



Sustainable Sourcing

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Jon Nordsletten

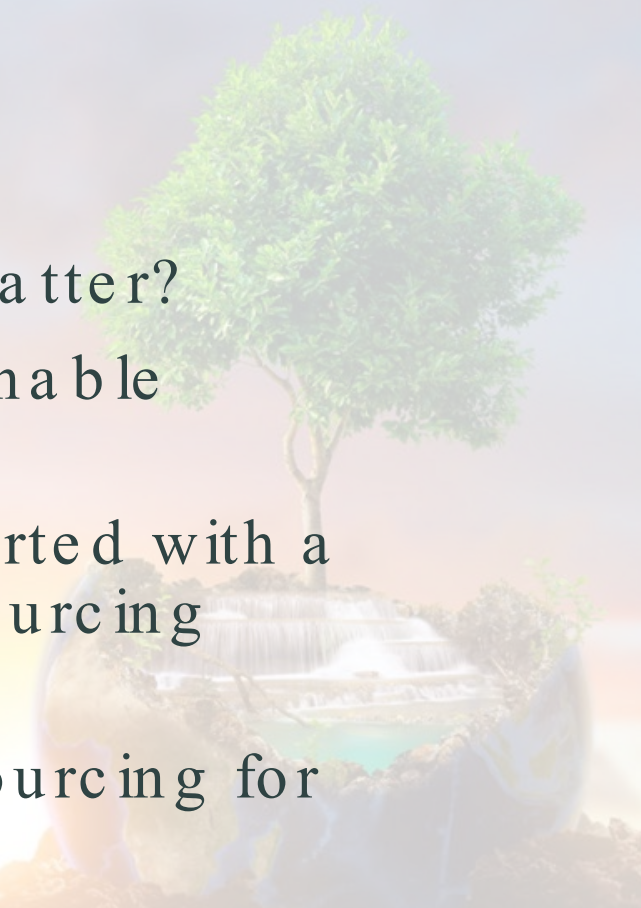
Senior Business Advisor Source-to-Pay

jon.nordsletten@medius.com



Agenda

- What is ESG ?
- Why does it matter?
- What is sustainable sourcing?
- How to get started with a sustainable sourcing program
- Sustainable sourcing for Medius clients





True ESG is consistent with a company's strategy and advances its business model

What is ESG

Environmental

- Climate change and greenhouse gas emissions
- Air-pollution
- Water and wastewater management
- Waste and hazardous materials management – circularity
- Biodiversity and ecosystems - rehabilitation

Social

- Labor practices
- Health and safety
- Community engagement – diversity and inclusion
- Community relations, local economic contribution
- Product and service attributes

Governance

- Business ethics, data security
- Capital allocations, supply chain management
- Governance structure and engagements – incentives
- Policies, external disclosures, position and advocacy

Why does ESG matter



- Our planet needs us
- Compliance with external regulations
- Competitive advantages
- Attracting investors
- Financial performance
- Customer loyalty
- Sustainable and adaptable operations
- Still a lot to do:

