

Retailer & Education Green Chemistry Webinar Series

Training and Incentivizing Merchants to Purchase Sustainable Products - Three Perspectives

February 4, 2015



What is the GC3?

- Cross-sectoral, B2B network of over 70 companies and other organizations
- Formed in 2005
- Collaboratively advances green chemistry across sectors and supply chains



Today's Speakers

JASON PEARSON



**Executive Director,
Sustainable Purchasing
Leadership Council**

ROB KAPLAN



**Sustainability Director,
Walmart**

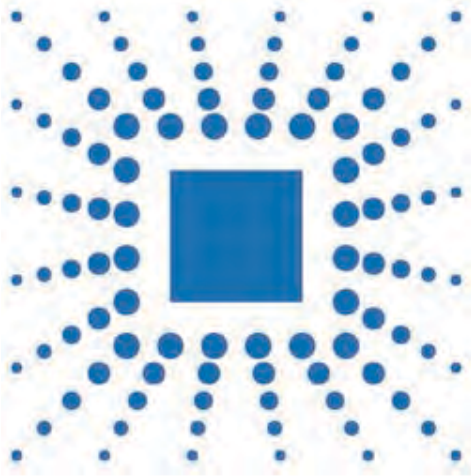
LARRY GARCIA



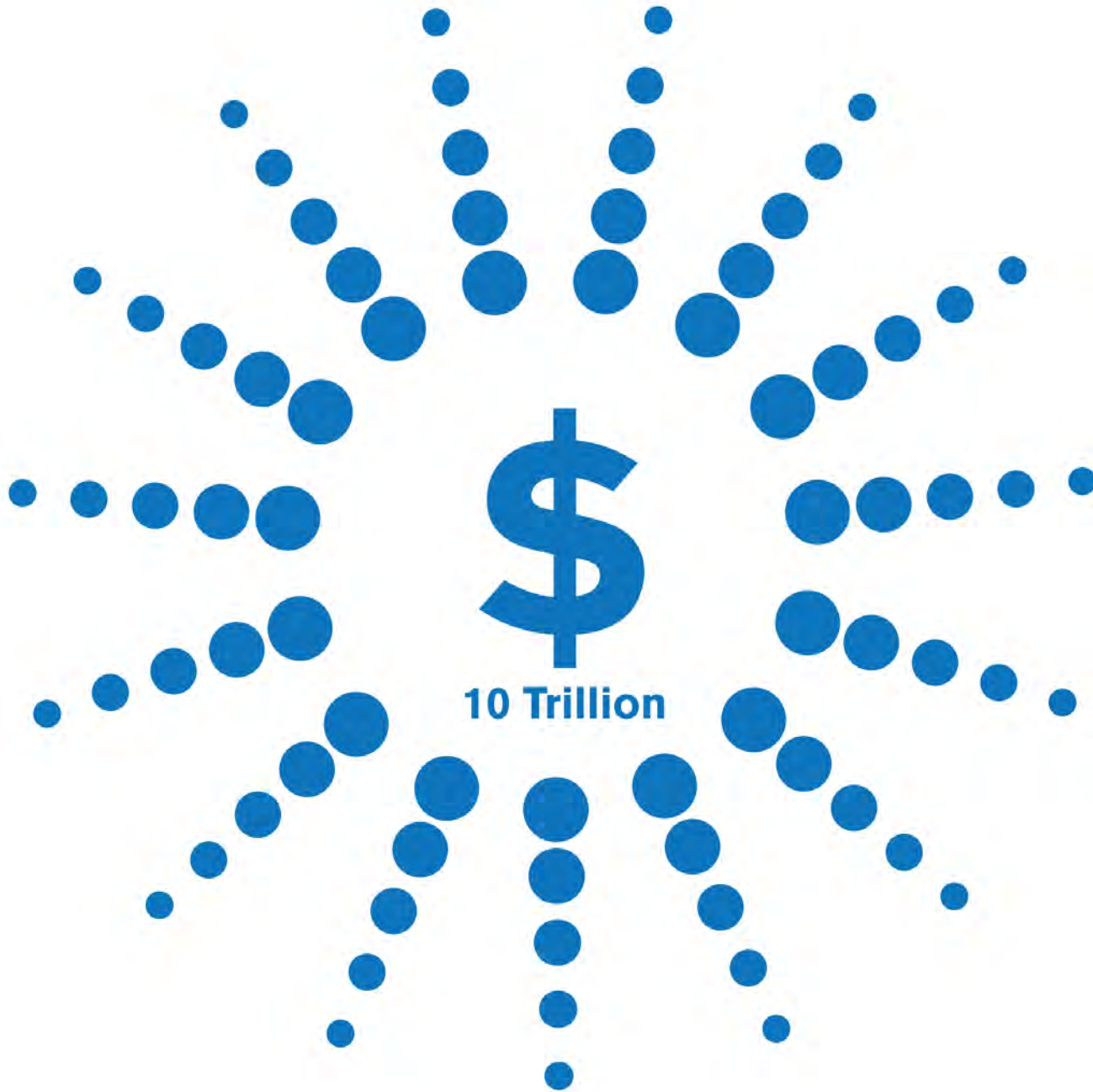
**Sr. Environmental Analyst,
Seattle City Light**

Ground Rules

- Due to the number of participants in the webinar, all lines will be muted
- If you have a question or comment, please type in the Q&A box located in the drop-down control panel at the top of the screen
- Questions will be answered at the end of the presentation



