

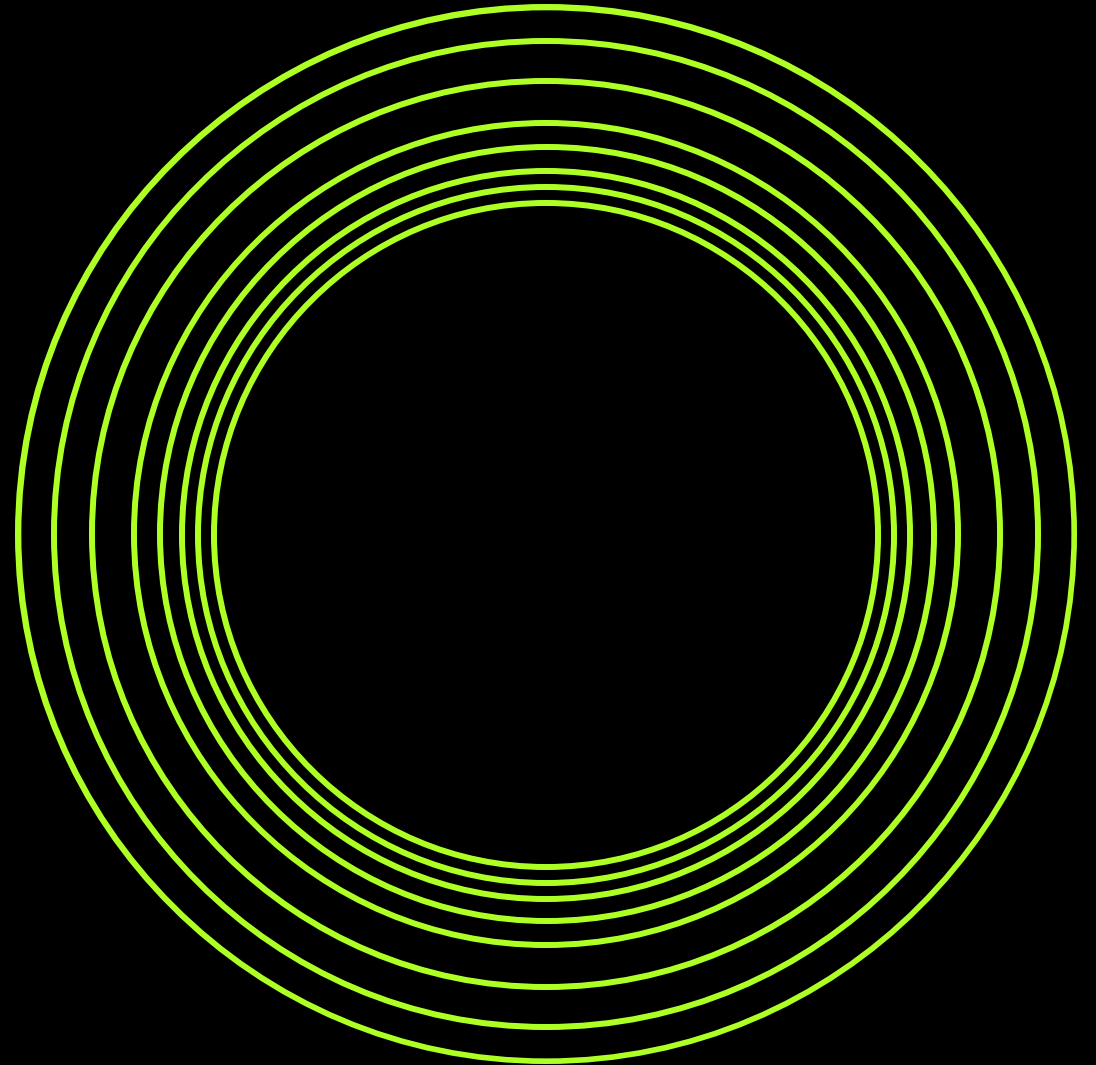
hh global<sup>®</sup>

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# Sustainable Procurement Framework (SPF)

## Overview

November 2024



# Introducing the Sustainable Procurement Framework (SPF)

## An overview

A tech-enabled sustainable supply chain program that will help companies improve their ESG credentials, learn from HH Global's sustainability journey, and contribute to the UN Sustainable Development Goals



## Business for good, is good business

- Since adopting the UN SDGs in 2015 and investing in its own sustainability maturity, HH Global has benefited from significant profitability and growth
- We want to share our experience with our valued supply chain, so that they can prosper and thrive
- If our global supply chain (~8,600 strategic suppliers) raise their maturity then the impact will be significant – great for the supplier, great for our clients, great for HH Global, and great for the planet!



