Supply Chain Management Professional



Marlon Nangle

Professor, Supply Chain & Operations Management.

20+ years of business experience

8+ years teaching experience in post-secondary institutions

INTRODUCTIONS

YOUR FACILITATORS



Laura Matheson, M.Sc.

Project Manager: Sustainability Plan

Degree in Climate Science

15-yrs teaching experience in post secondary institutions

Active in local sustainability initiatives



Michael Quartermain

Professor Strategic Global Business Mgmt.

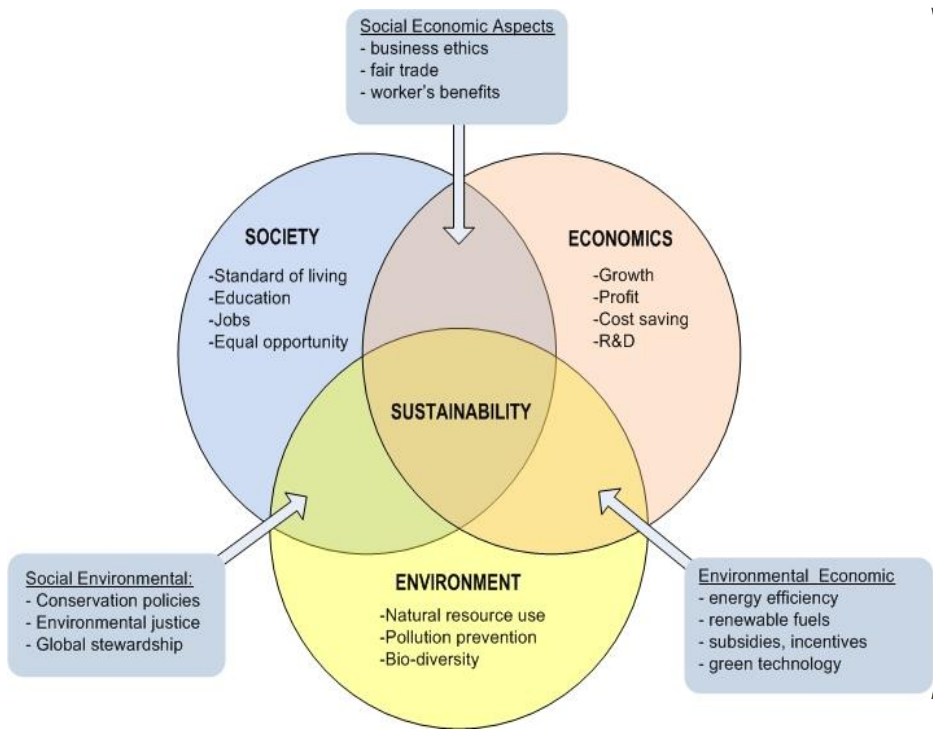
Degrees in Business, Law (ADR) and Conflict Studies

35+ years of business experience, including sustainability initiatives

5-yrs teaching experience in post-secondary institutions

SUSTAINABILITY MINDSET

INTERPLAY OF ECONOMIC, SOCIAL AND ENVIRONMENT



Adopted from the [University of Michigan Sustainability Assessment \[Rodriguez et al., 2002\]](#)

