

Criteria 15. Sustainable Procurement

April 24, 2025



SUSTAINABLE
PURCHASING
LEADERSHIP
COUNCIL



SUSTAINABLE PURCHASING LEADERSHIP COUNCIL

The Sustainable Purchasing Leadership Council (SPLC) leads a global community of purchasers, suppliers, advocates and experts dedicated to building a sustainable world through the power of procurement.

SPLC's Broad Membership Coalition

A membership of

180+

**Distinguished
Organizations**

Leveraging

\$800B

in annual
**purchasing
power**

Multi-stakeholder

membership
including Fortune 500s,
government, higher education,
and specialized non-profits

Working together to

**align and
aggregate
demand**

around best practices that protect
and promote the environment,
society and economies



SPLC Provides

Online member community

Guidance and best practices

Customized 1-to-1 coaching

Peer learning support

Events

Multi-stakeholder collaboratives

Measurement and benchmarking

Innovation working groups

Recognition programs & awards

Agenda: Criteria 15. Sustainable Procurement

What exactly *is* a sustainable procurement program? And why is it important? (15.A.)

Provide examples of beginner and advanced programs (15.A.)

Provide an overview of best practices (15.B.)

Q&A – *please use Chat!*

What is sustainable procurement?

Sustainable Procurement

Procurement that...

- ✓ *achieves value for money.*
- ✓ *strengthens the organization.*
- ✓ *strengthens the **environment**.*
- ✓ *strengthens **society**.*
- ✓ *strengthens the **economy**.*

Sustainable Purchasing

CONVENTIONAL
PROCUREMENT

SUSTAINABLE
PROCUREMENT

Responsible Sourcing

Responsible Supply Chain

Supply Chain Sustainability

Sustainable Procurement

Purchasing in ways that intentionally strengthen our...

Environment

- Climate protection
- Pollution prevention
- Waste reduction
- Resource efficiency
- Habitat preservation
- Air and water quality

Society

- Health & safety
- Equal opportunity
- Fair wages
- Employee training
- Workers rights
- No forced labor

Economy

- Supplier diversity
- Small business
- Local jobs
- Fair competition
- Transparency
- Innovation
- Corruption-free

Sustainable Procurement (SP) means that...

Your organization is purchasing:

- ✓ the most sustainable goods and services
- ✓ from the most sustainable suppliers
- ✓ in alignment with your organization's sustainability goals and initiatives

...in order to achieve a truly, sustainable world

70-80% of a typical organization's impacts occur in its supply chain

Operations

Supply Chain



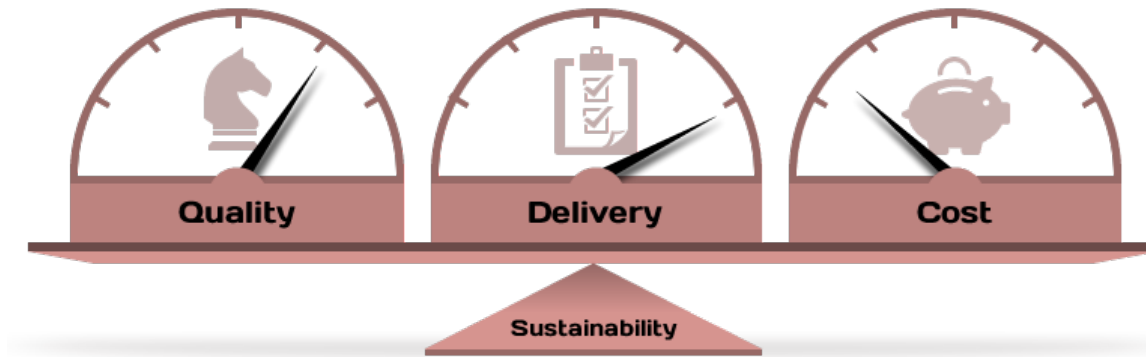
BENEFITS TO THE ORGANIZATION

Tangible	Intangible
▲ Process efficiency	▲ Supplier relationships
▼ Costs	▼ Business risk
▼ Regulatory burden	▲ Brand value
▲ Innovation (creation of new value)	▲ Customer satisfaction
▲ Performance tracking	▲ Employee satisfaction
	▲ Investor visibility



What exactly *is* a sustainable procurement program?

Sustainable Procurement Program



A **sustainable procurement program** is a set of strategies, policies, and/or activities embedded into an organization's purchasing processes and meant to improve the environment, society and our economies while delivering on traditional organizational benefits.

A Sustainable Procurement Program is the Foundation for all Sustainable Procurement Activities

- ✓ Holistic approach
- ✓ Prioritized impacts and strategies
- ✓ Executive involvement
- ✓ Assigned resources and training
- ✓ Measured and reported results



Procurement “Programs”

- Category Management Program
- Cost Reduction Initiative
- Supplier Onboarding Program
- Sustainable Procurement Program

Program Rationale Is Same for All:

Adding a strategic planning process ahead of more tactical procurement activities enables results and efficiencies.



DEMONSTRATING CRITERIA 15A. – via POLICY

A sustainable procurement program is a *formalized* strategic plan meant to address the sustainability impacts and opportunities of an organization's spend in an *integrated and supported* manner.

CITY OF PORTLAND SUSTAINABLE PROCUREMENT POLICY

Updated March 2020

1. Purpose

In accordance with the City of Portland Sustainable City Principles [1994, 2015] the City of Portland [the City] recognizes that:

1. the products and services the City purchases have inherent social, human health, environmental, and economic impacts;
2. the human health, environmental, social, and economic impacts of products and services occur throughout their [life cycle](#) and throughout the associated supply chains;
3. the City can leverage its purchasing to reduce adverse impacts throughout product or service life cycles and influence positive change within markets and communities; and
4. by understanding and taking responsibility for the full, life cycle impacts and costs of goods and services associated with City purchases, the City reduces risk, practices fiscal responsibility, reduces adverse social and environmental impacts, and contributes to sustainable development in general.

As such, the City is committed to understanding and taking appropriate responsibility for the impacts of its purchasing by:

1. establishing this [Sustainable Procurement Policy](#) and subsequent sustainable procurement processes and decision making; and
3. maintaining a Sustainable Procurement and to facilitate stakeholder collaboration.