96%

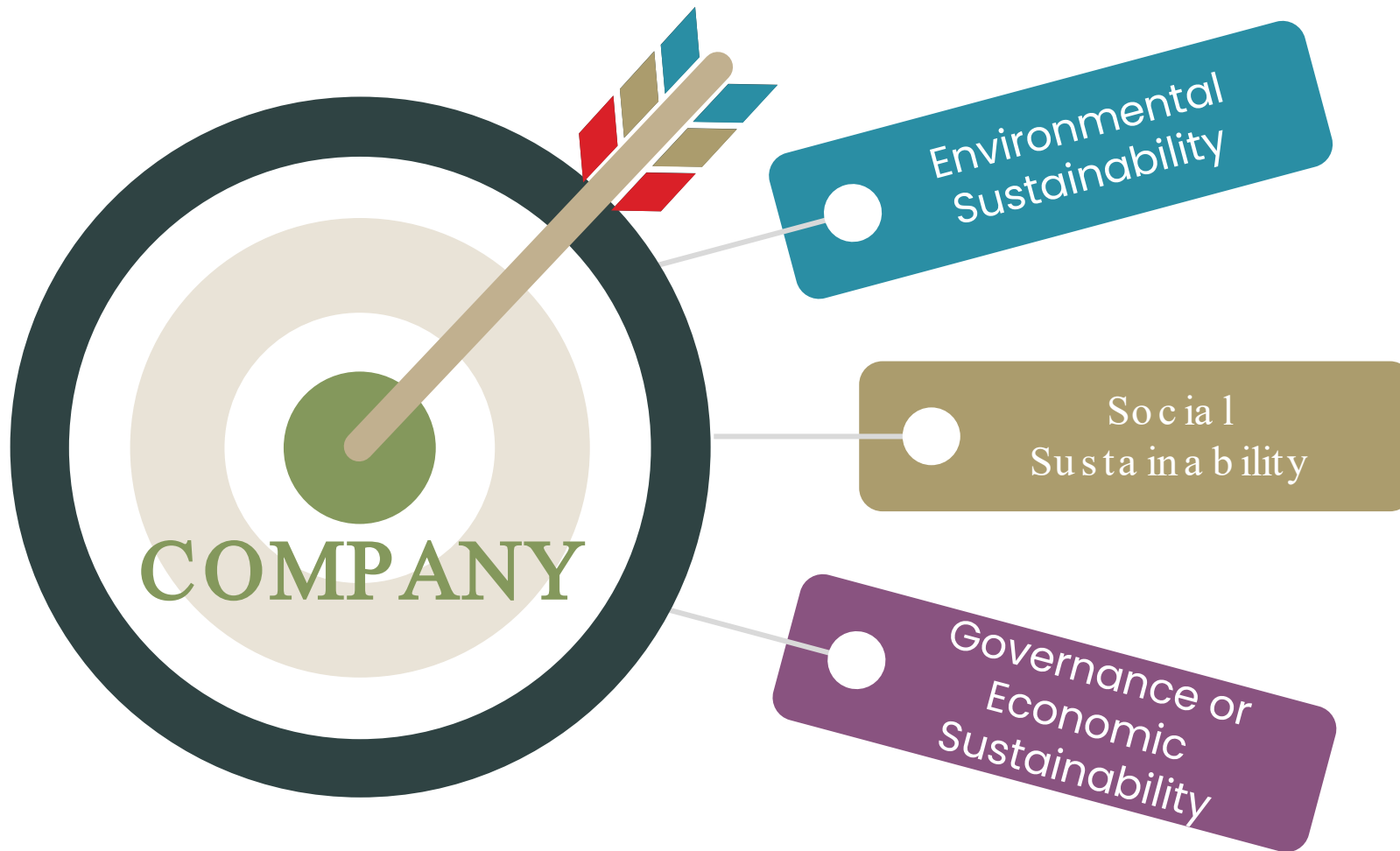
of the 250 largest
companies have
ESG programs

29%

of smaller
companies
have nothing



What is sustainable sourcing



- Use of natural resources
- Pollutants
- Animal habitats
- Land

- Fair wages
- Workplace safety
- Impact of an organization, on people and communities

- Use suppliers that follow economic and social best practices
- Delivering a strong ROI



Benefits of sustainable sourcing



Benefits of sustainable sourcing



Secure compliance to external and internal regulations



Improves brand awareness and reputation



Mitigates supply chain risks with improved visibility



Increases customer acquisition and retention



Influences wide-reaching change among suppliers



Improves community relationships, local economies and recruiting efforts



Supports revenue growth



How to get started with a sustainable sourcing program



- Align sustainability goals within the organisation
- Set goals & measure progress
- Engage with current suppliers
- Add sustainability to RFX and onboarding processes
- Add sustainability to your evaluation requirements
- Create & share a supplier sustainability statement