**SUSTAINABLE
PURCHASING
LEADERSHIP
COUNCIL**





DEFORESTATION



OVERFISHING



SWEATSHOPS

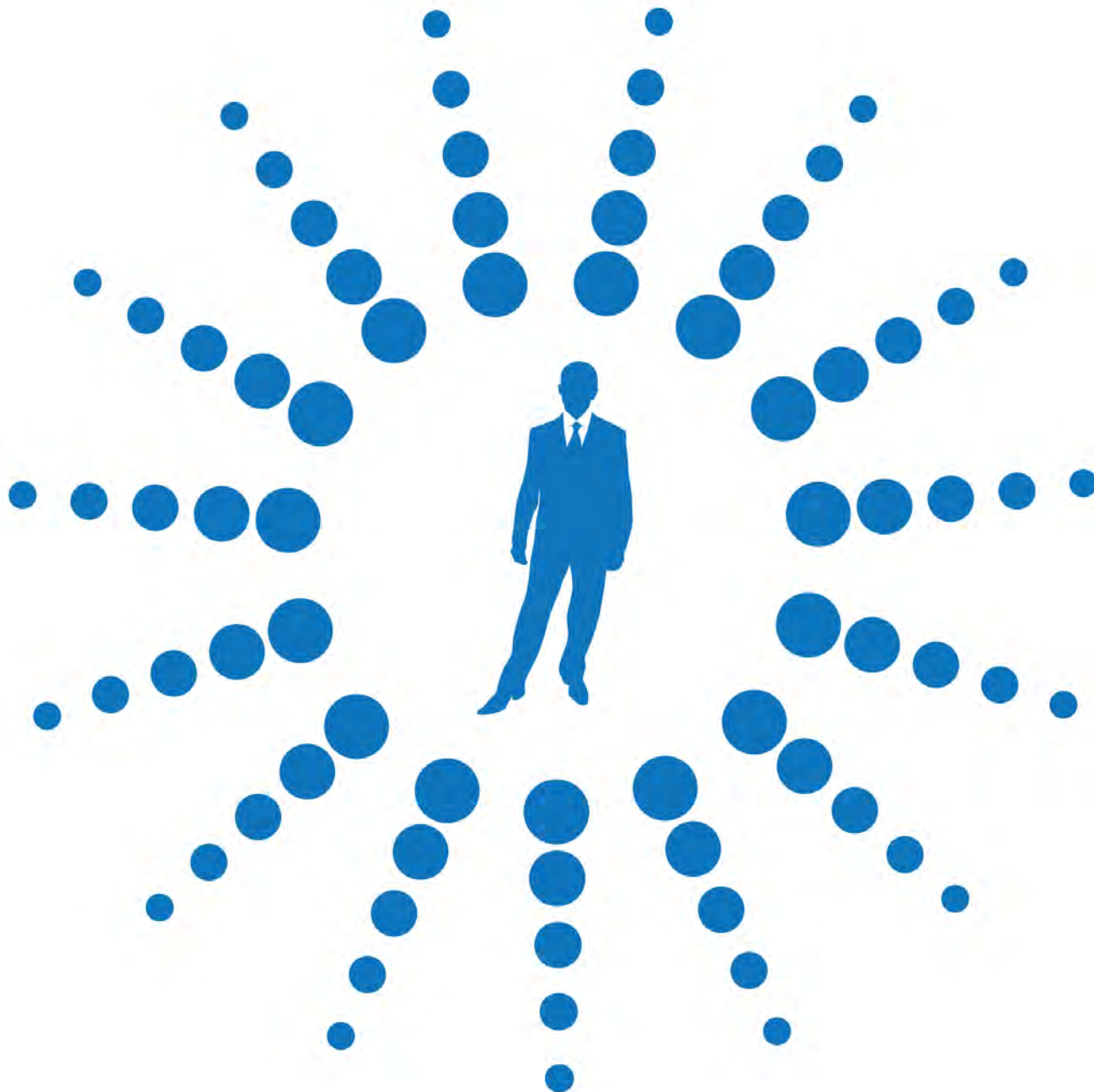


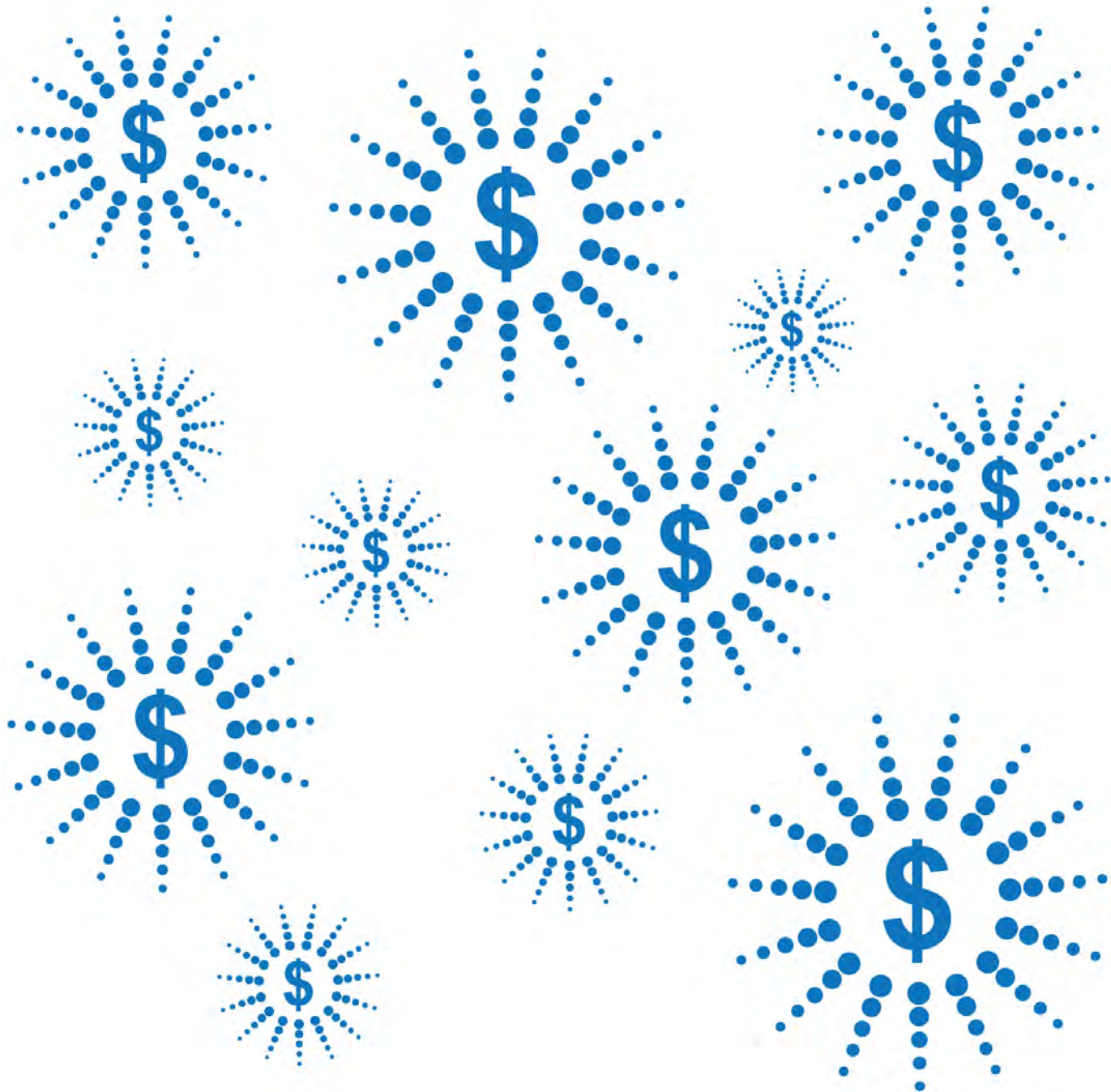