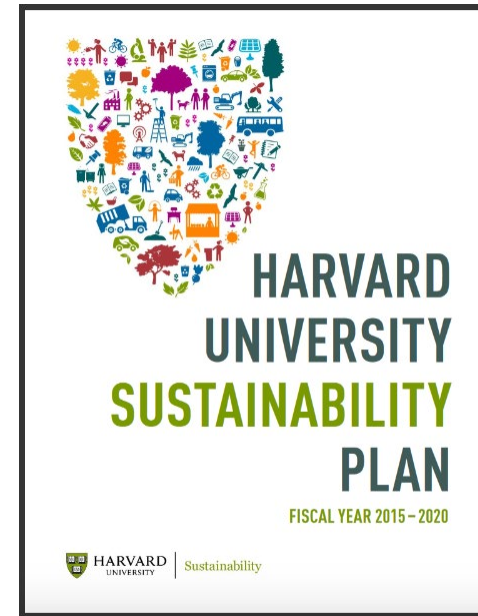
*Examples of
SP programs
demonstrated
via policies*

The screenshot displays the 'UC Procurement' website. The header includes the University of California logo, the Office of the President, and navigation links for Jobs, People, Search, HOME, ABOUT, ORGANIZATION, and INITIATIVES. A breadcrumb trail shows the path: UCOP > CFO > Procurement Services > For UC Staff > sustainable-procurement > Sustainable Procurement Policy & Guidelines. The main content area is titled 'UC Procurement' and has tabs for OVERVIEW, FOR UC STAFF (selected), FOR SUPPLIERS, FORMS & POLICIES, and TOOLS & TRAINING. The 'Sustainable Procurement Policy & Guidelines' section lists 'Policies Impacting University of California Sustainable Procurement' with links to UC Procurement Policies, UC Sustainable Practices Policy (PDF), and UC Sustainable Procurement Guidelines (PDF). A 'RELATED RESOURCES' sidebar lists links to Sustainability at UC, Sustainable Practices Policy, Sustainable Procurement Guidelines, and Back to Sustainable Procurement. An 'EXTERNAL RESOURCES' sidebar lists links to Sustainable Purchasing Leadership Council and The Association for the Advancement of Sustainability in Higher Education. The main content also includes a section for the University of California Sustainable Procurement Policy, mentioning the University of California Sustainable Practices Policy (PDF) and stating that UC has set major targets for its campuses procurement spend (effective August 2018):

- Reach 100% compliance with Required Level Green Spend criteria within three (3) fiscal years of the addition of a given product and/or product category to the Sustainable

DEMONSTRATING CRITERIA 15A. – via PLANS and GUIDELINES

A sustainable procurement program is a *formalized* strategic plan meant to address the sustainability impacts and opportunities of an organization's spend in an *integrated and supported* manner.



...as part of an org-level sustainability plan

Additional examples of SP programs demonstrated in other ways

ABC Company
Sustainable Operating Guidelines

ABC Company Sustainable Operating Guidelines April 2022	
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...an internal guideline for operations

FREE RESOURCE: SPLC's Sustainable Procurement Policy TEMPLATE



SUSTAINABLE PURCHASING LEADERSHIP COUNCIL

MODEL SUSTAINABLE PURCHASING POLICY

Policy to Establish a Leadership Sustainable Purchasing Program

It is the policy of {organization} to be a leader in sustainability.

With this policy, we are establishing a sustainable purchasing program at {organization}. This will strengthen our commitment to {reference relevant sustainability/corporate social responsibility policies or goals for the organization, such as commitment to the UN Sustainable Development Goals, other corporate social responsibility (CSR) and/or environmental goals}.

Our sustainable purchasing program will address the environmental, social, and economic impacts associated with the {organization's} purchase of an estimated annual {insert \$ dollar amount} in goods and services.

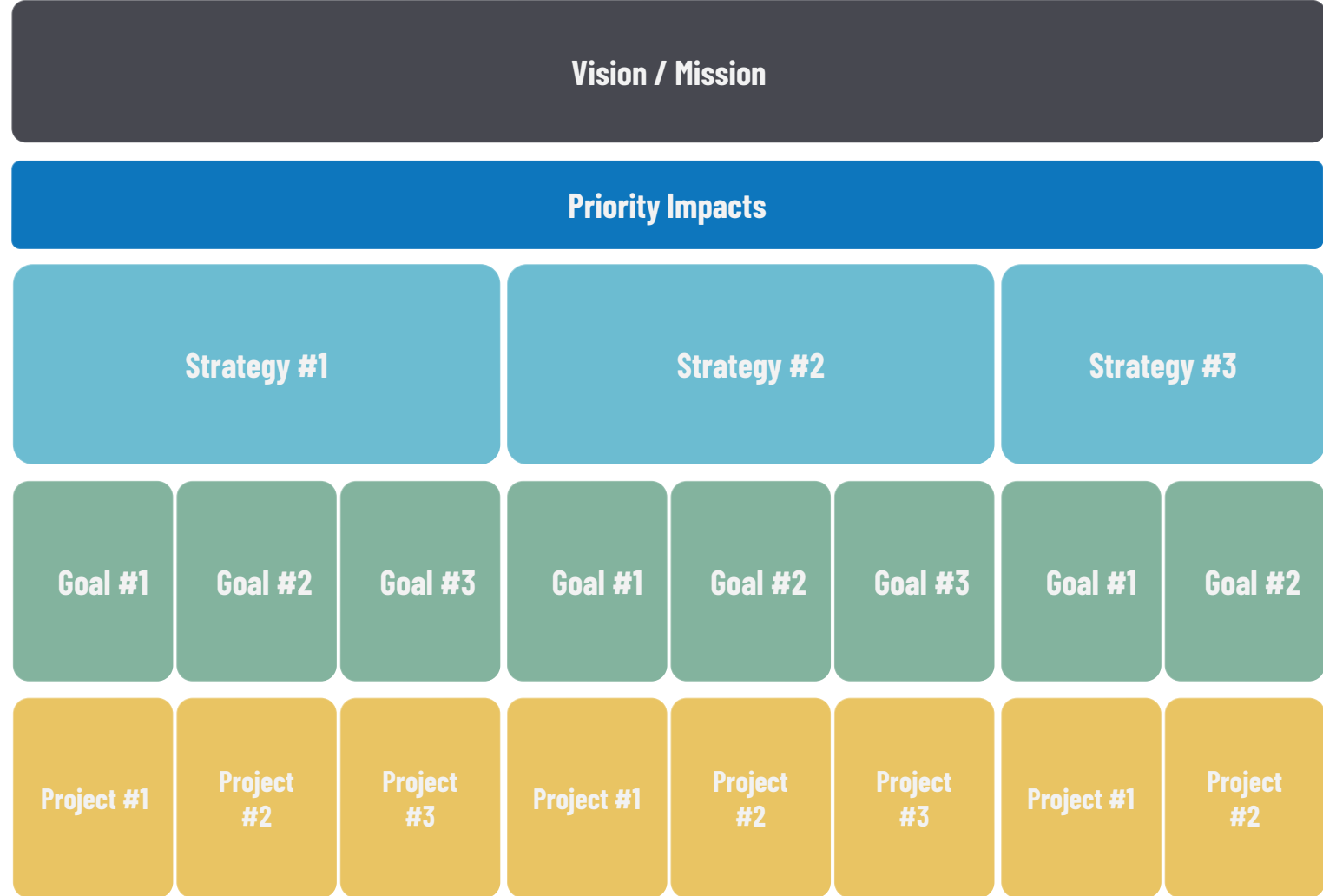
Sustainable purchasing means making sure that our suppliers – and the products and services they supply – deliver value for money and generate benefits not only for {organization}, but also for the environment, society, and the economy.

