



# RESPONSIBLE PROCUREMENT

Procurement introduction training



# FLOW

1. What is Responsible Procurement at Liberty Global?
2. Our four step approach
3. Integrating our activities into procurement processes
4. The EcoVadis platform

# **WHAT IS RESPONSIBLE PROCUREMENT AT LIBERTY GLOBAL**

# VISION

**WE'RE COMMITTED TO BUILDING BETTER RELATIONSHIPS WITH OUR SUPPLIERS NOT ONLY TO MITIGATE RISKS BUT TO ALSO HELP IDENTIFY OPPORTUNITIES.**

**THIS INCLUDES BETTER UNDERSTANDING THE WAY WE SOURCE OUR ELECTRONIC COMPONENTS AND NETWORK EQUIPMENT AND ITS SUBSEQUENT DISTRIBUTION TO OUR CUSTOMERS**



# OUR 4 STEP PROCESS

# OUR APPROACH

Our collaborative relationship with suppliers helps us mitigate risk and identify opportunities. Our approach has 4 main stages:



## REQUIREMENTS

Setting requirements for suppliers through our Responsible Procurement and Supply Chain Principles



## ALIGNMENT

Creating internal understanding through training our Supply Chain and Procurement teams.



## ASSESSMENTS

Assessing our suppliers using the EcoVadis platform.



## DIALOGUE

Opening up possibilities for suppliers improvement.

# 1. REQUIREMENTS

## Responsible Procurement and Supply Chain Principles in a nutshell

Have an understanding of our Responsible Procurement and Supply Chain Principles – your vendors will have to adhere to them!





## 2. ALIGNMENT

Participate in the trainings related to Liberty Global's Responsible Supply Chain strategy and take time to understand how you contribute every day.

### Responsible Procurement and Supply Chain principles



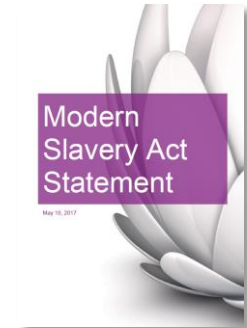
*Liberty Global's Responsible Procurement and our Supply Chain Principles sets out Liberty Global's Environmental, Social and Governance expectations of responsible suppliers.*

### EcoVadis Assessment tool for suppliers



*The EcoVadis tool creates a summary scorecard based on the suppliers assessment against 21 CSR Criteria*

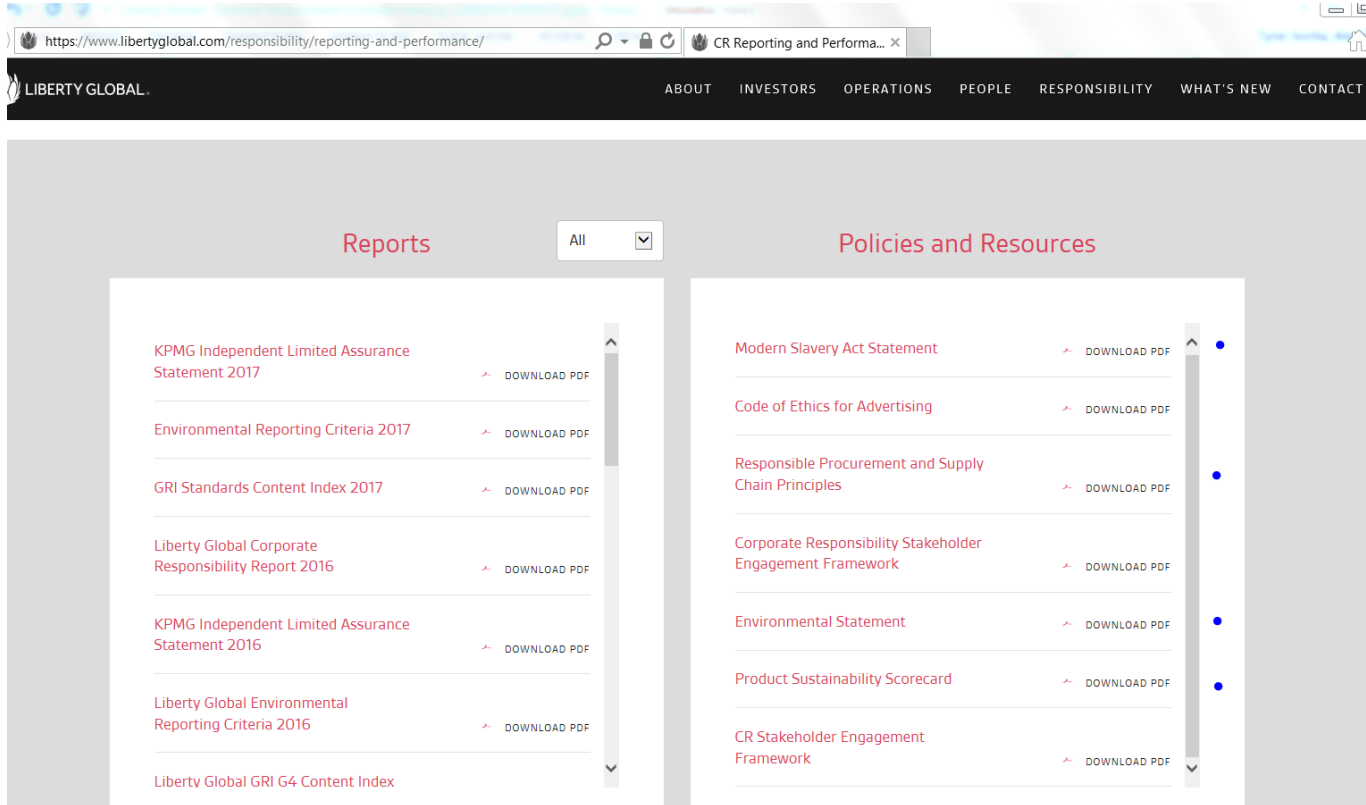
### Liberty Global's Modern Slavery statement