DISCRIMINATION

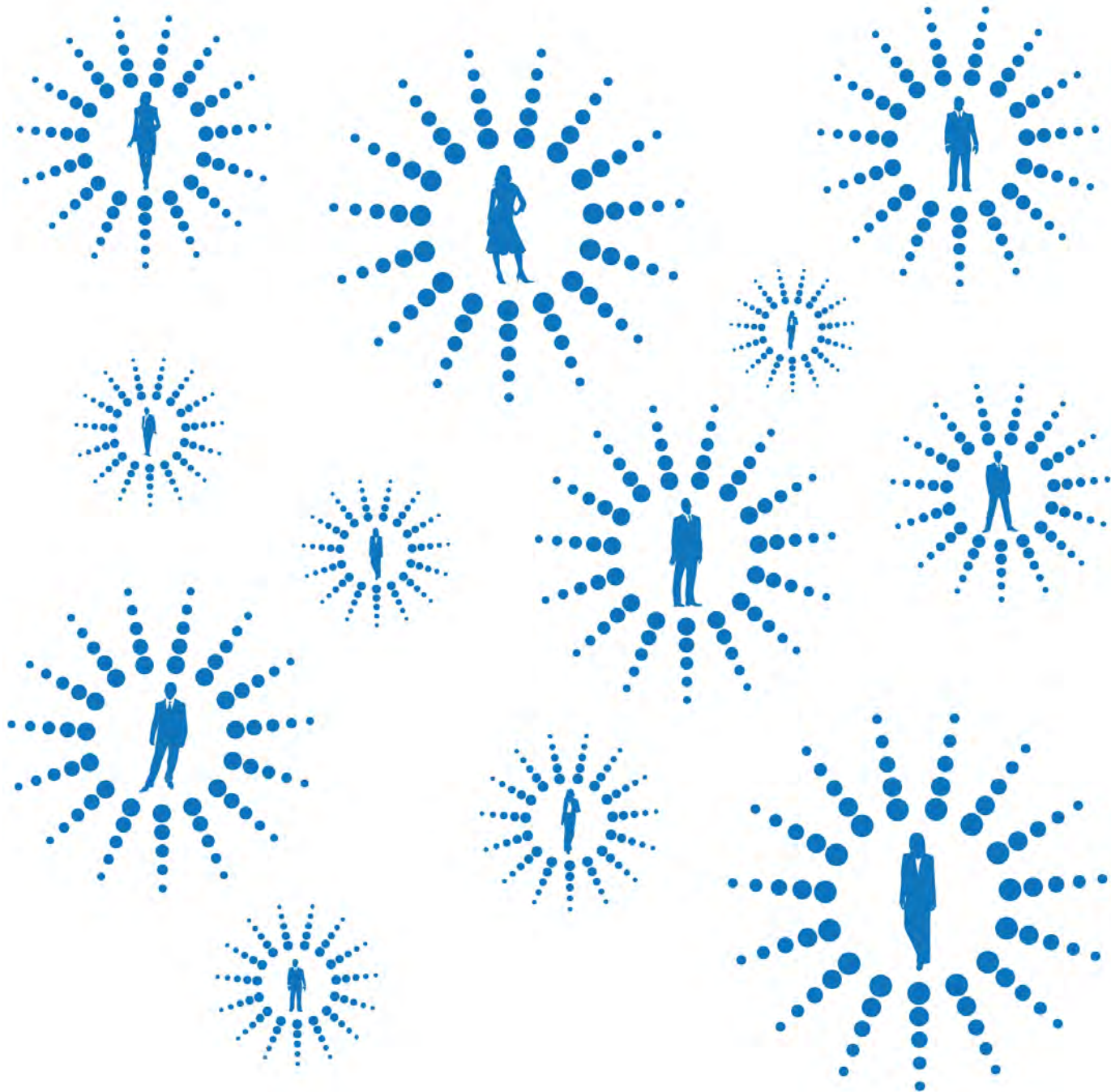
“ Our acquisition of goods and services creates a carbon footprint **nine times** that of our buildings and fleet, put together.”