We commit to the following actions:

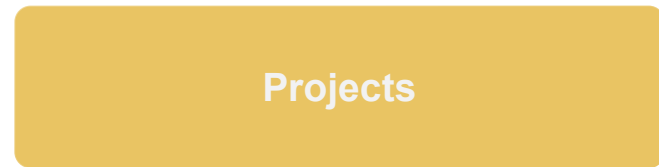
1. **Resources.** Allocating sufficient staff and financial resources to the sustainable purchasing program to ensure program goals are met, outcomes are achieved, and results are reported.
2. **Leader.** Appointing a leader within the {purchasing/contract management department} (hereafter "the program leader") who has the authority to design and implement the sustainable purchasing program.
3. **Engagement.** The program leader will establish and lead an (inter-departmental/cross-agency/cross-functional advisory committee) to establish, support, promote, coordinate, integrate and maintain the sustainable purchasing program. This advisory committee will meet at least {once every quarter}.
4. **Analyze Spend.** To inform program design and strategic planning, the program leader will create a shared understanding of current and future spending patterns and purchasing needs at {organization} and identify the largest and most material sustainability-related impacts and opportunities generated from by our purchasing. This will be done by conducting a sustainability spend analysis or identifying existing comparable studies.
5. **Plan.** The program leader, in consultation with the advisory committee and other stakeholders, such as key budget holders and suppliers, will create a Sustainable Purchasing Action Plan (hereafter "Action Plan"). The Action Plan will:
 - a. Prioritize categories of spending for sustainable purchasing based on the results of the sustainability spend analysis;
 - b. Establish quantitative goals for each category;
 - c. Identify the specific implementation strategies to achieve goals; and
 - d. Describe coordination, communications, measurement, and reporting responsibilities.
6. **Implementation.** The program leader will engage appropriate internal and external stakeholders to implement the Action Plan. Implementation strategies may be taken at any step in the purchasing cycle, and may include:
 - a. Undertaking a needs analysis to potentially reduce spending in a given category;

<https://www.sustainablepurchasing.org/getting-started>

FREE RESOURCE: Sustainable Purchasing Program "1-pager" Template



Strategic Program Approach



What is the long-term vision, mission or outcome that is desired?

What are the largest impacts of your purchasing?

What are the prioritized focus areas within your organization that address these impacts, enabling you to meet your vision?

What are the goals and metrics which you will use to demonstrate progress towards these areas?

What are the specific activities for executing on these goals and related focus areas?

Sustainable Procurement (SP) Program (BEGINNER)

Vision / Mission	To be recognized as a leader by inspiring and embedding sustainability into organizational-wide purchasing practices		
Priority Impacts	<u>Environmental</u> Avoiding and Reducing Waste Protecting the Climate	<u>Social</u> Supplier Diversity	<u>Economic</u> Local sourcing
Strategies	Training and Stakeholder Engagement	Adopt the U.S. EPAs Recommended Ecolabels	Local sourcing with diverse suppliers
Goals and Metrics	<ul style="list-style-type: none">Formalize this sustainable procurement program (via CPO approval)	<ul style="list-style-type: none">Identify and integrate ecolabel requirements into at least five RFP specification in 2023.	<ul style="list-style-type: none">Increase diverse supplier spend by 3% by 2025Implement some local sourcing requirements in food services contract renewal
Projects	<ul style="list-style-type: none">Sustainability steering committee and task force groups (including key suppliers)Sustainability 101 training for buyers and category managers	<ul style="list-style-type: none">Adoption of EPEAT Silver for all applicable IT/electronicsResponsibly-sourced paper policyEmbed Green Seal or UL Ecolabel in the next janitorial services RFP specification	<ul style="list-style-type: none">CAMSC Diverse Supplier ConferenceBenchmark local food sourcing for like organizations

“Approved and adopted by the CPO on April 12, 2022.”

State of Minnesota's Sustainable Procurement (SP) Program (ADVANCED)

Vision / Mission	The State of Minnesota will use our purchasing power to help drive the market for sustainable goods and services by making purchases that demonstrate the highest level of environmental, social, and economic responsibility.		
Priority Impacts	<u>Environmental</u> Avoiding / reducing waste, Improving Human & Environmental Health, Protecting the Climate, etc.	<u>Social</u> Supplier Diversity, Fair Trade, Human Resource Management, Human Rights, Inclusive Employment, etc.	<u>Economic</u> Community and Local Business Development, Good Faith & Fair Dealings, Investment in Innovation, etc.
Strategies	Reduce GHG Emissions while delivering operational efficiencies*	Reduce and/or eliminate the use of Harmful Chemicals*	Foster Supplier Diversity via supplier education and development
Goals and Metrics	kilowatt hours of energy saved (kwh) metric tons of GHG avoided (mtCO2e) Dollars saved (\$)	<ul style="list-style-type: none"> To be determined 	<ul style="list-style-type: none"> Increase the no. of certified diverse businesses % of Total Vendors that are Diverse % of total spend going to diverse suppliers
Projects	<ul style="list-style-type: none"> EPEAT-certified IT HW Circular-economy based IT HW (purchase -> lease) Standardized IT HW Print Service Optimization – reduce usage and replace with recycled content paper 	<ul style="list-style-type: none"> Contract-based cleaning chemical standardization, reduction and/or replacement* Traffic paint chemical reduction and/or replacement* 	<ul style="list-style-type: none"> Annual Supplier Diversity Fair Kiosk-based Supplier Development Program Internal awareness training "Equity Select" Purchasing Method Procurement process improvement

