

Sustainable procurement at SUEZ recycling and recovery UK

in 2023



This report has been developed to provide a detailed overview of how SUEZ recycling and recovery UK manages its procurement activities to comply with best practice in procurement and meet its triple bottom line commitments, ensuring we procure in such a way that supports the profitability of our business, while also protecting the planet and the people within it.

About SUEZ recycling and recovery UK

Part of the global SUEZ group, we employ more than 6,000 people in the UK. Since 1988, we have been delivering innovative and environmentally responsible solutions to manage waste and water for our customers – households, local authorities, and industry and commerce.

Always protecting the environment, our services and company have evolved over time as we innovated to maximise the value we recover from our customers' waste.

A pioneer of the circular economy, we have re-engineered our original waste management business. Today, SUEZ generates electric power and heat, manufactures alternative fuels, processes reclaimed wood and produces compost – as well as securely managing a wide range of materials from recyclables to confidential waste and hazardous waste.

Sustainability is the only business case – for our company, and ultimately, for the Earth, economy and everyone. We reinvented our business in the UK to support the transition to a circular economy. And we will measure and report our performance against this triple test for the planet, people and prosperity. As part of this, we are committed to improving the environmental, social and economic impact of our supply chain year-on-year.



Message from our Head of Procurement

As Head of Procurement for SUEZ recycling and recovery UK it is my responsibility to work with our teams throughout the organisation to ensure that all aspects of the triple bottom line, people, planet and profit, are considered in our purchasing decisions.

We spend over £700million annually on goods and services with our suppliers. Our supply chain is critical to the successful delivery of our sustainability objectives. We therefore want to work with suppliers that share our values and follow sustainable practices within the communities and environments in which they operate.

By working closely with our suppliers, we can encourage innovation within our supply chain so that we minimise any negative environmental and social impacts of the goods and service we procure and promote positive impacts.

Rob Baillie

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Head of Procurement

SUEZ recycling and recovery UK

Policies

Sustainable Procurement Policy



Our Sustainable Procurement Policy outlines our commitment to considering both people and planet, as well as profit in our procurement decisions. This aligns with the SUEZ Group Sustainable Development Roadmap and Sustainable Procurement Charter and is published on our website.

Terms and conditions



Our standard terms and condition of purchase are agreed to by all suppliers during the onboarding process and are available on our website.

Code of Conduct



All of our suppliers are asked to agree to comply with our Supplier Code of Conduct when they become one of official SUEZ suppliers. The code of conduct outlines the minimum standards we expect from all our suppliers and covers:

- + Business ethics
 - ▶ Bribery and corruption
 - ▶ Conflicts of interest
 - ▶ Gifts and hospitality
 - ▶ Data protection
 - ▶ Cyber-security
- + Health and safety
- + Modern slavery
- + Inclusion and diversity
- + Social value
- + Sustainable environment

It is available on our website.

Procurement processes

The SUEZ procurement team aims to ensure that SUEZ and its customers have access to the best value products and services available. However, our evaluation of value is not solely financial, people and planet are key considerations in our decision making too.

In order to achieve this, we encourage a diverse and innovative supply chain that will reduce whole-life costing, whilst also providing goods and services that have a positive impact on people and planet.

Purchase to Pay system

Coupa is our Purchase to Pay system. It is our system for onboarding suppliers, raising orders and paying invoices. It is also the system we use to tender goods and services, and where all our contracts are stored. The system includes a supplier portal where suppliers can:

- + See their orders
- + Turn the orders into an invoice
- + See when the invoice is going to be paid

Coupa offers full transparency to our suppliers and to our colleagues.

Onboarding new suppliers and Supplier Assessment

Onboarding is conducted via Coupa, which includes a supplier portal where suppliers can answer onboarding questions and upload required documents. This offers full transparency to the suppliers and those within SUEZ that approve suppliers for use.

As part of onboarding new suppliers, we have a rigorous supplier assessment process that enables the procurement team to assess the financial stability of potential suppliers and how they perform against our expectations (e.g. sustainability and modern slavery). Depending on what goods and services they provide, they will also be assessed by our health and safety team, fleet team and environmental audit team to ensure they have the correct accreditations. Suppliers in high-risk categories will be subject to review. The risks will vary according to the category of products and services the supplier is providing.

Payment terms

Our standard payment terms are E60. We report our payment terms twice a year, in line with the UK government's payment practices and performance reporting requirements.

