National Oceanography Centre

SUSTAINABLE PROCUREMENT STRATEGY

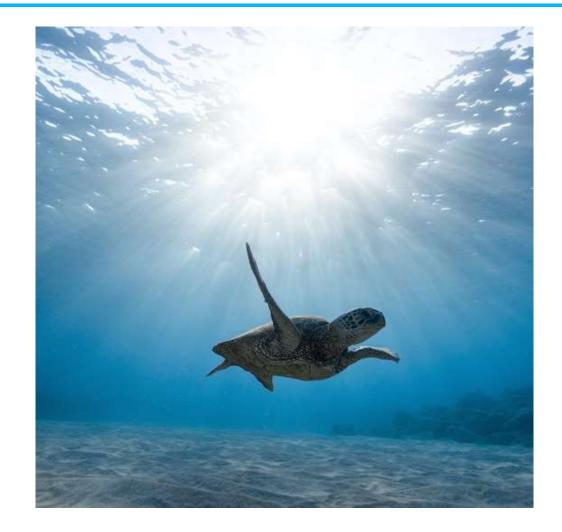
INTRODUCTION



The National Oceanography Centre (NOC) is the UK's leading charity for integrated coastal and deep ocean research. NOC undertakes and facilitates world-class agenda-setting scientific research and technology development to understand the global ocean by solving challenging multidisciplinary, large scale, long-term marine science problems to underpin international and UK public policy, business, and societal outcomes.

NOC operates the Royal Research Ships (RRS) *James Cook* and *Discovery* and develops technology for coastal and deep ocean research. Working with its partners, NOC provides long-term marine science capability including sustained ocean observations, mapping and surveying; data management and scientific research and advice.

We are a registered charity making a significant positive contribution to society by advancing ocean science and education. As a charity, we bear an extra responsibility to be sensitive to social, cultural and environmental aspects of our operations, with an emphasis on higher moral and ethical standards, beyond mere legal compliance. As such, we take a comprehensive view of our entire supply chain and work closely with our suppliers to ensure social responsibility is at the heart of what we do.



WHAT IS SUSTAINABLE PROCUREMENT?

PROCUREMENT THAT HAS THE MOST POSITIVE ENVIRONMENTAL, SOCIAL & ECONOMIC IMPACTS POSSIBLE OVER THE ENTIRE LIFE CYCLE

ISO 20400 DEFINITION OF SUSTAINABLE PROCUREMENT

WHAT IS SUSTAINABLE PROCUREMENT?



For an organisation to fully achieve its sustainability objectives, sustainable procurement must be taken into consideration and a strategy put in place. Supply chains typically make up at least 60% of a companies overall spend, so the impact in this area can be huge.

ISO 20400 is the guidance standard for sustainable procurement and is part of ISO 26000 for social responsibility. In ISO 20400 sustainable procurement is split into seven core subjects:

- Organisational Governance
- Human Rights
- Labour Practices
- The Environment

- Fair Operating Practices
- Consumer Issues
- Community Involvement & Development

It is important to highlight that carbon reduction should not be the sole focus of sustainable procurement; all of these areas need to be taken into account.

HOW DO WE PROCURE SUSTAINABLY?

OUR VISION FOR SUSTAINABLE PROCUREMENT









Our vision for sustainable procurement at NOC is to conduct socially responsible, globally significant, big ocean science which positively contributes to the environmental, social and economic pillars of sustainability by maximising the spending power within our value chain for good.

OUR SUSTAINABLE PROCUREMENT STRATEGY



Our Sustainable Procurement Strategy has been created to ensure that all staff involved in the procurement of goods and services understand the impact of their supply chains environmentally, socially and economically.

The three-year strategy aligns with the overall SSR strategy for NOC and will be working in accordance with ISO 20400 for sustainable procurement. It has been developed to clearly outline how we can achieve our collective goals and commitments.

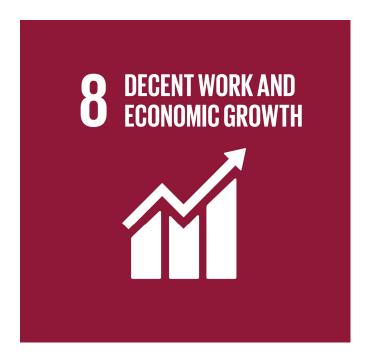
NOC operates an Environmental Management System (EMS) and are ISO 14001:2015 accredited. Procurement activity interrelates with the EMS in the following ways:

- Supporting the management of carbon emissions
- Consumption of resources
- Waste management
- Continuous improvement

UN SUSTAINABLE DEVELOPMENT GOALS



At NOC we work in accordance with the UN Sustainable Development Goals, in procurement the following goals are particularly relevant:







OUR SUSTAINABLE PROCUREMENT OBJECTIVES



 Ensure prudent use of natural resources and reduction of waste in the supply chain 2. Support the management of our carbon impact

3. Seek out opportunities to increase supply from UK manufacturers and SMEs

4. Work with internal departments to embed sustainable procurement

5. Management of the delivery of goods and services through effective contracts

6. Work with suppliers to implement ethical working practices and drive down modern slavery across our supply chain

1. ENSURE PRUDENT USE OF NATURAL RESOURCES AND REDUCTION OF WASTE IN THE SUPPLY CHAIN



AIM

To support NOC's Environmental Policy by ensuring the procurement team and staff across the wider organisation consider the resources used and waste produced in NOC's supply chain, reducing this wherever possible.