SUSTAINABLE DEVELOPMENT GOALS KEY GOALS THAT SUSTAINABLE PROCUREMENT SUPPORTS

MAIN GOAL

12 Ensure sustainable consumption and production patterns.



SECONDARY GOALS

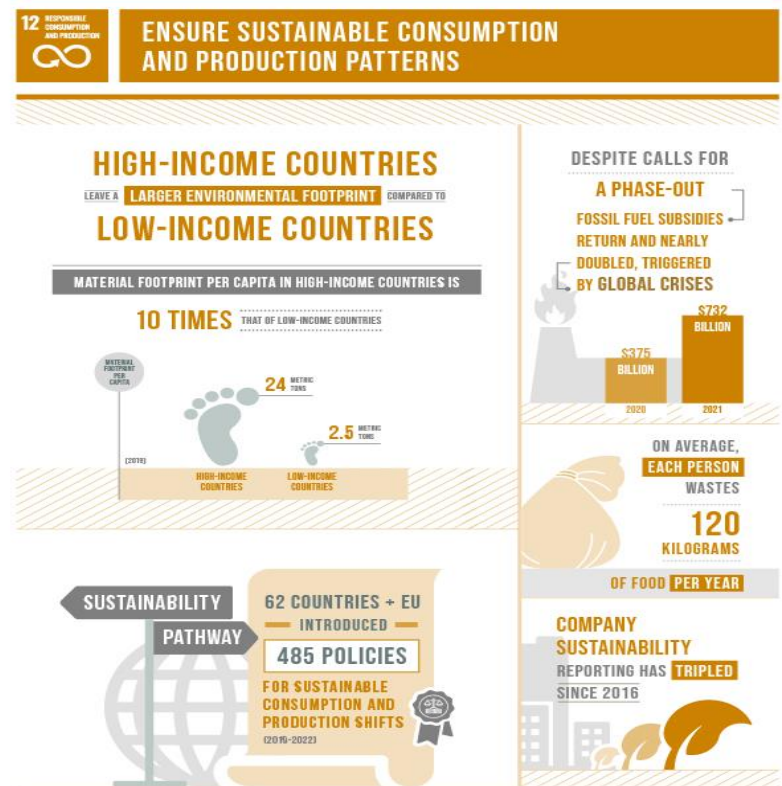
13 Climate Action



17 Partnerships for the Goals



 [Learn more Sustainable Development Report 2023](#)



THE SUSTAINABLE DEVELOPMENT GOALS REPORT 2023: SPECIAL EDITION- UNSTATS.UN.ORG/SDGS/REPORT/2023/

(Sachs et al. 2023)

POLL

SUSTAINABILITY PROCUREMENT AT CONESTOGA

**TO THE BEST OF YOUR KNOWLEDGE, DOES CONESTOGA COLLEGE
CURRENTLY ASK OUR *SUPPLIERS* ABOUT THEIR GHG EMISSIONS?**

- No / Never*
- Sometimes*
- Often*
- Always*
- (Don't know)*

SUPPLY CHAINS

SUPPLY CHAIN'S CARBON FOOTPRINT

Supply chain emissions are

11.4x higher

than operational emissions.

Reported by 8,033 suppliers through CDP in 2020.



Operational emissions



Supply chain emissions



[Global Supply Chain Report," CDP, February 2021.](#)

DEFINITION

SUSTAINABLE PROCUREMENT

Why the Need?

There is a global consensus that we are placing excessive demands on limited resources within our environment through unsustainable consumption patterns.

Sustainable Procurement is the process by which organizations meet their needs (goods, services, utilities, etc.) to achieve 'value for money' while promoting positive outcomes for the environment, economy, and society.

(Willard, nd)



DEFINITION GREEN PROCUREMENT

Procurement must obtain the best value for money by purchasing...

...the most environmentally beneficial *goods & services*...

...from the most environmentally responsible *suppliers*...

...in support of the buyer's *purpose, policies, and strategic goals*.

(Willard, nd)

What does this mean?...

...introduces a comparison between alternatives within the procurement process based on environmental impact

Example

The purchase of Conventional Light Bulbs VS Energy-Saving Light-Bulbs



DEFINITION

NET ZERO (N-ZP) PROCUREMENT

Procurement must obtain best value for money by purchasing

...the most climate-beneficial goods & services...

...from suppliers who are most committed to science-based net-zero GHG reduction targets...

...in support of the buyer's purpose, policies, and strategic net-zero goals.

Achieving NET-ZERO emissions means our economy emits no GHG emissions and/or offsets its emissions where possible.



Did you know?

Most of an organization's carbon impact originates from outside the organization itself through indirect emissions from business partners. Like suppliers.

Procurement must cultivate a Net-Zero culture within their supplier network

Offset Emissions How?

Tree Planting and/or employing technologies that capture carbon before it's released into the air

DEFINITION

CIRCULAR PROCUREMENT

Procurement must obtain best value for money by purchasing...