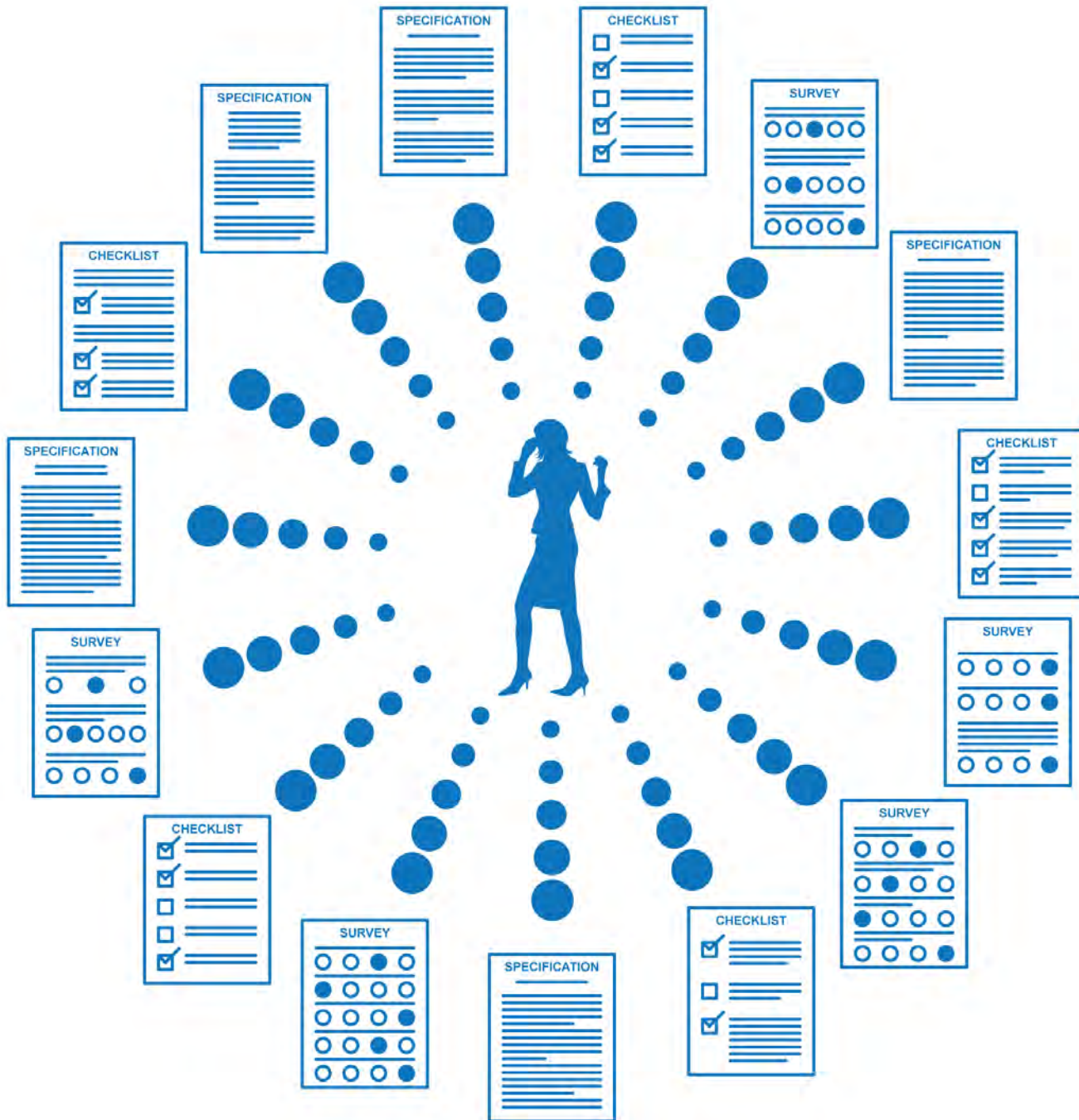


Dan Tangherlini
Administrator
US General Services Administration

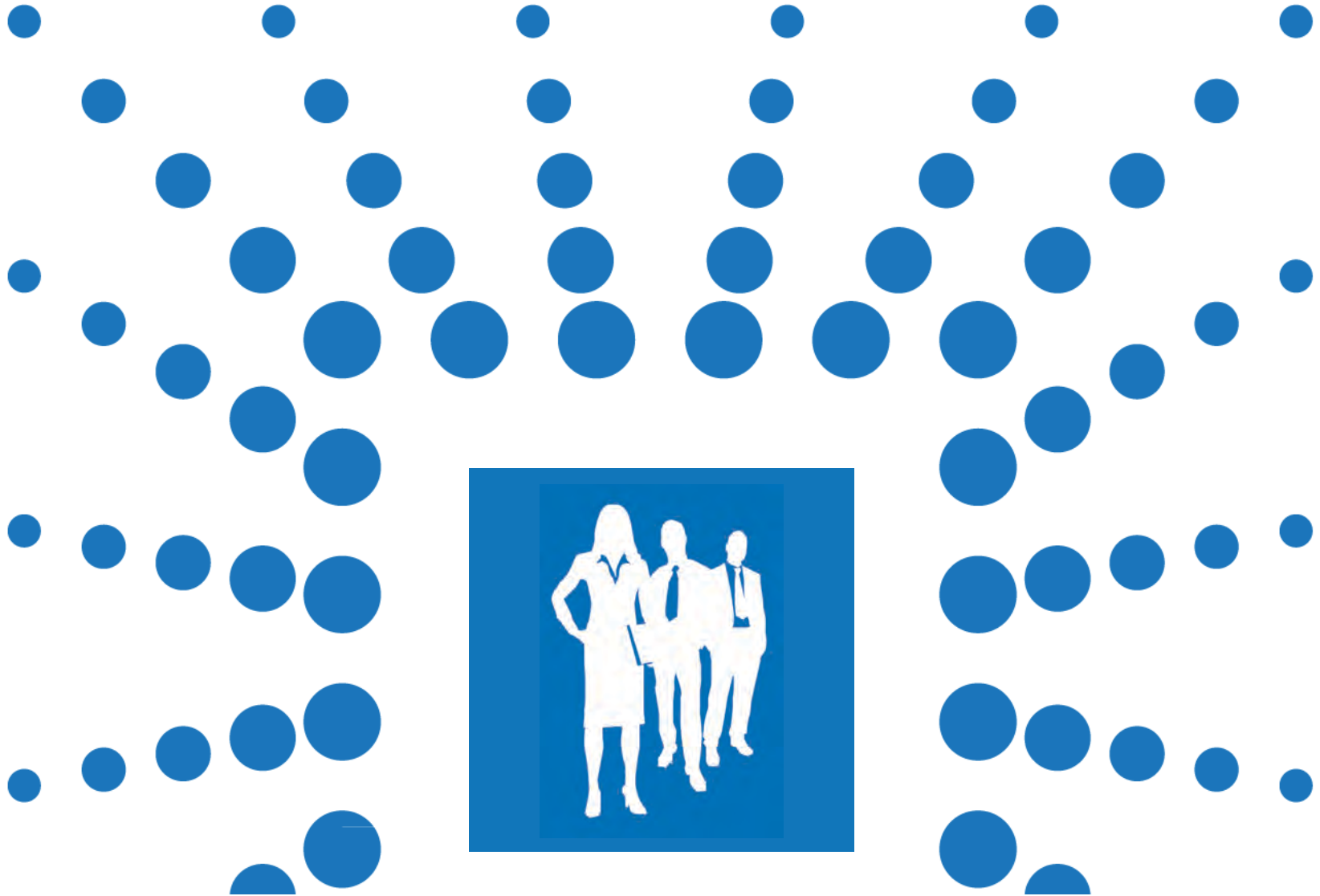








Could we collaborate to launch a shared program for guiding, measuring, and recognizing leadership in sustainable purchasing?



The timeline...

Launch Event

Viewed by 1000+ organizations in 46 countries.
Hosted at American University.
Moderated by Joel Makower and broadcast by



Livestream

Katie Kassof

3 Panel Conversation

Joel Makower, GreenBiz Group (moderator)

Alison Kinn Bennett, US Environmental Protection Agency

Chris O'Brien, American University

Jason Pearson, Sustainable Purchasing Leadership Council

Yalmaz Siddiqui, Office Depot

Chat (Everyone)

Julia F: UL has over 1400 standards which are developed through open consensus based processes

Dave Barbier: How do we get the recorded version of the presentation?

Julia F: (david)

Marci Kinter: Yes, I have heard of the Sustainability Consortium – they are based at the University of Arkansas

nathan contreras: this sounds a lot like

nathan contreras: <http://www.sustainabilityconsortium.org/>

Beth Holst: thats it

David Hyatt: I am at University of Arkansas - have written academic case studies on WMT and the sustainability consortium

Julia F: That would be a good question to ask

Joshua Martin: yes, i asked about TSC and the Consumer Goods Forum. How is SPLC positioned in relation to those.

Multiple Attendees are typing...

Q&A | *Submit questions here please*

Information

All audio for today's event will be served through your computer speakers. Please submit all questions into the Q&A Pod to the left. Slides for today's event are available for

Download Slides Here

Name	Size
SPLC_Webcas	10 MB
SPLC_Webcas	1 MB

Download Slides

ADOBE CONNECT

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0:58:02/1:27:35
🔊

Founders Circle formed



City of Portland, OR



City of San Francisco, CA



City of Washington, DC



The power to do more



State of California



State of Michigan



State of Minnesota



Strategic Partners engaged



2013

2014

2015

▲
Founding Summit



Website launched

SUSTAINABLE PURCHASING LEADERSHIP COUNCIL | Defining and recognizing leadership in institutional purchasing

www.purchasingcouncil.org

Register today!
2014 Annual Meeting
(May 20-21, Washington DC)

search...

Home Who What Join News

Welcome.
We are a community of professionals dedicated to using the power of sustainable procurement to advance local and global quality of life.
