

Supplier and Purchaser Training at Sasken

Environmental Aspects, Sustainable Supplies, Audits and DEI



Learn how to optimize practices and
reduce environmental impact

Presentation Overview



Environmental Aspects

This section highlights the key principles, benefits, and practical steps suppliers can take to minimize their environmental footprint and contribute to sustainability.

Sustainable Supplies

This section emphasizes the importance of sourcing and producing supplies sustainably. It explains the benefits, best practices, and actions suppliers can adopt to ensure responsible procurement and production.

Audits and Assessments

This section underscores the importance of conducting regular audits and assessments to verify compliance with environmental standards and regulations, ensuring ongoing accountability and improvement.



Environmental Aspects



Understanding Environmental Aspects

Environmental aspects are elements of an organization's activities, products, or services that interact with the environment. Recognizing these aspects is key to identifying potential impacts and opportunities for improvement.

Linking Environmental Aspects to Impacts

Environmental aspects can result in both positive and negative impacts. Identifying these connections helps minimize adverse effects while enhancing beneficial outcomes.

Reducing Environmental Impact

Suppliers can lower their environmental footprint by adopting sustainable practices—such as reducing waste, conserving resources, and using renewable materials—which also drive cost savings and long-term sustainability.



What are Environmental Aspects

Environmental Aspects Overview

Environmental aspects are elements of an organization's activities, products, or services that interact with the environment. These include factors such as energy use, water consumption, and waste generation.

Importance of Understanding Environmental Aspects

Recognizing environmental aspects is essential, as it enables suppliers to identify opportunities for improvement and take actions to minimize their environmental impact.



Why are Environmental Aspects Important



Impact on Climate Change

Environmental aspects significantly influence climate change. Businesses that address these aspects can play a vital role in reducing greenhouse gas emissions, mitigating climate risks, and helping preserve the environment.

Resource Depletion

Unchecked environmental aspects can lead to the overuse of natural resources. By managing these aspects responsibly, suppliers can minimize waste, optimize resource consumption, and support the conservation of resources for future generations.

Enhancing Reputation

Incorporating environmental considerations into operations helps suppliers strengthen their reputation as responsible businesses, attract environmentally conscious customers, and build trust with investors.



Checklist:

Quick Wins

- Have we mapped our environmental aspects?
- Do we track energy and water usage monthly?
- Do we use renewable energy sources?
- Do we recycle/reduce packaging waste?
- Do we communicate sustainability actions to stakeholders?

Reflection Prompt

- Which environmental aspect (energy, water, waste, emissions) is most critical to your operations, and what one step can you take to improve it?

References

- ISO 14001: Environmental Management Systems
- UN SDG 12: Responsible Consumption and Production

CHECKLIST

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Sustainable Supplies

Sustainable Supplies are materials and products that are produced and used in a way that minimizes negative environmental and social impacts while maximizing economic benefits. They can be used to create a more sustainable supply chain that is environmentally friendly and socially responsible.





What are Sustainable Supplies

Renewable Energy

Renewable energy sources, such as solar and wind power, are an example of sustainable supplies that help to reduce the carbon footprint of suppliers.

Recycled Materials

Recycled materials, such as recycled paper and plastic, are another example of sustainable supplies that help to reduce waste and environmental impact.

Eco-Friendly Packaging

Eco-friendly packaging, such as biodegradable or compostable packaging, is another example of sustainable supplies that help to reduce waste and environmental impact.



Benefits of Sustainable Supplies



Cost Savings

Using sustainable supplies can result in cost savings for suppliers by reducing waste, improving efficiency, and increasing productivity.

Reduced Environmental Impact

Sustainable supplies help to reduce the environmental impact of the supply chain by reducing waste, conserving resources, and minimizing greenhouse gas emissions.

Improved Reputation

Adopting sustainable supply chain practices can improve a supplier's reputation and help them to attract and retain customers who value sustainability.



Case Study and Checklist

Textile Industry

- A textile supplier reduced water usage by 40% by switching to waterless dyeing technology, saving costs and boosting brand reputation.