WE WILL DO THIS BY

- · Improving training and awareness for the NOC staff engaged in procurement activities
- Increasing awareness of value engineering for sustainability for any staff involved in product design and selection
- Implementing a full life cycle approach and looking to reuse existing products and components wherever possible
- · Engaging with suppliers and experts to understand resource consumption and how this can be reduced
- Engaging with suppliers to understand their waste generation, waste policies and procedures and ensure the waste hierarchy is being applied
- Where possible, apply circular economy principles



Achieve the sustainable management and efficient use of natural resources.

Substantially reduce waste generation through prevention, reduction, recycling and reuse. Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle.

1. ENSURE PRUDENT USE OF NATURAL RESOURCES AND REDUCTION OF WASTE IN THE SUPPLY CHAIN



WE WILL DEMONSTRATE THIS BY

- Identifying and reporting on procurement contribution to resource efficiency
- Increasing the number of environmentally responsible suppliers delivering NOC's contracts, for example increasing the number of suppliers with ISO 14001:2015 accreditation

- Set up a system to ensure all new purchases are assessed to adopt the principles
 of the waste hierarchy, applying a full life cycle approach wherever possible
- Collate existing supplier sustainability data using a questionnaire and data available through the supplier's websites
- Evaluate spend categories against NOC's sustainability objectives, identifying sustainability issues and high impacts relating to the specific product categories
- Commercial analysis to identify high sustainability risk suppliers and include in high impact supplier list
- Publish a sustainable procurement area on procurement's SharePoint pages

2. SUPPORT THE MANAGEMENT OF OUR CARBON IMPACT



AIM

To support NOC's Environmental Policy by ensuring the procurement team and staff across the wider organisation consider the carbon impact across the whole of NOC's supply chain and have visibility of the scope 3 carbon data.

WE WILL DO THIS BY

- Improving training and awareness for NOC staff engaged in procurement activities
- Increasing awareness of value engineering for sustainability for any staff involved in product design and selection
- Implementing a full life cycle approach and looking to reuse existing products and components wherever possible
- Engaging with suppliers to understand the carbon impact of their organisation and their supply chain
- Quantifying our scope 3 emissions to create a baseline for improvement and setting targets



Support increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes



Achieve the sustainable management and efficient use of natural resources

2. SUPPORT THE MANAGEMENT OF OUR CARBON IMPACT



WE WILL DEMONSTRATE THIS BY

- Increasing the number of environmentally responsible suppliers delivering NOC's contracts, for example increasing the number of suppliers with ISO 14001:2015 accreditation, with a carbon reduction plan or other sustainability initiatives
- Reporting on scope 3 emissions against targets

- Set up a system to ensure all new purchases are assessed to adopt the principles
 of the waste hierarchy, applying a full life cycle approach wherever possible
- Collate existing supplier sustainability data using a questionnaire and data available through the supplier's websites
- Evaluate spend categories against NOC's sustainability objectives, identifying sustainability issues and high impacts relating to the specific product categories
- Commercial analysis to identify high sustainability risk suppliers and include in high impact supplier list
- Publish a sustainable procurement area on procurement's SharePoint pages
- Start collating carbon data for NOC's supply chain with a view to set a scope 3 baseline

3. SEEK OUT OPPORTUNITIES TO INCREASE SUPPLY FROM UK MANUFACTURERS AND SMES

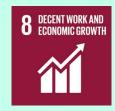


AIM

To ensure the procurement team and staff across the wider organisation consider how we support the UK economy by making proportionate decisions about the market options for UK businesses to access NOC spend.

WE WILL DO THIS BY

- Increasing engagement, working with key businesses to support "Meet the Buyer" events, workshops and awareness of contract opportunities
- Ensuring all details of how NOC procure goods and services are accessible on our website
- Exploring the use of shorter payment terms for small businesses to level the playing field
- Understanding products and services purchased across the business and how UK manufacturers could be better utilised within NOC's overall spend



Support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and mediumsized enterprises

3. SEEK OUT OPPORTUNITIES TO INCREASE SUPPLY FROM UK MANUFACTURERS AND SMES



WE WILL DEMONSTRATE THIS BY

- Achieving a set number of supplier engagement events each year
- Maintaining and improving the volume of local businesses and SMEs accessing and being successful in NOC procurement opportunities
- Reducing NOC's international spend where appropriate

- Create a calendar of "Meet the Buyer" events and workshops, promoting awareness of contract opportunities
- Publish a supplier area on the main NOC website, ensuring all details of how NOC procure goods and services are available
- · Analyse spend data to understand opportunities for UK manufacture

4. WORK WITH INTERNAL DEPARTMENTS TO EMBED SUSTAINABLE PROCUREMENT



AIM

To ensure the procurement team and staff across the wider organisation consider sustainable procurement principles in all procurement activities.