*Legal requirement: The MSA requires us to report annually on how we are ensuring there is no modern slavery or human trafficking in our operations and global supply chain.*



# WHERE CAN YOU FIND INFORMATION?



The screenshot shows the Liberty Global website's navigation and content sections. The browser address bar displays <https://www.libertyglobal.com/responsibility/reporting-and-performance/>. The navigation menu includes: LIBERTY GLOBAL, ABOUT, INVESTORS, OPERATIONS, PEOPLE, RESPONSIBILITY, WHAT'S NEW, and CONTACT.

The main content area is divided into two columns:

- Reports**: A dropdown menu is set to 'All'. The list includes:
  - KPMG Independent Limited Assurance Statement 2017 (Download PDF)
  - Environmental Reporting Criteria 2017 (Download PDF)
  - GRI Standards Content Index 2017 (Download PDF)
  - Liberty Global Corporate Responsibility Report 2016 (Download PDF)
  - KPMG Independent Limited Assurance Statement 2016 (Download PDF)
  - Liberty Global Environmental Reporting Criteria 2016 (Download PDF)
  - Liberty Global GRI G4 Content Index
- Policies and Resources**: The list includes:
  - Modern Slavery Act Statement (Download PDF)
  - Code of Ethics for Advertising (Download PDF)
  - Responsible Procurement and Supply Chain Principles (Download PDF)
  - Corporate Responsibility Stakeholder Engagement Framework (Download PDF)
  - Environmental Statement (Download PDF)
  - Product Sustainability Scorecard (Download PDF)
  - CR Stakeholder Engagement Framework (Download PDF)



# 3. ASSESSMENT

Identified suppliers will be asked to complete an assessment of their social, environmental and ethical impact of their operation(s) using the EcoVadis platform. Your suppliers might have to go through this process.

## How are suppliers chosen to be assessed?



### SUPPLIER BASE

TOP SUPPLIERS  
BY SPEND

#### Spend-based approach:

from 2013 – 2016 we implemented a 'spend-based' strategy, targeting the top suppliers by spend, representing 80% of Liberty Global spend.

Moving from horizontal spend assessments to a vertical selection of suppliers by risk