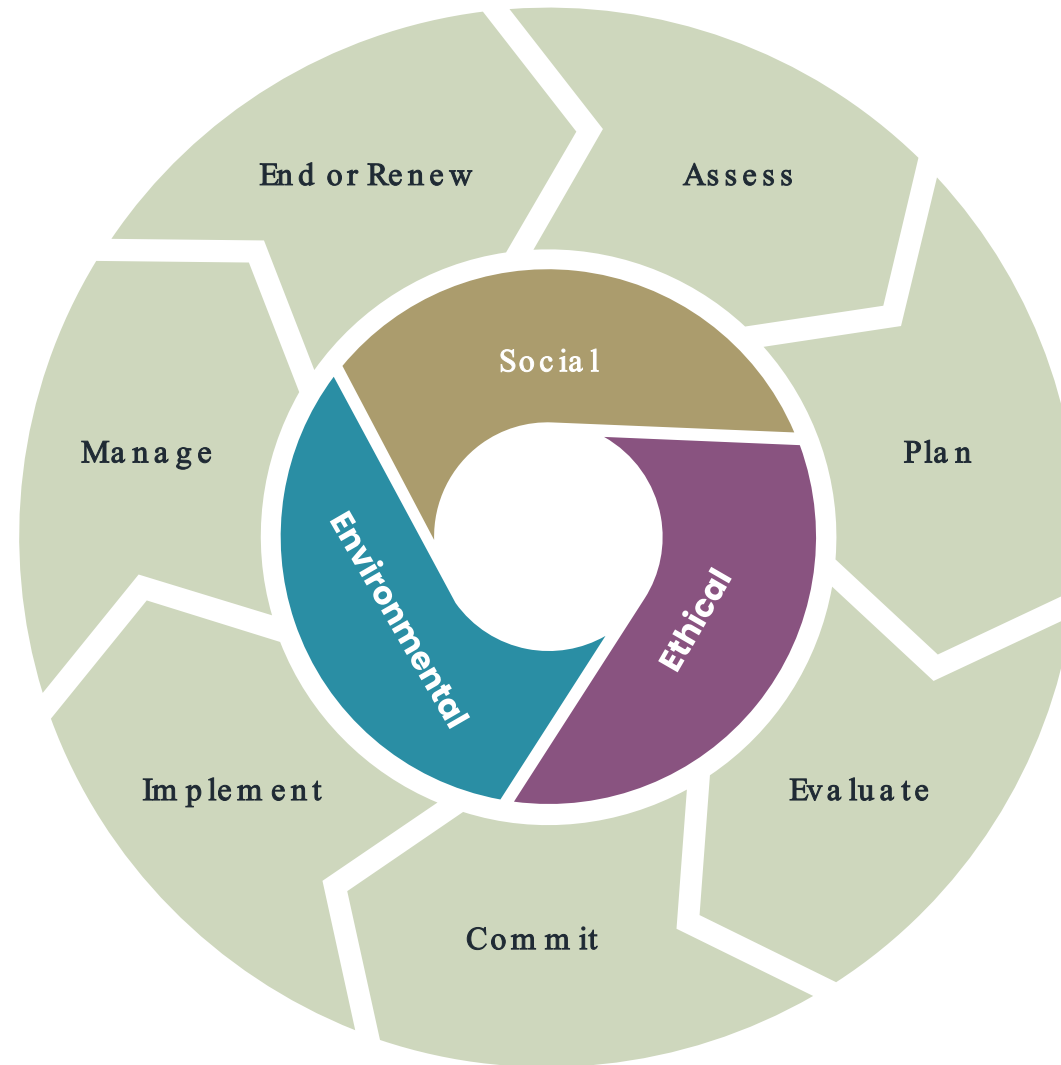
Sourcing sustainability questions

Sustainability

- Do you have a corporate responsibility policy?
- Who in your business monitors, manages and reports sustainability efforts and impacts?
- Do you measure the sustainability performance of your vendors and subcontractors?

Environmental sustainability

- Do you track, report and manage your use of energy, water and chemicals?
- How can we partner with you to enhance environmental sustainability in our mutual supply chain?
- Do you use renewable energy?