Supports 8 and 9 through promoting awareness

WE WILL DO THIS BY

- Improving training and awareness for the NOC staff engaged in procurement activities
- Increasing awareness of value engineering for sustainability for any staff involved in product design and selection
- Providing resources on sustainable procurement in a dedicated page on NOC's SharePoint and ensure all staff are aware of this page
- Improving the preferred supplier list to ensure high levels of compliance
- Including sustainable procurement within due diligence procedure and policy



Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

4. WORK WITH INTERNAL DEPARTMENTS TO EMBED SUSTAINABLE PROCUREMENT



WE WILL DEMONSTRATE THIS BY

- Utilisation of the preferred supplier list
- Reducing spend with suppliers that have poor sustainability credentials

- Agree overarching sustainability objectives for procurement
- Identify sustainable procurement champions and ensure responsibilities are clearly documented
- Put a simple Sustainable Procurement Policy in place and communicate across the business
- Publish a sustainable procurement area on procurement's SharePoint pages
- Procurement induction programme to include sustainable procurement
- Identify stakeholders and create an internal stakeholder engagement plan
- Key procurement staff have attended a basic training session on sustainable procurement
- Improving the preferred supplier list, ensuring due diligence has been completed for all suppliers included

5. MANAGEMENT OF THE DELIVERY OF GOODS AND SERVICES THROUGH EFFECTIVE CONTRACTS

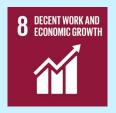


AIM

To ensure a high level of contract coverage which includes terms and conditions and KPIs directly linked to sustainability.

WE WILL DO THIS BY

- Improving our standard PO Terms and Conditions and contract templates to ensure sustainability is included
- Applying the appropriate weightings in the evaluation of tenders
- Delivering NOC's commitments to modern slavery
- Utilising crown commercial services commercial agreements which require suppliers to commit to a high level of due diligence in their overarching framework terms and conditions



Targeting forced labour, modern slavery, human trafficking and child labour. Protecting labour rights and promoting safe and secure working environments for all workers



Promote public procurement practices that are sustainable, in accordance with national policies and priorities

5. MANAGEMENT OF THE DELIVERY OF GOODS AND SERVICES THROUGH EFFECTIVE CONTRACTS



WE WILL DEMONSTRATE THIS BY

- Increasing contract coverage across NOC's supply base
- Increasing use of frameworks

- Publish framework and public contract regulations guidance on procurement's SharePoint pages
- Complete due diligence for all active and new suppliers
- Agree a minimum level of compliance for all NOC suppliers
- Review NOC PO terms and conditions, ensuring basic sustainability requirements are included
- Agree minimum sustainability weightings for all NOC tenders and create template social value questions
- Analyse spend data to identify strategic suppliers and ensure valid contracts are in place

6. WORK WITH SUPPLIERS TO IMPLEMENT ETHICAL WORKING PRACTICES AND DRIVE DOWN MODERN SLAVERY ACROSS OUR SUPPLY CHAIN



AIM

To collaborate with our suppliers to benefit society by promoting decent and meaningful work, reducing modern slavery and ensuring adherence to applicable labour laws, bringing suppliers with us on our journey.

WE WILL DO THIS BY

- Implementing a supplier engagement programme
- Utilising supplier development plans for strategic and high-risk suppliers within the supplier engagement programme
- Creating a supplier area on the webpage, "Supplying the NOC"
- Increasing engagement, "Meet the Buyer" events, workshops and talks on NOC's sustainable procurement journey



Targeting forced labour, modern slavery, human trafficking and child labour. Protecting labour rights and promoting safe and secure working environments for all workers



Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

6. WORK WITH SUPPLIERS TO IMPLEMENT ETHICAL WORKING PRACTICES AND DRIVE DOWN MODERN SLAVERY ACROSS OUR SUPPLY CHAIN



WE WILL DEMONSTRATE THIS BY

- Growth of NOC's supplier engagement programme
- Achieving a set number of supplier engagement events each year
- Reviewing supplier feedback

- Create a calendar of "Meet the Buyer" events and workshops, promoting awareness of contract opportunities
- Publish a supplier area on the main NOC website
- Create simple voluntary supplier engagement programme
- Share sustainable procurement policy with key suppliers
- Work with key suppliers to identify, manage and report their sustainability impacts through supplier development plans

IN SUMMARY



We are just starting out on our sustainable procurement journey, so implementation and integration is the focus for 2023/24. We will then look to provide continuous improvement.

Our journey will be impacted by evolving legislation and a business that is going through a period of transition and change. Successful sustainable procurement at NOC will be dependent on cultural integration and buy in from the whole organisation. Only then can we work towards becoming an organisation that is best in class in sustainable procurement.

National Oceanography Centre