

Sustainable Procurement Policy

1.1 Goal

Safpro Industrial Supply Co, hereinafter referred to as Safpro, is committed to ensuring the goods and services it purchases:

- are manufactured, delivered, used and disposed of in an environmentally and socially responsible manner and
- deliver long term value for money for the Company and the clients it serves

Safpro will update corporate objectives to include sustainability and consult with key stakeholders to develop a Sustainable Development Strategy.

1.2 Key sustainability objectives

Buying more sustainably offers:

- potential whole life cost savings
- supports our commitment to Good Corporate Citizenship
- ensures responsible use and continuity of natural resources
- safeguards our reputation as a responsible company and
- protects the health of staff, and the public at large.

The key objectives addressed by this policy are:

- Reducing fossil fuel usage to minimise climate change
- Reducing usage of hazardous materials
- Reducing waste
- Improving public health and quality of life
- Increasing levels of employment, skills and equality
- Ensuring fair pay and working conditions throughout our Supply Chain
- Protecting biodiversity
- Complying with current (and anticipating future)

legislation Safpro will define measures relating to each of these objectives.

1.3 Scope

This policy applies to all procurement/sourcing activities within the company.

1.4 Key Policy Principles

1.4.1 Spend Analysis and Prioritisation

To support its spend analysis and work-planning, Safpro will establish a process to assess the following criteria at sub-category level:

- Level of spend
- Level of contract renewal activity
- Key suppliers by type and location (Multinational, National, SME, Social Enterprise / Overseas, UK, Regional, Local)

- Level of risk against each sustainability objective
- Scope for improvement
- Level of influence

This will be used to prioritise sub-categories for sustainability improvement activities.

1.4.2 Demand Review

Prior to any proposed procurement, buyers will review the aggregate requirement to minimise volume, scale, costs and environmental impact.

Buyers will establish that:

- there is a genuine operational need for the purchase,
- all cost effective opportunities for products to be shared, upgraded, refurbished, leased or delivered as a service have been exploited,
- the product will be used efficiently, minimising waste
- the remaining forecast is accurate.

1.4.3 Sustainability Review

Prior to any substantial procurement process, Safpro will review the purchase against the key sustainability objectives listed above. Where relevant, Safpro will identify actions to reduce impacts through the use of comprehensive specifications, evaluation criteria, supplier development and continuous improvement.

1.4.4 Whole Life Costing (Intermediate & advanced)

Where relevant, Safpro will evaluate all procurement on the basis of long term value for money, using whole life costing to assess:

- purchase, installation, transportation and commissioning costs
- operating costs, including labour, maintenance, re-processing, energy, water and consumables usage
- management costs, including staff training, insurance, health and safety and environmental costs
- disposal costs

This approach should be used for all capital investments, waste contracts and where comparing consumables against reusable alternatives. For key cost categories, such as energy, price escalation indices will be used to reflect cost increases over time.

1.4.5 Innovation & Supplier Development

Sustainability is a key aspect of Safpro's commitment to innovation.

Safpro will prioritise key suppliers with the highest spend and sustainability impacts for targeted supplier development activities. These will be given senior management support and focus on continuous improvement and tangible delivery of sustainability benefits throughout the supply chain.

Safpro will work with these suppliers to explore service-based contracts for products. This will encourage suppliers to hold responsibility for the whole life management of products, using gain share and incentives to reduce whole life costs and environmental impacts.



Safpro will encourage suppliers to propose innovations which improve the sustainability of their tender responses and reflect this in tender evaluation criteria. Suppliers will recognise Safpro's commitment to sustainability and strive to offer innovative and cost effective sustainable solutions.

1.4.6 Training and Implementation

Procurement personnel will participate in a one day specialist "Sustainable Procurement" training event, including the use of sustainable procurement toolkits, and will participate in annual refreshers. All other staff indirectly involved in procurement activity, will receive "Sustainability Awareness" training.

"Sustainable Procurement" training will be incorporated in to the induction, job descriptions, objectives and recruitment criteria for all relevant staff and the source planning and contract management processes. Safpro will appoint a "Sustainability Champion" to promote and support sustainable procurement practices.

Safpro will review the feasibility of an incentive scheme to encourage buyers to improve their sustainable procurement performance.

1.4.7 Communication & Reporting

To communicate this policy to suppliers, Safpro will include a copy of this Sustainable Procurement Policy as an appendix to all Supplier procurement Invitations. In addition, the policy will be distributed to all key suppliers, who will be invited to comment.

This policy will also be distributed to all non-procurement staff involved in contracting activities.

Safpro will recognise those suppliers whose products and services offer the greatest sustainability improvements.

The Safpro Procurement Director will report quarterly on the impacts and effectiveness of this policy and progress against key targets.

1.5 Policy Development

This policy will be reviewed on a six monthly basis and exceptionally following any new Government initiatives.