



INTERNATIONAL
OLYMPIC
COMMITTEE

OLYMPIC GAMES GUIDE ON Sustainable Sourcing

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Olympic Games Guide on Sustainable Sourcing

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Foreword

Introduction

The International Olympic Committee (IOC) provides support to Organising Committees for the Olympic Games (OCOG) as part of the Games management framework, including:

- reference materials such as Olympic Games Guides (OGG) and case studies;
- ongoing support and interactions across all areas;
- workshops and tools as part of the Olympic Games Learning Model (OGLM);
- planning outputs transferred from previous OCOGs;
- observation and experience programmes; and
- the Games Terminology.

All IOC support services and material are shaped by the IOC's "Olympic Agenda 2020" and, following the recommendations of Olympic Agenda 2020, the "New Norm". The New Norm consists of 118 practical measures aimed at reducing the cost and complexity of the Olympic and Paralympic Games delivery model and covers the entire lifecycle of a Games edition from candidature to legacy realisation.

The HCC – Principles (from the Olympic Winter Games 2026 onwards), the HCC - Operational Requirements (from 2018 onwards) and the Olympic Games Guides (from 2018 onwards) reflect changes generated by the New Norm that provide greater flexibility and enhanced assistance and support from the IOC and the Olympic Movement stakeholders. These changes demonstrate an important step towards the implementation of Olympic Agenda 2020.

The OGGs are designed to assist OCOGs with successful planning and delivery of the Olympic and Paralympic Games. They draw on the experience of previous OCOGs and their delivery partners and outline the IOC and its partners' best understanding of the mission and complexity of a specific area of the OCOG. Supporting background information, guidelines, recommendations and previous Games examples are included.

References in the OGGs to the various areas of an OCOG are designed to assist Games organisers by grouping products, services or activities to be undertaken by the OCOG and/or its delivery partners. However, these groupings are not intended to impose any pre-defined organisational structure on the OCOG; rather, they provide a means for comparison across multiple OCOGs, present and past. For information regarding the design of an OCOG organisational structure, refer to the Olympic Games Guide on People Management.

Where the OGGs fit within the IOC documentation

The OGGs should be read in conjunction with the following documents:

- Olympic Charter, which defines the fundamental principles of Olympism, and the rules and by-laws adopted by the IOC. It governs the organisation, actions and functioning of the Olympic Movement and establishes the conditions for the celebration of the Olympic Games;
- Host City Contract (HCC), which has two components:
 1. HCC – Principles, which defines the relationship between the IOC, the host City, the host National Olympic Committee (NOC) and the OCOG and outlines the key legal, commercial, organisational, reporting and financial obligations;








2. HCC – Operational Requirements, which defines the specific obligations of the host city, the NOC and the OCOG in relation to the different areas necessary for successful staging of the Olympic Games. References are made throughout the OGGs to the HCC – Operational Requirements where relevant. These references are contained in grey boxes for ease of identification; and
- Games Delivery Plan (GDP), which details anticipated outcomes and means to achieve outcomes for each phase, including timelines, milestones and candidature commitments.

While the Olympic Charter, HCC - Principles, HCC – Operational Requirements and GDP are contractually binding, the OGGs are reference documents provided for information and guidance only and are non-binding.

In case of discrepancies between the OGGs and the above-mentioned binding documents, the Olympic Charter, HCC - Principles, HCC – Operational Requirements and GDP prevail.

To assist readers in finding specific types of information, the following symbols are applied:

-  Olympic Summer Games-specific content
-  Olympic Winter Games-specific content
-  Paralympic Games-specific content
-  numbers and statistics
-  previous Games examples.

Evolving content

Each edition of the Olympic Games brings innovation, responding to the context of the host city and host country and reflecting changing global trends. The content of the OGGs therefore evolves as part of the evaluation process that follows each Olympic Games, which includes consultation with Games stakeholders.

The IOC ensures that the latest evolutions in Games organisation, such as the application of Olympic Agenda 2020 New Norm measures, are reflected in future OGG editions that are generally updated after each edition of the Games and provided to stakeholders.

For easy reference, each edition of the OGGs contains a section “Changes from previous version” at the end of the document.

Games planning framework

The Games planning framework articulated in Olympic Agenda 2020, the New Norm and the Games Delivery chapter of the Operational Requirements, outlines the following delivery phases:

1. Strategy (G-72 – G-49): high level, long-term strategic thinking, including delivery of the vision for the Games and their legacies, activities such as scoping, securing resources, public engagement and communication as well as stakeholder management plans;



2. Planning (G-48 – G-25): integrated planning to detail what, how, when and where services will be delivered;
3. Readiness (G-24 – G-4): building teams as well as testing the Fields of Play (FOP), technology and Games workforce;
4. Games (G-3 – G-0): Games-time operations;
5. Legacy realisation (G+1 – onwards) dissolution and legacy plan implementation.

Integrated planning and readiness activities

Regardless of the topic of an OGG, there are a number of common activities undertaken by all areas in the OCOG. These are referred to in Olympic terminology as “integrated planning and readiness activities” that, collectively, ensure that the Games are planned and delivered as one project.

The table below shows which OCOG area has typically been responsible for integrated planning and readiness activities in previous Games editions, in order to ensure all areas progress in an aligned way.

THEME (and examples)	TYPICAL LEAD OCOG AREA (from previous Games)
1. Strategy	Games Delivery
2. Planning	
– OCOG area operations	Games Delivery
– Venue operations	Venue Management
3. Resource planning	
– People management / workforce	People Management
– Technology	Technology
– Furniture, fixtures and equipment	Logistics
– Spaces (within venues, etc.)	Venue Development
– Publications	Communications
– Budget	Finance
– Procurement	Procurement
4. Readiness	Games Delivery
5. Governance, risk, issue and opportunity management	Games Delivery
6. Facilitation of learning	
– Learning	Games Delivery and Information & Knowledge Management
– Transfer of knowledge	Information & Knowledge Management



Paralympic Games

Pursuant to the HCC, the OCOGs are responsible for organising the Paralympic Games two weeks following the closing of the Olympic Games. Requirements applicable to the Paralympic Games are described in the HCC – Operational Requirements and GDP.

The IOC and the International Paralympic Committee (IPC) have a close working relationship that is reflected in their Long Form Agreement (March 2018 through to 2032). The IPC is the custodian of the Paralympic Games. All OCOGs work closely with the IPC to plan and deliver successful Paralympic Games, which are to be planned in a fully integrated manner with the Olympic Games.

The facilities, goods and services provided to the participants in the Paralympic Games should be scaled to the size and needs of the Paralympic Games and the planning of the Paralympic Games should be integrated into the Olympic Games planning by the OCOG from the start.

To provide the OCOG with a complete understanding of a given area and promote this integrated planning approach, the majority of information related to the Paralympic Games has been integrated within the various sections of this guide. As a result most information of a general nature contained in this document applies to both Olympic and Paralympic Games (even though this may not be systematically mentioned), while Paralympic-specific aspects can be identified via the wording and with the Paralympic Games-specific content symbol explained above.



Executive summary

In a world where everything is increasingly more transparent and connected, understanding and managing the impact of sourcing decisions is becoming ever more critical. Integrating sustainability considerations into how business should be done is fast becoming the only way of doing business in the future.

In an Olympic and Paralympic Games (Games) context, staging the event involves a significant provision of labour and consumption of resources in terms of materials and equipment for building, fitting-out and dressing venues, use of sports equipment, event production, food and beverage, energy, water, clothing, paper, merchandise, technology services, logistics and accommodation.

The purpose of this Olympic Games Guide on Sustainable Sourcing is to help Organising Committees for the Olympic Games (OCOG) understand and meet the International Olympic Committee's (IOC) sustainable sourcing requirements and expectations and move towards a more consistent and sustainable approach to sourcing goods and services for the Games.

The scope of the Guide is wide and applies to all aspects of what might be sourced by an OCOG. This includes traditional goods and services (e.g. uniforms, furniture, overlay works, food and beverage services), sole supplier deals, branded merchandise, gifts and giveaways, broadcasting rights and sponsorship deals.

This involves many hundreds of individual purchases and acquisitions from a wide range of suppliers, Marketing Partners and licensees in a relatively short and intensive period. The build-up begins very early in an OCOG's life and peaks around two to three years before the Games. Production of key items for the Games, including official merchandise and supply based sponsorship deals, may only happen in the final 12 months before the Games.

The Guide is aimed at all individuals within OCOGs who have a level of responsibility for buying or acquiring these goods or services, however formal or informal that responsibility might be. However, the Guide has three principal OCOG audiences:

1. Sustainability area – that has overall responsibility for the Games sustainability programme and associated policies and strategies;
2. Procurement area – that has overall responsibility for the end-to-end process of acquiring goods and services for planning and staging the Games; and
3. Other areas responsible for negotiating and managing Games-related sponsorship and merchandise or retail licensing deals (e.g. Business Integration and Licensing).

Other interested parties, such as internal buyers and specifiers, are also encouraged to read the Guide, so they can better understand the importance of sustainable sourcing to the Games.

The Guide is therefore thematic rather than functional in nature and scope and is relevant to practically all areas of the OCOG. While procurement, licensing and sponsorship teams may take the lead in selecting suppliers/partners, sourcing more sustainably needs to be managed as a shared responsibility across the OCOG. Indeed, it may also be appropriate to share this document with suppliers/partners.



While it is designed to be stand-alone, it supplements the following key documents:

- IOC Host City Contract (HCC) – Operational Requirements, which is contractually binding and defines the specific obligations of the host city, the host National Olympic Committee (NOC) and the OCOG in relation to different areas necessary for the successful staging of the Games;
- Olympic Games Guide on Sustainability, which provides information and guidance on the complexities and practicalities of delivering a comprehensive sustainability programme; and
- Olympic Games Guide on Sourcing and Resource Management - a circular economy approach, which provides information and guidance on managing goods and materials throughout the OCOG lifecycle.

The Guide sets out the key steps to ensuring sustainability factors are considered when sourcing goods and services. Key actions are summarised at the end of each chapter.

The Guide is supported by the following appendices:

- a high-level timeline of the main phases of the Games and how this relates to sustainable sourcing;
- a non-exhaustive list of sustainable sourcing issues;
- an illustrative spend category;
- an issues matrix;
- a template Sustainable Sourcing Code;
- example of due diligence questions for use when tendering for goods and services; and
- guidance on developing and implementing a supply chain grievance mechanism.

It is hoped this first edition of this Guide provides a valuable reference point for this important topic and moves OCOGs towards a more consistent and sustainable approach to sourcing goods and services. As the IOC's sustainability programme evolves, how this Guide is performing in practice will be continually reviewed and updated editions may be issued when appropriate.

For these reasons, the IOC is committed to a process of continual improvement and welcomes feedback from and dialogue with OCOGs and other interested parties. This will help to contribute proactively to global sustainability in line with the IOC's vision "Building a better world through sport".

Any questions, feedback or comments on this Guide can be addressed to sustainability@olympic.org.



1. Introduction

This Guide is intended to help OCOGs meet the IOC’s sustainable sourcing requirements and expectations and move towards a more consistent and sustainable approach to sourcing goods and services for the Games.

This chapter contains the following topics:

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1.1. What is sustainable sourcing?

The concept of sourcing more sustainably is not new. Many businesses and sectors have been focusing on environmental and social issues in supply chains for several decades. It is about using sourcing activities to meet organisational needs (e.g. products, services) in a way that also results in positive social, environmental, ethical and economic outcomes.

For example, this means giving due consideration to:

- how the organisation can reduce its impact on society by doing more with less, such as questioning if a purchase is really needed, challenging excessive specifications, renting an item or buying a service instead of a product;
- how items are made and sourced, what they are made from, their lifetime use and eventual disposal;
- how items will be delivered as efficiently as possible with optimal use of packaging that can be reused or recycled; and
- how people in supply chain communities will be treated and ensuring human rights are upheld and respected.

Ultimately, sourcing more sustainably aims to create value while in no way undermining – and ideally increasing – the possibility that humans and other life will flourish.



Sourcing vs. procurement

Terminology can often be confusing and may not be particularly well defined: this includes the terms 'sourcing' and 'procurement'.

Some consider sourcing and procurement to be different; some view them as one and the same. For the purposes of this Guide, the term 'sourcing' is favoured.

It is the process (which may be formal or informal) by which goods and services are identified and then bought or acquired from partners, licensees and suppliers. This includes branded merchandise, gifts and give-aways, sole supplier deals and sponsorship.

This spans the whole cycle from identification of needs to negotiating, managing, monitoring contracts/agreements for goods and services through to when the goods or services are no longer needed. It also includes planning, defining strategy, specifications and processes for selecting suppliers/partners.

1.2. Why source more sustainably?

The world faces unprecedented social and environmental challenges, such as the growing pressure on natural resources from an expanding global middle class, to the impacts of global climate change and increasing inequality. These trends are reshaping the business environment, with the potential to increase costs, restrict access to resources and create instability in global supply chains.

Most organisations rely heavily on their supply chains to deliver what they do and no organisation can achieve a credible sustainability programme on its own. How organisations buy and acquire things can make a huge difference in terms of sustainability.

In a world where everything is increasingly more transparent and connected, understanding and managing the impact of sourcing decisions is becoming ever more critical. Integrating sustainability considerations into how business should be done is fast becoming the only way of doing business in the future.

How is this relevant to the IOC and the Olympic Games?

Staging any event involves significant provision of labour and consumption of resources in terms of materials and equipment for building, fitting-out and dressing venues, use of sports equipment, event production, food and beverage, energy, water, clothing, paper, merchandise, technology services, logistics and accommodation. Goods and services generally comprise a substantial portion of total organisational expenditure.

Sustainability is an essential part of any modern Games. This has been an increasingly important theme since the early 2000s and is a central concept in the IOC's Olympic Agenda 2020, adopted in December 2014. Specifically, sustainability has been developed into a full IOC Sustainability Strategy that was approved by the IOC Executive Board in December 2016. It provides a context and framework for integrating sustainability across the IOC's three spheres of responsibility: the IOC as an organisation, the Olympic Games and the wider Olympic Movement.



With respect to the Olympic Games, the 2030 strategic intent of the strategy expressly aims to “ensure the Olympic Games are at the forefront in the field of sustainability and that host cities can leverage the Games as a catalyst for their sustainable development.”

The strategy is framed around five priority focus areas, which reflect aspects of the IOC’s activities where it believes it can make the biggest impact and achieve the most beneficial outcomes:

- infrastructure and natural sites;
- sourcing and resource management;
- mobility;
- workforce; and
- climate.

In relation to the Games, these are reflected in the HCC – Operational Requirements and highlighted in other documentation as appropriate. OCOGs are expected to ensure their programmes align closely with these focus areas as well as respond to other issues and themes as appropriate to their specific host city or regional/national context.

Adopting a more sustainable approach to sourcing is no exception and is one of the most critical aspects of the IOC Sustainability Strategy. Specifically, OCOGs are required to:

- integrate sustainability considerations into each stage of the procurement process, with mechanisms in place to ensure the requirements are effectively met;
- treat products and materials as valuable resources and their lifecycles are optimised; and
- execute a detailed waste scoping exercise and develop and implement a waste reduction plan.

The special nature and profile of the Games provide opportunities – and a responsibility – to raise awareness and influence behaviours on a massive scale. The OCOG is uniquely placed to lead by example and to show that there are more sustainable ways of working, which are better for the Olympic Movement and better for society.

On the socio-economic side, this means supporting local sourcing, local employment and initiatives to support and promote more inclusive and economic prosperity, while ensuring decent, safe and healthy working conditions and respecting human rights across the value chains on which the Olympic Movement depends. Regarding the environment, this means reducing the overall use of resources, avoiding products and substances that are harmful to human health and the environment, and adopting strategies that help to create a cleaner, low carbon and zero waste society.

1.3. Does sustainability cost more?

An often-repeated myth is that sustainability costs more. If planned and executed in the right way, this need not be the case. That is not to say that some costs will not be incurred, particularly in the short-term. When whole life costs¹ are taken into account, more sustainable alternatives can be cheaper.

¹ Where all the costs that will be incurred during the lifetime of the product or service are taken into account including purchase price and all associated costs (delivery, installation, insurance, etc.); operating costs including energy, fuel and water use, spares and maintenance; and end-of-life costs, such as decommissioning or disposal.



Good sourcing practices will help ensure a competitive, engaged and competent supply chain to enable sustainability goals to be introduced in a way that delivers value for money.