### SUPPLIER BASE

Link to material sustainability issues

Proximity to brand

Spend and country

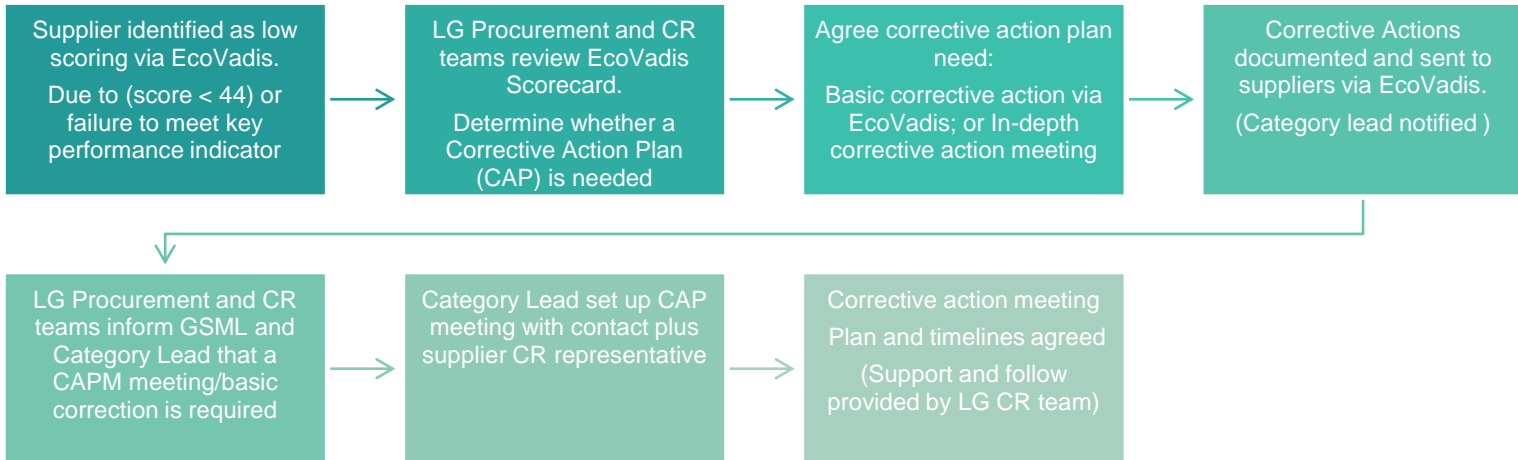
Risk-based approach: focuses on the material issues in our supply chain. The main aim is to:

1. Identify high risk suppliers based on current material issues;
2. Formally and proactively process and react to material issues.
3. Prioritise and focus key resources

# 4. DIALOGUE /CORRECTIVE ACTIONS

If (based on the EcoVadis assessment) we discover that the supplier is not adhering to our Key Principles, Liberty Global will seek to work with them to address such non-adherence through a mutually agreed remediation plan and you might be involved in that dialogue.

## Approach to Corrective Action Plans





**ECOVADIS**

# WHAT ECOVADIS WANTS TO ACHIEVE

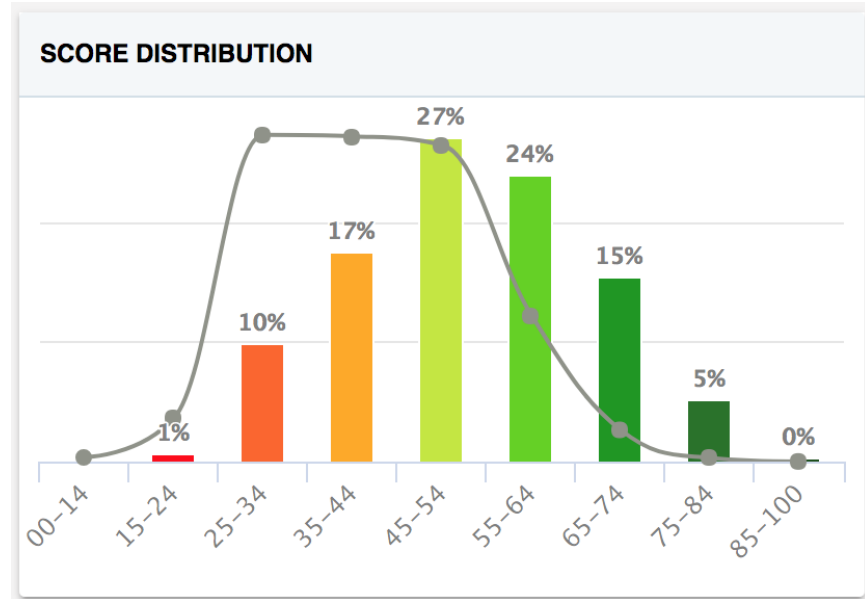
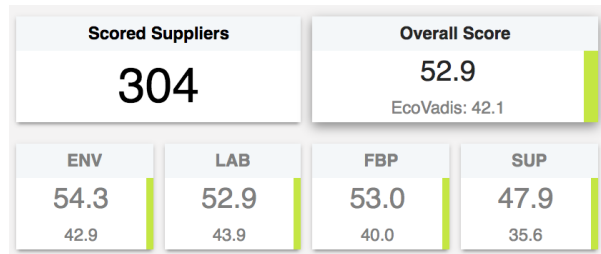


**Supplier  
Engagement**

- Not just a survey - an evidence-based assessment
- Provides transparency to you
- Gives the supplier clear indication on where their strengths / weaknesses lie, and how to act
- Supplier can use EcoVadis score for their work with other companies
- You can easily monitor improvements
- An investment in the buyer/ supplier relationship