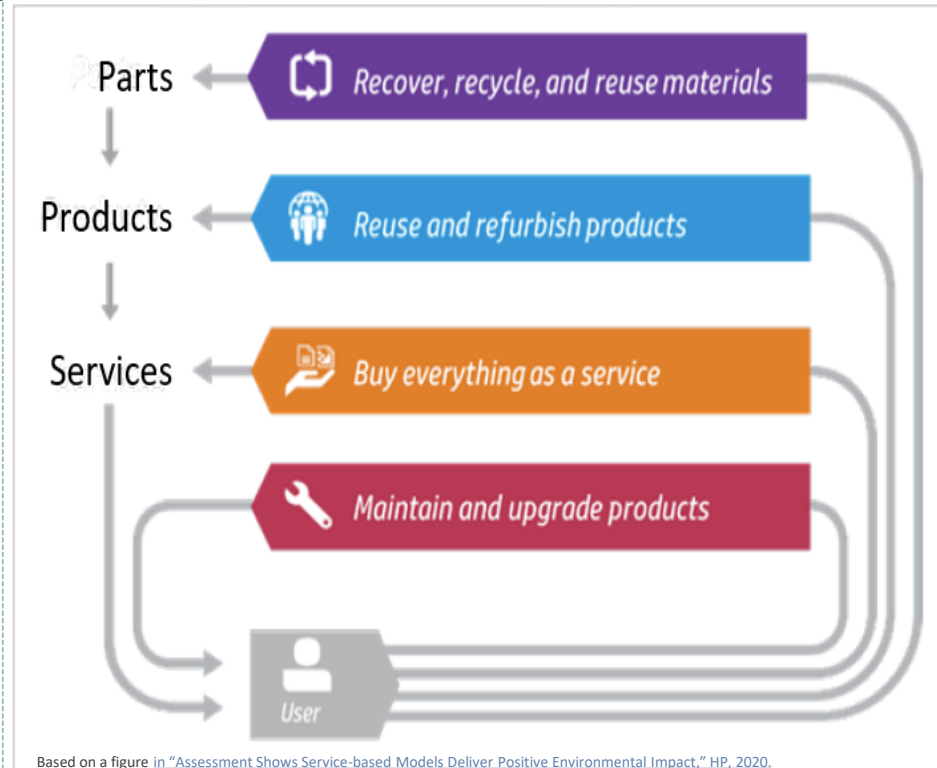
...the most circular *goods & services* from *suppliers* who best incorporate circularity principles into their product/packaging materials and life-cycle design...

...in support of the buyer's *purpose, policies, and strategic goals*.

Procurement can support the transition to a circular economy by executing purchase decisions that support closed energy and material loops within supply chains while also minimizing (or avoiding) waste and other negative environmental impacts.

Examples: Circular Contracts with Suppliers for use vs owning.

(Willard, nd)



[A Sustainable IT Purchasing Guide, HP, January 2020.](#)

DEFINITION

SOCIAL PROCUREMENT

Procurement must obtain best value for money by purchasing ...

...the most socially beneficial *goods & services / projects* from the most socially responsible *suppliers* who protect and enhance employee and community well-being...

...in support of the buyer's *purpose, policies, and strategic goals*.

What this means is that procurement expenditure also generates positive secondary societal benefits and impacts.

Examples:

Indigenous Reconciliation, Preference for Local Suppliers

(Willard, nd)