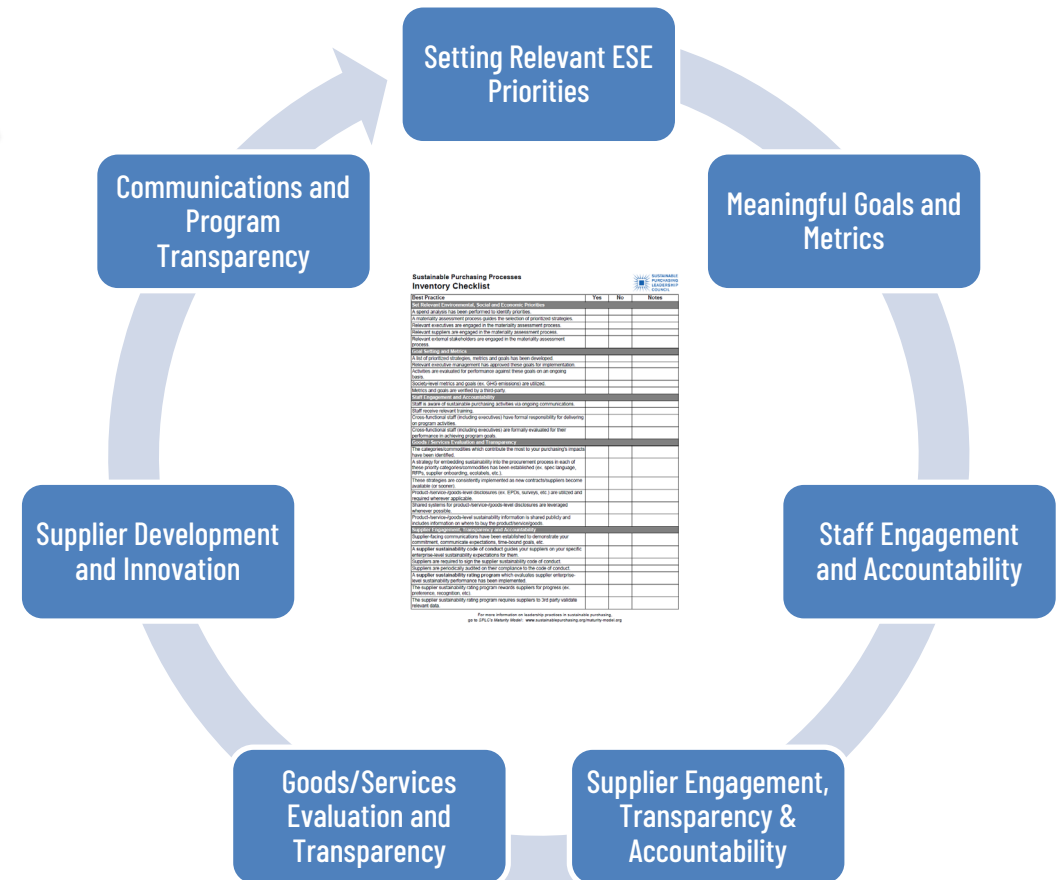
Related policy signed by the Governor for the State of Minnesota!

*Prioritized products

Sustainable Procurement Program



Sustainable Purchasing Best Practices (15.B.)



Maturity Model approach

Sustainable Purchasing Processes Inventory Checklist



Best Practice	Yes	No	Notes
Set Relevant Environmental, Social and Economic Priorities			
A spend analysis has been performed to identify priorities.			
A materiality assessment process guides the selection of prioritized strategies.			
Relevant executives are engaged in the materiality assessment process.			
Relevant suppliers are engaged in the materiality assessment process.			
Relevant external stakeholders are engaged in the materiality assessment process.			
Goal Setting and Metrics			
A list of prioritized strategies, metrics and goals has been developed.			
Relevant executive management has approved these goals for implementation.			
Activities are evaluated for performance against these goals on an ongoing basis.			
Society-level metrics and goals (ex. GHG emissions) are utilized.			
Metrics and goals are verified by a third-party.			
Staff Engagement and Accountability			
Staff is aware of sustainable purchasing activities via ongoing communications.			
Staff receive relevant training.			
Cross-functional staff (including executives) have formal responsibility for delivering on program activities.			
Cross-functional staff (including executives) are formally evaluated for their performance in achieving program goals.			
Goods / Services Evaluation and Transparency			
The categories/commodities which contribute the most to your purchasing's impacts have been identified.			
A strategy for embedding sustainability into the procurement process in each of these priority categories/commodities has been established (ex. spec language, RFPs, supplier onboarding, ecolabels, etc.).			
These strategies are consistently implemented as new contracts/suppliers become available (or sooner).			

Initiating
Developing
Improving
Leading

Initiating
Developing
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Initiating
Developing
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Leading

Obtaining points from 15.B.