Societal sustainability

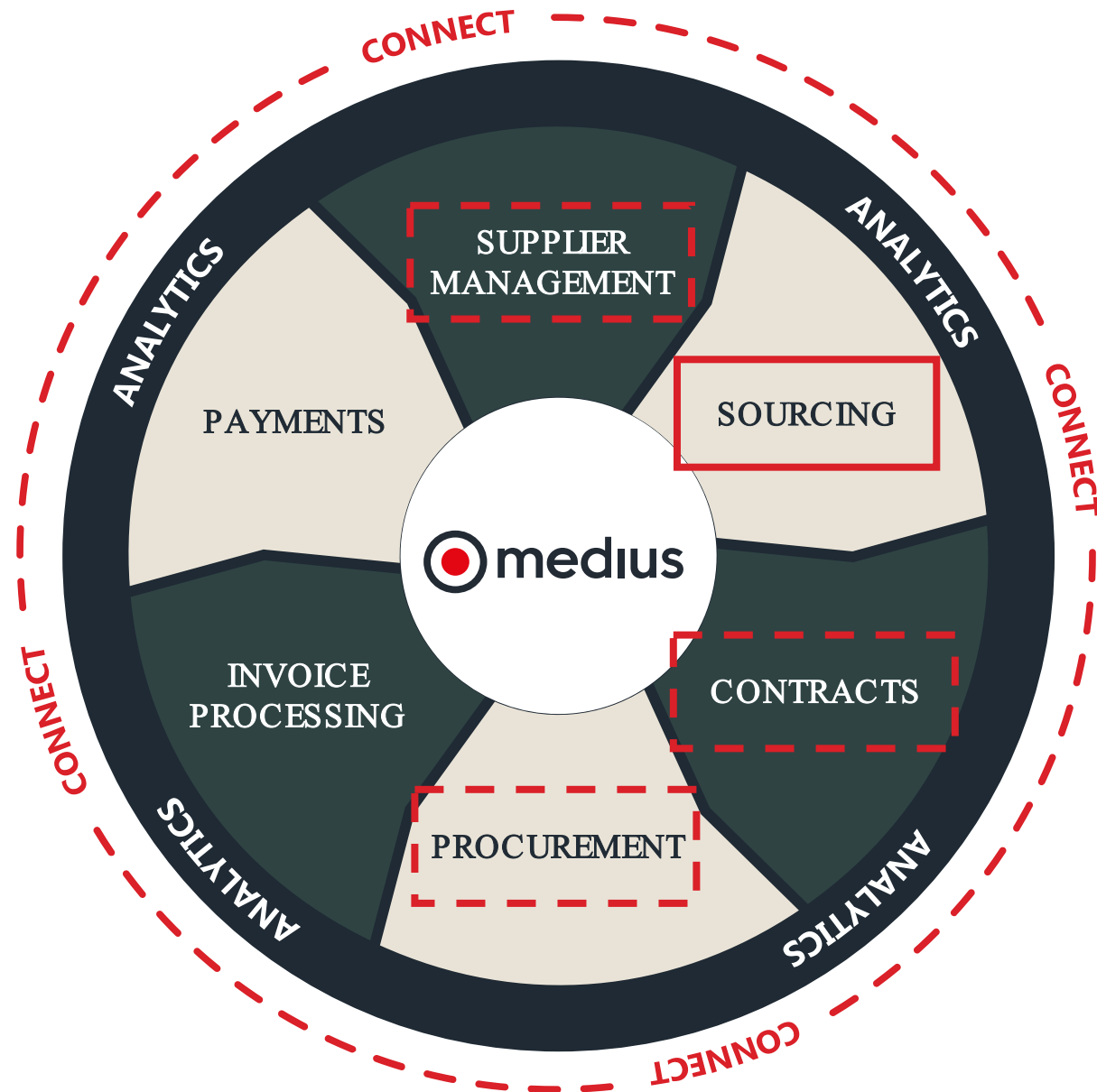
- Does your company track its diversity makeup by job level?
- How does your organization give back to or serve your community?
- Do you enforce a supplier code of conduct?

Economical sustainability

- How does your company's innovation impact your customers?
- What business value have you seen from your sustainability efforts?
- How do your organization's hiring practices affect local economies?