SUSTAINABLE DEVELOPMENT GOALS (SDGs) SUSTAINABLE PROCUREMENT AND SDG IMPACT AREAS

A market force enabling the attainment of the SDGs

Green Procurement



Net-Zero Procurement



Circular Procurement



Social Procurement

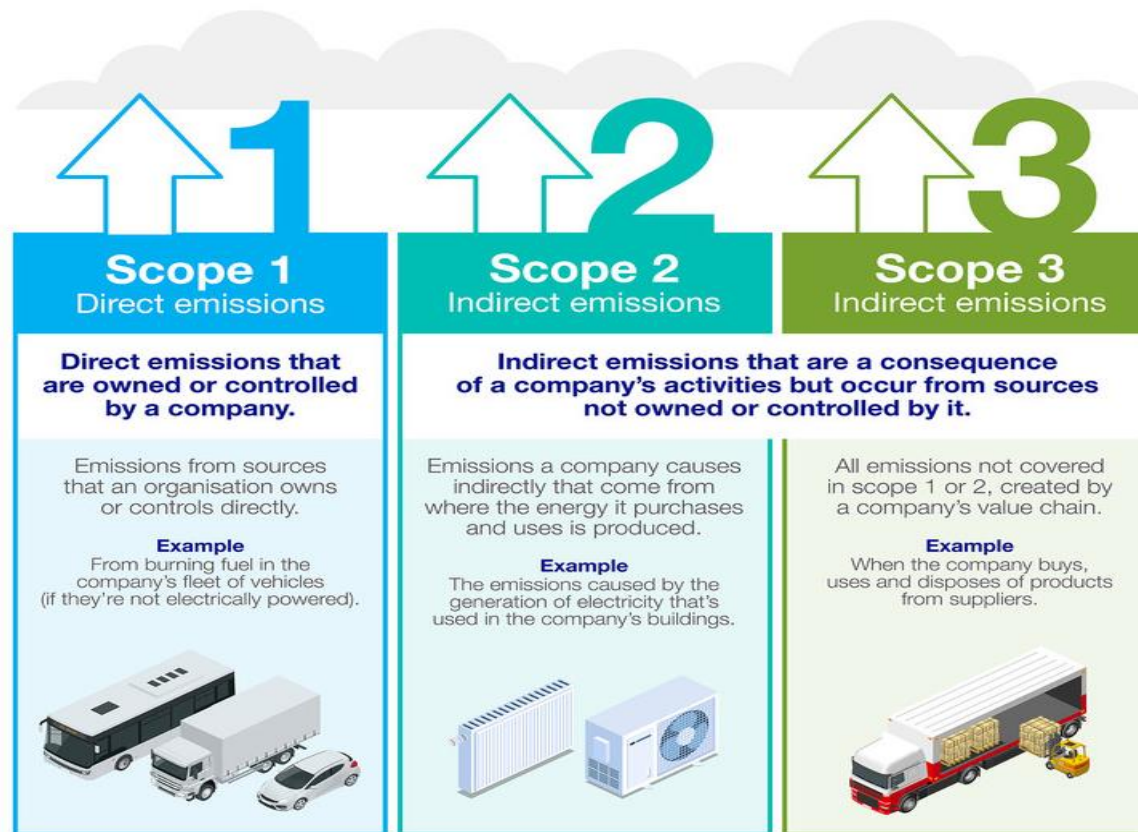


Employee & Community / Society Wellbeing



GREENHOUSE GAS PROCUREMENT SCOPE 1, 2, 3 IMPACT AREAS

The three scopes are a way of categorising the different types of greenhouse gas emissions created by a company, its suppliers and its customers.



SUSTAINABLE PROCUREMENT SUSTAINABILITY SELECTION CRITERIA AREAS

Assessment Areas



Organizational Integration

To what degree are you *integrating* sustainable procurement into your business processes?

e.g., policy, prioritization, goals, budget, training, etc.



Supplier Sustainability

To what degree are you *evaluating and promoting* more sustainable suppliers?

e.g., supplier sustainability rating, diverse suppliers, etc



Product Sustainability

To what degree are you *evaluating and promoting* more sustainable products and services?

e.g., product/category-specifications, ecolabels, etc.



Appraisal Weightings

To what degree are you *selecting* more sustainable products, services, and suppliers?

e.g., weightings in bid appraisals, contracts, supplier selection, etc.



Leadership

To what degree are you *promoting* sustainable procurement as a market driver for change?

e.g., transparency, SP advocacy, external collaboration, etc.

- **Sustainable Procurement Supplier Survey**
Makes sustainability matter by introducing supplier scores on core sustainability issues and the *product* score on sustainability-related specs.

