



Responsible procurement

Through our Goods and Services Not for Resale (GNFR) buying processes, we have a real opportunity to co-operate with our suppliers for a fairer world.

During 2020, we undertook a full review of our GNFR Ethical Trade, Sustainability and Shared Value Strategy, in part to reflect the changing landscape as a result of Covid-19. Launched in September, our new strategy outlines our ambition that by doing business differently, our £1.3bn of commercial relationships can help protect the planet, improve people's wellbeing and strengthen local communities.

To embed the strategy into everything we do, we established Working Groups covering five workstreams:

- Diversity and Inclusion
- Shared Value
- Covid-19 Response
- Ethical Trade and Labour Standards
- Environment

Our GNFR Shared Value Charter

In 2019 we launched our Shared Value Charter, which outlines how we want to do business differently. The charter is now issued with all GNFR tenders and, for contracts over £5m, suppliers' responses are used in the evaluation of tenders.

The charter has been updated to reflect our revised community and sustainability objectives and our Commitments to Racial Inclusion. We're working with suppliers to identify opportunities to deliver on this, which we'll report in 2021.

Ethical trade and human rights

We've continued to focus our ethical trade and human rights activities on some of our highest risk areas such as construction, cleaning, and labour providers. In cleaning, for example, we trialled the use of a 'worker voice' programme to enable us to better understand conditions for workers whilst also testing alternative approaches to physical ethical audits. We will also be requiring our primary labour providers to complete the Responsible Recruitment Toolkit online assessment.

We use Sedex¹ to monitor and engage with suppliers in our higher-risk categories. We currently have 84 suppliers in our programme, covering 119 sites.

¹ Sedex is a web-based database where suppliers upload labour standards information, including self-assessments and site audit reports.

Pulling together during a difficult year

The impacts of Covid-19 have highlighted the importance of shared value, and we've seen many suppliers go above and beyond to support communities. For example SAP, donated £10k to Co-op Academies Trust to support students without digital learning access during the height of lockdown and DHL colleagues working with the Co-op donated the value of their annual gifted hamper to Crisis, at a value of £5,500, helping provide nearly 200 lunches for homeless people.

Whilst our suppliers supported our communities, we supported them by providing key business support information and reviewing supplier payment terms to ease cashflow for those struggling during restrictions.



Environmental impact

We have continued to engage with suppliers to better understand their approach to issues such as climate change and responsible resource use, with a focus on uniforms, cleaning products and consumables.

For example, we're working with our uniform supplier to better understand the full environmental footprint of our uniforms. We will also undertake a scoping exercise to inform our approach to our Scope 3 carbon emissions from the products and services we buy.

Co-operation and leadership

Through our role as steering group members, we have continued to play an active part in the [Greater Manchester Social Value Network](#), contributing to the development of its manifesto for 2021. As a founding member of the Indirect Procurement Human Rights Forum (IPHR) we launched and now chair the **IPHR Waste & Recycling Working Group**, a truly cross-sector network, with over 20 different organisations.

With the launch of our inclusion commitments, a big focus for us in the coming year will be developing detailed diversity and inclusion plans with our suppliers.

2021 target

Following the launch of our Shared Value Charter, we will commence a programme to measure the shared value activity in our supply chain.