Join us.

We convene a COMMUNITY of leaders.
The Council brings together visionary professionals from institutions, suppliers, government, standards bodies and NGOs to simplify, optimize and standardize the practice of sustainable procurement. Together, we can leverage the trillions of dollars spent by organizations to drive social, environmental, and economic sustainability.

We will offer GUIDANCE for implementation.
The Council's membership collaborate with each other and with other partners to supply purchasers with the best available hot spot and product-specific guidance in a manner that prioritizes high-impact areas of spending and that supports procurement processes commonly found in the public and private sector.

We propose a LEADERSHIP recognition program.
Just as the USGBC's LEED program provides a shared platform for guiding, measuring, and recognizing leadership in green building, the Council proposes a shared platform for guiding, measuring, and recognizing leadership in sustainable procurement.

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2013

2014

2015

▲
Membership opens



A big tent.



Principles released



Principles for Leadership in Sustainable Purchasing



Version 1.0
Adopted April 2014

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Principles released

Principles for Leadership in Sustainable Purchasing

An organization⁹ demonstrates leadership in sustainable purchasing through:¹⁰



Understanding. Understanding the relevant¹¹ environmental, social, and economic (ESE) impacts of its purchasing.



Commitment. Taking responsibility for the relevant environmental, social, and economic (ESE) impacts of its purchasing by committing to an action plan.



Results. Delivering on its commitment to improve the relevant environmental, social, and economic (ESE) impacts of its purchasing.



Innovation. Actively promoting internal and external innovation that advances a positive future.



Transparency. Soliciting and disclosing information that supports a marketplace of innovation.

These criteria outline a framework for specific actions. The SPLC recognizes that timelines for achievement will vary across criteria and market sectors based on the availability of: tools and resources to implement representative actions; products and services that effectively improve the relevant ESE impacts of an organization's purchasing; and practical tools and resources to measure that improvement.