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WEIGHTED SUSTAINABILITY SELECTION CRITERIA EXAMPLE

MOVE TO A MORE ROBUST CRITERIA SUSTIANABLY
SUPPLIER SELECTION RATING

		Supplier A		Supplier B		Supplier C		Supplier D	
Performance Dimension	Weight	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score	Score	Weighted Score
Sustainability Policy	0.4	3.0	1.2	5.0	2.0	2.0	0.8	4.0	1.6
Cost	0.3	4.0	1.2	2.0	0.6	3.0	0.9	3.0	0.9
Product Quality	0.2	1.0	0.2	3.0	0.6	4.0	0.8	2.0	0.4
Delivery Reliability	0.1	2.0	0.2	5.0	0.5	5.0	0.5	4.0	0.4
TOTAL	1.0		2.8		3.7		3.0		3.3
The best supplier is:									
		Supplier B							

POLL

BENEFITS OF SUSTAINABLE PROCUREMENT

Check the top 3 that you think would benefit Conestoga College.

- We help fix the climate crisis
- Reduces of Scope 3 GHGs
- Expense reduction – lower operational costs
- Improved reputation with customers – more revenue
- Improved employee engagement – higher productivity
- Talent magnet – attract/retain top talent
- More attractive to investors – lower risk
- Less regulatory and legal risk
- Improved supplier relationships
- Builds on current procurement processes

BENEFITS SUPERPOWERS OF SUSTAINABLE PROCUREMENT



**Disclosure
Superpower:** Voluntary
disclosure of progress
to prequalify as a
supplier



Incentive Superpower:
Suppliers doing the
best on targets
receive preferential
treatment thru heavy
weightings in bid
appraisals



**Commitment
Superpower:** Contract
stipulates
penalties/bonuses re
meeting short-term
targets; CEO pay link;
and/or public
commitment



 [EcoVadis and the Stanford Business School Value Chain Innovation Initiative, July 2021.](#)

 [7 Benefits to any COP government of Net-Zero Procurement](#)

(Willard, nd)

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Work with Suppliers to:

- ❖ Consolidate orders and deliver less frequently
- ❖ Product and service options
- ❖ Donate or auction goods (GovDeals)
- ❖ Include recycled content paper and office supplies in our basket of goods
- ❖ Recycle metal Require natural cleaning products
- ❖ Established e-waste recycling company (Greentec)

Consider:

- ❖ Total cost of ownership
- ❖ The use of recycled copiers and printers
- ❖ Product value when purchasing

Other:

- ❖ Procurement process is paperless



CONESTOGA COLLEGE PROCUREMENT TOMORROW

CLICK ON THE IMAGE TO GO
TO OUR SUSTAINABILITY
ACTION PLAN SHAREPOINT
SITE OR ON THE LINK BELOW:

[Sustainable
Procurement
Guidelines](#)



Sustainable Procurement Guidelines



MAY 2024

CONESTOGA COLLEGE

SUSTAINABLE PROCUREMENT TOMORROW – 2-YEAR PLAN

Phase 1 – Developing (year 1)

1. Integrating sustainability into procurement policies and procedures.
2. Adopting an SP Strategy & Action Plan
3. Creating a Communications & Training Plan.

Phase 2 – Maintaining & Evolving (year 1 & 2)

1. Procurement staff/department leaders act as ambassadors for the SP Program
2. Training is being delivered to staff.
3. HIPO's are being implemented, staff using SP Tools and other resources.
4. Data on KPIs is being collected and reported on an ongoing basis.
5. Supplier assessments and surveys

Phase 3 – Advancing (year 2)

1. Evolving SP Tools to keep up with growing staff needs
2. Sustainability integrated into supplier performance reviews
3. Targets for KPIs have been achieved and new targets set.
4. Resourcing is increased and maintained for growth of the SP Program.

CONESTOGA COLLEGE SUSTAINABLE PROCUREMENT CHECKLISTS

1. Checklists can streamline the procurement process, ensuring that all necessary steps are followed, and nothing is overlooked.

2. Checklists provide a standard procedure for all procurement activities, ensuring consistency across different projects or departments.

3. Checklists can help identify potential risks and challenges in the procurement process, allowing for proactive management and mitigation.

4. Checklists can facilitate better engagement with suppliers by clearly communicating expectations and requirements.

5. Checklists can be regularly updated and improved based on feedback and lessons learned, contributing to continuous improvement in procurement practices.