Sustainable Purchasing Processes Inventory Checklist



Best Practice	Yes	No	Notes
Set Relevant Environmental, Social and Economic Priorities			
A spend analysis has been performed to identify priorities.			
A materiality assessment process guides the selection of prioritized strategies.			
Relevant executives are engaged in the materiality assessment process.			
Relevant suppliers are engaged in the materiality assessment process.			
Relevant external stakeholders are engaged in the materiality assessment process.			
Goal Setting and Metrics			
A list of prioritized strategies, metrics and goals has been developed.			
Relevant executive management has approved these goals for implementation.			
Activities are evaluated for performance against these goals on an ongoing basis.			
Society-level metrics and goals (ex. GHG emissions) are utilized.			
Metrics and goals are verified by a third-party.			
Staff Engagement and Accountability			
Staff is aware of sustainable purchasing activities via ongoing communications.	✓		
Staff receive relevant training.	✓		
Cross-functional staff (including executives) have formal responsibility for delivering on program activities.			
Cross-functional staff (including executives) are formally evaluated for their performance in achieving program goals.			
Goods / Services Evaluation and Transparency			
The categories/commodities which contribute the most to your purchasing's impacts have been identified.			
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Initiating
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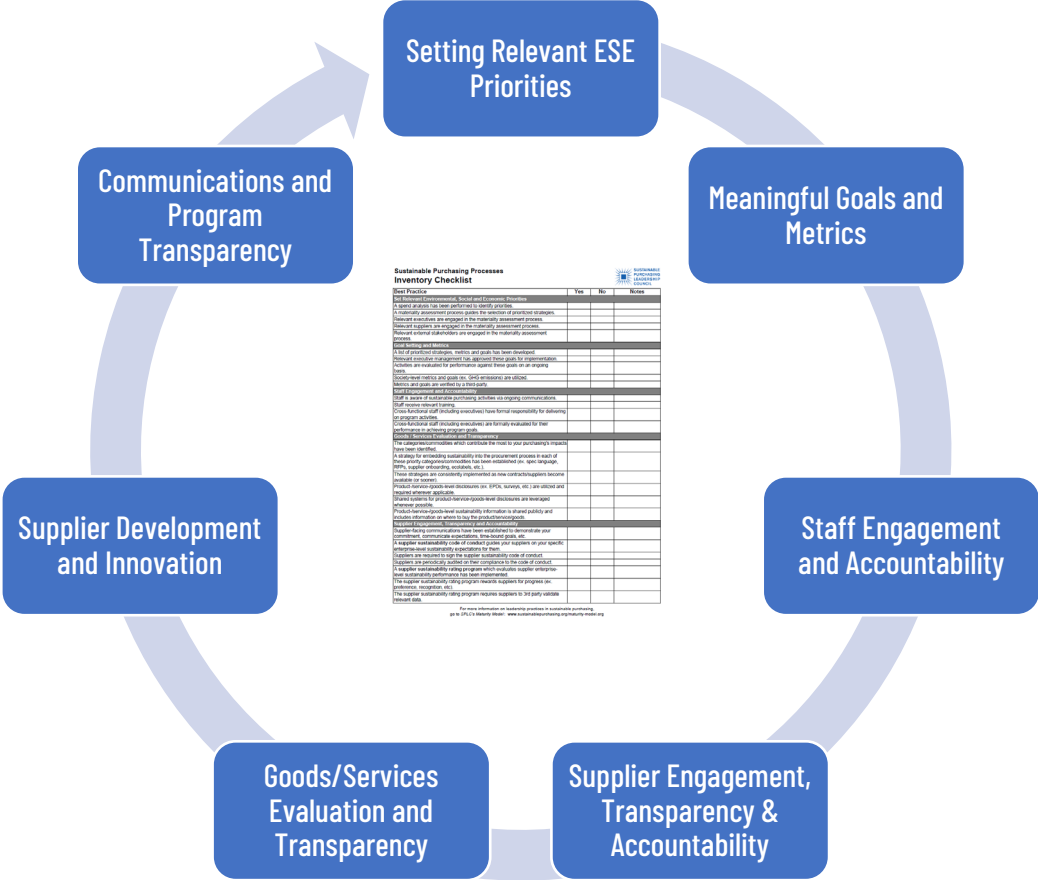
At least 50% of the
chosen best
practice must be
implemented and
demonstrated

Q&A – Criteria 15. Sustainable Procurement

Sustainable Procurement Program (15.A.)



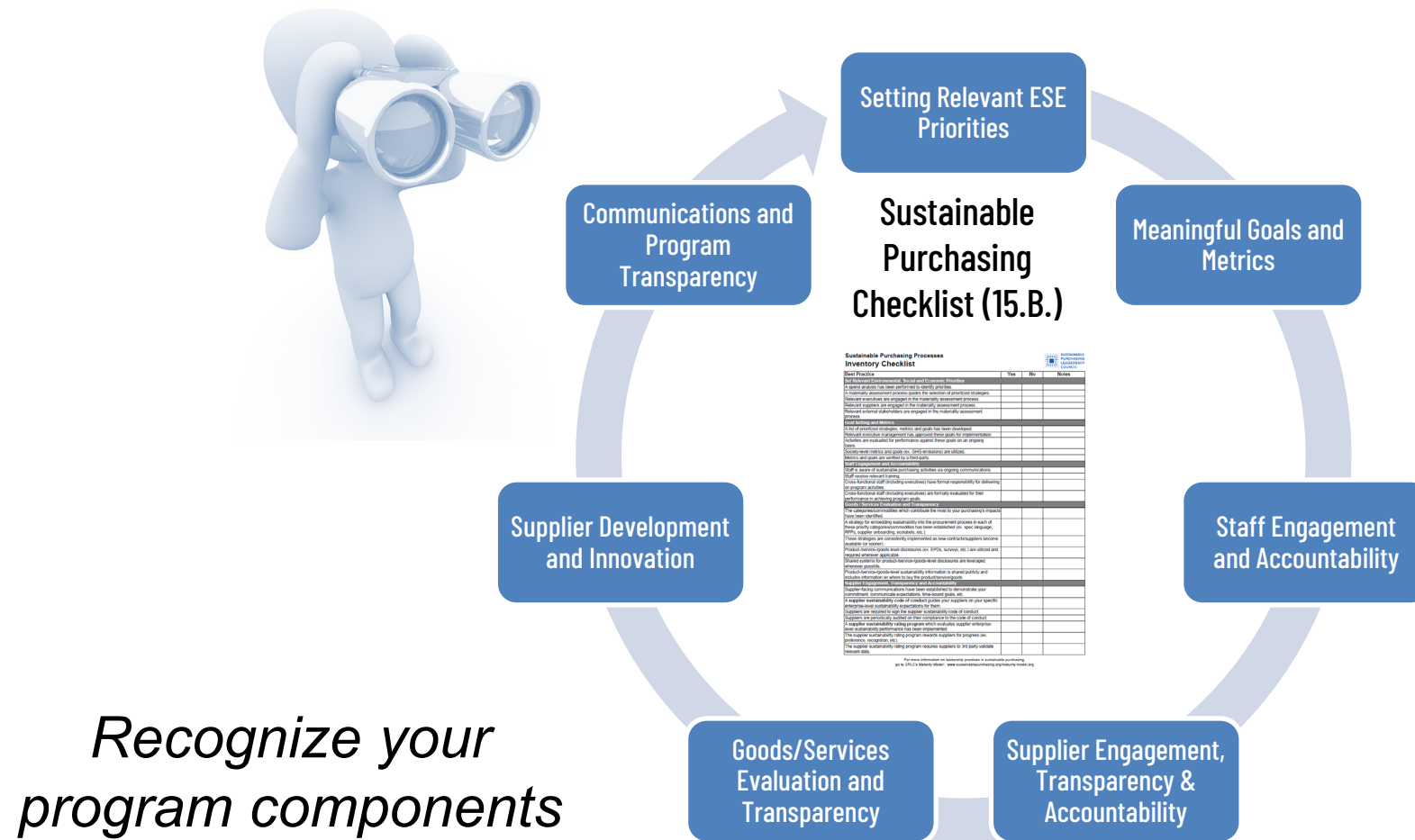
Sustainable Purchasing Best Practices (15.B.)