2013

2014

2015

▲
Annual Summit

2014 ANNUAL MEETING

Washington DC Convention Center
May 20-21

Share expertise. Discover solutions. Build relationships. **Shape the future.**



175 Attendees, 121 Organizations, 20 Workshops

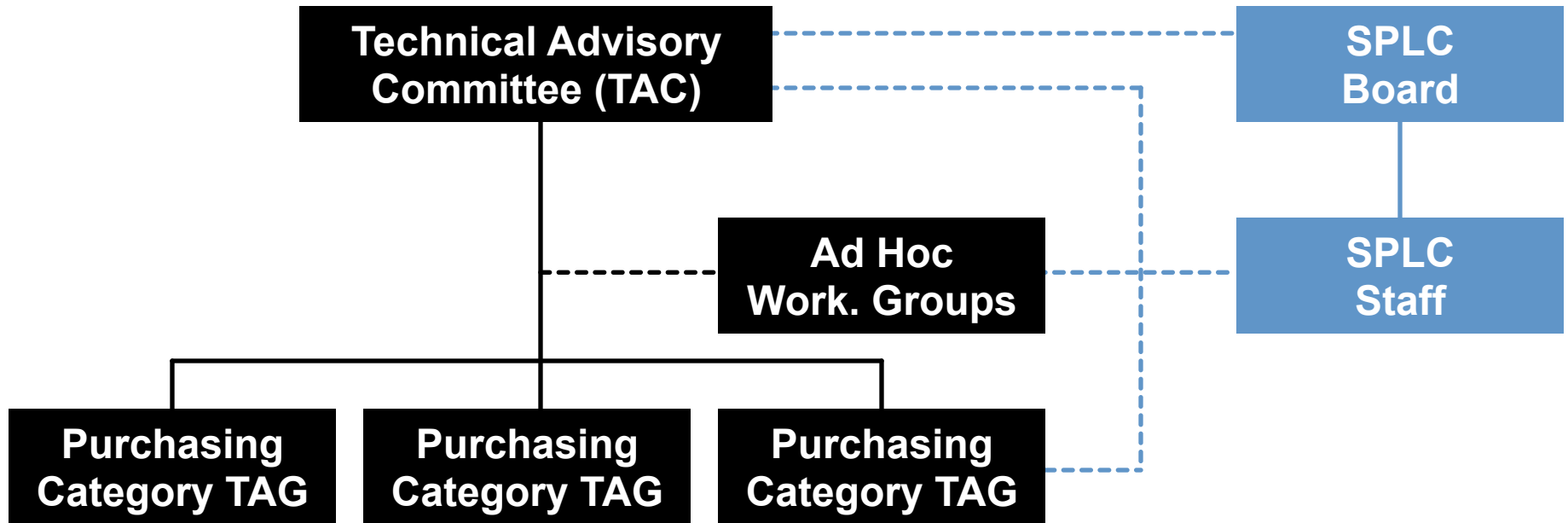
2013

2014

2015



Program Committees formed





Program Committees formed



Guidance for Leadership in Sustainable Purchasing Version 1.0



Guidance v1.0 Release **TOMORROW!!!**



Guidance for Leadership in Sustainable Purchasing Version 1.0



<https://www.sustainablepurchasing.org/guidance/>



Chapter Overview

Chapter 3 provides guidance to help organizations ensure that their Sustainable Purchasing Program will be *strategic*, i.e. that actions taken will meaningfully improve the environmental, social, and economic performance of an organization's purchasing.

To this end, the Chapter introduces a structured process for prioritizing:

- 1) **overall strategies** —e.g., “Scope 3 GHG reduction strategy”; “supplier diversity strategy”—that advance the organization's goals; and
- 2) **specific projects and actions** that will advance those strategies.

The *Guidance* assumes that the Program Leader identified in Chapter 2 will this process *iteratively* to facilitate the collaborative planning and implementation of an appropriate set of larger strategies that, over time, cumulatively enable the organization to achieve a leadership level of sustainable purchasing performance.

Prioritize.

The Importance of Prioritization

Leadership requires prioritization. Organizations that demonstrate leadership in sustainable purchasing prioritize each incremental expansion of their program by focusing on strategies that offer the greatest opportunity to improve the overall environmental, social, and economic performance their supply chain, typically by following two parallel and related lines of strategic inquiry:

- **What do we buy, and why does it matter?** Which categories of spending offer the best opportunities for us to advance a positive environmental, social, and economic future?
- **From whom do we buy, and why does it matter?** Which suppliers present the greatest opportunities or risks for us to advance a positive environmental, social, and economic future?

A Sustainable Purchasing Program cannot be strategic *as a whole* if it doesn't answer—or at least grapple with—these two questions.

The Challenges of Prioritization

Prioritization is not easy. The two fundamental questions that leadership organizations ask—“What...?” and “From whom...?”—are deceptively simple, yet hard to answer, in practice. Internally, it can be difficult to collect, validate, and classify organization-wide spend data. Externally, supply chain information may be incomplete, inaccurate, or inaccessible. And even if data is available, methods for using this data to estimate the environmental, social, and economic performance of goods and services are often approxi-

mate, and sometimes controversial. Further, accurate assessments of alternatives to current practice may be equally lacking. This means that quantitative assessment may not be possible at all, and expert knowledge, if accessible, may be required as a substitute.

While satisfactory answers may not always be available, however, leaders nevertheless strive to answer these questions because of their importance to ensuring that a Sustainable Purchasing Program actually delivers meaningful results. Otherwise, an organization could invest years in strategies that deliver minimal environmental, social, and economic benefits or—worse—could discover that its well-intentioned efforts had actually done more harm than good.