Medius clients and Sustainable Sourcing



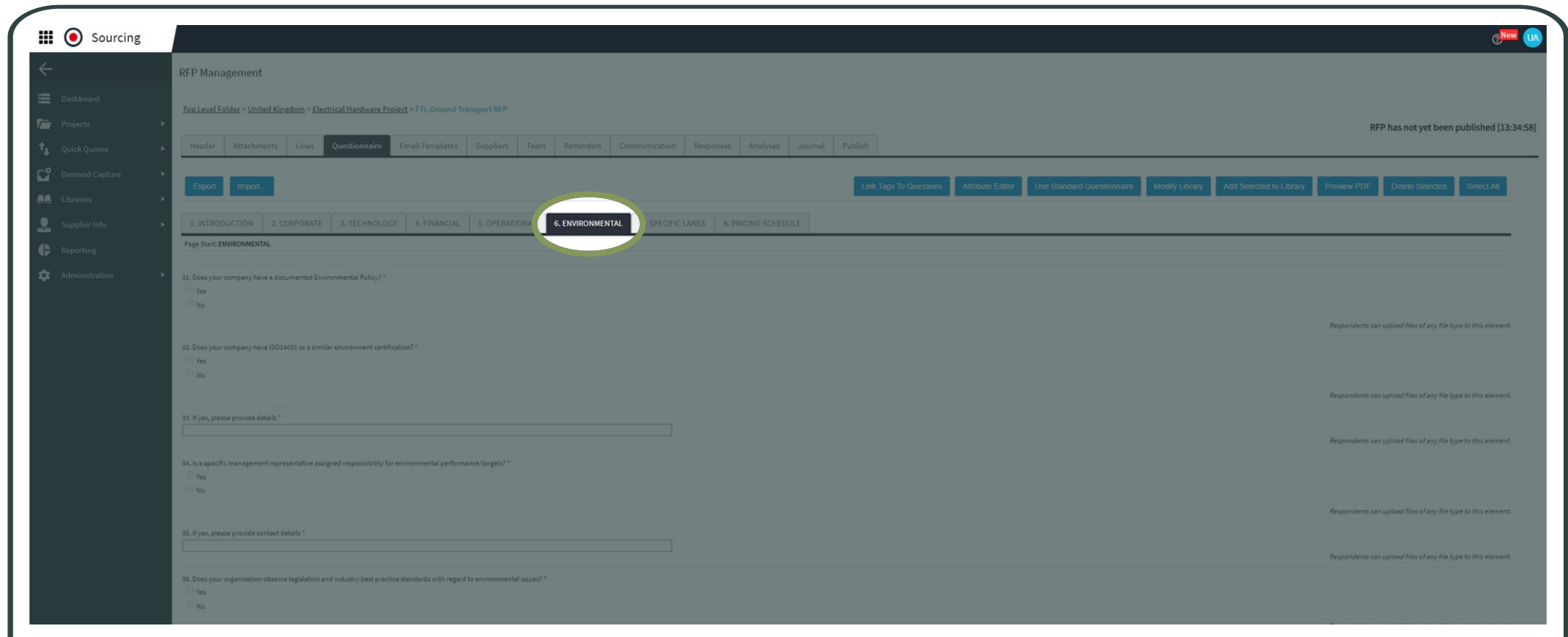


Sourcing Process Flow



Include ESG and sustainability aspects in your RFX-, onboarding- and contract management processes

Sourcing – Environmental questions in RFP process



The screenshot displays a web application interface for Sourcing, specifically the RFP Management section. The breadcrumb trail indicates the path: Top Level Folder > United Kingdom > Electrical Hardware Project > FTL Ground Transport RFP. The interface includes a navigation menu on the left with options like Dashboard, Projects, Quick Quotes, Demand Capture, Libraries, Supplier Info, Reporting, and Administration. The main content area shows a questionnaire for the RFP, with tabs for Header, Attachments, Lines, Questionnaire, Email Templates, Suppliers, Team, Reminders, Communication, Responses, Analyses, Journal, and Publish. The Questionnaire tab is active, and the '6. ENVIRONMENTAL' section is highlighted with a green circle. Below the navigation, there are buttons for Export, Import, Link Tags To Questions, Attribute Editor, Use Standard Questionnaire, Modify Library, Add Selected to Library, Preview PDF, Delete Selected, and Select All. The questionnaire questions are as follows:

Page Start: ENVIRONMENTAL

31. Does your company have a documented Environmental Policy? *

Yes
 No

Respondents can upload files of any file type to this element.

32. Does your company have ISO14001 or a similar environment certification? *

Yes
 No

Respondents can upload files of any file type to this element.

33. If yes, please provide details *

Respondents can upload files of any file type to this element.

34. Is a specific management representative assigned responsibility for environmental performance/targets? *

Yes
 No

Respondents can upload files of any file type to this element.

35. If yes, please provide contact details *

Respondents can upload files of any file type to this element.

