

# Introduction to Sustainable Procurement Practices in Facility Management (FM)

## Optimizing Sustainable Procurement Practices in Facility Management (FM)

- FM Ensures efficient operation of buildings and well-being of occupants
- Key aspects: building maintenance, security, janitorial services, HVAC maintenance, space planning

### FM's Role in ESG Goals

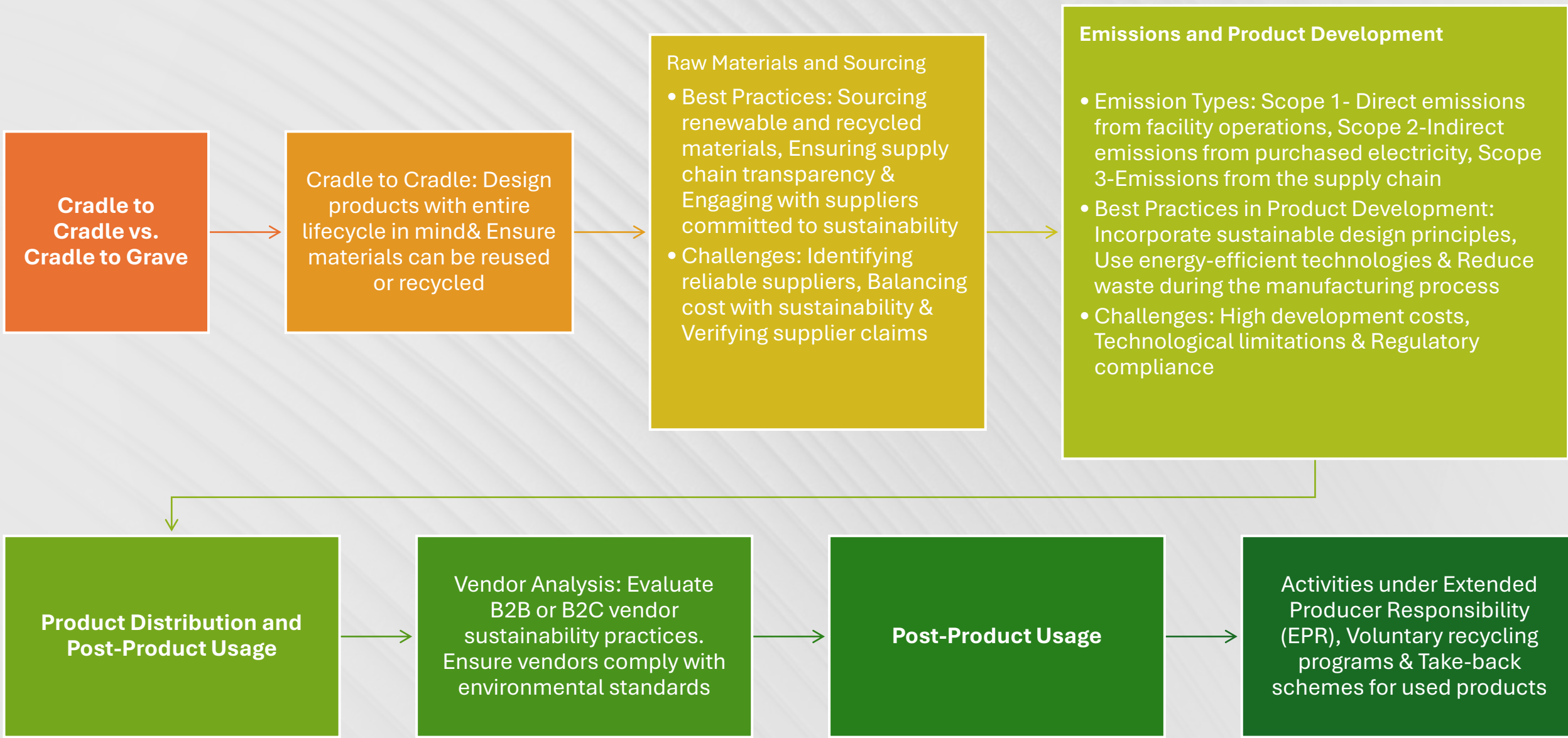
- Reduces energy consumption and waste, lowers carbon emissions, Ensures safe, healthy, and comfortable environments

**Objective:** This work aims to optimize the sustainable procurement practices in the FM sector of a community development company named Green Communities Development (GCD). By understanding the performance of its peers, GCD can set achievable and realistic ESG goals.

