COLLABORATION IN PRACTICE

Procurement and Sustainability

Supported by CLYDE&CO

Global Compact Network UK

Sustainability Essentials for Core Functions

WHY THIS LANDS ON YOUR DESK

As the procurement function, you are measured on cost, continuity of supply, supplier performance, and compliance. Sustainability now bears on all four: volatile energy and material prices, disruption from climate and labour issues, clients asking for detailed supply chain data (namely carbon and human rights), and new rules on what can be bought and sold. Supply chains account for roughly three-quarters of most companies' emissions and much of their human rights exposure, so these pressures reach procurement first (Proxima).

The good news is that you do not need to become a sustainability expert. Your sustainability team can track the standards, translate them into criteria you can use in a tender, and help you get better data from suppliers, while you keep the commercial decisions. Collaboration pays off for both sides.

~75%
of most companies' emissions sit in their supply chains (Proxima)

45%
of a year's profit can be lost to disruption over a decade (McKinsey)

3.6%
higher revenue growth for firms with resilient supply chains (Barometer 2026)

30%
of suppliers provide no emissions data to buyers (EcoVadis)

THE BENEFITS TO YOU

Lower total cost
Specifying for energy efficiency, durability, and less packaging cuts lifecycle cost, not just unit price.

Lower supply risk
Disruption can cost around 45% of a year's profit over a decade (McKinsey). Knowing supplier risk and diversifying cuts that exposure.

Winning work
Under Procurement Policy Note 006, bidders for major UK central government contracts over £5m a year must provide a Carbon Reduction Plan. Private clients increasingly ask for supply chain evidence too.

Faster growth
Firms that build resilient supply chains achieve 3.6% higher revenue growth than peers (Sustainable Procurement Barometer 2026).

Clearer bid comparison
Some buyers add an internal carbon price to each bid and publish the method upfront, so criteria are objective, and suppliers decarbonise before bidding.

Fewer, better questions
Collaborating with sustainability to cut supplier questionnaires down to what is actually used saves you and your suppliers time.

Regulatory readiness
Deforestation, due diligence, and ESG disclosure rules all rely on supplier data. Building it in now avoids a scramble later.

More capable suppliers
One clear ask, such as removing single-use plastic, helps suppliers build ESG teams and set targets, making them stronger, lower-risk partners.

WHERE SUSTAINABILITY SHOWS UP IN YOUR SOURCING CYCLE

Sustainability is not a separate workstream. It sits inside work you already do.

Process step	Why it matters to you	What it looks like in practice
Category strategy	Shows where cost, carbon and supply chain risk concentrate, so effort goes where it matters most.	Segment categories by emissions, human rights risk, and spend, and focus where they overlap.
Specification	Locks in lifecycle cost, carbon, energy, and resources, as well as wider social impacts.	Set requirements once in policy using ISO 20400, rather than contract by contract.
Tender and evaluation	Published criteria let you compare bids on more than price, and give suppliers a reason to improve.	Weight sustainability in scoring and publish the method before bids are priced. For services, score net zero targets, transition plans, or ratings.
Contract	Clauses make tender promises enforceable, protecting the criteria you negotiated.	Add free climate clauses from The Chancery Lane Project, and agree who checks compliance.
Onboarding	Collecting data at the start, and setting expectations for future data requirements early, helps with requests later.	Build in the UN Global Compact Ten Principles, collect ESG data at onboarding, and agree on data request frequency upfront.
Risk and resilience	Labour, human rights and nature issues cause disruption and reputational damage, and audits find what paperwork misses.	Add human rights due diligence to risk reviews. Diversify without shutting out smaller firms.
Supplier relationship management	Building supplier capability in sustainability improves performance and ensures that suppliers meet increasing requirements.	Build less mature suppliers' capability over time, rather than demanding everything at once.
Data and reporting	Clients, regulators and your business need supplier data under the Modern Slavery Act, EU CSRD, EU CSDDD, UK SRS and the EU Deforestation Regulation.	30% of suppliers provide no emissions data (EcoVadis), so how you ask shapes what comes back. Some suppliers are hesitant to disclose, so relationships build trust over time.

GETTING THE MOST FROM YOUR SUSTAINABILITY TEAM

Your best opportunity to turn sustainability into commercial gain is when you run tenders and award business. Outside that window, sustainability efforts tend to yield modest returns, so the value comes from getting sustainability input into your process at the point where it can shape cost, risk, and supplier terms.

1. **Get support lined up**
   Share your 12-month pipeline so the sustainability team can prepare input for tenders and renewals, rather than you chasing it.
2. **Use them at specification and scoring**
   Ask for input while decisions are still open, before expectations reach suppliers. Communicate your timelines clearly.
3. **Start with your material categories**
   Managers for the highest-spend, highest-risk categories should engage with the sustainability team first.
4. **Trim down the questionnaire**
   Agree one set of supplier questions, reuse the data across risk, reporting and conversations, and align with peers through the Sustainable Procurement Pledge.
5. **Ask for it in your language**
   Expect sustainability to translate targets into the KPIs and criteria you already use. Training goes both ways: buyers on sustainability, sustainability leads on procurement.