Thank you!

kris@sustainablepurchasing.org

Let's identify what you're already doing!



*Use these insights
to help build your
program (15A) and
improve on it (15B)*

Identifying your program activities

Think about what already is or might be included in your sustainable procurement program.

Scan through the first four best practices on your Inventory Worksheet.

Which of these are you doing today?



Sustainable Purchasing Processes Inventory Checklist

Best Practice	Yes	No	Notes
Set Relevant Environmental, Social and Economic Priorities			
A spend analysis has been performed to identify priorities.			
A materiality assessment process guides the selection of prioritized strategies.			
Relevant executives are engaged in the materiality assessment process.			
Relevant suppliers are engaged in the materiality assessment process.			
Relevant external stakeholders are engaged in the materiality assessment process.			
Goal Setting and Metrics			
A set of executive-level strategies, outcomes and action items has been identified.			
Relevant executive management has approved these goals for implementation.			
Activities are evaluated for performance against these goals on an ongoing basis.			
Society-level metrics and goals (ex. GHG emissions) are utilized.			
Metrics and goals are verified by a third-party.			
Staff Engagement and Accountability			
Staff receive relevant training.			
Cross-functional staff (including executives) have formal responsibility for delivering on program activities.			
Cross-functional staff (including executives) are formally evaluated for their performance in achieving program goals.			
Goods / Services Evaluation and Transparency			
Supplier sustainability risks have been identified.			
A strategy for embedding sustainability into the procurement process in each of these priority categories/commodities has been established (ex. spec language, RFPs, supplier onboarding, ecolabels, etc.).			
These strategies are consistently implemented as new contracts/suppliers become available (or sooner).			
Product/service-/goods-level disclosures (ex. EPDs, surveys, etc.) are utilized and required wherever applicable.			
Shared systems for product-/service-/goods-level disclosures are leveraged whenever possible.			
Product-/service-/goods-level sustainability information is shared publicly and includes information on where to buy the product/service/goods.			
Supplier Engagement, Transparency and Accountability			
Supplier-facing communications have been established to demonstrate your commitment, communicate expectations, time-bound goals, etc.			
A supplier sustainability code of conduct guides your suppliers on your specific enterprise-level sustainability expectations for them.			
Suppliers are required to sign the supplier sustainability code of conduct.			
Suppliers are periodically audited on their compliance to the code of conduct.			
A supplier sustainability rating program which evaluates supplier enterprise-level sustainability performance has been implemented.			
The supplier sustainability rating program rewards suppliers for progress (ex. preference, recognition, etc.).			
The supplier sustainability rating program requires suppliers to 3rd party validate relevant data.			

For more information on leadership practices in sustainable purchasing, go to SPLC's Maturity Model: www.sustainablepurchasing.org/maturity-model.org

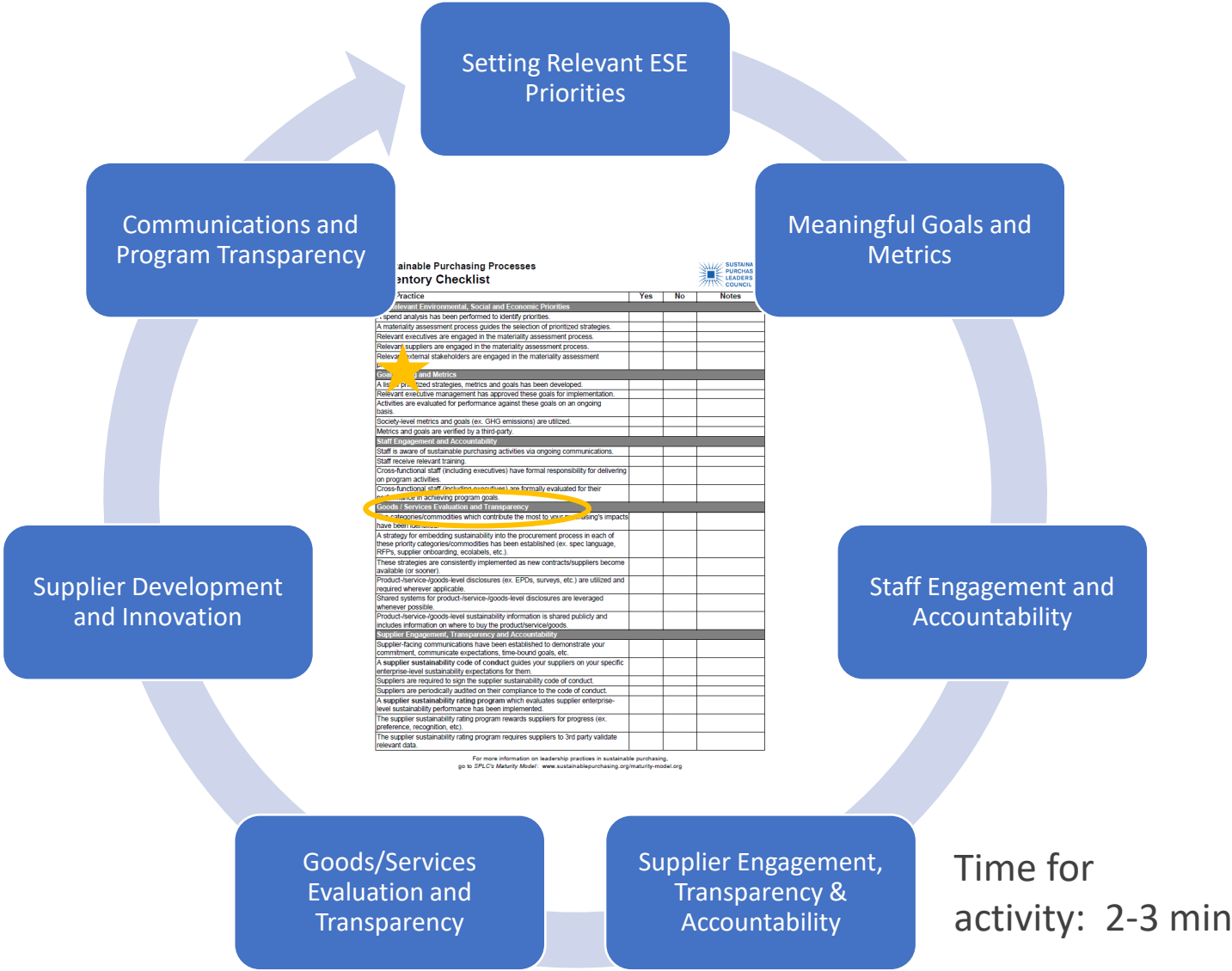
Time for activity: 5-8 min

Analysis and next steps

Review your results.