# LIBERTY GLOBAL'S WORK WITH ECOVADIS TO DATE

- Collaboration with EcoVadis since 2013.
- 315 of your key suppliers have EcoVadis assessments



# A ROBUST METHODOLOGY

## POLICIES – ACTIONS - RESULTS

21 CSR Criteria			
 <p><b>ENVIRONMENT</b></p> <p><b>Operations</b></p> <ul style="list-style-type: none"> <li>• Energy &amp; GHGs</li> <li>• Water</li> <li>• Biodiversity</li> <li>• Pollution</li> <li>• Materials &amp; Waste</li> </ul> <p><b>Products</b></p> <ul style="list-style-type: none"> <li>• Product Use</li> <li>• Product End of Life</li> <li>• Customer Safety</li> <li>• Advocacy</li> </ul>	 <p><b>SOCIAL</b></p> <p><b>Human Resources</b></p> <ul style="list-style-type: none"> <li>• Employee Health &amp; Safety</li> <li>• Working Conditions</li> <li>• Social Dialogue</li> <li>• Career Management &amp; Training</li> </ul> <p><b>Human Rights</b></p> <ul style="list-style-type: none"> <li>• Child &amp; Forced Labor</li> <li>• Discrimination &amp; Harassment</li> <li>• External human rights issues</li> </ul>	 <p><b>ETHICS</b></p> <ul style="list-style-type: none"> <li>• Corruption &amp; Bribery</li> <li>• Anti-competitive Practices</li> <li>• Data Security</li> </ul>	 <p><b>SUSTAINABLE PROCUREMENT</b></p> <ul style="list-style-type: none"> <li>• Supplier Environmental Performance</li> <li>• Supplier Social Performance</li> </ul>





# ECOVADIS ASSESSMENT/SCORECARD

ecovadis

## Sustainability Monitoring platform

### Methodology

- 21 CSR criteria covered (environment, social, ethics)
- Evaluation indicators
- Customized supplier assessment (based on the supplier industry sector, its size and its countries of operations)
- An extra small assessment is available for companies under 0-9 employees
- Gathering supporting documentations

*Note: Supplier [fees](#) vary depending on the size of the organization. Assessments can be shared with multiple organizations saving time for the supplier.*



# WHAT AN ECOVADIS SCORE REPRESENTS

Score	CSR Performance		Likely Outcome	
85-100	Outstanding	<ul style="list-style-type: none"> <li>Structured and proactive CSR approach</li> <li>Policies and tangible actions on all topics</li> <li>Comprehensive CSR Reporting on actions &amp; KPIs</li> <li>Innovative practices and external recognition</li> </ul>	High Opportunity	Company has best-in-class CSR practices which present <b>major opportunities for their customers</b> in regards to product/service <b>innovation, market differentiation, creating shared value</b> , etc.
65-84	Advanced	<ul style="list-style-type: none"> <li>Structured and proactive CSR approach</li> <li>Policies and tangible actions on major topics with significant CSR Reporting on actions &amp; KPIs</li> </ul>	Medium Opportunity	Company has an advanced CSR management system which could yield <b>positive business outcomes</b> in terms of <b>cost reduction, productivity improvements, efficiency gains...</b>
45-64	Confirmed	<ul style="list-style-type: none"> <li>Structured and proactive CSR approach</li> <li>Policies and tangible actions on major topics</li> <li>Basic reporting on actions or KPIs</li> </ul>	Engaged	Company is engaged in major CSR topics, therefore risks are limited. Company <b>embraces continuous performance improvements</b> on CSR and should be considered for a <b>long-term business relationship</b> .
25-44	Partial	<ul style="list-style-type: none"> <li>No structured CSR approach</li> <li>Few tangible actions on selected topics</li> <li>Partial certification or possible products with eco-labels</li> </ul>	Medium Risk	Company has partial involvement in CSR topics which could present medium risk for customers. <b>Improvement areas identified should be addressed</b> to encourage evolution of CSR performance.
0-24	None	<ul style="list-style-type: none"> <li>No engagements or tangible actions regarding CSR</li> <li>Evidence in certain cases of misconduct (e.g. pollution, corruption)</li> </ul>	High Risk	Company lacks engagement on CSR which could present high risk for their customers with regards to <b>regulatory compliance, impact on reputation, supply disruption</b> , etc.