The Strategy Cycle: A Structured Process for Prioritization

This *Guidance* proposes the “Strategy Cycle” as a structured process for addressing the diversity of factors that may influence an organization's strategic prioritization process. **The *Guidance* assumes that, in most cases, an organization will use a Strategy Cycle to guide the process of prioritizing one or more high-level strategies for its sustainable purchasing program, and then use successive Strategy Cycles to further develop each of these strategies.** The following section provides an overview of Strategy Cycles, and the remainder of Chapter 3 provides a step-by-step guide for using Strategy Cycles to develop a highly effective Sustainable Purchasing Program.



Pilot phase

Guidance for Leadership in Sustainable Purchasing Version 1.0
 3. Run the Program / An Introduction to Strategy Cycles

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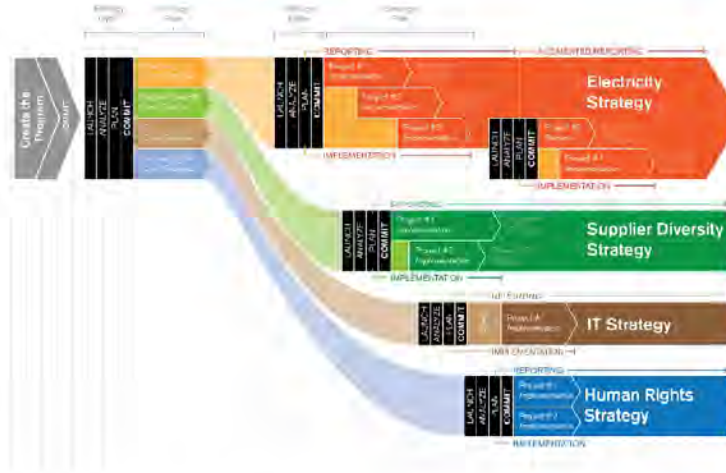
Running Multiple Strategy Cycles

A Program may have more than one Strategy Cycle running at the same time. A large company may have enough staff to have a cycle focused on growing supplier diversity at the same time that it has another cycle focused on identifying and addressing labor and human rights risks in the supply chain. Or, a hotel chain may decide to support two independently operated locations in running cycles focused on food sourcing.

Additionally, the project plans that result from a Strategy Cycle could require years to fully implement. For example, if the Strategy Team identifies a contract coming up for renewal in 18 months as a ripe opportunity to push for improvements, the project plan they develop for how the organization should approach that contract renewal will likely have a timeline that extends into the administration of the new contract. Or, if one of the plans is to raise the vehicle fleet's fuel economy by 5 mpg, that may take three years of fleet turnover to accomplish.

During the implementation phase, the Program Leader therefore primarily plays a facilitator role, checking in on progress and making sure that required training and resources are delivered. The project plans themselves are usually carried out by staff who are expert in specific areas of the organization's operations or contracting. Additional performance tracking is generally the only long-term responsibility the Program Leader or their staff pick up with each Cycle. For this reason, a single Program Leader can facilitate multiple Strategy Cycles one after another, or even simultaneously.

The diagram shows how the Strategy Cycle enables an organization to grow its Program iteratively and strategically. After the organization makes the commitment to launch a Sustainable



Purchasing Program in the middle of Year 1, it invests the next year conducting a Strategy Cycle that analyzes all of the organization's spending for a wide range of supply chain impacts, in order to identify the areas where the organization has the greatest opportunity to improve its supply chains environmental, social, and economic performance.

The resulting Strategy Plan contained project plans for four new Strategy Cycles that would dive deeper into each of four priority areas. The first implemented a Strategy Cycle to develop its Electricity Strategy, which included three projects to be implemented over the next year. The next Strategy Cycle developed a Supplier Diversity Strategy, which included two projects under the

guidance of an Implementation Team. The IT Strategy developed next resulted in only one project, with a delay, because the organization's best opportunity came when its primary IT contract came up for renewal.

Finally, while the Human Rights Strategy was being developed, the organization had the capacity to simultaneously run a second Electricity Strategy Cycle because there was so little overlap between the personnel required for the two Strategy Teams. The two projects resulting from the second Electricity cycle became part of the overall Electricity Strategy, augmenting the tracking and reporting of performance that was already happening for that Strategy.



Pilot phase

Guidance for Leadership in Sustainable Purchasing Version 1.0
4. Category Guidance / Chapter Overview

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Purchasing Category Guidance for

Chemically Intensive Products

Subcategories

- Boilers and Cooling Tower Water Treatment Programs
- Cleaning and Sanitizing Products for Facilities Care
- Landscaping and Grounds Maintenance *(included in public release)*
- Paints and Coatings *(included in public release)*

Technical Advisory Group

Beth Beckl, Practice Green-Health
David Rivkin, PhD, Sustainable Methods Institute
David Sarokin, U.S. Environmental Protection Agency
Jessian Choy, San Francisco Dept. of the Environment
Larry Garcia, City of Seattle
Lynne Olson, Ecolab
Matthew Grieco, Lockheed Martin
Sandra Cannon, U.S. Department of Energy
Sara Cederberg, U.S. Green Building Council
Stephen Ashkin, Green Cleaning Network
Steven Bennett, Consumer Specialty Products Assoc.
Timothy Seric, American Coatings Assoc.



SUSTAINABLE PURCHASING LEADERSHIP COUNCIL

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2013

2014

2015

SPLC Summit
May 2015



SUSTAINABLE
PURCHASING
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COUNCIL

2015 SUMMIT

Seattle, Washington
May 2015

Share expertise. Discover solutions. Build relationships. Shape the future.



<https://www.sustainablepurchasing.org/summit15/>

2013

2014

2015



Rating System
begin development





WWW.SUSTAINABLEPURCHASING.ORG

Rob Kaplan

Sustainability Director, Walmart





CHEMICAL USE REDUCTION

Chemical Approval and Alternative Assessment Program

Larry Garcia
Senior Environmental Analyst

www.seattle.gov/light



OUR MISSION

Since 1905, City Light has delivered clean, renewable, low-cost, reliable power to its customer-owners. A recognized national leader in environmental stewardship, City Light has saved enough energy since the mid-1970s to power the households of four cities the size of Seattle for a year. In 2005, City Light became the first utility in the country to be carbon neutral and remains the only utility in the country to be net-zero carbon generating. As a publicly owned municipal utility, Seattle City Light is committed to delivering the best customer service experience of any utility in the nation.