Tendering

In our evaluation criteria of our tenders, a minimum of 10% is assigned to sustainability. There is a rigorous questionnaire that covers the following topics:

- + Strategy and certifications
- + Carbon
- + Supply chain engagement
- + Biodiversity
- + Employee wellbeing and training
- + Circular economy
- + Local communities
- + Modern slavery

The questionnaire is reviewed annually by SUEZ's sustainable procurement manager and sustainability team to ensure that it continues to reflect best practice. Individual tenders will have additional sustainability criteria specific to the goods and services being procured.

Contracts

We include sustainability clauses in contracts requiring suppliers to adhere to our supplier code of conduct and minimise their environmental impact. Depending on the nature of the contract, we also have specific clauses relating to carbon reduction, packaging and biodiversity, which are then monitored throughout the life of the contract. In 2023, 71% of contracts featured sustainability contract clauses.

Supplier Relationship Management (SRM)

All our key suppliers are included in our SRM programme, which includes a regular review with suppliers and an assessment on a scorecard that assesses performance in four areas: commercial, financial/compliance, operational and sustainability. Suppliers are also given the opportunity to provide feedback to SUEZ as part of the process. The SRM process helps us to ensure our suppliers' performance continually improves and that we maintain a collaborative, mutually beneficial relationship, which will lower costs, improve quality, reduce risks, increase sustainability and identify innovation.

Risk management

Supplier tiering

Our key suppliers are defined through a tiering process that assesses spend, strategic importance and complexity. Our key suppliers are then included in the SRM process.

Heatmapping

We also conduct heatmapping on categories of spend to assess the specific risks in each category. These are both environmental risks, such as carbon, air quality, biodiversity and social risks, such as modern slavery and ethics. The heatmapping is then shared with our suppliers in these categories and the high-risk areas are prioritised and regularly reviewed. We also use the heatmapping process to identify opportunities for improvement.

Modern slavery

SUEZ is aware that our sector is at a high risk of modern slavery due to the high level of manual labour required, particularly in recycling facilities and disposal sites. We are proactive in trying to reduce the risk in our own facilities and throughout our supply chain.

As part of our aim to prevent modern slavery, we are a member of Slave Free Alliance (SFA), an organisation dedicated to addressing modern slavery in organisations and supply chains.

We have also written a guide on preventing modern slavery in supply chains, which we share with our suppliers.



The procurement team has received training on modern slavery so they are equipped with the knowledge and skills to address this in their own supply chains.

We also work with SFA and their Waste and Recycling Working Group to share best practice in the sector.

We have conducted a risk assessment of our supply chain and identified the categories of spend which are most at risk of modern slavery. We have implemented mitigations to reduce the risk in these areas including:

- + Improving our onboarding process so that all suppliers are asked questions about their controls around the potential for modern slavery. Those in high-risk categories may also be asked to complete training via the Supply Chain Sustainability School.
- + Including tender questions on modern slavery.
- + Including modern slavery in SRM with high-risk suppliers, such as agency labour and facilities management.

Small and medium sized enterprises (SMEs)

SUEZ recognises the need for a diverse supply chain in order to increase resilience and innovation. We want to:

- + Ensure that SMEs have an equal opportunity to become suppliers and win contracts with SUEZ.
- + Support smaller suppliers who don't have the resources that we have.

We report on how much spend is with small and medium sized enterprises. In 2023, we spent £406million with SMEs and this accounts for 57% of our spend.

We encourage the use of SMEs and in our tenders in 2023, SMEs accounted for 51% of suppliers invited to tender.

We have over 1,475 supplier contracts and 1,139 of these contracts are with SMEs, which represents 77% of all contracts and 55% of contract value.

Voluntary, community and social enterprises (VCSEs) spend

We are members of the Social Enterprise UK Supporter Network. We encourage our sites to spend with VCSEs and report on how much spend with them. In 2023, this stood at £1.2m.

Local spend

We prioritise the use of suppliers that are local to our facilities. This means we can support the local communities where we operate, as well as lower carbon emissions by reducing the amount of transportation required.

What constitutes 'local' can depend on the area of the country and is defined in collaboration with our customers. For example, it could refer to a set radius from a location or a local authority boundary.

Supplier engagement

We understand the importance of engaging with our suppliers to share best practice and improve the sustainability of the supply chain. We encourage innovation, continuous improvement and a focus on sustainability to ensure that our own operations and the services that we provide to our customers are as sustainable as possible. By working proactively with our supply chain, we can ensure that we support the profitability of SUEZ, while also ensuring we consider people and planet in the goods and services we procure.

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Newsletters

We send regular newsletters to all our suppliers, sharing articles about how to work with SUEZ. These include information about our Purchase to Pay system to ensure our supplier orders are processed correctly and paid on time. We have also written articles about sustainability topics including modern slavery, wellbeing and inclusion, our partnership with the Supply Chain Sustainability School and how this can benefit suppliers. Our aim is to offer support and guidance to our suppliers, particularly our smaller suppliers who may not have access to the resources that we have.