36. Does your organisation observe legislation and industry best practice standards with regard to environmental issues? *

Yes
 No

Include ESG and sustainability aspects in your RFX-, onboarding- and contract management processes

Supplier Onboarding – Health & Safety questions in onboarding process

The screenshot displays a web-based Sourcing system interface. The top navigation bar includes a 'Sourcing' logo and a 'New UA' indicator. A left-hand sidebar contains a menu with items such as 'Dashboard', 'Projects', 'Quick Quotes', 'Demand Capture', 'Libraries', 'Supplier Info', 'Reporting', and 'Administration'. The main content area is titled 'SRF Management' and shows a breadcrumb trail: 'Top Level Folder > United Kingdom > Electrical Hardware Project > Supplier Registration Form'. Below this, a horizontal menu contains tabs for 'Header', 'Attachments', 'Questionnaire', 'Email Templates', 'Suppliers', 'Team', 'Reminders', 'Communication', 'Responses', and 'Journal'. The 'Questionnaire' tab is active, and an 'Export' button is visible. A secondary menu of action buttons includes 'Link Tags To Questions', 'Attribute Editor', 'Modify Library', 'Add Selected to Library', 'Preview PDF', 'Delete Selected', and 'Select All'. The main content area is divided into sections: '1. Company Information', '2. Financial Information', '3. HSQE Information' (highlighted with a green circle), '4. CSR Information', and '5. Submission Declaration'. The 'Page Start: HSQE Information' section is titled '3 Quality Assurance and Health and Safety' and includes a note: 'Section: Quality Assurance and Health and Safety. This section has a weighting of 20%'. It is further divided into '3.1 Quality Assurance' and '3.2 Health and safety'. Question 33 asks: 'Does your organisation hold a recognised quality management certification, for example BS/EN/ISO 9000 or equivalent, or have a quality management system?' with radio buttons for 'YES' and 'NO'. Question 34 asks: 'If "No", please explain why: (200 Words Max)' with a text input field. Question 35 asks: 'Does your organisation have a written health and safety at work policy including HSE65, ISO 14001 or OHSAS 18001?' with radio buttons for 'YES' and 'NO'. A text input field for 'When does your certification expire?' is also present. A footer note states: 'Respondents can upload files of type Adobe PDF Document (.pdf) to this element.'

Include ESG and sustainability aspects in your RFX-, onboarding- and contract management processes

Supplier Contracts – ESG and sustainability part of contract documentation

The screenshot displays the 'Contract Management' interface for a contract titled 'Supply of Computer Hardware - Standard'. The interface includes a navigation sidebar on the left with options like Dashboard, All Contracts, Create Contract, Document Search, Sleeve Editor, Approvals, Libraries, Reporting, and Administration. The main content area shows a progress bar with stages: Draft, Awaiting Approval, Approved, Effective, Ended, and Archived. Below the progress bar, there are tabs for 'Contract Details', 'Documentation', and 'DocuSign'. A notification states 'Document added successfully'. A table lists documents, with the following data:

Title	Type	Description	Uploaded	Added By	File Name
Cloud Service Agreement	Supporting Contract Documentation		12/09/2022 12:56:21	Medius Administrator	Medius_Master_CSA_FINAL.pdf
ESG and sustainability compliance	Supporting Contract Documentation	ESG and sustainability co...	27/04/2023 13:58:49	User Admin	ESG and Sustainability compliance.docx
Non-disclosure Agreement V2	Supporting Contract Documentation	RL edits 11/04	31/01/2023 13:19:28	Robert Lowther	Non-Disclosure-Agreement.docx
Sales Presentation	Supporting Contract Documentation		12/09/2022 12:56:21	Medius Administrator	Sales Presentation.pptx
Service Rates	Supporting Contract Documentation		12/09/2022 12:56:21	Medius Administrator	Service Rates.xlsx
Statement of Works	Supporting Contract Documentation		12/09/2022 12:56:21	Medius Administrator	Statement of Works.docx
Supply of Computer Hardware - Standard - Contract_00083_NDA	Contract	Supply of Computer Hard...	20/09/2022 09:09:53	Medius Administrator	Supply of Computer Hardware - Standard - Contract_00083_NDA.pdf



Takeaways Sustainable Sourcing

- ESG and Sustainable Sourcing compliance matters
- Benefits
- Get started with a sustainable sourcing program today