Done well, this approach will bring benefits in terms of cost savings, operational efficiencies, minimising reputational risk and promoting lasting benefits. This legacy may be 'soft', for example raising standards for the Games, sharing knowledge or influencing behaviour change, or 'hard', such as new physical infrastructure or redeployment of assets for communities. This should result in a net overall benefit.

Example

London 2012 case study: sustainable sourcing

London 2012 is widely regarded as a sustainability success story for the Games. Fundamentally, sourcing was critical to the delivery of most of the London Organising Committee for the Olympic Games and Paralympic Games (LOCOG) sustainability objectives and targets.

LOCOG needed to raise £2bn to stage the Games from various sources including sponsorship, broadcast rights and sale of merchandise and tickets. As such the London 2012 brand was a key factor in enabling these funds to be raised.

Sustainability was a key factor in sponsorship deals both in terms of managing risk to LOCOG and leveraging the value of commercial partnerships to support the delivery of its sustainability programme. This worked in two ways: ensuring that sustainability was a visible part of the sponsorship offer (e.g. supply of low emission vehicles), and that sustainability was included in contracts (just as for conventional supplier/partner deals). For many prospective Marketing Partners, sustainability was an important part of their pitch to become a London 2012 sponsor.

Overall, this additional value from sustainability probably accounted for several tens of millions of pounds' worth of sponsorship revenue for the Games, although it is impossible to precisely separate this from other considerations. More specifically, LOCOG created a bespoke designation and activation programme for a group of six sustainability partners, which delivered an additional £15m.

LOCOG's procurement governance model had sustainability firmly embedded as an intrinsic part of the definition of value for money. The procurement methods and processes were also set up as a means to deliver in excess of £75m savings against budget.

Ultimately, LOCOG was able to successfully integrate sustainability into its procurement process and deliver the Games within its £2bn budget.



1.4. How is this Guide structured?

This Guide is divided into three areas as presented in the diagram below:

1. In “**Securing a commitment to action**”, the Guide outlines a fundamental part of the process, which is to secure the buy-in of top management and understand how sustainable sourcing will support the OCOG’s core business strategy.
2. The next four chapters set out the core steps that need to be followed to develop and implement a robust sustainable sourcing programme starting with “**Setting sustainable sourcing priorities**”, establishing sustainability requirements for these priorities “**Identifying sustainable sourcing requirements**”, through to taking these requirements forwards “**Managing sustainable sourcing**” and “**Communicating sustainable sourcing efforts**”.
3. In “**Enabling sustainable sourcing**”, the Guide outlines the key factors that support the sustainable sourcing activity and helps set the OCOG up for success.



Figure 1: Enabling sustainable sourcing

Key actions are summarised at the end of each chapter and supporting guidance is provided in appendices.

Several key components need to be put in place for a successful sustainability programme. The Olympic Games Guide on Sustainability sets out the essential ‘architecture’ that applies generally to any Games sustainability programme. This Olympic Games Guide on Sustainable Sourcing provides more detailed advice and needs to be read alongside the more general guidance contained in the Olympic Games Guide on Sustainability. It is however assumed that at the very least, a programme-wide Sustainability



Policy and Sustainability Strategy are at an advanced draft stage (refer also to [Chapter 7. Enabling sustainable sourcing](#)) prior to following the steps outlined in this Guide. A timeline is shown in Appendix I which is intended to provide OCOGs with an indicative high-level overview of how key sustainable sourcing tasks and activities relate to wider Games planning and delivery.

1.5. Who should read this Guide?

The scope of the Guide is wide and applies to all aspects of what might be sourced by an OCOG. This includes traditional goods and services (e.g. uniforms, furniture, overlay works, food and beverage services, etc), sole supplier deals, branded merchandise, gifts and giveaways, broadcasting rights and sponsorship deals.

The Guide is aimed at all individuals within OCOGs who have a level of responsibility for buying or acquiring these goods or services, however formal or informal this responsibility might be. However, the Guide has three principal OCOG audiences:

1. Sustainability area – that has overall responsibility for the Games sustainability programme and associated policies and strategies;
2. Procurement area – that has overall responsibility for the end-to-end process of acquiring goods and services for planning and staging the Games; and
3. other areas responsible for negotiating and managing Games-related sponsorship and merchandise or retail licensing deals (e.g. Business Development and Licensing).

Other interested parties, such as internal buyers and specifiers, are also encouraged to read the Guide, so they can better understand the importance of sustainable sourcing to the Games. It may also be appropriate to share this Guide with suppliers/partners.

Public sector OCOGs

This Guide is intended to be applicable to both public and private sector OCOGs. Some territories have legislation which sets out public sector procurement requirements and what can be considered throughout the prequalification, tender and contracting process (e.g. EU Public Procurement Directives). For public sector OCOGs, this Guide is likely to be useful but should be read in conjunction with the latest legislation. It is also advisable that proper legal advice always be sought.

2. Securing a commitment to action

Main goal

To secure commitment from top management and understand how sustainable sourcing will support the core business strategy.



Figure 2: Securing a commitment to action

Delivering a more sustainable approach to sourcing starts with having a well-defined strategy. All OCOGs are heavily reliant on suppliers of goods and services to function and this represents a substantial proportion of the OCOG's budget. A sustainable sourcing strategy does not stand alone though: it needs to fit into the organisation and support its core organisational strategy. As previously highlighted, at this point it is assumed that several core elements of the OCOG's sustainability programme will be in place, at the very least a programme-wide Sustainability Policy and Sustainability Strategy is at an advanced draft stage (refer also to [Chapter 7. Enabling sustainable sourcing](#)).



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2.1. Understanding the OCOG-specific context and timelines

Within the space of seven years, the OCOG builds an organisation from a few employees to an entity the equivalent of a Fortune 500 company, and then integrates that with a broad range of existing public authorities and institutions. No two OCOGs are the same, not least because each host city/country is different from its predecessors in time, geography, environment, culture, politics, socio-economic and legislative frameworks. As a result, the motivations for and focus of sustainable sourcing also naturally differ. It is important for the OCOG to have an appreciation of the external and internal context within which it operates, relevant to its purpose, that can affect its ability to achieve sustainable sourcing outcomes.

The business community plays an important support role in preparing for the Games, either financially via sponsorship opportunities or as a supplier of the essential goods and services that need to be procured. By design, an OCOG is a temporary organisation and has a fixed budget to let the contracts for the goods and services needed to successfully stage the Games.

Goods and services may be directly procured, supplied via sponsorship arrangements, delivered via licensing and retail service providers or via sole supply arrangements.

Sponsorship may be a 'cash only' deal but could also include a supply element which is 'budget relieving' to the OCOG. The sponsorship team needs to work closely with relevant OCOG areas to also include Value In Kind (VIK) considerations in deals that allow Marketing Partners to supply critical goods and services for the Games in return for sponsorship and association rights. Certain goods and services may also be reserved categories as part of The Olympic Programme (TOP).

Licensing and retail provide an important revenue stream for an OCOG and involve the appointment of organisations to produce a wide range of official branded merchandise and souvenirs.

International Federations (IF) may also have approved or sole suppliers that provide specific sports-related goods and services during the Games (e.g. specialist sports equipment). Sole suppliers are not sponsors of the Games but have a higher status than other suppliers of goods and services.

Directly contracted suppliers are likely to make up the majority of the OCOG's supply arrangements.



Typically, the OCOG sponsorship programme is launched quite early within an OCOG's life. While procurement also starts quite early, core goods and services for the Games tends to peak in the final two or three years before the Games. While some licensing deals will be done in the early years of the OCOG, the peak of the programme is again generally in the last one or two years before the Games. [Annex I - Indicative high-level timeline of key sustainable sourcing tasks and activities and wider Games planning and delivery](#) - sets out a timeline which is intended to provide OCOGs with an overview of how key sustainable sourcing tasks and activities relate to wider Games planning and delivery.

These timelines, the temporary nature of the OCOG and its typical sourcing model presents significant sustainable sourcing challenges. Whereas a typical organisation can rely on supplier capability and capacity building and continual improvement to achieve its objectives, an OCOG does not really have the time required for such an approach. Much of an OCOG's leverage is likely to be at the start of its engagement with suppliers/partners and wanes from shortly before the point of production through to the Games itself, with little or no leverage in the final stages of the Games when most products have already been supplied.

Against this backdrop, a number of sustainability issues (e.g. marine plastics, air pollution, modern slavery and climate change) have been climbing the public and political agenda for a while. Stakeholders are demanding a greater level of transparency from organisations. At the same time, media, interest groups and opinion leaders also significantly influence public opinion. Ethical business conduct and human rights are also increasingly receiving attention from the general public and media.

As the custodian of the Games brand, the OCOG is the principal line of contact between the IOC/IPC and its stakeholders and needs to play a leading role in ensuring that all sustainability commitments and obligations are fulfilled. Key drivers for sustainable sourcing therefore include responding to stakeholder expectations to maintain a social licence to operate, complying with legislation and regulation, optimising the use of resources to reduce costs and environmental impact, creating economic value as well as demonstrating leadership on the world stage and good standards of ethics and governance.

To create a successful sustainable sourcing strategy, first take a step back and take some time to properly understand the OCOG's strategic context and the extent to which it is being driven towards sustainable sourcing by specific drivers. How much is the organisation reliant on goods and services supplied by others? How much of this is likely to be direct spend as opposed to VIK from future partners? How much of this could affect the OCOG's sustainability performance – well or badly?

Essentially, there is a need to look holistically to identify issues that could:

- affect the OCOG's ability to source goods and services in a more sustainable way; or
- arise due to sourcing goods and services in a more sustainable way and affect the OCOG's ability to meet its wider business objectives.

This cannot be done in a vacuum. Key internal and external stakeholders need to be identified and engaged to help in this task. Stakeholders can help identify both risks and opportunities and reinforce the case for action. If stakeholder engagement is done well, it can foster considerable goodwill.

Understanding drivers for sustainable sourcing will ultimately help in the prioritisation and communication of what needs to be done and why.



2.2. Commitment from the top

Sustainability is easiest and most effective when built in from the outset. It starts with a solid and genuine commitment from top management. Without this commitment, anyone involved in sourcing has no official mandate to integrate sustainability into their sourcing strategies or plans. Top management commitment means providing physical and financial resources as well as direction and proactive personal involvement that supports sustainability and communicates its importance.

The effects of words and actions from top management can have a significant positive impact on the OCOG's ability to stage a more sustainable Games. Sustainable sourcing, in particular, is likely to be more effective and enduring if it is integral to the strategic direction of the OCOG and integrated within key organisation processes (e.g. sponsorship, procurement, licensing, etc). However, it is not necessarily a certainty that the leadership will be entirely on-board from the start.

It is therefore advisable to engage top management on sustainable sourcing and why it is important as soon as possible. The following are some suggestions on how this might be approached:

- **Know your audience** – attempt to understand the personal interests and motivations of the individuals on the leadership team – identify how sustainability may align with their interests and motivations and assign them with roles and tasks on this basis.
- **Present solid sustainability opportunities** – this may include key facts and figures about the dual sustainability and commercial successes of recent Games (e.g. sponsorship opportunities, revenue generation, cost savings), keeping stakeholders supportive and advocates for the Games, as well as providing external profile-raising opportunities for the senior leadership.
- **Focus and identify issues that offer leadership opportunities** – sustainability is a big and complicated theme and whilst there will be a range of things the OCOG will likely need to address, this may be too problematic to explain and achieve buy-in in one effort. Instead identify key themes and trends happening globally or in the host city/country that may present leadership opportunities for the OCOG and focus on this with top management.
- **Invite an inspirational speaker with public profile** – identify someone known by the leadership who is also a strong advocate for sustainability to speak and inspire and excite them into taking action – this may also lead to ambassadorial opportunities for the Games. If there is a reluctance for this, other options might include inviting athletes who are also sustainability advocates (there are many) or a senior sustainability representative from one of the TOP Partners.
- **Arrange visits in the supply chain to reinforce moral case** – identify opportunities for the leadership to visit sites (factories, farms, etc.) that have been used to produce/supply goods for past Games to help make sustainability issues more tangible for them and reinforce the moral case for sustainability. If the Games involves regenerating or revitalising a particular part of the host city/country, visiting these locations may also be something to consider.
- **Invite some critical stakeholders in** – identify some vocal critics from civil society and invite them in for some one-to-one meetings with key members of the leadership team.
- **Use the right language** – ensure language is tailored to the audience. Use business language not technical or sustainability jargon or acronyms.

Once a commitment from top management has been confirmed, it is necessary to define and reaffirm how sustainable sourcing aligns with organisational priorities and what the OCOG is ultimately aiming to achieve in the form of a sustainable sourcing vision. If possible, it is also advisable to identify what the organisation is and is not willing to do to at this stage.



What is a vision?

A vision is a short, succinct and inspiring forward-looking statement of what is intended to be achieved at some point in the future (say in seven years' time). It sets out the organisation's future aspirations without giving a reason 'why' or the 'how'.

2.3. Developing a Sustainable Sourcing Strategy

Sustainable sourcing considerations need to be integrated into key strategies and plans at the highest level, to set the tone, direction and priorities for the entire organisation.

All OCOGs are required to develop a Sustainability Strategy that sets out the programme-wide strategic objectives and indicates how sustainability will be embedded across the Games project. As a minimum, it needs to align with the IOC Sustainability Strategy and address each of the five focus areas including sourcing and resource management. However, it also needs to consider other significant sustainability issues relevant to the host city and country, as well as the views of all relevant stakeholder groups. The Sustainability Strategy is a programme-wide document covering the work of all Games delivery partners and developed in close coordination with those partners.

The requirements for a Sustainability Strategy are specified in the HCC – Operational Requirements.

What is a strategy?

A strategy outlines where an organisation is, where it wants to be, what it will focus on, with whom it will work and the key steps it intends to take to get it to where it wants to be.

In a sustainable sourcing context, it needs to clarify roles, responsibilities and accountabilities for sourcing; internal and external resource requirements; monitoring and measurement; and key barriers and challenges (refer also to [Chapter 7. Enabling sustainable sourcing](#)). It also needs to confirm how the strategy integrates with wider strategies that are either planned or in place within the OCOG.

Once the Sustainability Strategy is established, a Sustainability Implementation Plan for the OCOG needs to be developed. This document provides detail on how the OCOG will contribute to the delivery of the programme-wide Sustainability Strategy. It includes a clear programme of actions, OCOG-specific objectives and targets, resource needs, issues, risks and timelines.

The requirements for a Sustainability Implementation Plan are specified in the HCC – Operational Requirements.

Once these documents have been produced, it is recommended that a supporting Sustainable Sourcing Strategy be developed, which describes the OCOG's vision, objectives and targets and delivery approach in this area. This needs to be fully aligned with the organisation's wider sourcing strategy and goals. For example, the approach to engaging with the market on current or future procurement or sourcing opportunities; existence of budgetary targets or aspirations, sponsorship category and licensing timelines; adherence to host city/country procurement rules or legislation; decision-making



criteria including commitments on sustainability, diversity and inclusion, Health and Safety (H&S), legacy and achieving quality and value for money, and so on.

When developing their sustainable sourcing strategy, OCOGs need to give due consideration to the following factors:

- **goods and services**, i.e. what goods and services will be required to successfully plan and stage the Games that may only be known at a high-level at this stage (refer also to [Chapter 3. Setting sustainable sourcing priorities](#));
- **geography**, i.e. from where goods and services may be sourced, including the maturity of local markets and the degree to which goods and services may be sourced from the markets (e.g. within the host country) versus sourcing from multiple territories or jurisdictions;
- **sourcing model**, i.e. how goods and services will be sourced including the degree to which they may be sourced directly through a traditional supply/procurement arrangement, from licensees and from commercial partners (e.g. via OCOG sponsorship or TOP); and
- **timelines**, i.e. when goods and services will be sourced – while deals may be done quite early in an OCOG's life, in reality significant sourcing only really begins in earnest around two to three years before the Games, and production of key items for the Games including official merchandise may only happen in the final 12 months before Games.

Several of the above may not be known or at least firm decisions may have yet to be made. This is fine; the main point is that the OCOG is at least conscious of these factors and the context within which it is operating. As a 'living document' the Sustainable Sourcing Strategy evolves and expands as needed when further details become known.