Awards

We believe it is important to recognise and reward suppliers that have gone 'over and above' in their work with SUEZ, so we hold an annual supplier awards ceremony. Suppliers are nominated by SUEZ employees and the winners are selected by a committee including our CEO John Scanlon. In 2023, there were eight categories which aligned to our triple bottom line, as well as an overall 'supplier of the year'.

People

- + Creating Social Value
- + Health, Safety and Wellbeing
- + Small Supplier of the Year

Planet

- + Protecting the Environment
- + Delivering Innovation
- + Excellent Customer Service

Profit

- + Excellent Collaboration
- + Improving Profitability

In the first three years of the awards, a wide range of suppliers have been recognised and won awards, including SMEs and VCSEs. Of the 29 winners, 20 are SMEs.

A full list can be found in Appendix 1.

Supplier events

In addition to the Supplier Awards, we run supplier days and webinars to support local contracted suppliers. In 2023, we supported six events in Manchester, including supplier days at the Renew Hub, where local SMEs met local operational teams and the procurement team. We also held two supplier webinars, one focused on supporting suppliers to prevent modern slavery and a session on helping them using Coupa.

Sharing best practice

Supply Chain Sustainability School

In 2023, we became a partner of the Supply Chain Sustainability School. The School was established in 2012 in order to offer free training to organisations on sustainability and a range of other topics. This partnership enables SUEZ to offer training to the procurement team, our colleagues and our suppliers. In 2023, a total of 246 hours of training took place via the Supply Chain Sustainability School.

We also take part in leadership groups that help guide the future direction of the Supply Chain Sustainability School and enable us to collaborate with professionals from other organisations to promote innovation and drive best practice across the industry.

Social Enterprise UK

We are a member of the Social Enterprise Support Network (SEUK) and attend meetings to help promote social enterprises. Since we have joined SEUK, we have actively looked for more social enterprises to work with and our VCSE spend has increased from £490,000 in 2021 to £1.2million in 2023.

Slave Free Alliance

As part of our membership with Slave Free Alliance, we take part in the Waste and Recycling Working Group to share best practice and develop tools and templates that can be used in the sector. The aim is to take a consistent approach to our supply chains, especially the SMEs, so that we are helping them to reduce the risk of modern slavery in their own organisations and supply chains.

Business in the Community (BITC)

In 2023, we worked with BITC and other organisations to develop a [Joint Statement of Demand on circular clothing](#). PPE and workwear can be very difficult to reuse or recycle and the aim of the joint statement is to encourage manufacturers to be more innovative in finding sustainable solutions when manufacturing clothing.

Procurement team

The SUEZ recycling and recovery UK procurement team consists of a:

- + Procurement support team that manages our procurement systems and processes.
- + Category management team that manages sourcing, contracting and supplier management.

The team is encouraged to improve their procurement knowledge and training with the Chartered Institute of Procurement and Supply (CIPS) qualifications and also through our partnership with the Supply Chain Sustainability School. Through the School, individuals can do a self-assessment on their sustainability knowledge and are then directed to individual learning pathways.

In 2023, the School ran five workshops for the procurement team on the following topics: modern slavery, transparency in the supply chain, carbon reduction, biodiversity and social value.

External assessments

Ecovadis

Ecovadis is a globally recognised sustainability rating that considers four aspects: environment, ethics, labour and human rights and sustainable procurement. SUEZ was assessed by Ecovadis in 2023 and was awarded a gold medal, putting us in the top 5% of organisations for sustainability.

ISO20400

ISO20400 is an international guidance standard for sustainable procurement. SUEZ was assessed against the standard when it was first launched in 2017 by Action Sustainability. The standard considers four areas:

- + Fundamentals including an organisation's drivers
- + Policy and strategy
- + Enablers
- + Procurement processes

Since the assessment, we have been working towards an action plan based on the recommendations. We will be reassessed in 2024.

Supply Chain Sustainability School gold badge

As a partner to the Supply Chain Sustainability School, SUEZ has been awarded a gold badge which demonstrates our sustainable competence and our commitment to actively sharing knowledge and experience with other members.



Sustainable procurement actions

Carbon reduction

We have measured our Scope 3 emissions, which are the indirect emissions that occur in our value chain, and are working with our key suppliers to put in place action plans to reduce these emissions. This is in line with our target of achieving net zero carbon emissions by 2040.