# SPF Methodology

A three phased approach to help gauge and improve ESG Maturity



1

## Supplier perception stage

- Research is carried out on the supplier's environmental and social activities.
- The research is combined with environmental and social data from the supplier's Vendor Audit Questionnaire (VAQ).
- Based on the blended results, the supplier is informed of their ESG maturity rating

2

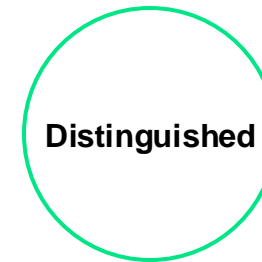
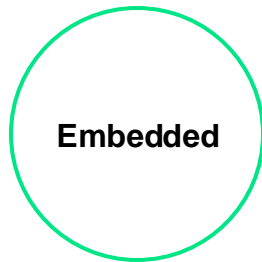
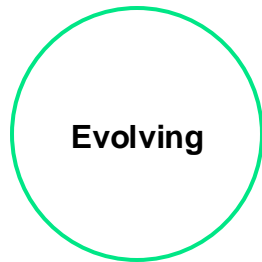
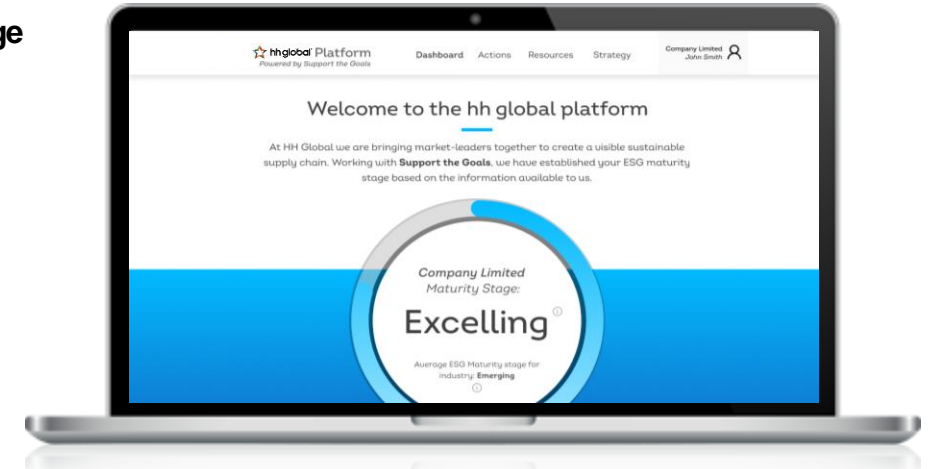
## Supplier update stage

- The supplier is given the opportunity to review and update their information
- They are also asked to provide details on key ESG criteria relating to HH Global's sustainability targets
- The supplier can see the impact of these answers on their ESG maturity rating

3

## Supplier improvement stage

- The supplier is guided on how to improve their ESG maturity rating
- They are provided with educational resources and examples from HH Global's sustainability journey
- Support is made available for them to get help and to share their successes



# ESG Maturity Score Breakdown

Supplier level maturity stage status

## Your maturity score breakdown

### Strategy

How do you communicate your business strategy to support the goals?

Your strategy score makes up 50% of your overall ESG maturity and is based on 5 criteria shown here. This is based on how your company publicly displays support for the Sustainable Development Goals.



### Action

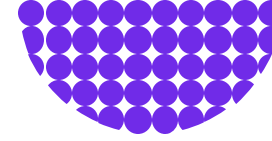
What actions is your business taking to support the goals?

50% of your score is based on current actions your company has disclosed during the SPF questionnaire that aligns with and supports the goals.

Questions broken down by SDG

# Resources

Performance wall to access additional learning content



## Emerging

### Learning material:

- Intro to the UN SDGs
- Reduced Inequalities
- Climate Action
- Green Claims Guidance
- Jargon Buster

### Policies:

- HH Global Innovation with Purpose annual sustainability report
- HH Global Supplier Code of Conduct
- HH Global modern Slavery Agreement
- HH Global Sustainable Procurement Policy

## Evolving

### Learning material:

- It all starts with strategy
- Calculate your carbon footprint
- What's your diversity baseline?
- Develop & deliver your strategy

### Resources:

- Policies are powerful
- Environmental policy template
- D&I policy template
- H&S policy template
- Modern Slavery Agreement template