Checklist to be used for supplier selection

ENERGY EFFICIENCY:

- Does the product have energy efficiency certifications?
- Is the product energy efficient compared to competitor products?

MATERIAL ORIGIN:

- Is a portion of the product made with recycled material?
- What percentage of post-consumer materials is used?
- If the product is wood, is it certified by the Forest Stewardship Council of Canada (FSC- CA)?

SUPPLIER ENVIRONMENTAL RECORD:

- What is the company's record concerning environmental concerns and Events?
- Does the manufacturer/supplier have a company environmental policy statement?
- Is the company equipped to conduct business electronically (including invoices, bids, etc.)?

WASTE REDUCTION:

- Has a certified testing organization conducted an environmental life-cycle analysis of the product (and its packaging)?
- Is the product designed to reduce consumption and minimize waste and/or be reusable?
- Can the product be recycled or returned to the supplier at the end of its useful life?
- Will the product biodegrade over time into harmless elements?
- Is minimal packaging used?
- Is the product packaging reusable or recyclable?

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SUSTAINABLE PROCUREMENT SPEND LEVELS – 80/20 RULE

Scale for Spending Levels



Engage Strategic Suppliers

IMPACT

80%

20
STRATEGIC
SUPPLIERS

SUSTAINABLE PROCUREMENT BARRIERS AND SUCCESS FACTORS

Barriers

- ❖ Change management
- ❖ Knowledge
- ❖ Time
- ❖ Available options



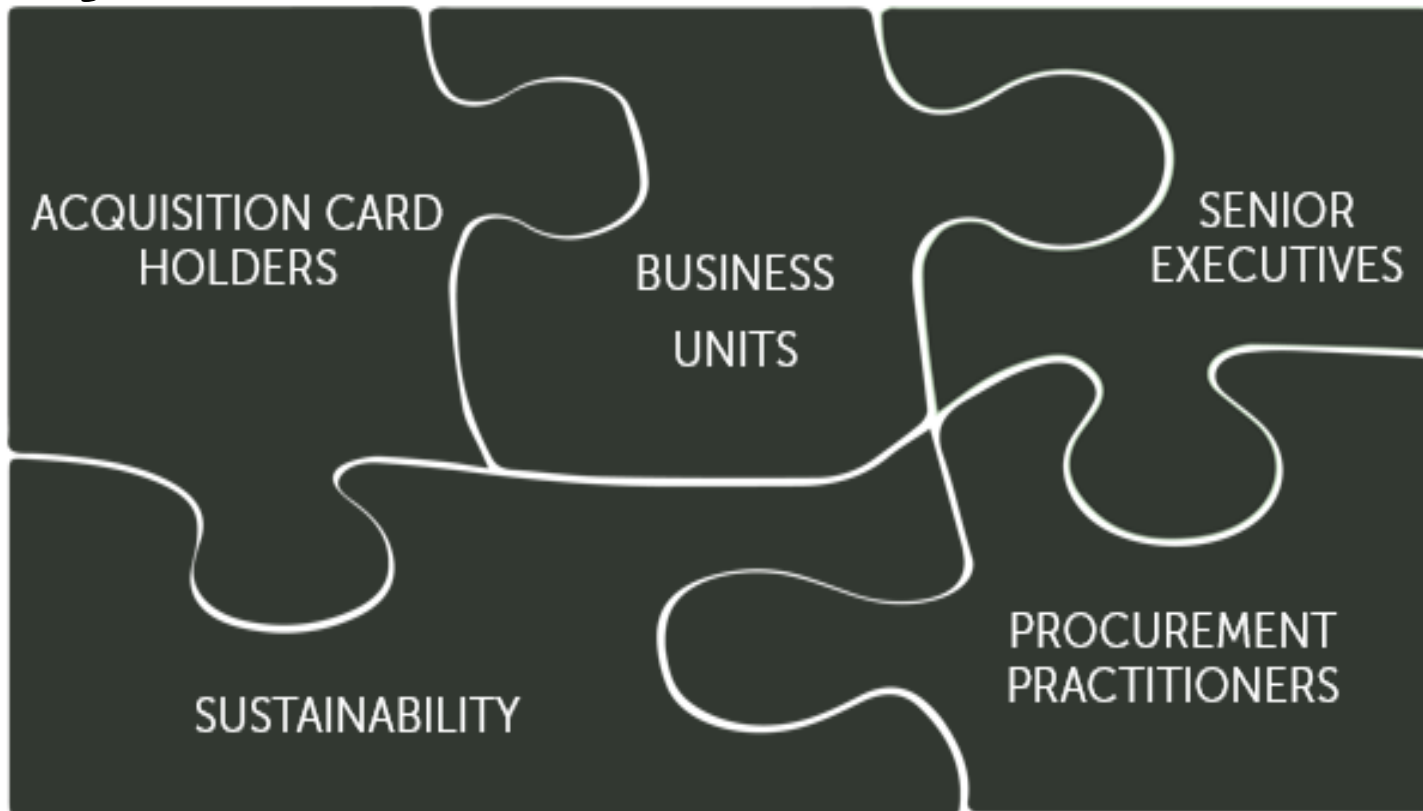
Success Factors

- Align priorities
- Remain opportunistic
- Deploy simple tools
- Keep up with training
- Work with suppliers
- Share success stories

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SUSTAINABLE PROCUREMENT IS A TEAM EFFORT

Everyone has a role



CONESTOGA COLLEGE SUPPORTING THE SUSTAINABILITY ACTION PLAN



**Academics &
Research**



Community



Leadership



Operations

Sustainable Procurement has been identified as a priority action in our forthcoming [Sustainability Action Plan](#)

SUSTAINABLE PROCUREMENT YOUR REFLECTION AND ACTIONS



How may you incorporate sustainable procurement in your next purchase – at the College and beyond?

Questions, Comments, Ideas
EMAIL THE PROCUREMENT TEAM:

procurement@conestogac.on.ca

SUSTAINABLE PROCUREMENT REFERENCES

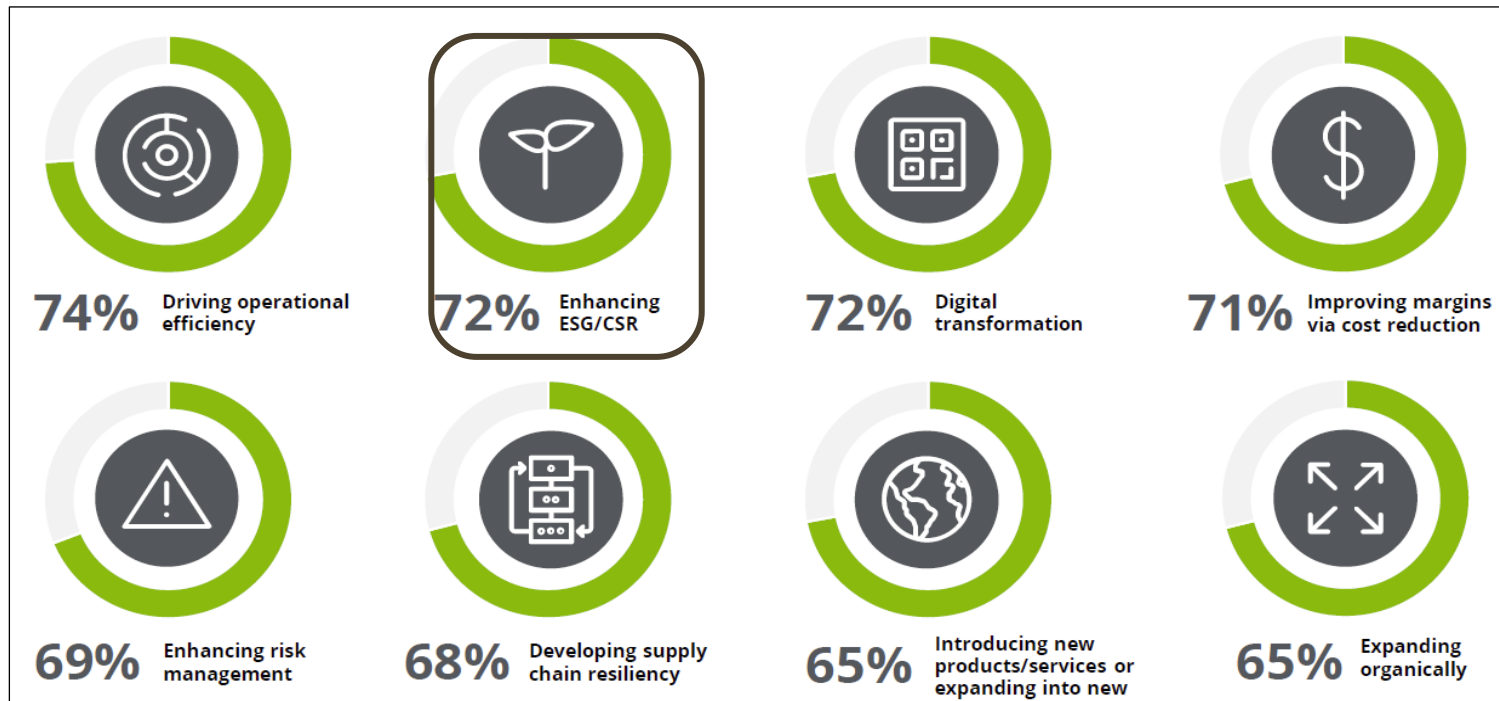
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SUSTAINABLE PROCUREMENT APPENDIX