Checklist: Before Purchasing Supplies

- Is the product recyclable or reusable?
- Does the supplier use renewable energy?
- Are materials ethically sourced?
- Is packaging biodegradable or recyclable?
- Has the supplier passed sustainability audits?

Quiz

- Which of the following is NOT considered a sustainable supply?
- Solar panels
- Recycled aluminum
- Single-use plastic bags
- Compostable packaging





Need for Audits and Assessments

Audits and Assessments are important tools used to ensure that suppliers are meeting environmental and sustainability standards. They involve a systematic review of a supplier's processes and practices and can help identify areas for improvement and monitor progress over time.





What are Supplier Audits

Types of Audits

There are several types of supplier audits, including environmental audits, social audits, and product audits, which allow companies to assess whether suppliers are meeting environmental and sustainability standards.

Importance of Audits

Supplier audits are an important tool for ensuring that suppliers are operating in an environmentally responsible and sustainable manner, which is essential for companies to meet their sustainability goals.



Types of Audits

There are three types of audits to assess supplier performance;

1. first-party audits,
2. second-party audits,
3. third-party audits.

It is important to know the advantages and limitations of each type of audit before choosing the best suited for your needs



Bit more on Audits:

Sample Audit Checklist

- Does Waste disposal methods comply with local laws.
- Does Renewable energy usage get tracked.
- Is Worker safety and fair labor practices are documented.
- Is the Emission levels are monitored and reported.
- The Corrective actions are implemented from past audits.

CAPA Workflow (Corrective and Preventive Action)

- Identify non-compliance.
- Record and report findings.
- Develop corrective actions.
- Implement improvements.
- Re-audit to confirm resolution.

Scenario Exercise

- A supplier fails an audit due to improper waste disposal. What steps would you take?
(Hint: Work with the supplier on corrective actions, set deadlines, and conduct follow-up checks.)



Conclusion

Environmental Aspects

Understanding environmental aspects and their impact on the business can help suppliers adopt sustainable practices and reduce their environmental impact.

Sustainable Supplies

Adopting sustainable business practices and meeting environmental standards can help suppliers create a more sustainable business model and enhance their reputation.

Audits and Assessments

Conducting audits and assessments can help suppliers identify areas for improvement and ensure they are meeting environmental standards and regulations.





Promoting and Measuring Supplier Diversity and Inclusion

Overview

Business Case for Supplier Diversity and Inclusion

Discussing the business benefits of supplier diversity and inclusion, and the legal and regulatory requirements for promoting such practices in the industry.

Best Practices for Promoting Supplier Diversity and Inclusion

Exploring the best practices for promoting diversity and inclusion in suppliers, including supplier diversity programs, training, and inclusive sourcing practices.

Measuring and Evaluating Supplier Diversity and Inclusion

Examining the ways to measure and evaluate supplier diversity and inclusion, including data collection, analysis, and metrics.





The Importance of Diversity and Inclusion in Suppliers

Business Case for Diversity and Inclusion

Supplier diversity and inclusion is not only a moral imperative but also makes good business sense. It helps companies to tap into new markets, foster innovation, and gain a competitive advantage.

Legal and Regulatory Requirements

In many countries, there are laws and regulations that require companies to promote diversity and inclusion in their supply chains. Companies that fail to comply with these requirements may face legal penalties and reputational damage.





Business Case

Innovation

Research shows that diverse suppliers can bring new ideas and perspectives that can lead to innovation and competitive advantage.

Cost-Effectiveness

Diverse suppliers can often offer cost-effective solutions and services that can result in cost savings and increased profitability for a company.

Reputation and Social Responsibility

Supplier diversity can enhance a company's reputation and demonstrate its commitment to social responsibility by supporting small and diverse businesses.



Legal and Regulatory Requirements



Legal Requirements

Many governments require companies to implement supplier diversity and inclusion policies and regulations. Failure to comply with these requirements can result in legal penalties and negative publicity.

Regulatory Requirements

Organizations may be subject to various regulatory requirements related to supplier diversity and inclusion, such as reporting on diversity spend and conducting supplier diversity training.