Put a star (★) next to those that you are already doing that could be incorporated into a formal program (or already are).

Circle 1-2 those items you are NOT doing which could help you move your program further and faster in a meaningful way.



Time for activity: 2-3 min

Breakout discussion!

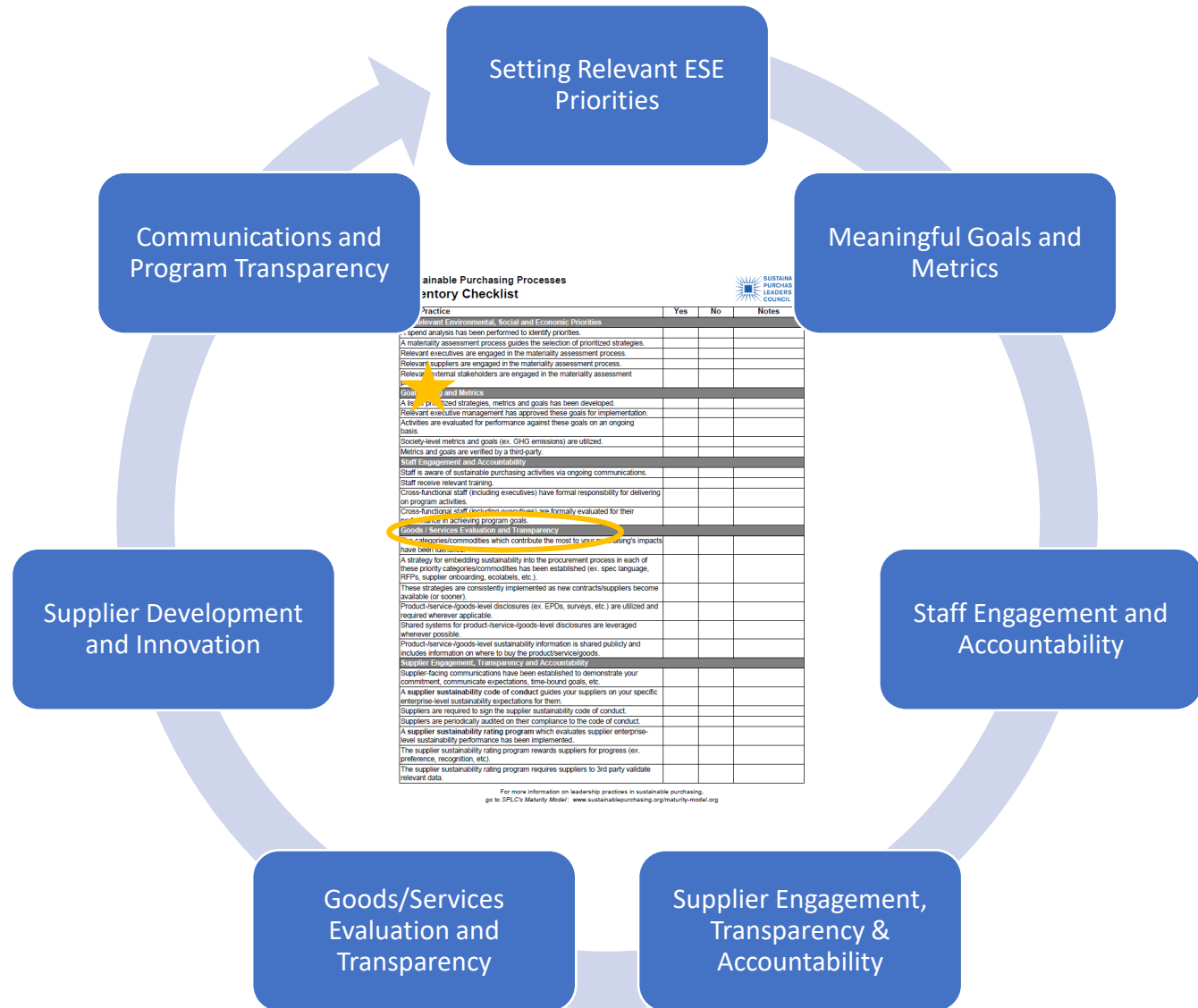
Share your results with your breakout team. Discuss:

What types of sustainable purchasing activities are you currently doing?

Which of the best practices have been helpful in moving these activities forward?