SUPPLY CHAIN TOP PROCUREMENT PRIORITIES



ESG was ranked 7th in 2021; now is 2nd highest priority



[2023 Global Chief Procurement Officer \(CPO\) Survey: Orchestrators of Value](#), Deloitte, June 2022. Based on responses of nearly 350 senior procurement leaders from more than 40 countries.

SUSTAINABLE PROCUREMENT ASSESSMENT TOOLS RESOURCE

What impact topics/issues are common to all main sustainability reporting, standards, and rating frameworks?

Self-Assessment Frameworks

[Global Reporting Initiative \(GRI\)](#)

[B Corp B Impact Assessment \(BIA\)](#)

[Future-Fit Business Benchmark \(FFBB\)](#)

[Sustainable Development Goals \(SDGs\)](#)

[Integrated Reporting <IR>](#)

[Sustainability Accounting Standards Board \(SASB\)](#)

[EU Corporate Sustainability Reporting Directive \(CSRD\)](#)

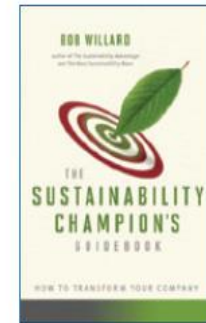
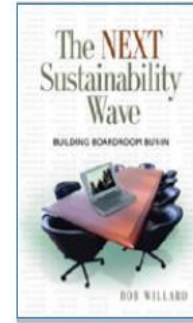
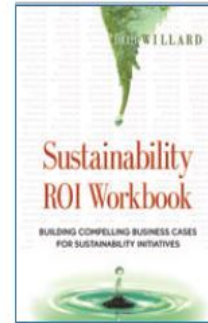
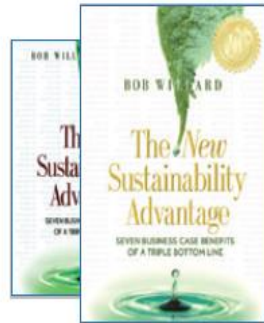
[World Economic Forum \(WEF\) Common Metrics](#)

[ISO 26000](#)

[AASHE STARS](#)

+ Rating frameworks e.g., [CK Global 100](#), [CDP](#), [EcoVadis](#), [DJSI](#)

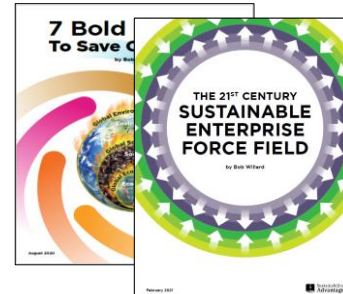
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Sustainable
Procurement
Tools



Sustainability
Assessment Tools



Future-Fit
Business
Benchmark



Sustainability
Advantage



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