“Every human being is now
subjected to contact with
dangerous chemicals from
the moment of conception
until death”

Rachel Carson
Silent Spring

CHEMICAL USE REDUCTION POLICY

- Departmental Policy and Procedure DPP II – 365 – 3
- Effective April 2003
- Purpose
 - To reduce SCL's overall use of hazardous materials
 - To increase the use of less harmful alternates

**“What is the use of a house
if you don’t have a decent
planet to put it on”**

Henry David Thoreau

CHEMICAL APPROVAL POLICY

- Managers and workers select the least hazardous chemical
- WRTK coordinators for each work unit
- Assistance from Health & Safety and Environmental Affairs
- Chemical Approval Process

CHEMICAL APPROVAL PROCESS

- Product submitted to the Chemical Approval Program Coordinator
- Tiered hazard ranking
- Higher hazard products prompt an alternative assessment
 - Need assistance from the end user
 - May need assistance from engineering

HAZARD RANKING

- Value Based
 - Aquatic Toxicity
 - Flammability
- City Light examples:
 - Use no carcinogens if safer alternatives exist
 - Use the least flammable option
 - Use no persistent bioaccumulative toxins if safer alternatives exist

STANDARDIZATION

- Green criteria in contracts
 - High volume products
 - High hazard materials
- Increase use of vendor contracts
- Limit purchasing
 - Credit cards
 - Purchase orders
- Adopt universal standards

QUANTITY

- Purchase the minimum amount needed
- Disposal costs for dangerous waste usually exceed purchase costs
- Product shelf life

DESIGN

- Process change
- Improved O&M
- Product changes
- Closed loop recycling
- Material substitutions



APPROVALS AND HAZARD TIERS

Possible Approvals

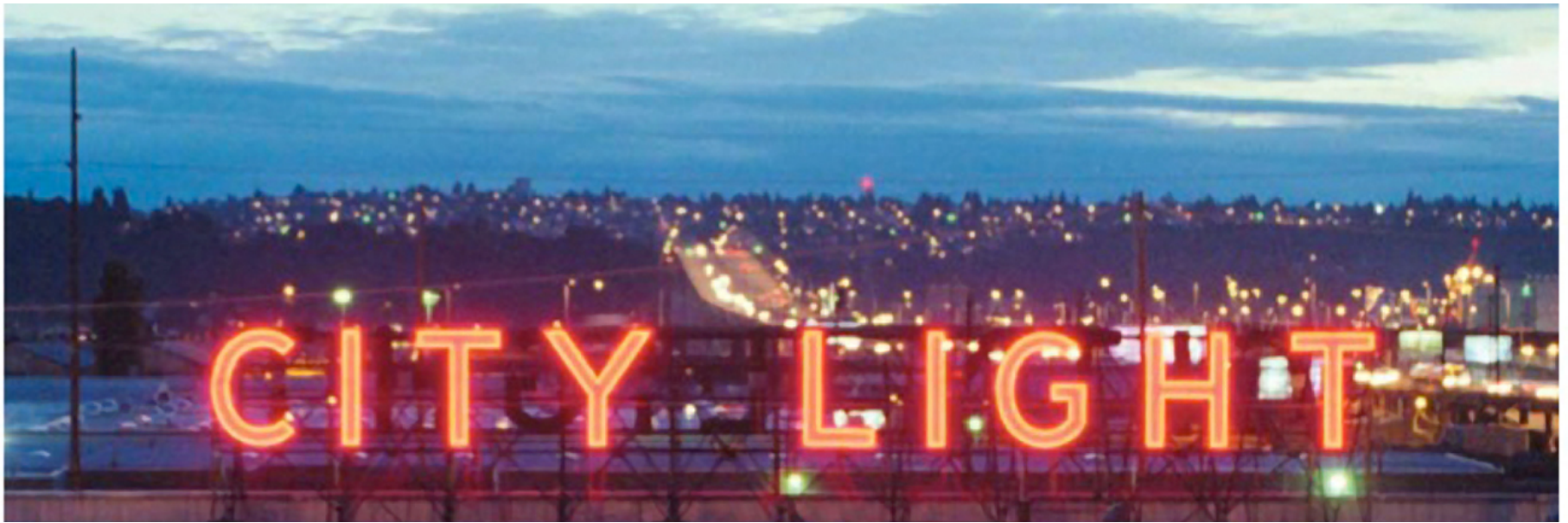
Characteristics

Tier 1	Not Approved Substitute If Possible	carcinogen persistent bioaccumulative toxin reproductive hazard	severe acute toxin powerful sensitizer
Tier 2	Substitute If Possible Not Approved	flammable toxic	
Tier 3	Preferred Product Preferred Product - WT02 Substitute If Possible		
Tier 4	Preferred Product Preferred Product - WT02	readily biodegradable low toxicity	

We stand now where two roads diverge.

But unlike the roads in Robert Frost's familiar poem, they are not equally fair. The road we have long been traveling is deceptively easy, a smooth superhighway on which we progress with great speed but at its end lies disaster. The other fork of the road – the one less traveled by – offers our last, our only chance to reach a destination that assures the preservation of the earth."

**Rachel Carson
Silent Spring**



OUR COMMITMENT

Building on a legacy of clean hydro power, Seattle City Light partners with customers to secure a green energy future. We are leaders in providing innovative ways to conserve electricity and invest in renewable resources.

Upcoming Events



10th Annual GC3 Innovators Roundtable

April 28-30, 2015

NIKE World HQ, Beaverton, OR



Thanks for joining us!

For more information about the GC3:
www.greenchemistryandcommerce.org