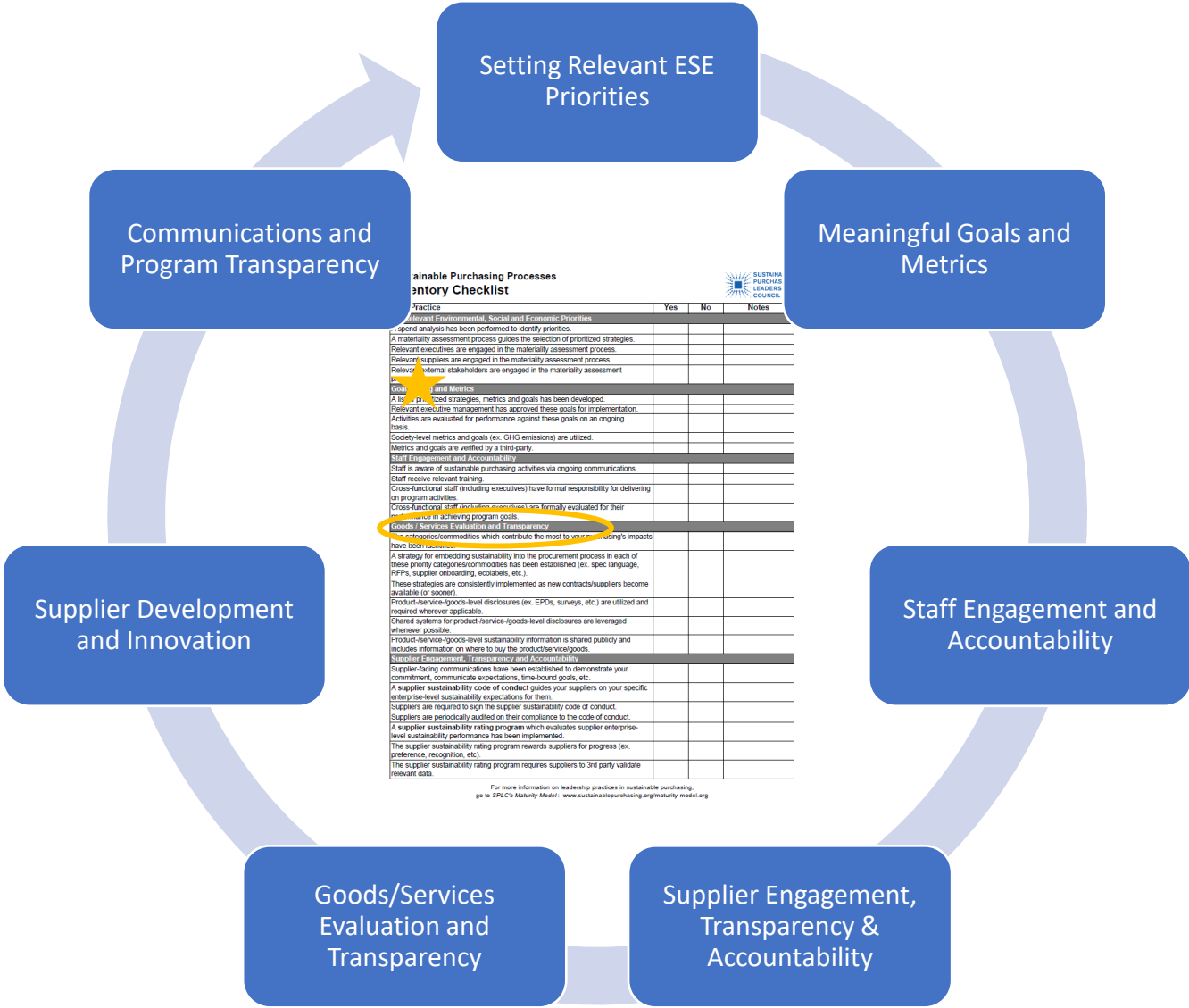
What steps could you take to move forward on implementing the more critical best practices?

Time for activity: 5-7 min



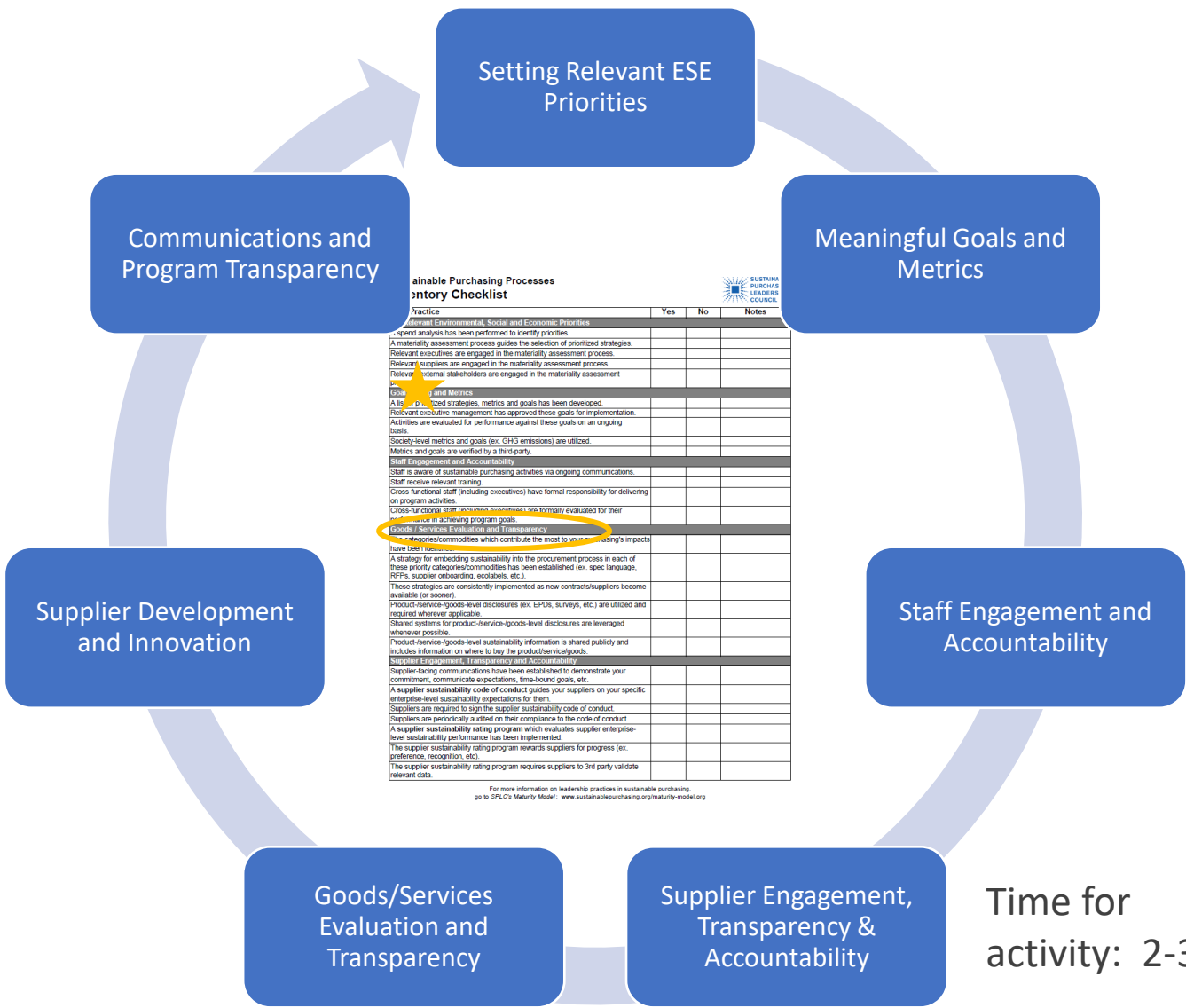
Next steps

****INVITE MANAGEMENT AND PEERS TO DISCUSS AND BRAINSTORM OPPORTUNITIES!!****



Report out!

Anyone want to share some of the common themes and/or actions you'll be taking moving forward?



Time for activity: 2-3 min