The Sustainable Sourcing Strategy may stand alone or be an integral part of the OCOG's wider strategies and plans. Whatever approach is taken, it is imperative that it is developed in collaboration with the following areas as a minimum: Procurement, Business Development, Licensing and Legal. It forms the basis of the OCOG's sustainable sourcing practices and helps align the OCOG's purpose with its Sustainability Implementation Plan.

The Sustainable Sourcing Strategy does not need to be very long or complex, but it does need to clearly outline how the OCOG's sustainable sourcing intentions will be delivered over a given timeframe. It also needs to be communicated across the OCOG and ideally externally. It is recommended that at least a summary of this document be published on the OCOGs website.

2.4. Summary of key actions

- Top management has reaffirmed its commitment to sustainability and defined a sustainable sourcing vision for the OCOG.
- A comprehensive sustainable sourcing vision, strategy and time-bound set of objectives have been agreed with top management that has been developed with input from key external stakeholders and is fully aligned with the OCOG's business strategy.
- The OCOG has determined the external and internal issues that are relevant to its purpose and may affect its ability to source goods and services more sustainably.
- A summary of the OCOG's Sustainable Sourcing Strategy is published on its website.

3. Setting sustainable sourcing priorities

Main goal

To set key sustainable sourcing priorities and goals for the OCOG.



Figure 3: Setting priorities

For most organisations, the scale and intensity of sourcing activities mean that certain areas need to be prioritised. It is simply impractical to tackle everything, and clearly not all issues are equal or indeed material. Priorities need to be set: identify those goods and services (or aspects of) to focus on first and which issues will be given more or less weight. Actions need to be prioritised in relation to the greatest opportunities and risks.

Essentially, once again it is necessary to look at the organisation holistically to identify:

- To which goods and services the OCOG will give priority when implementing its sustainable sourcing strategy?
- Which social, environmental, ethical or economic issues will be tackled when deciding on sustainable sourcing requirements?

The OCOG's wider sustainability programme is a key factor here. An important consideration therefore is to determine the extent to which the OCOG is dependent on its supply chain to deliver organisational sustainability goals.



This chapter contains the following topics:

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3.1. Identify categories of goods and services

Ultimately, at an organisational level, the key questions at this stage can be summarised as:

1. Who in the OCOG sources, or will source, goods and services?
2. What is, or will be, sourced?
3. When and how often does, or will, the OCOG source goods and services?
4. With whom does, or will, the OCOG source goods and services?
5. How does, or will, the OCOG source goods and services?
6. How much does, or will, the OCOG pay for goods and services (or what is the value of goods and services)?

To answer these questions the OCOG needs to review and analyse what is, or will be, sourced, and how it is, or will be, sourced – whether this is through direct spend, licensing deals or via sponsorship. All OCOGs generally undertake a spend analysis that includes the following steps:

- **Identifying all sources of spend data** – this means identifying all sources of actual or anticipated spend data from all OCOG departments and Functional Areas (FAs) in terms of both cash and VIK. Where the spend data exists, this needs to include detail on goods and services bought and from where they are sourced (i.e. the supplier/partner). These data sets will need to be consolidated. This could be as simple as an Excel spreadsheet or more sophisticated proprietary software. It is likely that the data will need to be ‘cleansed’, which includes correcting errors in transactions, identifying and removing any duplicate data and standardising descriptions.
- **Categorising spend data** – collected spend data information then needs to be reviewed to identify groupings or insights/trends (e.g. year-on-year and lifetime category level spend, growth of long-term vs. short-term suppliers/partners in key categories, marketing/sponsorship category supply restrictions, timing of when goods and services need to be sourced/bought, etc.), and then categorised into meaningful groups. It is likely there will be a need for further differentiation with the use of sub-categories. For instance, “professional services” may be too broad so typical sub-categories in this instance might include auditors and legal services. It may not always be easy to categorise everything neatly; this is fine - data just needs to be assigned to the most appropriate sub-category.



- **Analysing spend** – analysis of spend data to gain key strategic insights about what is, or will be, sourced/bought and how it is, or will be, sourced/bought. Insights might include:
 - total amount spent, or anticipated to be, on goods and services with associated timelines;
 - who is spending, when they will be spending, and what they will be purchasing;
 - could the same or similar goods and services be sourced/bought from different suppliers;
 - reliance on Marketing Partners or sole suppliers to supply goods and services; and
 - proportion of spend with a handful of core or major suppliers/partners versus one-off and small transactions.

Example

London 2012 case study: procurement categories

Directly contracted suppliers delivering goods and services for LOCOG made up the majority of the supply chain and resulted in spend in excess of £1 billion. Procurement of these directly contracted suppliers was identified into eight main categories:

1. artists, performances and events;
2. sports (including medical);
3. security;
4. technology;
5. services;
6. transport and logistics;
7. facilities management and catering; and
8. venues and infrastructure.

This allowed specialist procurement teams to be set up in different parts of the organisation, with one manager in the central Procurement team responsible for coordinating the whole programme. The embedded approach enabled a closer relation with and understanding of the procurement needs of the organisation – with tenders tailored to the sectors in question – while central coordination by Procurement ensured consistent and correct processes.

This spend analysis needs to be carried out at the earliest opportunity and then continually refined as the OCOG moves through its lifecycle towards the Games. Whilst clearly for wider organisational purposes (e.g. budgetary planning, sponsorship priorities, etc.), it will provide the foundation for how sustainable sourcing priorities will be determined.



3.2. Determine potential key sustainable sourcing issues

Next the main sustainability issues relevant to goods and services need to be determined. The Sustainable Sourcing Strategy should help provide some strategic direction to inform this part of the process. However, this is an iterative process and the strategy may need to be revisited once key issues have been identified.

By this stage key organisational issues will have been identified as part of developing the programme-wide Sustainability Strategy and the OCOG's Sustainability Implementation Plans. It will be necessary to determine the extent to which these are relevant to the OCOG's supply chain.

The requirements for the Sustainability Implementation Plans are specified in the HCC – Operational Requirements.

What is a key sustainable sourcing issue?

An important topic or problem associated with the value chain of a product or service that is related to sustainability, positively or negatively.

Many issues cut across economic, social and environmental categories. These could include food and beverage, governance, transport, venue selection, supplier/partner selection, accessibility, animal welfare, corruption, product responsibility and so on.

Not all sustainability issues will be relevant and, even if something is relevant, it may not be particularly material or significant. It may also be that there will be no or limited ability to control or influence a particular issue no matter how relevant or significant it might be.

Sustainability issues need to be reviewed holistically and be mindful that taking steps to manage one issue may result in exacerbating another or indeed create a new issue altogether. Issues are rarely mutually exclusive. For example, during the late 1990s and early 2000s diesel vehicles in Europe were promoted as having lower tailpipe emissions of CO₂, but this has led to a negative impact on local air quality due to particulate and nitrogen oxides emissions.

The nature and scale of the sustainability issue for all key spend categories will need to be identified. Note that low-spend, less critical categories could still have significant sustainability issues/impacts. There is a range of tools and resources available to help in this regard, ranging from a simple 'category-issue' matrix to proprietary software. For those starting out, it is recommended to keep it qualitative and relatively simple with the goal of continually improving knowledge and understanding over time.

At this point, it may be useful to review [Annex II - Examples of sustainable sourcing issues](#) - which highlights some typical sustainable sourcing issues. [Annex III - Spend category and issues](#) matrix - then presents a matrix that highlights how these issues may be relevant to OCOG categories of spend.

This is not only about the goods and services bought or acquired. It is also important to consider the OCOG's own decision-making and activities, how they influence sourcing and whether they may cause sustainability issues. For example, excessively long payment terms, paying suppliers/partners late, having unrealistic delivery expectations or aggressively negotiating prices may all lead to reputational



risk or quality of supply issues. Equally, if suppliers/partners are treated well it is likely that this will be reflected in their performance.

3.3. Identifying sustainable sourcing priorities

There probably will be a long list of categories with a range of potential sustainability issues attached. Not all will be able to be tackled by the OCOG.

There will be a need therefore to reflect on:

- what the main social, environmental, ethical or economic issues are for each category;
- how important each category is to the OCOG (e.g. could Games delivery be put at risk?); and
- how important each category is to the OCOG's Sustainability Implementation Plans and sustainable sourcing strategy.

There is a range of factors that must be considered when identifying priority categories. These may include the size of the opportunity and/or risk, the scope to mitigate or capitalise on the opportunity and/or risk, and whether there is leverage for the OCOG to make any improvement happen. As a rule of thumb, focus needs to generally be on those categories where there is the highest scope and influence. However, even though scope and influence might be low for some categories, they could still have significant issues attached with them. In these instances, it may be appropriate to decide if it is important to be proactive and attempt to tackle these issues as well.

In general, priority categories are those that:

- include items branded with images and marks associated with the OCOG or other Olympic Movement logos or marks, and/or have an obvious Olympic 'look and feel';
- represent more than 80 per cent of total sourcing expenditure on a lifetime basis;
- may have low procurement expenditure, but a high sustainability impact and, in turn, carry a brand protection risk;
- have significant inherent sustainability opportunities and/or risks, including those that are critical to the planning and delivery of the Games and/or Sustainability Implementation Plans (e.g. contribute in whole or part to OCOG's sustainability programme and goals); and
- have opportunities for 'quick wins', i.e. easy to deal with and for which a sustainability improvement can be readily delivered.

In determining these priorities, careful consideration needs to be given to the host city and country context, changing or emerging legislative requirements, changing or emerging political context, and the OCOG's lifetime needs and requirements.

There will be a fair amount of subjectivity when identifying priority categories to take forward. Stakeholder engagement is an important part of the process. Where appropriate, opportunities will need to be provided for internal and external stakeholders to get involved at an early stage. This will help ensure the right priorities are targeted and will aid buy-in from those who will be tasked with embedding sustainable sourcing requirements into the priority categories (e.g. help a particular OCOG area understand why sustainability is relevant to a specific good or service they are attempting to secure and what they need to focus on).



3.4. Establishing sustainable sourcing goals

Once priority categories and associated key sustainability issues have been identified, there will be a need to determine the goals of any decisions or activities to address these priorities – even if this is at a high-level. It will also be necessary to consider to what extent the OCOG's sustainability goals are relevant.

It is important to establish sustainable sourcing goals because they will help in understanding progress and the resulting impact (be it positive or negative) as well as obtain information for making decisions or reflecting on lessons learned.

In general, there are three major types of intervention, none of which are mutually exclusive:

- measurement-based interventions where targets are set and/or impacts and improvements of goods and services are required to be quantified (e.g. achieve an average of 120g or less per km of CO₂ emissions, or no more than eight seats in addition to the driver's seat, across the small passenger car fleet);
- improvement-based interventions that seek to reduce the impacts of goods and services through the stipulation of specified technologies or practices (e.g. 50 per cent by weight of construction materials is delivered by rail or water); and
- standards-based interventions where independently verified, recognised sustainability standards are stipulated to provide assurance that goods and services have been sourced/produced to agreed practices (e.g. 100 per cent wood and wood-derived materials/products sourced must be Forest Stewardship Council [FSC] certified with full chain of custody throughout the supply chain).

These interventions need to be time-bound wherever practicable and can be set at category, supplier/partner and/or product level. It is likely that all of these interventions will be adopted in some form or other. The extent to which will depend on what the OCOG wants to achieve.

The main point is that the OCOG is clear about when and why a particular set of interventions are adopted.

Here are some key questions that need to be considered:

- Does something need to be quantified (e.g. for reporting or claims purposes)?
- Are improvements required (at the city, regional level, etc.) in key issue areas such as greenhouse gas emissions, water, air quality, waste, labour/human rights, community relations?
- Do these improvements need to be able to be measured as well as targets set?
- Is there a requirement for publicly credible assurances related to recognised standards and/or adherence to standards that will enable certain claims to be made?
- Is there a requirement for third party/independent credibility or is a supplier/partner or other internal programme sufficient?

All of the above will be heavily influenced by the nature and scale of the supply chain, availability of resources and capability and capacity of suppliers/partners.



It is not appropriate to dictate what and how sustainable sourcing activities and outcomes should be measured. There is no single approach: it depends on specific circumstances and what the OCOG is attempting to achieve.

One approach is to start by setting goals that can be measured through basic 'inputs' (e.g. number of audits carried out of high-risk suppliers/partners, amount of waste produced, etc.) rather than more tangible 'outcomes' (e.g. incidence of forced labour, amount of waste reduced, etc.). This is fine, but as knowledge and understanding improves, there will be a need to increasingly shift to a more 'outcomes-based' approach to reviewing progress. Refer also to [Chapter 6. Communicating sustainability efforts](#).

What is an outcome?

The terms 'output' and 'outcome' are often used interchangeably – but they are different. An output is essentially a thing produced or delivered (be it physical or digital), for example training or manufacturing of products. An outcome is the difference this thing makes – either positive or negative, for example reduced waste, fewer accidents.

A better understanding of outcomes will help determine which issues are material and require managing.

3.5. Summary of key actions

- Detailed expenditure analysis has been undertaken and all key sustainability issues have been established for goods and services.
- Priority categories of goods and services have been established to a clear set of criteria.
- Time-bound goals have been established for all priority categories of goods and services.
- A Spend Category and Issues Matrix has been developed for the OCOG.
- Identification of key sustainability issues and priority categories and establishment of time-bound goals has been done with input from key external stakeholders.
- Goals are outcome-based wherever possible.

4. Identifying sustainable sourcing requirements

Main goal

To establish appropriate sustainability requirements for priority categories of goods and services.



Figure 4: Identifying requirements

Sustainability impacts happen at every stage of the lifecycle of goods and services and in truth, there is currently no single universally accepted definition of what a sustainable good or service actually is.

For this reason, requirements need to be developed for the priority categories and associated sustainable sourcing issues identified in the previous step. There is no one size fits all approach to this, and many options will be available. Requirements evolve over time as knowledge and understanding improves and priorities change. The key point is to be clear what outcomes are trying to be achieved, and associated specifications or criteria are robust, credible and enable progressive action to be taken to make the production and supply of goods and services more sustainable.

All requirements need to be factored into the process of identifying and selecting a supplier/partner to provide the good or service. Note that suppliers/partners are not obliged to deliver any sustainability requirements that are not written into contract.



In short, general and category specific sustainability requirements for sourcing need to be established for the following reasons:

- to ensure there is a set of unambiguous sustainability criteria for developing wider procurement, licensing and sponsorship strategies and plans; and
- to help in assessing, evaluating and judging any proposals received in the procurement, licensing and sponsorship process.

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4.1. Establishing sustainable sourcing requirements

In some cases, it will be very clear what the desired outcome is, along with the minimum or mandatory criteria that must be met in order to supply the goods or service. In other instances, there may be a more general objective and flexibility in how it needs to be achieved. Requirements can be set at supplier/partner, supply chain or product level, or any combination thereof.

Regardless, it is important to have a set of requirements against which compliance can be judged or measured. For example, a requirement related to the circular economy may be translated into clear criteria for all goods supplied to contain a proportion of reused or recycled content. A requirement related to respecting human rights and adhering to international labour standards can refer to detailed criteria as set by, for example, the [Global Social Compliance Programme](#).

Sustainability requirements can either be developed internally by the OCOG or by an external organisation, multi-stakeholder initiative or industry schemes (i.e. an external standard). The decision to develop internal requirements or use someone else’s, will depend on a range of factors. For example, in the case of internal requirements, the OCOG will likely bear all costs, all risks and all of the pros and cons related to credibility of those requirements.

It is highly recommended to review [Annex II - Examples of sustainable sourcing issues](#) - which highlights some typical sustainable sourcing issues and suggests associated actions that may form the basis of any requirements.



4.1.1. Use of external standards

In the case of requesting the use of external standards, standards may be checked and verified, or certified by third parties, but this is not always the case. For example, a decision to adopt a standard is not necessarily a decision for certification as well. A standard may also only set out parameters for processes rather than what the processes should achieve in terms of outcomes. For example, ISO 14001 is the world's most widely used environmental management system standard. It sets out process-based requirements within a predetermined scope that must be met by the organisation. If, however, this is a factory producing white goods, it does not also mean that the actual white goods meet the standard. It is not a product environmental standard.

What is the difference between verification, certification and accreditation?

Verification, certification and accreditation are often used interchangeably but actually have different meanings. It is particularly important to understand the difference for judging the credibility of claims made by suppliers/partners.