# METHODOLOGY: 7 EVALUATION INDICATORS



**2,500+  
sources**



RESULTS	
<b>6 REPO</b>	Quality of reporting readily available to stakeholders
<b>7 360</b>	Standpoints of stakeholders, e.g. administrative & judicial authorities, trade unions, NGOs

POLICIES	
<b>1 POLI</b>	Policies, objectives, targets, governance
<b>2 ENDO</b>	Endorsement of external CSR initiatives and principles (e.g. UN Global Compact)

ACTIONS	
<b>3 MESU</b>	Actions implemented (e.g. procedures, training, equipment)
<b>4 CERT</b>	Certifications, labels, 3rd party audits
<b>5 COVE</b>	Level of deployment of certificates or actions throughout the company

# ECOVADIS IN PRACTICE

Selected suppliers go through these stages:

## 1 Onboarding

- Online registration and Qualification of all your suppliers

## 2 Assessment

- Multiple data collection (online questionnaire, supporting documents...)
- CSR expert analysis

## 3 Results

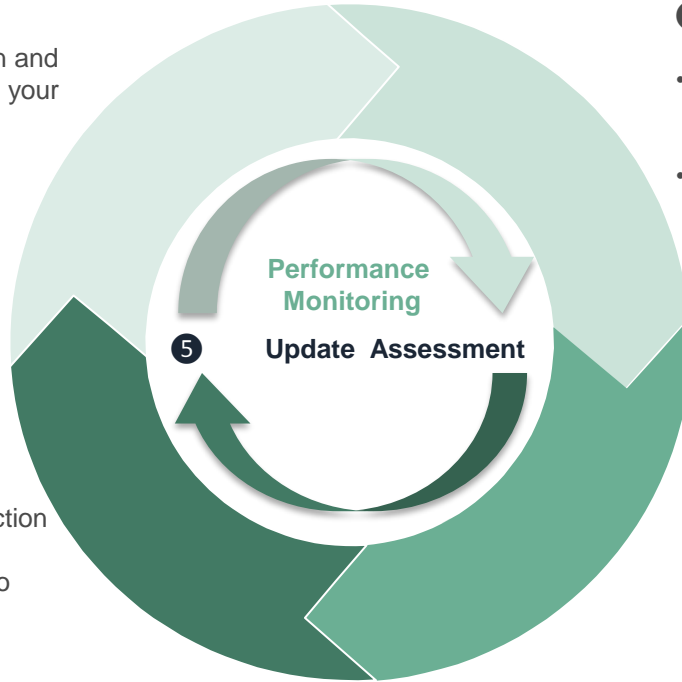
- Easy to use and dynamic **Scorecard** available online
- **Scoring** of the supplier performance + **qualitative information**

## 4 Improvement

- Online Corrective Action Plan: module
- Use the Scorecard to improve suppliers' performance

## 5 Update Assessment

Performance Monitoring



# SUSTAINABLE SUPPLIER AWARD

Social and environmental responsibility is central to the way we do business at Liberty Global and this extends to how we work with our suppliers.

This important award recognizes suppliers excelling in the area of sustainability, labour practices and human rights.



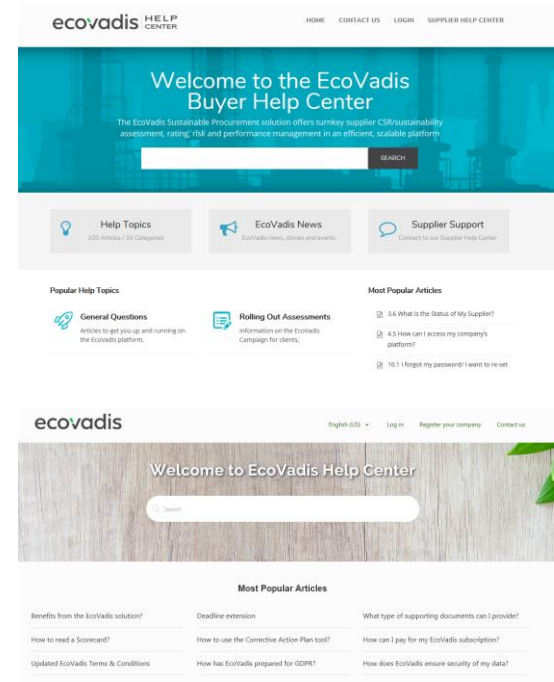
# APPENDIX

# SUPPORT CENTER FOR BUYERS AND SUPPLIERS

- <http://help.ecovadis.com/>
- Video tutorials and over 100 detailed articles available in 11 languages
- Suppliers can submit a request, call or chat in their preferred language

<http://help.ecovadis.com/buyer/>

<https://support.ecovadis.com/hc/en-us>







THANK  
YOU