Alternative fuels

We have an electric company car policy and currently have 232 electric company cars. The electric fleet provides an annual energy saving of £230,000 and 457 tonnes of CO₂. We also have 20 electric vans, 22 electric HGVs and 32 pieces of mobile plant. We are working with our suppliers to explore other alternative fuels, such as hydrogenated vegetable oil (HVO) and hydrogen.

LED lighting

We started a project in 2020 to introduce LED lighting at our processing facilities. Over the past four years, we have installed 14,000 lights at 83 sites. LED lighting is more energy efficient than traditional lighting and also provides our employees with a better working environment. This has delivered annual energy savings of £1.4million and over 10,000 tonnes of CO₂.

Biodiversity on landfill sites

Code 7 Consulting has provided ecological advice and land restoration consultancy services for our landfill sites in Cornwall. They pioneered the fast-growing nurse grass used in SUEZ landfill restorations, binding the soils over their first winter to minimise erosion issues and providing protection for the slower growing heathland seed mixes. They also collected heather seed from sustainable local sources, having a great impact on improving biodiversity at the sites.

Supporting young people into work

In partnership with SUEZ, The Harlequins Foundation (THF) offers young people aged 16-24 who are not in education, employment or training (NEET) a practical approach to work experience and permanent employment.

We co-designed a bespoke two-week work experience and personal development programme for these groups, which we deliver four times a year. It exposes participants to an exciting and growing industry, with a huge variety of careers to suit different skills and interests.

Our mobile plant supplier, Molson Group, partners with us to deliver a session of the programme. This led to one participant officially starting an engineering apprenticeship with Molson Group after completing his studies with the Harlequins Foundation.

Sustainable construction

We have been granted planning permission to build an anaerobic digestion facility at our site in Ellington. However, in order to do so, it was necessary to remove the existing buildings on the site. Rather than demolishing them, our contractor, R. Thornton, opted for careful deconstruction so the steel buildings could be rebuilt and put to good use elsewhere.

While the dismantling work was more intensive, as much of it had to be done by hand and was more time-consuming than demolition, we have been able to re-use the buildings. The results were:

- + Approximately 290 tonnes of steel portal frame buildings were dismantled for re-use – this equates to 5,784m².
- + Over 445 tonnes of steel, copper, aluminium and stainless was recycled.
- + Approximately 13,000 tonnes of concrete was crushed to '6F2' grading for re-use in the new anaerobic digestion facility build.

Wellbeing

We have worked with a community interest company, GoldenTree, to develop a wellbeing and mental health awareness programme that supported our employees during the pandemic. Since then, they have continued to run wellbeing webinars, trained employees in First Aid for Mental Health and ASIST suicide prevention courses.



Sustainable procurement KPIs

* KPIs introduced in 2023, data from 2021 and 2022 unavailable

Description	2021	2022	2023
Percentage of Total Spend with SMEs	59%	58%	57%
Total Spend with VCSEs	£494k	£1.1m	1.1m
Percentage of Contracts with SMEs*	-	-	77%
Percentage of Contract Spend with SMEs	-	-	55%
Percentage of Suppliers invited to tender which are SMEs*	-	-	51%
Percentage of Contracts with CSR clauses	-	-	71%

Sustainable procurement scorecard

We conducted an assessment of our key suppliers in 2023 and will repeat this to show progress in the sustainability of our supply chain

Description	% of key suppliers
Environmental certifications (e.g. ISO 14001 or 50001 or BS 8555)	66
Sustainable policy and strategy or equivalent in place	82
Sustainability targets and objectives against which performance is measured and/or audited	72
Commitment to achieving net zero	66
Report its annual carbon emissions associated with the services provided	53
Implemented any measures to reduce its carbon emissions in the past 12 months	81
Measure SME and VCSE spend in your supply chain	43
Strategy to encourage the use of diverse suppliers	61
Sustainable Procurement Policy and/or Supplier Code of Conduct in place	79
Sustainable clauses and/or KPIs in contracts that relate to sustainability, social value or carbon	57
Taken any actions which will have a positive impact on biodiversity	67
Taken steps to improve inclusion and diversity within your company	88
Taken steps to support your employees' wellbeing	92
Has a whistleblowing policy	83

Description	% of key suppliers
Policies or procedures in place to ensure your business and employees act ethically	90
Initiatives to encourage reuse	82
Taking active steps to minimise water use and achieve water savings	75
Reducing the levels of waste material generated	88
Recycling (or diverting from landfill, where applicable) all possible waste material generated	88
Support and/or engage with the local communities it operates in	87
Provide training and development for both new and existing staff	93
Create opportunities for people to train and learn with you, through activities such as apprenticeships, traineeships or work placements	83
Has a modern slavery policy	86
Has a member of staff assigned to the purpose of reporting modern slavery concerns	71
Member of any of the following? GLAA/Stronger Together/Slave Free Alliance/Other (e.g. industry specific anti-slavery organisation)	14
Audit the supply chain in terms of mitigating risk of modern day slavery	62