- **Verification** is a general term used for the process of evaluating whether or not something complies/meets a set of requirements (which might be internally or externally set). There is no set approach to this and it may be done by a client, a supplier/partner or indeed an independent third party or wider stakeholder.
- **Certification** is essentially a written assurance of the conformity of a process, product or service to a pre-determined scope and set of requirements laid out in a standard. Generally, this is done by an independent third party – although first-party (self) and second-party (stakeholder) certification is also possible in some instances (e.g. ISO standards).
- **Accreditation** is the formal recognition by an authoritative body of the competence of an individual or organisation to work to specified standards.

In effect, certification is the third-party endorsement of an organisation's processes, products or services, while accreditation is an independent third-party endorsement of the certification itself.

For example, while it is possible to be certified to ISO 14001 (the international environmental management system standard) – it is not possible to be accredited to ISO 14001. An accredited certification body can however be appointed to certify the organisation to ISO 14001.

External standards are prolific and have been developed for a range of scenarios (e.g. sites/organisations, raw materials/commodities and products). In some instances, legislation may require a specific standard or certification to be used. This may be the case for standards related to safety. Some standards are consumer-facing and some are more Business to Business (B2B). It also may be that the standard needs to be supplemented with additional requirements: an environmentally-focussed standard is unlikely to cover workers' rights for instance.



In general, external standards that are proven and widely recognised need to be chosen above those that are not. Such standards are likely to be cheaper, easier to implement and have much more credibility with stakeholders.

It is also generally more advisable to adopt an organisational position on one standard for a particular issue and work with the supply chain to deliver it. There may be instances though where it is appropriate to accept several standards, however the OCOG needs to be clear why and make sure it is not tackling different issues. For example, Fairtrade and Rainforest Alliance certification do not necessarily address the same issues if one or the other is being used. The OCOG also needs to ensure that overall “standards” are not being lowered as a result of accepting multiple standards. For example, LOCOG adopted the Ethical Trading Initiative (ETI) Base Code as the social standard it expected its suppliers, Marketing Partners and licensees to work towards.

Example

However, it was publicly criticised by Non-governmental Organisations (NGOs) for accepting other social standards (e.g. Business Social Compliance Initiative [BSCI], International Council of Toy Industries [ITCI], brand-specific standards, etc.) without being clear about how they fared against the ETI Base Code.

There may be costs associated with adopting a recognised standard, although this might not be a result of specifying the use of the standard. For example, there is generally no premium for something being Better Cotton Initiative (BCI) cotton or FSC-certified wood. As with most commodities, pricing is actually a function of quality, origin, global market prices, demand and supply, negotiation skills, volume procured and payment terms; being BCI cotton or FSC-certified wood is not one of them. That said, standards may introduce additional costs such as compliance obligations, administrative or record-keeping, including training of key staff. However, consideration is needed as to whether money will ultimately be saved by adopting an external standard. For instance, what assurance arrangements would need to put in place to meet the same outcomes if a recognised external standard is not fully adopted?

Given the increasing scarcity of certain raw materials (e.g. forestry and fisheries), there is a growing risk that certain products may come from over-exploited sources. Adopting certified products might provide additional assurances in this respect but should not be assumed. For example, in the European Union (EU), stipulating the use of certified timber does not mean that there is no need for due diligence and risk assessment as required by the EU’s Timber Regulation.

External stakeholders such as NGOs or other non-profits that encourage OCOGs to adopt an external standard often fail to appreciate the uniqueness of the Games, where large quantities of goods and services are required for a very short timescale. If the OCOGs requirements have the effect of creating a massive, temporary spike in demand for certified products that cannot be sustained once the Games are over this is far from sustainable.

Brand protection for an OCOG is also a complex and delicate area. There is an important distinction between a certified product, alongside which may appear a ‘quality mark’ to denote its sustainability credentials, and the certifying organisations that may wish to promote their association with the Games.

It is in the interest of OCOGs to be able to promote their sustainability credentials and gain public visibility for being proactive in this field. To have the active support of a recognised and respected NGO or other non-profit and the evidence of strong product certification can be very positive. However, OCOGs need to be very careful how any such arrangements involving third parties are promoted and communicated on account of brand protection rules. Similarly, certain Marketing Partner supply rights might exclude the potential for OCOGs to use certain certified products.



Some Marketing Partners have their own proprietary sustainability standard or brands. In some cases, a sponsorship deal may be framed in part to enable a company to showcase its own sustainable products and services. While such cases may have strong technical sustainability credentials, they are not necessarily the same as independent product standards. Such instances can be helpful to the sustainability story of the Games; equally they can become an issue with stakeholders if there is a perception that other suppliers of similar products have strong sustainability credentials.

It is therefore important that this is all explored in collaboration with Sustainability, Procurement, Legal, Communications and Business Development teams to ensure there are no internal misunderstandings. In the case of TOP Partners, the IOC always needs to be fully consulted.

It is also important to remember that not all independent standards or schemes are equal in terms of credibility and robustness. The ISEAL Alliance has developed a set of [Credibility Principles](#) that are useful to review when considering the use of standards.

[Standards Map](#), developed by the International Trade Centre, also provides information on over 200 standards, codes of conduct and audit protocols addressing sustainability hotspots² in global supply chains. In addition, the ISEAL Alliance has developed some useful guidance called [Challenge the Label](#) that aims to help buyers distinguish between credible and non-credible claims. Claims and declarations are discussed further in [Chapter 6. Communicating sustainable sourcing efforts](#).

4.1.2. Developing internal requirements

If it is decided to develop internal or OCOG-owned requirements, it is still advisable to refer to criteria and standards that are already well developed and widely recognised. It is important to remember that while the Games will be an attractive proposition to most suppliers/partners, they are likely to be receiving competing requests from their other customers, so try to make requirements 'add value' to their business by ensuring that they are not just relevant to the OCOG.

It is important to consider:

- What is the issue or issues that needs to be addressed by the requirement(s)?
- Have standard industry or best practices already been developed for these issues either generically or specific to the priority category in question?
- Are there any issues for which best practice guidance still needs to be developed and/or where no proven or market-ready solutions exist?
- Are there opportunities to collaborate with other organisations on a pre-competitive basis to drive a shared understanding of how to address the issue?
- Are there opportunities to work and/or partner with NGOs, governments and others to share the burden of capacity building, investments, etc.?
- What parties can be best involved in exploring best practices to ensure effective implementation of future requirements?

² A 'hotspot' is an activity within a product's life cycle that is identified as having a substantial environmental or social impact supported by significant evidence. For example, in the case of coffee, its hotspots all occur upstream rather than downstream. For instance, during coffee bean production (e.g. child labour use, fertiliser application on farm, or supply chain transparency), during coffee bean processing (e.g. worker health and safety), packaging (e.g. energy consumption) and transport (e.g. fuel combustion), rather than during its retail, consumption and end of life.



Developing Sustainable Sourcing Code and documenting requirements

Ultimately requirements need to be documented in one form or other.

One approach is to consolidate all core mandatory/minimum requirements (i.e. those that are likely to apply to all or most goods and services) in the form of a Sustainable Sourcing Code. Such a document can be an effective way to integrate sustainable sourcing into supply chain arrangements.

A code can provide a useful framework for helping the OCOG consider the relevant issues and make informed choices. It can be used to develop detailed functional- and operational-specific procurement strategies, plans and specifications (e.g. food and beverage, transport, technology, etc). Further requirements can be introduced together with more explicit performance measures relating to what is being procured (e.g. food or vehicles). These requirements need to be documented separately but their existence may be highlighted in the code. As a minimum, they need to be formally articulated at the tender stage and it is advisable to engage with the market prior to tender.

The code needs to make clear that it applies to relevant parts of the suppliers/partners' supply chain. They are expected to enforce these standards through the supply chain where it relates to the OCOG.

A suggested template is available in Annex IV Template Sustainable Sourcing Code.

In all cases, there will be a need to ensure the core requirements of the code and any other sustainability requirements are integrated into final sourcing specifications and applied through the tendering process (refer to the next chapter).

The Sustainable Sourcing Code should also be publicly available (e.g. on the OCOG's website). It is also advisable to engage and consult with key stakeholders on its development. This would be clearly beneficial for prospective suppliers/partners so that they can familiarise themselves with the OCOG's requirements and expectations. It will also be of interest to wider stakeholders as they will be able to better understand the OCOG's views on sustainable sourcing and how this is being implemented.

Further information on developing a Sustainable Sourcing Code is available in the Olympic Games Guide on Sourcing and Resource Management - a circular economy approach.

The requirements for the Sustainable Sourcing Code are specified in the HCC – Operational Requirements.



4.2. Dissolution and final disposal management

All OCOGs need to plan for and control the final destination of their products, packaging and waste, through logistics planning and integration into the OCOG's Dissolution Strategy.

Wherever possible, waste must be prevented from the outset (refer to [Figure 6: The procurement hierarchy](#)). However, if this is not possible then prioritise reuse and recycling and, if this is not possible, energy recovery (also known as waste-to-energy). Disposal to landfill or incineration needs to be the last resort. Waste disposal has the greatest impact on the environment and is typically the least cost-effective waste management solution.

The requirements for waste management are specified in the HCC – Operational Requirements.

For most usable assets, reuse needs to be explored as the preferred disposal route in procurement contracts. Identifying and confirming reuse routes can take time and much research and discussion. Reuse options are many and varied, taking forms such as buy-back schemes, sale or return or donation to other events or community organisations like schools or hospitals. A lot of barriers may be encountered, including concerns over quantities, quality, guarantees or warranties and collection arrangements. Appropriate due diligence is needed and reuse routes need to be fully open and transparent (refer also to [Chapter 6. Communicating sustainable sourcing efforts](#)).

These requirements need to be considered when determining the need for goods and services, and factored throughout the design, sourcing strategy, tendering process and use stages. This includes consideration for disassembly and reuse at the design stage, ensuring that the need for components and materials is optimised in the specification, and avoiding the use of substances and materials that could be costly and difficult to dispose of safely.

Many organisations think the cost of waste is just the disposal cost, however to obtain the true value more needs to be taken into account: the cost of purchasing; handling, processing and maintenance costs; management time; any lost revenue opportunities (e.g. sale of recyclable material) and potential liabilities. It has been shown that the true cost to any organisation is often 5–20 times that of the disposal.

Focussing on reducing materials usage, reusing materials and increasing recycling generally saves money, boosts landfill diversion rates, generates opportunities for income (e.g. sale of reusable assets or recyclable materials), cuts greenhouse gas emissions and enhances brand reputation and provides benefits to local communities.

4.3. Establishing stakeholder advisory or specialist working groups

There will be limits to the sustainability knowledge and expertise that exists within the OCOG, particularly given the range of sustainability issues that need to be managed. Stakeholder engagement is a critical aspect of any credible sustainability programme. One of the benefits is that stakeholders can help organisations understand and respond to emerging social and environmental issues, including advising on sustainable sourcing practices.

In recent Games, it has become increasingly common for stakeholder advisory or specialist working groups to be established for a wide range of topics – often to support the development of category-



specific strategies and plans (e.g. sustainable food and beverage) or key sourcing challenges (e.g. supply chain labour and human rights). Such groups bring together expert stakeholders from outside the OCOG with senior Subject Matter Experts (SME) and decision-makers from inside the OCOG. They are not just a mechanism for stakeholders to offer a view, but a forum for dialogue and mutual learning, which helps shape strategies and plans.

Such groups need to have specialist expertise in the relevant subject from a cross-section of organisation types such as NGOs, academia, government agencies, business (including TOP Partners and OCOG Marketing Partners where possible) and other civil society organisations. The groups need to be carefully managed to ensure they remain focussed and are not distracted by immaterial issues or solutions that are not in the OCOG's remit.

Where a detailed piece of work is needed, the OCOG would still commission relevant expertise and use the group as a sounding board and 'critical friend' reviewer.

These groups would be task-specific and disbanded once their work is complete. Their structure, governance, transparency, reporting and communication is also important to consider. Each group needs its own terms of reference and, where necessary, all parties need to be subject to a Non-Disclosure Agreement (NDA). While members of the group would be attached to a particular organisation, ideally, they would be willing to act in an individual capacity.

4.4. Advanced engagement with the market

Except for a relatively small number of global suppliers/partners that have worked on previous Games, most prospective suppliers/partners in the host country will have limited understanding of supply opportunities, scale, standards and timelines involved.

There can often be a misconception that the Games are the exclusive preserve of Marketing Partners and other large corporations. Across the total spend of an OCOG there are however always opportunities for conventional supply deals. It is important for the OCOG to communicate these opportunities openly and transparently.

It is beneficial to proactively engage prospective suppliers/partners to benefit from their knowledge of markets and trends and to develop an understanding of the capacity available to meet planned demand (refer also to [Chapter 5. Managing sustainable sourcing](#)).

Early engagement with the market encourages industry to prepare to meet demand, provides an opportunity to highlight any issues with proposed outcomes and/or requirements (e.g. can they even be delivered) and inspires sectors to improve their sustainability efforts.

The way previous OCOGs have engaged the market has been through a series of connected mechanisms:

- a single point of contact via an online portal, whereby companies can register interest and prequalify;
- direct notifications of relevant tender opportunities to companies registered on the portal;
- business support agencies (usually a city/national government agency but could be an NGO) that provide training and support to build capacity among small companies to enable them to bid for Games opportunities;



- provide prospective suppliers/partners with access to sustainability training and capacity building programmes in collaboration with others;
- industry briefings and presentations to business networks in key sectors well before going to market (refer below), so the OCOG can highlight future plans and opportunities. Audiences would include trade associations, unions and other collective groups, so information can be extended through their networks; and
- business section on the OCOG website that provides key documents in the procurement process, legal terms and conditions and an up-to-date schedule of future contract opportunities.

More proactive engagement with industry provides an opportunity to gain a better understanding of the market and identify any capacity issues. It is useful to engage on specific issues that may be affecting or could affect the marketplace. Risks, opportunities, enablers and barriers in the market could also be identified. Supplier/partner events can also be a good opportunity for smaller suppliers/partners to meet larger ones.

Whatever approach is taken, the process should result in a better understanding of some or all of the following:

- **capability** – the ability of the market to achieve what is required;
- **feasibility** – whether what is sought is feasible or has ever been done before;
- **maturity** – whether there is an established market for the requirement and whether there are enough existing suppliers for a competitive sourcing exercise; and
- **capacity** – whether the market can achieve what is required quickly enough or on a large enough scale.

There is no commitment on the OCOG or prospective supplier/partner and engagement needs to be conducted a good period of time before a particular good or service is required. It is important that the process is open and all involved are treated fairly and equally. All prospective suppliers/partners need access to a common and consistent level of detail. It is also recommended that the process is documented in some form.

The process should help to translate desired outcomes into a set of requirements that is capable of being delivered by the market and makes it much more likely that they will be achieved. The exercise is essentially a dialogue between the OCOG and the market aimed at establishing a set of requirements. As such, the OCOG needs to be open and receptive to any feedback from the market and be willing to reconsider its requirements. It is important, however, that there is commitment and support of the OCOG's top management before engaging with the market. For example, it would be unfortunate if the market had been engaged to supply something only to not move forward in the way that the market might expect because it had been identified as a potential sponsorship opportunity for the OCOG.

There may be situations where the current market is simply not able to deliver what is required. This might be because of the scale of requirements (too large or small), the short-term nature of the OCOG, perceived problems in the commercial viability of any solutions, lack of a local market, concerns about risk, etc. In such instances, and where there is legacy potential beyond the Games, it may be appropriate to consider taking steps towards creating or developing a market: this could be on a pilot or demonstration scale. This is likely to need close collaboration with wider stakeholders such as government agencies and industry bodies or pre-competitive collaboration or dialogue with business.



4.5. Marketing Partner supply rights

It is important to understand how Marketing Partner rights might impact the establishment of sourcing requirements (regardless of whether or not there are supply rights). For example, some deals (completed or proposed) might exclude the potential for specifying the use of certified standards.

It is advisable that the OCOG area responsible for sourcing a particular good or service work in close collaboration with Sustainability, Procurement and Business Development teams to ensure there are no internal misunderstandings, including with the Marketing Partner in question, to ensure their position is fully understood. In the case of TOP Partners, the IOC always needs to be consulted.

This can be a tricky conversation particularly if technically what is proposed is not due to be supplied by the Marketing Partner but could be seen to be in conflict with their rights or activation. This is further compounded where there is a host country expectation on the OCOG. There is no easy solution to this but the sooner these conversations happen the better.