## Embedded

### Learning material:

- Why communication is key

### Resources:

- Social media toolkit
- Case study creator

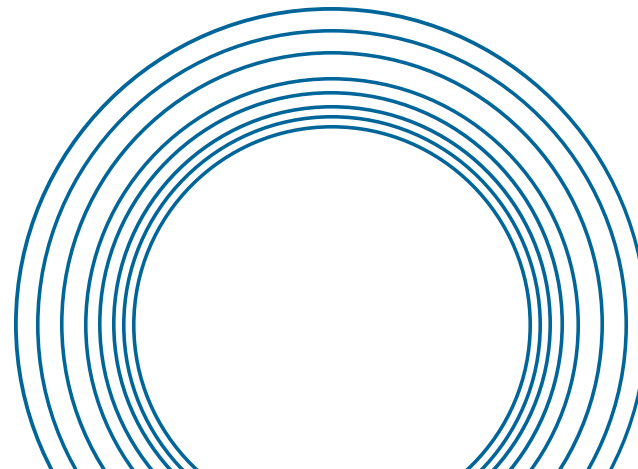
## Excelling

### Learning material:

- Decent Work & Economic Growth
- Responsible Consumption & Production
- Modern slavery and forced labour guide
- Grievance mechanisms
- Why your suppliers are more important than customers
- Why you need a sustainable supply chain
- Calculate a supplier sustainability baseline

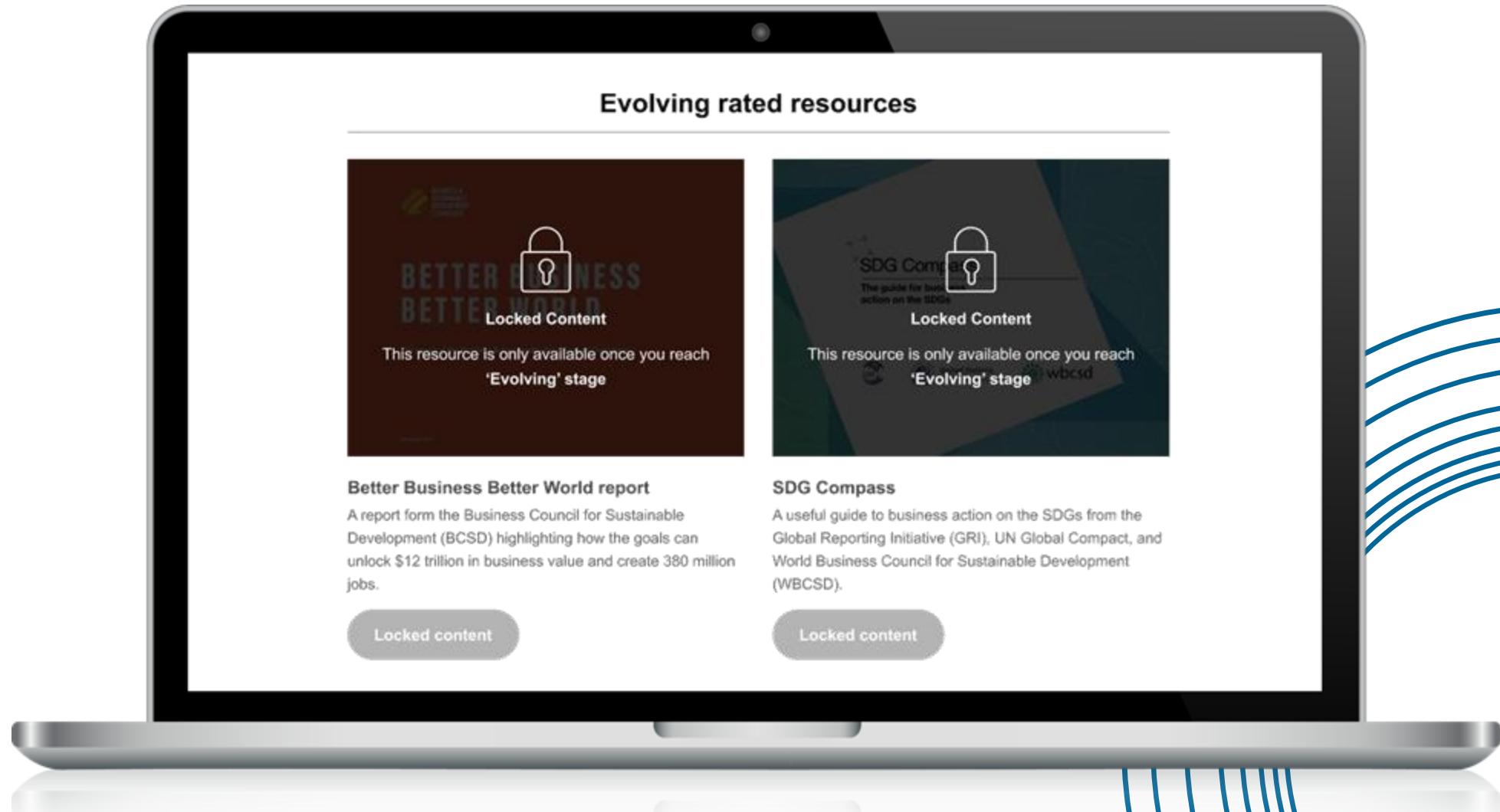
### Resources:

