Harnessing the power of procurement





## **About Edge**

We exist to help our clients create value from tackling one of world's most fundamental challenges: creating truly sustainable economies and societies.

We do this by combining science, strategy and storytelling in a way that gives our clients the confidence to take ambitious action and do well by doing good.



#### Australia ranked dead last in world for climate action in latest UN report

Michael Mazengarb 1 July 2021

NZ jumps up international rankings for climate action o









supply chain emissions

greater than operational emissions

To meet the goals of the Paris Agreement we need action at every level of the supply chain



(AAP Image/Darren England) NO ARCHIVING

Australia has been ranked dead last for climate action in the latest Sustainable Development Report, which assesses the progress of countries towards achieving the Sustainable Development Goals.

In the latest edition of the report, produced by the UN-backed Sustainable Development Solution Network, Australia received the lowest score awarded to any of the 193 members of the United Nations for the level of climate action, a withering repudiation of the Coalition government's climate efforts.



Parliament has declared a climate emergency noting the "devastating impact" volatile weather will have on New Zealand. (First published December 2020)

The Climate Change Performance Index has bumped the country from "low" into the group of medium performers, alongside Germany, France, Croatia, Brazil, Italy and others.

**Absolute Zero Emissions** 

Scope 3 – Supply Chain

**Biodiversity & Nature Positive** 

Deconstructability

**Circular Economy** 

**Climate Resilience** 

**Human Rights** 

**Circular Procurement** 

**Digital Transformation** 

Supplier Engagement

Indigenous, Women Owned, Disability Opportunities

**Supply Chain Transparency** 

# "Slavery is a bigger problem now than when it was 'abolished'- and it's happening here."

- AUSTRALIAN HUMAN RIGHTS COMMISSION

"Supply chains continue to be one of the most important levers for business to create positive impact in the world."

- UN GLOBAL COMPACT

#### "All roads lead to procurement and supply chains"

- EDGE SUSTAINABLE & ETHICAL PROCUREMENT

## TARGET 12-7



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



PROMOTE SUSTAINABLE PUBLIC PROCUREMENT PRACTICES

### Human rights, diversity, inclusion & community impacts through targeted spend

Emission reductions, climate resilient supply chains & Scope 3 targets





Circular procurement, waste reduction, targets & supplier engagement

Policy, process, systems: digital enablers for transparency & traceability







Risk, governance, compliance & cost optimisation















Organisational Governance



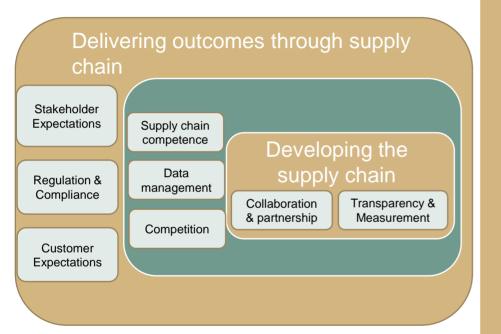
Labour Practices

The Environment

Fair Operating Practices

Consumer Issues

Community involvement



## Enabling positive sustainability outcomes by:

- understanding impacts & opportunities
- creating informed and engaged participants
- changing the system



## **Challenges & Barriers**

#### Data:

- LOTS of data to collect
- Difficulty capturing credible data systematically

#### Management:

- Lack of know-how on how to manage
- Uncertainty (e.g., how to measure Scope 3)

## OVERLOAD





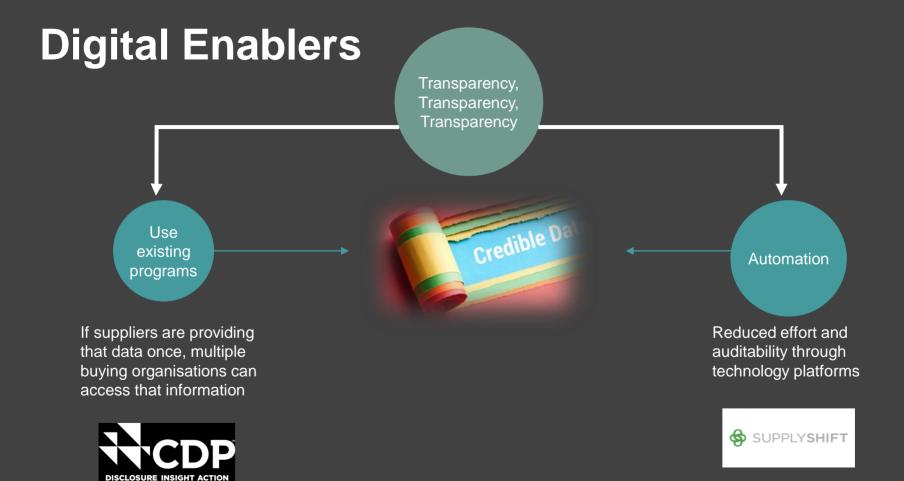


#### Resources:

- Lack of resources
  - Time
  - Knowledge
  - Financial

#### **Control/Influence:**

- Supplier actions/emissions sit outside of the organisations control
- Minimal influence
- Supplier resistance



#### **Procurement Enablers**

**Targeted & tailored** 

Category-specific approaches

Understand category/product hotspots & opportunities



Ask organisation & product data in the competitive process

Do suppliers have published targets/reports?

## Supplier Engagement



No organisation, procurement, legal, risk or contracting team can deliver high impact, sustainable AND viable outcomes without suppliers

#### Communicate, Cooperate

Set supplier engagement targets

Specify required supplier data

Share knowledge

Showcase best practice examples



Monitor commitments through actions plans and/or improvement programs

Develop training on data collection

Communicate organisational targets

Provide feedback

Alice: This is impossible.

The Mad Hatter: Only if you believe it is.

**Lewis Carroll** 



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