4.6. Key considerations when establishing sustainability requirements

Key considerations when establishing sustainability requirements are:

- Keep it meaningful: is what is being asked of the supplier/partner clear, and why? Will it serve a clear purpose and provide something meaningful? If not, do not make it a requirement.
- Make sure it can be delivered: ensure suppliers/partners can do what is being asked of them. Clearly this can be tested through the selection process (refer to [Chapter 5. Managing sustainable sourcing](#)), but the market may simply not be capable of delivering at this time. It is advisable to do some advanced market engagement/research.
- Make sure it can be measured: can the requirement be monitored and measured? Are there resources and capability to use whatever information is obtained from suppliers/partners? Make sure a baseline position or reference scenario is also understood before setting specific targets.
- Standardise and drive convergence where possible: try to stipulate requirements that are seen as standard or generally accepted. Remember suppliers/partners may be receiving competing requests from their other customers so try to make requirements add value by ensuring that they are not just relevant to the OCOG.
- Be flexible: sustainability requirements need to be dynamic and subject to change as knowledge and understanding evolves. Be open to what suppliers/partners say in this regard.
- Be focussed: do not feel that requirements need to be set for all priority categories and all sustainability issues concurrently. It may be that the market is not ready.

The next chapter provides more information on how to manage sustainable sourcing and how to take sustainable sourcing requirements forwards.



4.7. Summary of key actions

- A basic sustainable sourcing policy has been developed alongside category-specific sustainability requirements for all priority categories of goods and services.
- Brand protection and Marketing Partner rights issues associated with establishing sustainable sourcing requirements have been determined in collaboration with key internal stakeholders and the IOC as appropriate.
- A Sustainable Sourcing Code setting minimum standards to be achieved has been developed together with category-specific sustainability requirements for priority categories of goods and services, with input from key external stakeholders. Requirements are aligned with outcome-based goals wherever possible.
- Final disposal management has been planned and integrated into the OCOG's Dissolution Strategy (refer also to [Chapter 5. Managing sustainable sourcing](#)).
- Stakeholder advisory groups/specialist working groups have been established to support and advise on sustainable sourcing.
- A programme of proactive advanced engagement initiatives with the market has been developed and implemented.



5. Managing sustainable sourcing

Main goal

To fully implement sustainable sourcing requirements across all priority categories.



Figure 5: Managing sustainable sourcing

It is essential for the OCOG to have robust processes in place for sourcing goods and services. Initially processes may be ad-hoc or informal but will become increasingly formalised and rigorous as the Business Development, Licensing and Procurement teams become more established. Sustainability requirements need to be fully integrated into processes for selecting OCOG Marketing Partners, product and retail licensees and conventional suppliers. Working through this chapter may therefore prompt questions and considerations that necessitate review, change or formalisation of what is or will be in place.

Essentially there are two angles to putting sustainability requirements into effect. Firstly, set out the requirements in the contract/agreement - typically via a tendering process - and secondly, assist suppliers/partners in complying with these requirements. Getting something into contract can be the relatively “easy” part – getting the supplier/partner to deliver against it can sometimes prove to be the “difficult” part. The relationship with a supplier/partner is therefore characterised by both cooperation (e.g. development of best practices, assistance with compliance, etc.) and contract management (e.g. rewarding compliance and continuous improvement, de-incentivising non-compliance, etc.).



Implementation will vary considerably between categories because of the differences in relationships with suppliers/partners, the sustainability issues and the nature of the supply chain.

Here are some key questions to consider at this point:

- What sourcing approach will be adopted to source categories of goods and services?
- How will sustainability requirements be included in supplier/partner requirements?
- How will suppliers/partners be supported to meet sustainability requirements?
- How will implementation be monitored?
- How will compliance with sustainability requirements be verified?
- How will the impact of sustainable sourcing activities be assessed?

Many aspects in this chapter mirror what could be thought of as the basics of good procurement practice but in this chapter, they are examined solely from a sustainability perspective.

The requirements for compliance of sourcing and resource management activities are specified in the HCC – Operational Requirements.

This chapter contains the following topics:

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5.1. Embedding sustainability into contracts

The first course of action is to think about what is in place to regulate the relationships with suppliers/partners.

Sustainability clauses need to be included in all standard terms and conditions or licensing and sponsorship agreements at the earliest opportunity. There also needs to be provision for introducing additional requirements where necessary (e.g. as a supporting schedule). For example, even if the chosen supplier/partner has provided an excellent tender response, this will not be contractually binding unless it is referred to in some way in contract (refer to section [5.6. Evaluating and engaging suppliers/partners](#) below).

If sustainability obligations have been placed on some suppliers/partners, it is advisable to reflect on how seriously this is or has been managed. For example, is it a 'box-ticking' exercise or a serious initiative on which suppliers/partners are held accountable for delivery? In the latter case, it is also important to consider whether contracts contain effective sanctions against suppliers/partners that do not meet requirements or incentivise compliance or continuous improvement. More information on this topic is provided later (refer also to section [5.7.2. Grievances and dispute resolution](#) below).



Example

London 2012 case study: examples of how sustainability was reflected in contracts

Sustainability clause in standard terms and conditions:

6.3 The Supplier shall comply with any procurement, equal-opportunity, diversity, environmental and sustainability policies of LOCOG (including the Ethical Trading Initiative Base Code, the Code on Conflicts of Interests and the Code on Gifts and Gratuities) that are notified by LOCOG to the Supplier from time to time or published on LOCOG's website from time to time.

LOCOG, Standard Terms of Procurement, Version 1.2, effective from 31 October 2007

Example of sustainability clauses in a bespoke direct supplier contract:

3.12 The Supplier shall comply with such practices, procedures and guidelines reasonably required by LOCOG, and shall procure that its Connected Persons do the same. In particular, the Supplier shall conduct its activities pursuant to this Agreement with regard to applicable environmental laws and equal opportunity laws and any equal opportunity, diversity, environmental and sustainability policies of LOCOG as advised to it by LOCOG from time to time (including the Sustainable Sourcing Code), and shall procure that its Connected Persons do the same. The Supplier shall use best endeavors to ensure that the Goods do not go to landfill following the Games.

Schedule 1 Sustainability

In performing the Services, the Supplier shall, and shall ensure that any sub-contractors which it engages to provide any of the Services shall:

- 1. (a) comply with obligations under clause 3.12 of this Agreement as they relate to sustainability;*
- 2. (b) use reasonable endeavours to source products with enhanced sustainability credentials (e.g. recycled content);*
- 3. (c) work with LOCOG to explore the utilisation of alternative sustainable means of service delivery (e.g. use of rail and waterways);*
- 4. (d) make provisions for the appropriate redeployment, re-use and recycling of items supplied in connection with the Services and in doing so the Supplier shall maximise opportunities for reuse and supply a post-Games report on how it has delivered on this obligation; and*
- 5. (e) within a reasonable period of the date of the Agreement, prepare appropriate documentation setting out how the Supplier intends to comply with the obligations set out in this clause.*

The Supplier shall nominate a designated member of the Supplier Personnel as the Supplier's representative with respect to the Supplier's sustainability obligations under this Agreement.

Sourcing and supply of furniture contract, negotiated in 2010

Source: LOCOG



5.2. Identifying organisational need

First and foremost, sustainability issues need to be considered at the beginning of the process. The OCOG's ability to influence cost, performance and sustainability declines as the process progresses.

Most sourcing begins with the identification of a clear business need, whatever this might be (refer to Figure 6: The procurement hierarchy). The question to answer at this point is to challenge the actual business need in the first place by identifying opportunities to:

- avoid or reduce consumption of materials;
- identify if there is a more sustainable alternative readily available; and/or
- rethink and revise specifications to improve more sustainable outcomes.

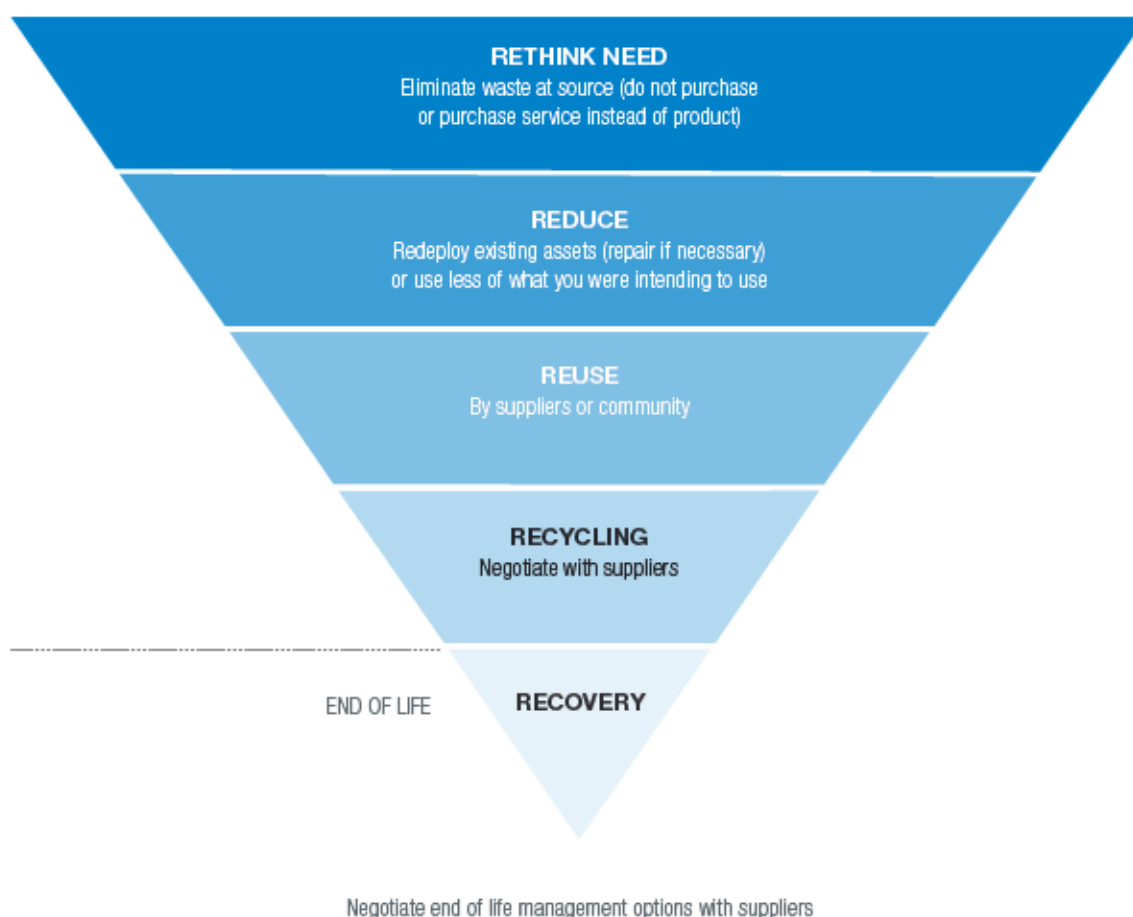


Figure 6: The procurement hierarchy
Source: Adapted from Waste and Resources Action Programme (WRAP)

This involves the relevant teams coming together to define and scope the technical requirements, evaluation criteria and assess potential risks and issues. A certain amount of market research is also likely to be needed (refer to section [5.3. Determining the approach to sourcing](#)).



Relevant teams would normally include representation from:

- the area wishing to purchase (to specify functional requirements);
- Procurement, Licensing or Business Development (to manage the process depending on the nature of what is going to be sourced);
- Sustainability (to assess sustainability requirements and risks);
- Legal (to assess any regulatory issues or other obligations);
- Business Integration (to assess any impacts on Marketing Partners supply rights);
- Health and Safety (H&S) (to assess health and safety risks); and
- Finance/Risk Management.

It is important to challenge the business requirements and distinguish between stakeholder 'wants' and 'needs'. This helps to identify available options and the most appropriate sourcing solution. Avoiding unnecessary sourcing of goods and services not only saves costs, but also reduces the environmental and social impact of supply. For example, while the upfront cost of hiring or leasing an item may be more than buying it outright, it may be more cost effective for the OCOG when 'whole life' costs are considered (e.g. the OCOG is not left with paying additional costs for its redeployment or disposal).

Any repeat or ongoing sourcing needs to be challenged and questioned as much as possible as well as being open to innovative ways to meet organisational needs. For example, is a similar product already in use within the organisation and could be shared more widely with other users? Are there opportunities for existing items to be refurbished, repaired or upgraded to avoid having to buy new ones? Can products be leased on a short or long-term basis instead of being bought or delivered as a service?

5.3. Determining the approach to sourcing

It is advisable to undertake market and industry research to gain a full appreciation of potential sourcing options (refer also to [Chapter 4. Identifying sustainable sourcing requirements](#)). This is a continual/ongoing process; the pace of change with new technologies and innovations means it cannot be taken for granted that the market is known.

Advance market intelligence and engagement is advisable for many reasons. This might simply be to better understand the current market and what more sustainable options may exist or to provide the industry with advanced notice of what the OCOG is seeking.

The likelihood is that many prospective suppliers/partners will be quite progressive on sustainability. Engaging with a diverse range of prospective suppliers/partners early in the process can help establish if sustainability needs can be met, or exceeded, by identifying:

- new or previously unknown technologies, products or other innovations;
- new or previously unknown suppliers/partners;
- new or previously unknown business models or ways of working; or
- innovative buy-supplier/partner collaborative relationships.

Where sustainability requirements cannot be met in the current market, it might be appropriate to consider taking a 'forward commitment' approach to sourcing. This is where the market is provided with



an unmet need and agreement to purchase a good or service that currently might not exist, at a specified date in the future, on the assumption that it can be delivered to agreed performance levels and cost.

Example

For example, the Olympic Delivery Authority (the public body responsible for building the permanent venues and infrastructure for London 2012) engaged with its supply chain to develop more sustainable concrete mixes resulting in a saving of around 30,000 tonnes (24 per cent) of embodied carbon and elimination of over 70,000 road vehicle movements.

Always fully evaluate all options with respect to sustainability before any decisions are made. Just because a supplier/partner says it is more sustainable, does not necessarily mean that it is; all claims need to be checked to ensure they are supported with independently verifiable information. For example, even if a supplier/partner claims a product or material is 100 per cent recyclable, it does not actually mean it is in practice; they need to be able to prove where the item can be recycled in the host city or country.

As much as possible, sustainability requirements need to be integrated into the process for sourcing a particular good or service, however, it may not always be possible to do this.

There are two key questions to consider at this point:

1. To what extent is the OCOG likely to have visibility over the category's supply chains?
2. How far down the supply chain should the OCOG go in terms of interventions/requirements?

Opportunity and risk are the main factors to consider in deciding how far up or down the supply chain to go and whether the OCOG adopts a direct or indirect sourcing approach.

In general, most OCOGs will indirectly source from a large extended supply chain via suppliers/partners with which they have a direct contract/agreement. Apart from a handful of possible exceptions, the OCOG is unlikely to have any direct contractual relationship with the factories producing the items, or with locations from where raw materials originated (e.g. farms, fisheries, plantations, mines/quarries etc.). In these instances, it is necessary to rely on suppliers/partners to ensure requirements are implemented as far down (or upstream) through the supply chain tiers as is possible. The appointment of third parties and/or use of independently certified external standards may provide some additional assurance. The OCOG should not assume that such measures are fool-proof: they will not be and there is a high likelihood that issues will emerge (refer also to sections [5.6.2. Due diligence requirements](#) and [5.7.2. Grievances and dispute resolution](#)).

There may be circumstances where a more direct sourcing approach is adopted for a particular category by engaging directly with where items originate (e.g. farms and factories).

The fact remains that, the bigger and more complex the extended supply chain, the harder it is to assure from a sustainability point of view. This is challenging for any organisation to do, let alone those in an OCOG where supply chains might be more temporary in nature.

5.4. Finalising the sourcing specification

Once the most appropriate approach to sourcing the good or service has been determined, the specification needs to be finalised. The specification is what describes the specific needs of the organisation and requirements for the goods or services being bought.

There are essentially two types of specification:



1. functional specification – sets out the functions that the goods or services are expected to fulfil, including the performance to be achieved; and
2. technical specification – stipulates the technical characteristics of the goods and services (e.g. requirement to meet a particular standard).

Often a specification is developed with little or no regard for sustainability, and sustainability requirements are subsequently added as a separate part of the specification if at all. This should not be the case and sustainability requirements need to be fully integrated into the specification so they are not seen as ‘additional’ or ‘optional’ and are therefore likely to be taken more seriously by the supplier/partner.