Benefits of Compliance

Compliance with supplier diversity and inclusion policies and regulations can lead to a more diverse and inclusive supplier base, resulting in better innovation, increased competitive advantage, and improved reputation.

Challenges of Compliance

Compliance with supplier diversity and inclusion policies and regulations can be challenging, requiring significant resources and effort. It may also be difficult to measure the impact of these policies and regulations.



Best Practices for Promoting Diversity and Inclusion in Suppliers



Supplier Diversity Programs

Supplier diversity programs are initiatives that encourage the use of businesses owned by underrepresented groups, such as women, minorities, and veterans. These programs can help promote diversity and inclusion in suppliers and boost local economies.

Training

Training helps promote diversity and inclusion in suppliers by creating awareness and understanding of the issues involved. It can help suppliers develop the skills and knowledge needed to work effectively with diverse clients and promote a positive and inclusive organizational culture.

Inclusive Sourcing Practices

Inclusive sourcing practices are designed to promote diversity and inclusion in suppliers by actively seeking out businesses owned by underrepresented groups, and by creating opportunities for these businesses to compete for contracts and partnerships.





Supplier Diversity Programs

Definition of Supplier Diversity

Supplier diversity is a proactive business strategy that seeks to ensure that a company's suppliers reflect the diversity of the larger community.

Benefits of Supplier Diversity

Supplier diversity brings a range of benefits to companies, including increased innovation, better access to new customers, and improved financial performance.

Key Components of a Successful Supplier Diversity Program

A successful supplier diversity program should have clear goals and objectives, a well-defined process for identifying and evaluating diverse suppliers, and a commitment to ongoing training and education.



Supplier Diversity Training

Importance of Diversity and Inclusion

Supplier diversity training highlights the importance of diversity and inclusion in business and why it is essential to have a diverse supplier base.

Tools and Resources for Suppliers

Supplier diversity training provides suppliers with the necessary tools and resources to meet their diversity and inclusion goals, including access to networking opportunities and business development programs.





Inclusive Sourcing Practices

Benefits of Inclusive Sourcing Practices

Inclusive sourcing practices promote diversity and inclusion, help improve supplier relationships, and can lead to better business outcomes.

Establishing Goals and Metrics

Establishing goals and metrics for inclusive sourcing practices can help measure progress, identify areas of improvement, and ensure accountability.

Engaging Diverse Suppliers

Engaging with diverse suppliers and partnering with business organizations can help identify new opportunities for diverse suppliers and promote innovation.



Measuring and Evaluating Supplier Diversity and Inclusion

Key Metrics

Measuring supplier diversity and inclusion requires identifying and tracking key metrics, such as spend and utilization, to evaluate the effectiveness of a company's efforts.

Reporting and Analysis

Regular reporting and analysis of supplier diversity and inclusion metrics can help companies identify trends, opportunities for improvement, and potential areas of risk.

Benchmarking

Benchmarking is a valuable tool for measuring and evaluating supplier diversity and inclusion. Comparing a company's performance with that of industry peers can help identify opportunities for improvement and best practices.



Data Collection and Analysis

Data Points for Supplier Diversity and Inclusion

There are several key data points that should be collected and analyzed to measure supplier diversity and inclusion, including demographics of suppliers, their workforce, and executive leadership.

Data Collection Methods

The data can be collected using surveys, self-disclosures, publicly available information, or through internal or external audits.





Metrics and Scorecards

Supplier Diversity Metrics

Supplier diversity metrics track the diversity of suppliers used by an organization. These metrics can include the percentage of spend with diverse suppliers, the number of new diverse suppliers added, and the percentage of diverse suppliers in the supply chain.

Inclusion Metrics

Inclusion metrics track how well diverse suppliers are integrated into an organization's supply chain. These metrics can include the percentage of diverse suppliers invited to participate in opportunities, the percentage of diverse suppliers that win contracts, and the percentage of diverse suppliers that receive repeat business.



Conclusion



Promoting supplier diversity and inclusion is crucial to building a strong and resilient supply chain that reflects the diversity of the communities we serve. By measuring our progress towards our goals, we can ensure that we are making a positive impact on the world around us.





Thank You