RIGHTHUB

Sustainable Procurement and Suppy Chain

RIGHT HUB and Sustainable Procurement

For RIGHT HUB**, Sustainable Procurement and Supply Chain** is **the process** by which companies meet their needs for goods, products, materials and services in order to gain benefits from using them throughout their life cycle**, while benefiting society and the economy, minimizing any negative impact on the environment and the community.**

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RIGHT HUB and Sustainable Procurement

RIGHT HUB is strongly convinced that **the complexity of purchasing management and supply chains is a great opportunity** to develop environmental, social and ethical sustainability in purchasing because **in every company there are hundreds and thousands** of:

- **stakeholders** (inside and outside the company);
- **goods and services** (manufacturing materials and general spending);
- **first, second, third, … tier-suppliers**;
- **proposals, quotations, orders, contracts** and transactions.

That is a **potential and enormous 'critical mass'** that can generate a **concrete and effective boosting** of sustainable development along the supply chain of a company.

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The 4 key areas of Sustainable Procurement and Supply Chain

- ✓ Energy Consumption and Renewable Energy
- ✓ Emissions CO2 (Carbon Footprint)
- ✓ Water Biodiversity
- ✓ Local pollution
- ✓ Local materials,
- ✓ Chemicals and waste
- ✓ Use and Disposal
- ✓ Product Life Cycle (LCA)
- ✓ Circular Economy
- ✓ Health and Safety
- ✓ Sustainable Consumption
- ✓ Sustainable Logistics and Transportation
- ✓ Sustainable Mobility

- ✓ Workers' Health and Safety Conditions and Fair Wages
- ✓ Union relations
- ✓ Career management and training
- ✓ Forced and minority discriminatory policies Disability
- ✓ Basic human rights
- ✓ Social Procurement (social cooperatives and social enterprises)

- ✓ Corruption and Collusion
- ✓ Respecting Contractual Terms
- ✓ Uncompetitive Practices
- ✓ Responsible Maketing and sales
- ✓ Transparency

- ✓ Development of local suppliers and communiity
- ✓ Development of 'diverse' suppliers (social cooperatives and social enterprises)
- ✓ Creation of new products and services
- ✓ Innovation
- ✓ Start-up
- ✓ Upcycling (recycling and reuse waste to create new products)

Our proposal for Sustainable Procurement and Supply Chain

RIGHT HUB supports companies with a **broad and scalable spectrum of tactical and strategic activities**, such as:

- structural introduction of Sustainable Procurement in **Corporate Social Responsibility (CSR) practices and strategies**, taking into account specific context and priorities of the enterprise;
- **benchmarking** across the market sector;
- design of an **ad-hoc policy for Sustainable Procurement**;
- **training of the purchasing staff** and internal and external stakeholders (suppliers) ;
- **ad-hoc design and execution of the purchasing product category assessment plan** according to environmental, social and ethical criteria and the risk index (RAG Analysis);
- **review of supply contracts** with the introduction of ad-hoc clauses;
- **ad-hoc design and execution of the supplier evaluation plan** in relation to their environmental, social and ethical sustainability profile (initiatives, objectives, plans, etc);
- aligning with the **cost-cutting targets and plan**;
- **KPIs - Key Performance Indicators** set up;
- contributing in the drafting of what is needed for the **company's CSR annual report** about the Sustainable Procurement and Supplier Management requests;
- **set up corrective actions** and **continuous improvement plan;**
- assessment and analysis based on **ISO 20400- Sustainable Procurement Guide.**

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RIGHT HUB and ISO 20400

RIGHT HUB supports companies in verifying and evaluating the purchasing process in relation to the **ISO 20400 – Sustainable Procurement Guide guideline according to the following 3 key steps:**

1.

Analysis activity (assessment): the detailed analysis of purchasing and supplier management processes and tools will take place through interviews with all the figures involved in the purchase process and through the analysis of the main documents (policies, procedures, organization charts, etc.);

2.

Evaluation of areas of improvement and deviation (gap analysis): the evaluation phase will be carried out through the "Gap Analysis Tool", a tool that allows to evaluate the purchasing process according to the 4 key macro-categories of ISO 20400 (Fundamental Elements, Policies and Strategy, Organization and Processes), thus highlighting strengths and weaknesses and areas that need development work;

3.

Definition of outputs and recommendations: the output is also represented by a series of radar diagrams that will highlight the deviations of the purchasing process compared to the ISO 20400 based on the macros and micro categories considered. The final report (deliverable) will provide an assessment of the deviations recorded for each macro and micro category and recommendations on actions to be put in place to reduce or eliminate gaps in order to make the purchase process compliant with ISO 20400.

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The key benefits of Sustainable Procurement e Supply Chain

The introduction of a process focusing on environmental, social and ethical sustainability in the management of a company's purchases and supply chain **strongly contributes** to the following main goals:

- ensures a better **risk management** and mitigates supply chain disruption;
- contributes to **local economic development and social procurement**;
- improves the **"Total Cost of Ownership"** of products, services and materials;
- contributes to the **reduction of environmental and social taxes**;
- improves the environmental, social and ethical performances of the company, also in relation to the **SDGs - Sustainable Development Goals-UN;**
- Increases the **brand recognition** and improves **reputation**;
- stimulates the **sustainable growth** of its economic sector, the **innovation** and the **development** of brand new products, materials and services;
- reinforces the **ethics of business**;
- improves the **relationship with suppliers** and all other stakeholders.

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