Core sustainability requirements – which may be in the form of a Sustainable Sourcing Code (refer to section [4.1.2. Developing internal requirements](#)) – and requirements more specific to what is being sourced or bought need to be fully reflected in the specification.

In some cases, it may also be appropriate to consider the use of more outcome-based specifications to encourage suppliers/partners to be more innovative in how they meet requirements. For example, challenging a supplier/partner on how they might supply goods and services (such as delivering a zero-waste solution) or needing them to meet a certain standard or requirement (supplying FSC-certified wood, for instance).

A set of general sustainability questions needs to be included in tender documentation (refer to [Annex V - Example of sustainability due diligence questions](#) for suggested questions). Where sustainability is key for certain categories, more targeted questions can be included that relate to specific sustainable sourcing requirements. Essentially, this means that appropriate due diligence needs to be carried out to sense how important sustainability is to the provider already (regardless of requirements) and then in turn what specifically can the provider do to make the supply of goods and services more sustainable.

Once the specification has been finalised, sustainability requirements need to be factored into successive stages of the process (refer to section [5.5. Identifying suppliers/partners and tender](#)). It is important to remember though that while important, the specification is not the only point in the process where sustainability requirements are considered (e.g. all key sustainability provisions need to be included in the actual contract).

5.5. Identifying suppliers/partners and tender

Once the sourcing strategy and sustainability requirements are finalised, potential suppliers/partners need to be identified and invited to tender. There may be some knowledge of which organisations are likely to be potentially suitable to engage with, or at least have knowledge of the contenders in the marketplace.

Pre-qualification

Prospective suppliers/partners may have been identified through market or industry research or they may already be known or have made themselves known to the OCOG.

Often though some form of pre-qualification takes place prior to going to tender. This involves vetting potential suppliers/partners of goods and services to identify those with the most potential to meet requirements, including sustainability. This can be done in a number of ways: questionnaires, site visits,



supplier/partner presentations. The most widely used is a pre-qualification questionnaire, particularly where there is a large number of potential suppliers/partners in the mix.

Questionnaires need to be tailored to the OCOG's key requirements. Questions may relate to the experience of the potential supplier/partner, the capacity to supply, financial stability and competence and commitment to sustainability. With regards to sustainability, what is asked depends on the OCOG. Identify key things that need to be known of the supplier/partner and things more relevant to the goods and services they may be able to supply. This can be tested further at the tendering stage.

It is good practice to provide some feedback to all organisations that will not progress to the next stage. If this is because of sustainability, it sends a clear signal to the market about how important sustainability is to the OCOG.

Inviting organisations to tender

The next step is to agree a list of organisations that are determined to be suitable to progress to Invitation to Tender (ITT) stage (or it might be known as a Request for Proposal [RFP]). This will be based on information obtained during pre-qualification or through initial market engagement (e.g. consideration of financial standing, capacity and competence and track record/experience). RFPs or ITTs set out the requirements and may take many different forms, from informal emails to more formal and lengthy documents prepared with the involvement of key internal teams (e.g. Legal, Finance, Communications, Sustainability, etc).

However, informal or formal, it is good practice to issue an RFP or ITT to all prospective suppliers/partners regardless of whether this is for a conventional supply arrangement or for licensing or sponsorship. It may be that the OCOG only requires several quotes if the goods or services are anticipated to be above a certain financial limit (e.g. €20,000). This may be fine, but even the smallest contracts have the potential for significant sustainability issues. For example, the workforce may be required to wear branded t-shirts at a small event: while this is likely to be small in terms of expenditure, it has potential reputational risk associated with the sourcing of the t-shirts. These types of scenarios need to be managed (refer also to [Chapter 7. Enabling sustainable sourcing](#)).

A proposal or tender is a written offer from the prospective supplier/partner to execute work or supply goods or services at a stated price and under stated conditions – preferably in a way that meets the specification. It is crucial that all likely requirements for the goods and services are identified and included as part of the process.

An RFP or ITT may typically:

- define the contract, giving details of timelines for delivery and completion;
- contain a plain language summary of the key conditions of contract;
- detail the scope of work or services and specification;
- set out the process for submitting the proposal or tender, including any parameters such as length of submission and timelines (it may also be appropriate to highlight the budget); and
- detail the full terms and conditions.

The main objective of the process is to ensure the 'best fit' supplier/partner is selected to supply goods and services that meets the requirements. This 'best fit' supplier/partner is likely be sound commercially and financially, technically competent and perform the best overall on sustainability grounds.



The process needs to be fair, ethical and transparent. It is important to be clear about how responses received from prospective suppliers/partners will be evaluated. This includes how value for money is defined and how sustainability fits into this. It is good practice to make prospective suppliers/partners aware of the criteria being used for evaluation (refer to section [5.6. Evaluating and engaging suppliers/partners](#)).

Equally, no bidder should be given preference or assisted with clarification without the same advantage being given to others. All responses to clarification questions need to be made available. If prospective suppliers/partners are met during the tendering process, this can only be for the purposes of clarification of points. If it is agreed to relax or change the specification for one prospective supplier/partner, then the same needs to be communicated to the others that are still in the tendering process.

Sponsorship, sole or existing supply arrangements

All suppliers/partners must be expected to source goods and services in an ethical and environmentally responsible manner. They need to be open and willing to manage their sustainability risks and capitalise on their sustainability opportunities.

The OCOG should be looking to do business only with responsible suppliers/partners: companies that treat their staff and workers well, that understand the nature of the goods and services they are supplying and that recognise their responsibility to protect the environment and foster good relations with their local communities.

Where sponsorship involves supply of goods and services, it is important that the scope of the sponsorship category is fully known and any sustainability issues and conflicts are identified. For example, a high priority spend category is, or could be, within the rights of a Marketing Partner in the near future.

If there is already an existing long-term contractual or sole/exclusive supply relationship with a supplier/partner, there may be limits of what can be asked of them: do not be afraid to do so though. Ultimately good supply chain engagement is built by fostering a positive working relationship, not enforcing contractual requirements. It is likely that they will be willing to meet requirements without being contractually compelled to do so.

If, however, they are resistant to meeting requirements, then determine what existing break clauses or change control provisions are present in the contract, or simply identify when the contract is due for renewal and prioritise accordingly.

5.6. Evaluating and engaging suppliers/partners

The goal always needs to be to do business with suppliers/partners that are best placed to deliver value for money. Sustainability needs to be one of a number of core elements that together represent what value for money means to the OCOG.

The evaluation process is generally led by individuals or teams responsible for sourcing (e.g. Business Development, Licensing and Procurement) but needs to involve all key internal stakeholders.



5.6.1. Evaluation approach

Tenders/proposals may be evaluated in a variety of ways, but the main ones are:

- weighting – where sustainability is scored relative to other factors such as price, quality, function, etc; and
- pass/fail – where sustainability is assessed against the specification and key criteria.

The decision of which approach to take warrants careful thought. Regardless of which is chosen, it is important that transparency is maintained throughout the assessment process. Ideally, a clear and documented audit trail needs to be in place. All decisions, and reasons for them, need to be clearly documented with the involvement of key responsible parties.

In terms of weighting, sustainability factors can be scored against a pre-agreed set of criteria alongside other factors such as price and quality and can even be given a higher weighting where sustainability is very important. In practice though, unless sustainability is very heavily weighted, factors such as price and quality are likely always to be the dominant factors in the overall score.

If sustainability is truly important, rather than base the assessment on a notional weighting, it may be more advisable to opt for a clearer 'go/no go' approach where prospective suppliers/partners can be rated 'Red, Amber or Green' for instance (refer to the example in the table below). This assessment can be based on scoring, a qualitative judgement or a combination.

Evaluation response	Definition	Implication	Actions required
GREEN	Supplier/partner proposal is acceptable	Willing to approve contract award to this supplier	None
AMBER	Issues with the supplier's/partner's proposal, but these can be resolved	Willing to approve contract award to this supplier, subject to specific conditions being met	Detail the conditions that need to be met by the supplier/partner (e.g. clarification, provision of further evidence, required changes prior to contract start date)
RED	Significant and insurmountable issues within the supplier's/partner's proposal	Not willing to approve contract award to this supplier	Provide rationale for the evaluation response, referencing specific details of the supplier's/partner's proposal that have raised concerns

It might therefore be appropriate to appoint a supplier/partner that does not perform particularly well on sustainability but has made a commitment to take action to mitigate any supply chain risks and/or be more proactive in capitalising on sustainability opportunities. A key consideration is whether the supplier/partner is judged to have the capability and capacity to deliver without relying on the OCOG needing to step in if something goes wrong, particularly if the risk is a public or media sensitive issue.

While it is right that more stringent sustainability requirements will be placed on suppliers/partners, if possible they also need to be encouraged to develop their own strategies and plans. Suppliers/partners



may say that they cannot have their own strategies and plans because they need to be able to respond to the needs of their clients. This is simply not true. It is possible for a supplier/partner to develop its own sustainability strategy and plan to address their key or priority issues that can also accommodate client-specific requirements. There are many client-facing organisations (e.g. contract food and beverage companies, professional services organisations, construction firms, etc.) that have developed their own sustainability programmes, putting them in a better position to respond to the needs and expectations of their clients. In the event of a conflict in policy, there can at least be an ‘eyes wide open’ discussion; rather than simply saying “yes” to a client requirement in full knowledge that there is likely to be an issue later. Encouraging suppliers/partners to develop their own strategies and plans will enable them to build their own capability and capacity and be in a better position to respond to their client needs in the long run.

If, during the evaluation process, a conflict arises between a commercial or functional requirement and a sustainability requirement (e.g. a supplier/partner proposes to supply something that is commercially advantageous but is not aligned with the OCOG’s sustainability commitments) that cannot be resolved at a functional level, then this needs to be escalated to top management for an informed discussion and business decision to be made (refer also to [Chapter 7. Enabling sustainable sourcing](#)).

5.6.2. Due diligence requirements

Assessing supply chain aspects of suppliers/partners may not be robust enough during the pre-qualification or RFP/ITT stage for certain spend categories. This will be the case for high priority categories that have significant labour or human rights risks. In these instances, unless there is expertise in-house within the OCOG, it may be prudent to require independent third-party audits to be undertaken prior to contract award or before any production happens. This can also be at the supplier’s/partner’s expense. A key factor here though is allowing sufficient time in the tendering process for additional due diligence to be carried out if necessary.

It may not always be possible for suppliers/partners to fully demonstrate how they will meet all requirements in a proposal or tender. For instance, they may not know exactly what they are going to supply and from where they will source. This is likely to be the case for licensing and sponsorship deals where the general parameters of supply will be known, but the exact detail will be worked through during the course of the relationship.

In these instances, it is important to make sure the supplier/partner organisation is evaluated as much as possible and that there is as much flexibility built into contract as possible after it has been awarded. It is prudent to award the contract based on assessing the organisation’s ‘fit’ in terms of sustainability and then provide a provision for further evaluation or approval once the exact nature of the supply arrangements is known. For example, in the case of merchandise licensees at tender stage, the OCOG can evaluate the sustainability credentials of the licensee itself then, post contract award, introduce a contractual process whereby all merchandise needs to be formally approved prior to any production taking place. This essentially introduces a two-stage approval process: firstly a decision on whether to appoint the licensee and secondly a decision later on whether to approve the production of each particular item of merchandise.

5.6.3. Contract award

All sustainability commitments made by the supplier/partner need to be written into the contract to ensure the supplier/partner is contractually bound to deliver them.



Once all negotiations are concluded the supplier/partner is formally awarded the contract, which needs to be approved by all necessary internal stakeholders (refer also to [Chapter 7. Enabling sustainable sourcing](#)).

Consideration is needed on promoting the key sustainability aspects of what has been agreed in the contract across the OCOG and externally (refer also to [Chapter 6. Communicating sustainable sourcing efforts](#)).

Unsuccessful suppliers/partners need to be notified and provided feedback, including whether sustainability was a factor in the decision.

5.7. Managing the performance of suppliers/partners

There is always a period when the supply of new goods and services take effect and a relationship is developed with the supplier/partner. All specific sustainability requirements also need to be communicated to key internal stakeholders to ensure they are aware of what the supplier/partner has committed to do.

As highlighted previously, having a well thought out supplier/partner selection process and including requirements into contract can be the relatively “easy” part – having the supplier/partner deliver against the contract can sometimes prove to be the “difficult” part.

5.7.1. Contract management

Contract management is the principal way of ensuring that suppliers/partners deliver on their sustainability obligations. This represents a huge task for most OCOGs.

The approach to contract management is an area that needs careful thought, particularly when prioritising on which spend areas to focus efforts.

Individuals or teams with responsibility for sourcing/procurement may not have any contract management skills; neither may other teams in the OCOG. This can be compounded should the supplier/partner not have the capability or capacity to deliver all requirements.

Even if contracts have been awarded for goods and services that fall within sustainability priority spend areas, it may be challenging to monitor all of them. There is likely to be a need for further prioritisation to identify which contracts will be monitored as a sustainability priority based on opportunity and risk. The OCOG needs to ensure that the rationale for this further prioritisation is clear and understood and documented appropriately. Priority contracts need to be cleared, logged and tracked as part of the OCOG’s internal systems.

The goal will therefore be to agree a delivery and performance plan with suppliers/partners of these priority contracts as to how the contract will be managed including the review process and any monitoring and performance targets. It is possible that the supplier/partner had a different team involved in the tendering process and the team involved in delivery has little or no understanding of what was agreed. Orientation or induction sessions may be needed for key suppliers/partners. This needs to include a summary of all mandatory requirements and associated timescales.



Example

There is a range of tools and resources that can be used to support the contract management process to help manage supply chain sustainability opportunities and risks. These may be internally developed or proprietary in nature. Such tools and resources include management plans, independent social and environmental audits, certifications to external sustainability standards and proprietary specialist software. For example, London 2012 and Rio 2016 made use of the Supplier Ethical Data Exchange (Sedex) system to manage factory disclosures and audit information.

While suppliers/partners may be used to agreeing to a set of requirements during the tendering process, they may be less used to delivering against them. In part this is because it can be quite common for the contracting company to not enforce their requirements. OCOGs also may find it difficult to enforce their requirements because of reduced leverage once a deal has been done.

There are several options to consider as a response to these challenges such as:

- agreeing bonuses to be paid to the supplier/partner when certain targets and milestones are met;
- agreeing fixed price contracts to incentivise reducing waste or improving efficiency;
- agreeing to share any gains from improvements in sustainability performance linked to the supply arrangements, for instance, revenue sharing for recycling; and
- introducing penalties or payment retentions for aspects of non-delivery, for instance, excessive waste.

Provided there are no conflicts with brand protection rules, the OCOG might also consider rewarding or recognising the efforts of suppliers/partners that achieve or exceed their sustainability performance goals. This could be a good way to promote efforts towards continual improvement of their goods and services, and an example of good practice for other suppliers. For example, communicating the supplier/partners achievements on the OCOG's website or via other channels (refer also [Chapter 6. Communicating sustainable sourcing efforts](#)) and inviting high performing suppliers/partners to be part of the OCOG's knowledge transfer programme.

Allowing for regular review and feedback is key for reflecting on what is and is not working and enabling continuous improvement. Holding face-to-face review meetings at regular intervals provides an opportunity for both parties to communicate, share concerns and identify improvement opportunities. The OCOG needs to be receptive to hearing any concerns raised and to benefiting from the supplier's/partner's expertise.

It is also important to note that contract management obligations do not stop as soon as goods and services have been received. For example, the likelihood of issues being raised in the media will increase closer to the Games. Arrangements need to be made for contract management activities to continue during and after the Games, particularly for higher risk categories such as branded merchandise (refer also to section [5.7.2. Grievances and dispute resolution](#)).

The requirements for a contract management process are specified in the HCC – Operational Requirements.



The Supplier Ethical Data Exchange (Sedex)

Sedex is a data sharing platform helping organisations to manage ethical supply chain risk and streamline the process of engaging with multiple tiers of the supply chain.

It is understood to be the largest platform for managing ethical supply chain data and aims to drive convergence in responsible business practices.

Through a secure online platform, Sedex members can share and manage information related to labour standards, health and safety, environment and business ethics. Members also have access to a range of resources and reports, including industry-specific self-assessment questionnaires and risk analysis tools.

For buying organisations, Sedex offers an online system for collecting and analysing information obtained from the supply chain. The system enables reports to be run on a variety of ethical supply chain data and track suppliers' progress on key issues. In addition, a risk management tool helps companies to identify the likelihood of risk in their supply chain and prioritise resources to effectively manage this risk.