**Peer Companies:** Cushman & Wakefield, Brookfield Properties, & Prologis, Inc.



# Product Analysis and Lifecycle Approach



# Unsolved challenges: E-S-G - Product and Business

## Challenges in the adoption of sustainable procurement practices

- High initial investment costs
- Technological barriers
- Regulatory hurdles
- Resistance to change within organizations

## Innovations Required

- Development of cost-effective sustainable products
- Advancements in energy-efficient technologies
- Enhanced recycling and waste management systems
- Innovative supply chain management solutions

# Materiality Assessment

- The materiality assessment identifies key ESG factors relevant to the operations of the companies.
- This project considers the following companies: Green Community Development (GCD), Cushman & Wakefield, Brookfield Properties, and Prologis, Inc.
- Steps involved in conducting a materiality assessment:

Step 1: Define the Scope and Objectives

Step 2: Identify Potential ESG Issues

Step 3: Engage Stakeholders

Step 4: Assess and Prioritize ESG Issues

Step 5: Validate Findings

Step 6: Integrate into Strategy and Reporting

Step 7: Monitor and Review



# Materiality Assessment Results (out of 10)

ESG Factor	GCD	Cushman & Wakefield	Brookfield Properties	Prologis, Inc.
Carbon Emissions	5	7	8	7
Energy Efficiency	6	8	7	8
Waste Management	4	7	8	7
Water Usage	7	8	8	9
Biodiversity	5	6	8	7
Pollution Control	6	8	7	8
Renewable Energy Adoption	5	7	8	8
Community Engagement	7	8	7	8
Employee Welfare	8	8	9	7
Diversity and Inclusion	4	6	8	8
Health and Safety	7	8	8	8
Human Rights	8	9	9	8
Customer Satisfaction	7	8	9	9
Training and Development	6	8	8	8
Ethical Business Practices	6	8	7	8
Transparency and Reporting	8	9	9	9
Regulatory Compliance	7	9	9	9
Board Diversity	6	7	8	8
Anti-Corruption Policies	7	8	7	8
Risk Management	5	7	8	8
Stakeholder Engagement	7	8	8	8

# ESG Gap Analysis

It is a process that identifies the differences between an organization's current ESG performance and best practices or benchmark standards. The goal is to understand where the GCD company stands relative to its peers and to identify areas for improvement.

## **Steps for conducting an ESG gap analysis for GCD**

- Step 1: Establish Baseline Performance by collect internal ESG Data & Identify Key ESG Metrics:
- Step 2: Select Benchmark Standards by Choose Benchmark Companies & Review Benchmark ESG Reports
- Step 3: Compare ESG Performance by Create a Comparative Framework & Assess Performance Differences:
- Step 4: Identify Gaps and Areas for Improvement by Quantify Gaps & Qualitative Analysis & Prioritize Gaps:
- Step 5: Develop Action Plans by Set Improvement Goals & Assign Responsibilities:
- Step 6: Implement and Monitor Progress by Execute Action Plans, Monitor Progress & Adjust Plans as Needed
- Step 7: Communicate Results by Report Progress & Engage Stakeholders

# ESG Gap Analysis

ESG Factor	GCD	Cushman & Wakefield	Brookfield Properties	Prologis, Inc.
Carbon Emissions	5	2	3	2
Energy Efficiency	6	2	1	2
Waste Management	4	3	4	3
Water Usage	7	1	1	2
Biodiversity	5	1	3	2
Pollution Control	6	2	1	2
Renewable Energy Adoption	5	2	3	3
Community Engagement	7	1	0	1
Employee Welfare	8	0	1	1
Diversity and Inclusion	4	2	4	4
Health and Safety	7	1	1	1
Human Rights	8	1	1	0
Customer Satisfaction	7	1	2	2
Training and Development	6	2	2	2
Ethical Business Practices	6	2	1	2
Transparency and Reporting	8	1	1	1
Regulatory Compliance	7	2	2	2
Board Diversity	6	1	2	2
Anti-Corruption Policies	7	1	0	1
Risk Management	5	2	3	3
Stakeholder Engagement	7	1	1	1

# Key Findings and Recommendations

## Key findings:

- GCD lags in several key areas compared to its peers, particularly in Carbon Emissions, Waste Management, and Diversity and Inclusion.
- GCD performs well in Employee Welfare and Transparency and Reporting, on par with leading companies.

Recommendations	Expected Time Frame
Implement advanced technologies and practices to reduce emissions, such as renewable energy sources and energy-efficient building designs.	2026
Adopt comprehensive waste reduction and recycling programs.	2025
Develop initiatives to promote diversity within the company, including training programs and inclusive hiring practices.	2027
Enhance corporate governance policies to ensure ethical business operations and compliance with industry standards.	2025
Increase investment in energy-efficient technologies and practices.	2025
Implement stricter pollution control measures.	2026
Increase the use of renewable energy sources.	2027
Implement water-saving technologies and practices across all facilities to reduce overall water consumption.	2025
Develop and implement strategies to enhance biodiversity in and around company facilities, including creating green spaces and supporting local wildlife.	2026
Continuously improve health and safety protocols to ensure a safe working environment for all employees.	2024
Invest in continuous training and development programs to enhance employee skills and career growth.	2025
Enhance engagement with all stakeholders, including customers, employees, investors, and the community, to ensure their needs and concerns are addressed.	2024



# Conclusion

By focusing on the key ESG factors and implementing the recommended strategies, GCD can significantly improve its ESG performance, setting a benchmark in sustainable procurement practices for facility management.

- **Enhanced ESG Performance**
  - Focus on key ESG factors
  - Implement recommended strategies
- **Sustainable Procurement Practices**
  - Set benchmark in the industry
  - Improve materiality assessment
- **Leadership in Sustainability**
  - Position GCD as a leader in sustainability
  - Gain competitive edge compared to peers

Thankyou !