- Living Wage playbook
- Responsible Sourcing Journey (AIM Progress)




# Training materials and educational assets

Gamification to incentivize and reward engagement



# Example ESG Maturity Guidance Report


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**HH global**  
 Date of report: 20 September 2023

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HH global Maturity Stage:


## DISTINGUISHED

Average ESG Maturity stage: Emerging;

Maturity stage progress

Emerging
→
Evolving
→
Embedded
→
Excelling
→
Distinguished

Your maturity stageAverage ESG maturity score overallTop 10 performers average


















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### Your actions

Below shows a breakdown of your actions score and the extent they are aligned with and support the UN Sustainable Development Goals, based on answers you provided within the SPF questionnaire.

<p>SDG 1</p>  <p><b>No Poverty</b> 2/2 Questions answered 100% Score</p>	<p>SDG 2</p>  <p><b>Zero Hunger</b> 2/2 Questions answered 100% Score</p>	<p>SDG 3</p>  <p><b>Good Health and Well-Being</b> 2/2 Questions answered 0% Score</p>	<p>SDG 4</p>  <p><b>Quality Education</b> 2/2 Questions answered 100% Score</p>
<p>SDG 5</p>  <p><b>Gender Equality</b> 2/2 Questions answered 100% Score</p>	<p>SDG 6</p>  <p><b>Clean Water and Sanitation</b> 2/2 Questions answered 100% Score</p>	<p>SDG 7</p>  <p><b>Affordable and Clean Energy</b> 4/9 Questions answered 37.8% Score</p>	<p>SDG 8</p>  <p><b>Decent Work &amp; Economic Growth</b> 12/14 Questions answered 88.89% Score</p>
<p>SDG 9</p>  <p><b>Industry, Innovation and Infrastructure</b> 2/2 Questions answered 25% Score</p>	<p>SDG 10</p>  <p><b>Reduced Inequalities</b> 16/18 Questions answered 100% Score</p>	<p>SDG 11</p>  <p><b>Sustainable Cities and Communities</b> 2/2 Questions answered 82.8% Score</p>	<p>SDG 12</p>  <p><b>Responsible Consumption and Production</b> 2/2 Questions answered 100% Score</p>
<p>SDG 13</p>  <p><b>Climate Action</b> 2/12 Questions answered 0% Score</p>	<p>SDG 14</p>  <p><b>Life Below Water</b> 2/2 Questions answered 0% Score</p>	<p>SDG 15</p>  <p><b>Life On Land</b> 2/2 Questions answered 100% Score</p>	<p>SDG 16</p>  <p><b>Peace, Justice and Strong Institutions</b> 2/2 Questions answered 100% Score</p>


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### How can I improve my actions?

Improving your actions to support the goals is crucial to improve your ESG Maturity. These are the questions within the SPF questionnaire that have been identified as improvement areas, and outlines actions and guidance to begin extending your support and increasing your ESG maturity score.

#### Good Health and Well-Being

**Do employees have access to a healthcare programme?**

In countries where universal healthcare is not provided, it is vital to have a healthcare programme to be facilitated for by your business which can include health insurance. This could cover mental and physical health, maternity care and dental.

**Does your company give primary caregivers 12 weeks to 8 months of time off for parental leave (including unpaid and paid leave)?**

If your company does not yet have give parental leave, you could engage with Human Resources or equivalent departments to begin developing policies and plans that allow employees parental leave.

#### Sustainable Cities and Communities

**What percentage of your employees commute to work using public transport, company provided transport, walking or bicycling?**

If you do not know how your employees commute, creating a survey to send out to employees to gather this information would be a great starting point.