For suppliers, Sedex provides an effective way of sharing information with multiple customers. This helps to cut down on unnecessary paperwork, saving companies time and money. Suppliers complete a self-assessment questionnaire and can choose to share this with their customers along with other relevant ethical information such as audit reports, certificates and corrective action plans. This also helps reduce the need for multiple audits, allowing both parties to concentrate on making improvements.

Sedex members span more than 150 countries and many sectors, ranging from small independent farms to some of the world's largest retailers and consumer brands.

Source: Sedex

5.7.2. Grievances and dispute resolution

Consideration needs to be given to what provisions are in place or required in the event of a dispute. This could occur where a supplier/partner has simply not met a product requirement (e.g. the timber it is supplying is determined to not have full FSC chain of custody certification) or where an issue with a service provider or at a site producing goods becomes known (e.g. allegations have been made about breaches in international labour standards such as poor welfare conditions or use of underage workers). It is surprisingly common for contracts to be finalised without any thought to dispute resolution.

Even if such provisions are in place, it is prudent to determine how robust they would be if ever relied on in practice: legal opinion is needed in this regard.

Where a supplier/partner has failed to live up to expectations actions may include:

- commissioning independent specialists to investigate the issue and identify root causes;



- offering capability and capacity building support and assistance to help the supplier/partner address the issue;
- working collaboratively with other organisations, including those within the wider Olympic Movement, that have relationships with the same supplier/partner to incentivise improvements/action; and
- working with other organisations on a wider regional or industry basis to incentivise improvements/action.

Regardless, walking away from a supplier/partner relationship always needs to be the last resort after all other attempts have been made to resolve the issue.

In addition to the need for appropriate dispute resolution provisions, all OCOGs are expected to adopt the requirements of the [United Nations Global Compact](#) (UNGP). The UNGP is the first corporate human rights responsibility initiative to be endorsed by the United Nations (UN). The UNGP encompasses three pillars outlining how states and businesses should implement the framework:

- the State duty to protect human rights;
- the corporate responsibility to respect human rights; and
- access to remedy for victims of business-related human rights abuses.

In line with the requirements of the UNGP and the HCC – Operational Requirements, and to make it possible for human rights grievances to be addressed early and remediated directly, OCOGs must establish or participate in effective operational-level grievance mechanisms for individuals and communities that may be adversely impacted. Where it is identified that an OCOG has caused or contributed to adverse impacts (either directly or indirectly via their supply chains), it needs to provide for or cooperate in their remediation through legitimate processes.

The establishment of supply chain grievance mechanisms is very much an emerging area and few organisations have put effective mechanisms in place. As such, good practice in this area is still developing. Further guidance is provided in [Annex VI - Guidance on developing and implementing a supply chain grievance mechanism](#).

The requirements related to protection and respects of human rights are specified in the HCC – Operational Requirements.



5.8. Summary of key actions

- Standard sustainability criteria/clauses are included in all supplier, licensing and sponsorship agreements/contracts and supplemented with specific clauses where relevant. This includes appropriate and legally sound provisions for dispute resolution.
- Sustainability requirements are fully embedded in the sourcing process from the outset for all priority categories of goods and services.
- Contract management has been further prioritised according to a clear set of criteria based on sustainability risk and opportunity. Assessment of supplier/partner capabilities and performance is supported by the use of internally developed tools and/or proprietary software.
- An effective supply chain grievance mechanism is in place to supplement any mechanisms that might be in place within the OCOG's supply chain.
- Contract management needs have been planned and integrated into the OCOG's Dissolution Strategy.
- A formal process exists for capturing and disseminating lessons learned associated with sustainable sourcing practices.
- Disposal and end-of-life asset management strategies are in place for all relevant contracts (refer also to [Chapter 4. Identifying sustainable sourcing requirements](#)).

6. Communicating sustainable sourcing efforts

Main goal

To proactively communicate sustainable sourcing efforts to key internal and external stakeholders.



Figure 7: Communicating efforts

Sustainability can be a complex subject to communicate. It may well be necessary to simplify messages and speak in a language people can relate to and understand. Nevertheless, it is very important that attempts are made to communicate efforts to key internal and external stakeholders.

There are several reasons why this is important:

- raising and maintaining awareness of sustainable sourcing programmes and promoting achievements;
- building stronger stakeholder relationships and partnerships;
- generating positive media coverage; and
- receiving and responding efficiently and in a timely manner to enquiries, concerns and other stakeholder feedback, including reacting to potentially negative media issues.



It is advisable to develop a communications strategy and plan for the sustainable sourcing programme that is regularly reviewed and revised. This may sit as part of the OCOG’s wider communications and engagement strategy/plan or be separate. Whatever approach is taken, there needs to be an integrated communications approach.

This chapter contains the following topics:

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Internal communications

Existing communication channels need to be leveraged as much as possible (e.g. intranet, newsletters/e-briefings, internal events, workshops, roadshows, etc.). Identifying key individuals who support sustainability and can act as messengers is a very good way of promoting sustainable sourcing efforts. It is also important to understand who is strategically influential within the OCOG to ensure they understand ‘why’ sustainable sourcing is so important.

Key questions to ask when deciding how to approach internal communications include:

- How does sustainable sourcing fit into wider internal communications plans?
- What sustainability information should be circulated internally, when and to whom?
- Are employees informed of agreed external sustainability messages/lines?
- How is sustainability information communicated to employees and suppliers?
- How are sustainability achievements communicated internally? and
- How is feedback from employees and suppliers/partners encouraged?

External communications

Sustainable sourcing efforts need to be communicated to key external stakeholders, including the IOC, the International Paralympic Committee (IPC), IFs/NOCs, NGOs, governments, the general public and the media. How this is done depends on the OCOG’s approach to external communications. This might include publishing information on the OCOG’s website, preparing stakeholder newsletters, leveraging social media and writing blogs, issuing press releases or publishing a periodic sustainability report.

Key questions to ask when setting out how external communications will be approached include:

- How does sustainability fit into wider external communications plans?
- Have key external stakeholders been identified? What information interests them? When would they like it?
- How is sustainability information communicated to key stakeholders?
- What is the OCOG’s sustainability narrative? How does this fit with sustainable sourcing priorities? What are key sustainability messages and lines?



- Does the OCOG have any relationships with key sustainability media/journalists?
- Who is authorised to speak to mainstream and trade press/media? Have they been appropriately trained?
- How are external enquiries on sustainability matters received and managed? Are the right people informed or consulted internally?
- Are there communications lines on key aspects of the sustainable sourcing programme, for example, targets or issues where there is not a firm policy stance or that are particularly vulnerable?

OCOGs are required to publicly report their progress towards their programme wide Sustainability Strategy and Sustainability Implementation Plan by means of at least two Sustainability Reports prior to the Olympic Games and one post-Games Sustainability Report. Each of these needs to conform to internationally recognised reporting standards for sustainability.

The requirements for sustainability reports are specified in the HCC – Operational Requirements.

Transparency

Today's virtual world has put us in an era dominated by a need and demand for greater transparency. Technological innovations and changing consumer and social expectations mean that our standards of transparency need to evolve. OCOGs need to work with their suppliers/partners in an open, constructive and transparent manner – and expect them to do the same.

In this spirit, suppliers/partners need to provide information about the sustainability credentials of their goods and services including full details of all sites used (e.g. factories). OCOGs also need to reserve the right to publicise any information relating to products, services, suppliers/partners, if considered necessary to meet commitments to their stakeholders or other obligations. This should be reflected in contract and be a condition of supply.

Public disclosure of key supply chain information is fast becoming the norm. Because of sustained stakeholder pressure, many global brands now publish regular updates of the names and locations (i.e. site level) of all their first-tier manufacturing sites and some have started to disclose sites below this (e.g. raw materials suppliers). In an Olympic context, this has been the subject of high-profile campaigns in the past, notably Beijing 2008 and London 2012. For their sponsorship of the Beijing Games, adidas disclosed the factories making products for Beijing 2008 and did the same for London 2012. LOCOG also published most of the factories used by its merchandise licensees in the lead up to the London 2012 Games.

Example

6.1. Claims and declarations

In recent years there has been a surge in claims about the sustainability attributes of products or services. Claims cover a wide array of activities and take many forms. They might include images (e.g. unspoilt landscapes or wildlife), direct claims in text (e.g. 'this service is carbon neutral' or 'this is a zero emissions event' or '100 per cent recyclable'), or specially developed symbols and labels. They can be made in advertisements, on websites or on product (known as 'on pack') themselves. Claims can be on a particular issue (e.g. 'organic') or about the characteristics of inputs (e.g. 'PVC-free'). They might be third party labels (e.g. FSC® certified or Marine Stewardship Council [MSC] certified) or industry or multi-stakeholder schemes (e.g. "Roundtable on Sustainable Palm Oil" or the "Better Cotton Initiative"). They might also be a strategic commitment from the company, for example, to develop more sustainable products or to donate a percentage of profits to a worthy charitable cause.



The proliferation of claims and labels can be incredibly complicated and can result in a degree of uncertainty and confusion about which claims or labels to trust and how best to make an informed decision. For most criteria, labels or certifications exist that may provide OCOGs with additional guarantees on the sustainability credentials of the product or service. However, not all claims are equal, and the systems behind claims are diverse. For example, coffee can be purchased that is Rainforest Alliance certified, Fairtrade certified or Organic certified: all these labels are essentially attempting to address different issues (or 'hotspots') in the value chain.

Some claims and labels may also be 'tokenistic' (i.e. not addressing a key issue) or need substantial checking to verify them. A credible sustainability claim is clear, accurate, relevant and can be backed up by systems that are transparent and robust. OCOGs should not take what suppliers/partners say at face-value and all claims need to be independently verified. For example, if a supplier/partner says their service has a 25 per cent lower carbon footprint than their closest competitor, they need to provide independent evidence to support such claims.

The ISEAL Alliance has developed some useful guidance called '[Challenge the Label](#)' that aims to help buyers distinguish between credible and non-credible claims. The guidance sets out four key questions:

1. What product or service does the claim cover?
2. What type of claim is being made?
3. What sustainability attributes does the claim cover?
4. How is the claim verified?

In summary, all sustainable sourcing claims and declarations made, either by the OCOG or its suppliers/partners, need to be legal, fair, honest, transparent and verifiable (i.e. not be misleading and be supported by relevant quantitative data that is subject to verification from reputable sources). They also need to be sensitive to the views and needs of stakeholders. For example, if products are marketed as 'closed loop' then such claims need to be supported. Another example is ensuring that products marketed as recyclable are actually able to be reclaimed for recycling via end users in the host country, rather than the claim being based on a technicality.

The use of third-party logos (e.g. FSC®) is likely to be strictly controlled so the necessary licenses and permissions must be obtained from the corresponding certification or licensing body prior to use. For example, the FSC requires organisations wishing to promote their use of FSC-certified products to have a trademark licence (e.g. companies that have sourced FSC-certified office paper or furniture).



6.2. Summary of key actions

- Sustainable sourcing commitments and requirements are communicated internally and to relevant suppliers/partners.
- The OCOG's website expresses a general commitment to sustainable sourcing.
- Key sustainable sourcing messages and achievements are incorporated into ongoing communication channels with key stakeholders, such as the Olympic Movement, press/media and civil society.
- All suppliers/partners provide information about the sustainability credentials of their goods and services including full details of all sites used. OCOGs reserve the right to make this information public. This is reflected in contract and is a condition of supply.
- All sustainable sourcing claims and declarations made are legal, fair, honest, transparent and have been verified.
- The OCOG's website includes comprehensive information on its sustainable sourcing vision, strategy, goals and associated performance.

7. Enabling sustainable sourcing

Main goal

To ensure OCOG governance, culture, behaviours, capability and capacity are fully aligned with and support sustainable sourcing efforts.



Figure 8: Enabling sustainable sourcing

This chapter considers organisational governance, culture, skills and ways of working that will help strengthen sustainable sourcing efforts and make success more likely.

This will require some honest reflection on where the OCOG is on its journey. For example, is there complete alignment between top management, where the OCOG is trying to get to with regards to its sustainable sourcing vision and those that are tasked with delivering it?

There are several questions to consider regarding OCOG management and governance, as follows:

- Are the right culture and values in place to deliver the sustainable sourcing strategy? Is there an appropriate level of governance in place?



- Have roles and responsibilities relevant to sustainable sourcing been fully defined? Does a RACI³ exist for all key aspects?
- How will the sustainable sourcing programme be rolled out across the OCOG? Will it be phased in, for example?
- What is the OCOG’s capability and capacity to deliver the sustainable sourcing programme? What key capability and capacity building needs are there?
- Will individuals be rewarded and recognised for their sustainable sourcing efforts and performance?

This chapter contains the following topics:

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7.1. Organisational governance, culture and values

There is clearly a difference between management and governance. The key factor to consider in the case of the latter, is whether there are the right checks and balances in place to ensure that the sustainable sourcing programme is correctly executed. The OCOG needs to be clear who is accountable for ensuring that sustainability is factored into the sourcing of goods and services. There also needs to be a route within the OCOG for raising issues where things do not quite go to plan or a conflict has arisen and a business decision needs to be made. In effect, there needs to be an executive-level committee to oversee and coordinate the development and implementation of sourcing requirements and provide final review and sign-off for all major deals as well as responding to key issues arising. Close interface with dissolution planning is needed to ensure sufficient attention is given to managing the post-Games decommissioning of venues and asset disposal and any residual contract management.

The requirements for sustainability governance and for sourcing and resource management governance are specified in the HCC – Operational Requirements.

Example

For example, the Vancouver Organising Committee for the 2010 Olympic and Paralympic Winter Games (VANOC) created an internal steering committee for its sustainable sourcing programme that was called ‘Buy Smart’. The committee was responsible for identifying sustainable procurement opportunities, monitoring and reporting on Buy Smart progress and recommending programme improvements. Co-

³ RACI is an acronym that stands for responsible, accountable, consulted and informed. A RACI chart is a matrix of all the activities or decision-making authorities undertaken in an organisation set against all the people or roles



chaired by the directors of the Procurement and Material Logistics teams, the committee also included representatives from the Sustainability and Aboriginal Participation areas, the director of Finance and others as appropriate.

While this would be an internal structure, it would also be sensible to seek advice from external experts and relevant organisations. This could be done via stakeholder advisory groups or technical working groups that would focus on specific areas (refer also to [Chapter 4. Identifying sustainable sourcing requirements](#)).

One of the biggest challenges is not just bridging the gap between a vision/strategy and action. It is to do so in a way that begins to embed sustainability more securely throughout the OCOG.

Being a little more formalised and systematic in determining what needs to be done to integrate into and supplement existing ways of working will help to embed sustainability more securely, even more so if it is done in keeping with the OCOG's culture.

This may appear daunting but it need not be. It requires some quality time, a step back and a good look at the OCOG (through a 'sustainability lens') to understand what makes it tick.

For instance, look at how things are done, how decisions are made, those who are highly respected or are in positions of power or influence (this does not necessarily always mean that such people will be in very senior positions), and why other initiatives either succeeded or failed – all in the context of what is trying to be achieved. To make sustainability part of how the OCOG does business, it is important to take time to really understand how its business ecosystem works. As a temporary organisation that expands over the course of seven years or so and then shrinks rapidly as it starts its Legacy Realisation Phase, this is likely to evolve over time.

Internal mindsets and behaviours are often influenced by a range of factors including:

- alignment of business strategy, i.e. is sustainability at odds with the organisation's core strategy/purpose?
- past experience in being involved in rolling out sustainability programmes, which may or may not have worked;
- national or prevailing organisational culture;
- level of knowledge and understanding of sustainability that may be too abstract;
- limited internal collaboration and the existence of 'silo thinking';
- levels of resistance in OCOG areas such as Finance and Marketing; and
- lack of training and systems for performance reward and recognition for strategic goals including sustainability.

It is important to really focus on 'why' sustainability is important; this is more important than 'what' and 'how'. This is a big education and awareness programme and needs to be managed as such.

Many of these factors need to be considered as part of development and implementation of a sustainability management system to meet the requirements of ISO 20121.

The requirements for a sustainability management system are specified in the HCC – Operational Requirements



7.2. Capability and capacity building

The success of the sustainable sourcing strategy will be heavily dependent on:

- how competent, engaged and motivated the workforce and supply chain are; and
- how well additional resources are able to be leveraged internally and/or externally.