Appendix 1

Supplier Awards Winners 2021-2023

Year	Category	Supplier	Reason	Size
2021	Creating Social Value	Systematic Design & Print	A small company reducing their environmental impact.	Small
2021	Creating Social Value	Smart Solutions	Tackling modern slavery and getting long-term unemployed back to work.	Medium
2021	Delivering Innovation	Felio Sylvania UK Ltd	Introducing LED lighting at SUEZ sites to reduce our environmental impact and improve lighting.	Large
2021	Delivering Innovation	Dennis Eagle Ltd	Introducing electric heavy goods vehicles.	Large
2021	Improving Safety and Wellbeing	Innovative Safety Systems Ltd	Introducing vehicle safety features to reduce risks for vulnerable road users.	Small
2021	Improving Safety and Wellbeing	Wellness International Limited	Support on wellbeing initiatives.	Small
2021	Protecting the Environment	AD Art & Design Limited	Introducing smaller bin tags to reduce plastic and designing educational resources.	Small
2021	Protecting the Environment	Elis UK Limited	Introducing re-use of oily rags at workshops.	Large
2021	Excellent Collaboration	Lyreco UK & Ireland Limited	Support during the pandemic on delivering critical products and introducing sustainable products.	Large

Year	Category	Supplier	Reason	Size
2021	Excellent Collaboration	Molson Equipment Services Ltd	Outsourcing mobile plant to provide cost savings and increase efficiency.	Large
2022	Protecting the Environment	G&P Services	A garden company that has helped maintain the green spaces and increase the biodiversity.	Small
2022	Protecting the Environment	Code 7 Consulting	Providing ecological advice and land restoration consultancy services for landfill sites in Cornwall.	Small
2022	Creating Social Value	Community Bike Kitchen	Repairing bikes in Manchester, diverting them from landfill and generating revenue for charities and supporting unemployed back into work.	Small
2022	Creating Social Value	Recycling Lives	Repairing unwanted electrical equipment, selling it to generate income for charities and working to employ ex-offenders to support rehabilitation	Large
2022	Improving Safety and Wellbeing	Golden Tree CIC	Developing a wellbeing and mental health awareness programme.	Small
2022	Continuous Improvement	Rainham Industrial Services Limited	Introducing NICO beams and mobile work platforms which increase value and safety.	Large
2022	Excellent Collaboration	Monarch Chemicals Limited	Supporting the delivery of critical chemicals during a national shortage to keep sites running.	Large
2022	Excellent Collaboration	Smart Solutions (Recruitment) Limited	Working with Skillcert and the Department for Work and Pensions to support young people back to work.	Medium

Year	Category	Supplier	Reason	Size
2023	Small Supplier of the Year	Patch Perfect Academy	Upcycling of unwanted furniture.	Small
2023	Customer Service	Weeshred	Reducing contamination in skips and supporting customers in urgent requests for site clearances.	Medium
2023	Improving Profitability	Avison Young	Support in business rates handling, vetting and appeals.	Large
2023	Protecting the Environment	R Thornton & Co	Deconstructing rather than demolishing the composting facility at Ellington which meant the steel and concrete could be reused.	Small
2023	Protecting the Environment	Tennants	Support in delivering Adblue directly to sites reducing the need for plastic packaging and reducing costs.	Medium
2023	Delivering Innovation	DBS Processing	Introducing powder polymer rather than liquid polymer, which is more sustainable, reducing carbon footprint and providing savings.	Small
2023	Delivering Innovation	Contego	Introducing lasers for bird control on site which is more efficient, saves money and reduces health and safety risk.	Large
2023	Improving Health Safety and Wellbeing	Wellness International	Support in occupational health and wellbeing, including our wellness campaigns and onboarding new employees in Milton Keynes.	Small
2023	Creating Social Value	Molson Group	Support on the HITZ programme delivered in partnership with the Harlequins foundation and SUEZ. This scheme provided work experience to NEETs, including one participant who started an engineering apprenticeship at Molsons	Large

Year	Category	Supplier	Reason	Size
2023	Creating Social Value	Laverstoke Park	Processing our organic waste into compost which is used by local authorities and charities in the south-east.	Small
2023	Excellent Collaboration	KoneCranes Demag UK Ltd	Support on crane and hoist maintenance and breakdowns which, due to the excellent communication and collaboration, was completed to the required timescales.	Large



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