If you know the percentage of employees taking public transport, walking or bicycling to work is low, creating a scheme to encourage these environmentally friendly behaviours would be beneficial.

#### Life Below Water

**Does your company make efforts to reduce plastic usage?**

If your company does not have a strategy to reduce plastic usage, identify the areas in which your company uses plastic to highlight where you could reduce the usage and develop a strategy aligned with plastic reduction.

**Does your company carry out activities to protect marine life?**

If your company does not carry out activities to protect marine life, research ways in which your company could contribute to protecting marine life. For example, you could organize a beach clean-up with employees which would count as an activity to protect marine life.

#### Climate Action

**Do you have plans in place to reduce greenhouse gas emissions from your own operations, and from the manufacture and use of your products?**

If you do not have plans in place to reduce greenhouse gas emissions, measuring emissions associated with your operations, and from the manufacture and use of your products is an essential start. This can provide you with a carbon footprint from which you can set reduction targets.

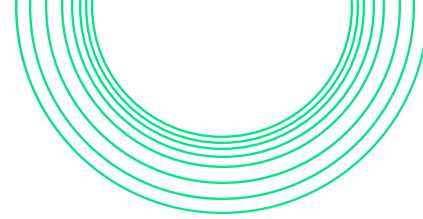
Most companies get external advice to do their emissions calculations.

**Do you seek to minimise the environmental impacts arising from transportation and logistics choices?**

If you do not seek to minimize the environmental impacts arising from transportation and logistics, it is likely to be financially beneficial to your company to do so, as well as environmentally beneficial. Reducing your environmental impact in this respect could be as simple as ordering products for bulk delivery rather than small, individual deliveries.

**Does your company measure greenhouse gas emissions?**

# Advisory board



**Geraldine Eloy**

Associate Director,  
Procurement Indirect



**Andy Griffiths**

Head of Sustainable  
Procurement



**Matt Kelly**

Americas Director Marketing  
+ Retail Procurement



**Martin Townsend**

Global Head of Sustainability +  
Circular Economy



**Sonia Rocher**

Managing Director  
European Private Credit



**Colin Curtis**

Managing Director /  
Founder



**Matthew Lewis**

General Manager



**Matt Boam**

Director



**Adrián Piñán**

General Director



**Tony Rouse**

President & CEO





# SPF award recognition



## **WINNER for**

Sustainable Supply Chain Award:  
**Sustainable Procurement  
Framework (SPF)**

Sustainable Supply Chain  
Partnership Award: **Sustainable  
Procurement Framework (SPF)**



## **HIGHLY COMMENDED for**

Supply Chain Sustainability:  
**Sustainable Procurement  
Framework (SPF)**



## **HIGHLY COMMENDED for**

Project of the year: **Sustainable  
Procurement Framework (SPF)**



**Thank You**



## Support the Goals in 2025

### Moving away from the SDGs

In early 2025, we will be more than halfway through the "decade of action". The time to educate businesses on the SDGs has passed, and we now need to focus heavily on rapid action.

In January, Support the Goals will become "Sustainability Learning" - a site purely dedicated to education on net-zero, biodiversity, human rights, DEI, and sustainable procurement.

It will provide a range of CPD accredited learning modules with courses on each of the five themes, based on TBL's knowledge and experience of these.

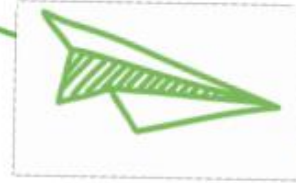
Learners can gain certificates for completing each of four levels – introduction, fundamentals, practitioner, and advanced.

Content at the introduction level will be free. Other levels will have a nominal cost – our aim is not to generate revenue from this, but simply to cover costs.

The site will be available to anyone, but TBL will encourage businesses to direct their suppliers towards it.



# Looking ahead



## Benefits for SPF

### Educating and rewarding suppliers

Content from Support the Goals will continue to be available to users of SPF, allowing suppliers to gain increased education on five key topics which align with four of HH Global's priorities.

We can also generate additional content specifically for HH aligned with circular economy principles, or existing conscious creative materials can be included.

As our content will be aligned with four levels, this can be tiered towards the five supplier ratings, allowing suppliers to receive the following:

- **Emerging** suppliers get **introduction** content
- **Evolving** suppliers get **fundamentals** content
- **Embedded** suppliers get **practitioner** content
- **Excelling** suppliers get **advanced** content

The content is designed to progress a supplier to the next level, hence distinguished suppliers don't require any. We can generate certificates for suppliers who complete the courses, with CPD accreditation.