While roles and responsibilities for specific sustainable sourcing tasks need to have been agreed (or in advanced discussion at the very least) by this stage, individuals may not necessarily have all the knowledge and skills that they need. Their learning and development needs will need to be reviewed to ensure that they are able to carry out what is expected of them. Training needs may also be identified for senior management. While this may seem obvious, it is often something that is overlooked.

The OCOG's agreed sustainable sourcing vision needs to be incorporated into recruitment and induction programmes for key workforce who may have sourcing responsibilities (however formal or informal), including incorporation in relevant individual job descriptions (refer also to [Chapter 2. Securing a commitment to action](#)). Sustainable sourcing also needs to be included as part of the organisation's core learning and development programme, including workforce induction and appraisals, where appropriate. Perhaps also consider including sustainability as part of internal reward and recognition arrangements. Staff will take greater ownership when they know how sustainability fits their other day-to-day Games planning and delivery priorities.

It could be argued that the amount of resources an OCOG commits to provide is indicative of how seriously it takes the sustainability agenda. While there is some truth in this, if things go well there may only be need for an initial upfront investment. This does not necessarily mean that there will be significant ongoing costs though. Improving the sustainability of the OCOG's sourcing efforts will hopefully give rise to cost savings (such as energy conservation measures), safeguard the business against rising costs (such as strategic sourcing opportunities) or enable other revenue opportunities (such as sharing recycling revenues with the waste contractor).

A range of resources needs to be leveraged to help achieve sustainable sourcing goals, which may include:

- staff with specific expertise;
- learning and development of key individuals and teams;
- specialist professional or consultancy services;
- specialist technology or other innovations; and
- Budget for the above and risk scenarios (e.g. responding to media or stakeholder issues).

One-time start-up costs (investments) need to be clearly separated from longer-term operational costs. These additional resources need not always be a direct cost. There are several options that could be explored in this respect, for example:

- leveraging government resources for advice, training and awareness raising;
- participating in collaborative programmes with other organisations in the Olympic Movement, wider industry or suppliers/partners to share knowledge and technology;
- participating in industry or trade forums to identify and address common issues, share experiences, engage external resources, etc.;



- exploring whether there are sponsorship opportunities relevant to sustainability, or whether the OCOG is eligible to apply for any sources of grant funding;
- identifying and reviewing existing sustainable sourcing specific education initiatives such as lessons learned, case studies, webinars, workshops and so on; and
- identifying what support stakeholders may be able to provide at no or limited cost (e.g. provision of specialist secondees), particularly if there is a mutual legacy benefit.

The organisation's knowledge and understanding will continue to evolve as the sustainable sourcing programme evolves. There will be considerable lessons learned (i.e. what went well, or what did not go well) and it is important that attempts are made to capture this learning to enable opportunities for innovation and performance improvements to be identified.

7.3. Rolling out the sustainable sourcing programme

It is necessary to consider how the sustainable sourcing programme will be rolled out.

Adopting a high standard too early may be counter-productive. The exact nature of what is going to be sourced/produced may not be known until just before the Games, even if a deal is done earlier. It may be worth exploring the use of standards with certain suppliers/partners or categories first, for example, as a pilot. This does not necessarily need to be as part of the tendering process; it may be that there is a good relationship with an existing supplier/partner that is willing to trial things. This will provide an opportunity to learn more about how easy or difficult it is to implement certain requirements and how receptive the supply base is. For example, the OCOG needs to consider testing its draft Sustainable Sourcing Code with the first tranche of organisations bidding to become official Marketing Partners. This exercise may provide useful feedback on areas where the code needs to be improved prior to its finalisation. It may also help develop the Business Development team's knowledge and confidence about sustainability.

Starting with a small number of selected priority categories before rolling out the entire programme is another option to consider. Start with easy or quick wins that will give some initial traction internally and build relationships with the most engaged or strategically important suppliers/partners. If starting small, consider scalability from the outset. Any action or activity needs the potential to be scaled and applied to day-to-day sourcing practices.



7.4. Summary of key actions

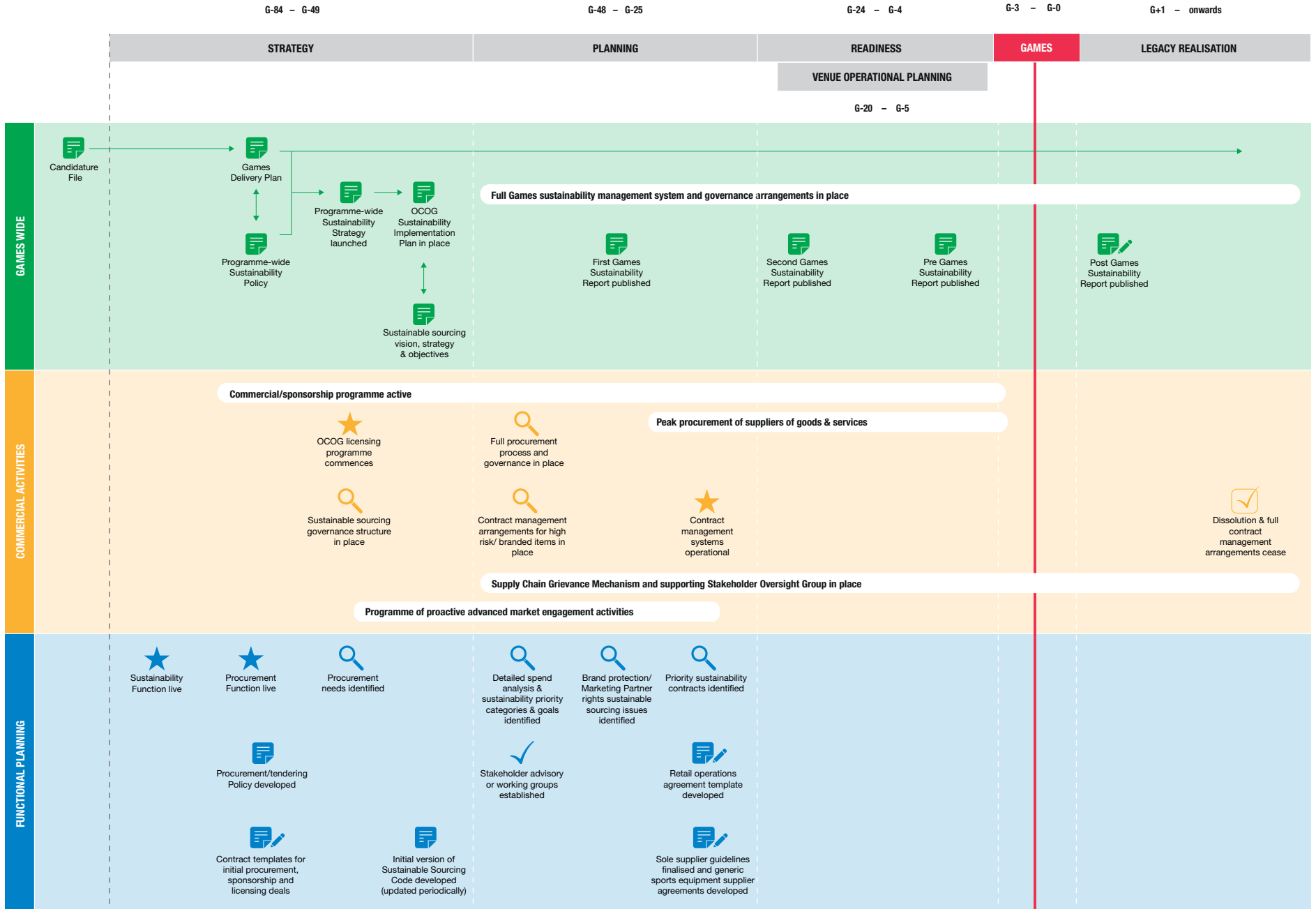
- An appropriate governance structure is in place for sustainable sourcing.
- Responsibility and authorities for sustainable sourcing have been formally assigned and communicated within the OCOG by top management.
- Appropriate resources (staff and budget) have been assigned to design and execute the sustainable sourcing programme.
- All key individuals/teams with responsibility for sourcing goods and services have been trained on the OCOG's sustainability requirements.
- Sustainable sourcing is included as part of workforce induction programmes and in key recruitment competencies and selection criteria.
- Reward and recognition systems are linked to achievement of sustainable sourcing objectives for key individuals/teams.
- The OCOG participates in industry or multi-stakeholder collaborative initiatives that aim to drive more sustainable outcomes in the wider market.
- The OCOG's Sustainable Sourcing Strategy and performance is formally reviewed at least every six months with top management, with input from key external stakeholders.



Annexes

Annex I Indicative high-level timeline of key sustainable sourcing tasks and activities and wider Games planning and delivery

IOC SUSTAINABLE SOURCING GUIDE – INDICATIVE HIGH LEVEL TIMELINE



NOTE: This timeline is intended to provide OCOGs with an indicative high-level overview of how key sustainable sourcing tasks and activities relate to wider Games planning and delivery. It should not be seen as a replacement for the Master Schedule. Several tasks and activities shown here are taken from the Olympic Games Guide on sustainable sourcing and the Olympic Games Guide on sustainability. Their timings are approximate.



Annex II Examples of sustainable sourcing issues

The range of potential issues to consider when sourcing goods and services is significant and needs to be looked at holistically. This annex provides a non-exhaustive list of issues and actions to consider. Actions taken to address one issue should not adversely affect another. It can be read alongside the prioritisation matrix in [Annex III - Spend category and issues matrix](#).

Several sources have been used to compile this annex including the [UN Guiding Principles on Business and Human Rights](#), the [UN Global Compact](#), [OECD Guidelines for Multinational Enterprises](#), [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflicted-Affected and High Risk Areas](#), [Global Reporting Initiative](#), [SDG Industry Matrix](#), [Global Social Compliance Programme Reference Tools](#), [Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security](#), [ISO 26000:2010 – Guidance on Social Responsibility](#) and sustainability insights created by [The Sustainability Consortium](#).

Actions denoted with an asterisk (*) go beyond what is typically required by law for which there is limited flexibility and must be done.

Consumers

Consumer data protection and privacy
Privacy is a fundamental human right recognised in the UN Declaration of Human Rights, the International Covenant on Civil and Political Rights and in many other international and regional treaties. Consumer data protection and privacy must be safeguarded by limiting the types of information gathered and the ways in which such information is obtained, used and secured.
<p>Typical actions</p> <ul style="list-style-type: none"> • Collection of personal data associated with supply of goods and services is done in accordance with the law and the types of information gathered and the ways in which such information is obtained, used and secured is limited. • Personal data is not disclosed, made available or otherwise used for purposes other than those specified, including marketing, except with the informed and voluntary consent of the consumer or when required by the law, and individuals are provided with the right to verify personal data. • Suppliers/partners have trained key personnel responsible for data protection and privacy in relevant policies and processes. This includes the conduct of personnel (e.g. security) towards third parties' right to privacy and the potential risk for inappropriate or excessive force or other violations of human rights.
Consumer Health and Safety (H&S)
Finished goods must meet all agreed or legally required standards for consumer H&S, including those pertaining to health warnings and safety information. Negative residual health impacts of any production or of goods and or services supplied must be eliminated to the extent practicable. This includes communication of proper usage and disposal instructions in a clear and accessible manner.



Consumer Health and Safety (H&S)

Materials and ingredients used to create goods may contain substances such as heavy metals or other chemicals that pose a risk to human health or the environment when used. Suppliers/partners should work with their supply chains to ensure safe materials and ingredients and finished goods by excluding hazardous materials and ingredients from their products, understanding their raw materials, assessing alternatives when needed and testing routinely.

Typical actions

- All goods and services are produced and supplied in accordance with relevant consumer protection legislation including that they are safe for users and other persons, their property and the environment under normal and foreseeable conditions of use. Where safety legislation is not considered adequate, steps should be taken to go beyond this where there is evidence that higher requirements would achieve better protection.
- Safety risks associated with goods and services have been identified, evaluated and mitigated through inherently safe design, protection devices and information for users. Safety information supplied with goods and services takes account of different consumer needs, understanding and capability.
- Use of chemicals in connection with goods and services that are harmful to human health and the environment are avoided wherever possible. Chemical ingredients should be fully disclosed.

NOTE: refer also to Chemicals below.

Managing the supply chain

Anti-corruption

Organisational dealings with suppliers/partners must be conducted ethically and responsibly. Steps should be taken in collaboration with suppliers/partners to prevent and combat corruption in all its forms. Corruption may manifest, for example, in bribery (soliciting, offering or accepting a bribe in money or in kind), fraud, money laundering, embezzlement, concealment or obstruction of justice.

Typical actions

- All sourcing decisions are in accordance with the law and the OCOG's anti-corruption policies and all suppliers/partners are appointed on these terms.
- Processes are in place to identify corruption risks in the supply chain and appropriate due diligence is in place to ensure risks are mitigated.
- Supplier/partner leadership sets an example for anti-corruption and provides commitment, encouragement and oversight for implementation of anti-corruption policies.
- Steps are taken to raise awareness, support and train individuals/representatives/contractors who are responsible for sourcing, and to encourage the confidential reporting of unfair treatment and violations with the OCOG's anti-corruption policies.



Grievance mechanisms

Stakeholders, particularly those who are more vulnerable, within a suppliers/partners' supply chain need to be able to raise issues or concerns and seek remedy. The supplier/partner needs to facilitate this by establishing an accessible and transparent grievance mechanism through a range of channels. The mechanism also needs to allow anonymous complaints to be raised and addressed. The existence and scope of this mechanism needs to be clearly communicated to all workers and their representatives, and all workers need equal access.

Typical actions

- Suppliers/partners provide a grievance mechanism for workers (and their organisations, where they exist) that meets the requirements of the UN Guiding Principles on Business and Human Rights to raise workplace concerns without fear of retaliation/retribution. *
- Suppliers/partners engage stakeholders in the design of the mechanism and have put in place a stakeholder advisory group to advise on its ongoing implementation. *
- Suppliers/partners publicly report on the use and performance of their grievance mechanisms.

Supply chain transparency

Addressing many of the environmental and social challenges within supply chains needs cooperation among companies at different stages of the supply chain. Suppliers/partners of finished goods need to identify the locations used in the production and supply of products and engage in initiatives that improve transparency, communication and data sharing. Chain-of-custody and other data sharing systems and initiatives can help improve transparency about where items are being sourced, and suppliers/partners can work together to address common issues, such as energy, water, chemicals, worker health and safety, and labour rights.

Typical actions

- Suppliers/partners are contractually required to fully disclose the locations of all sites used in the production and supply of goods and services to the OCOG. *
- Suppliers/partners are contractually required to provide information about a product's or service's social, environmental and ethical credentials on request.
- Suppliers/partners can demonstrate the steps they are taking to advance sustainability within their own supply chain (e.g. efforts made to trace from suppliers/partners to subcontractors back to raw materials suppliers).
- Key suppliers/partners make supply chain information, including summary of audit results, available through a number of channels/media.
- Factories used to manufacture key spend categories (e.g. Olympic-branded merchandise) are publicly disclosed on the OCOG's website and updated regularly.
- Key suppliers/partners actively participate in supply chain transparency initiatives, collaborate with others to advance sustainability and share lessons learned publicly.



Use of resources

Animal health and welfare

Animals reared for food or used for non-food products (e.g. wool) may experience issues related to animal welfare. Animal-derived products or raw materials should be sourced from suppliers/partners with comprehensive management plans, including programmes, that ensure animal welfare. Plans or programmes should include practices that avoid painful procedures; ensure access to adequate housing and proper nutrition; require proper handling, proper transport and humane slaughter methods, such as pre-stunning in the case of food products; and promote good health in ways appropriate to the animal.

Depending on local, legal and regulatory requirements, animal testing may be required to substantiate the safety of ingredients and final formulations of certain products. Suppliers/partners should continue to support the development and validation of alternative testing methods to prevent unnecessary animal testing of personal care products.

Typical actions

- All sourcing of animal-derived sources for food items (meat, fish/shellfish, dairy, eggs) must be in full compliance with all relevant legislation relevant to animal health and welfare, and standards in line with the internationally recognised 'Five Freedoms' framework. *
- Use of national foundation farm assurance/welfare standards is mandated for all animal-derived sources where available.
- Suppliers/partners are able to demonstrate the provenance of animal-derived sources and how animal health and welfare have been considered as part of sourcing decisions.
- Suppliers/partners can demonstrate the steps that have been taken to ensure high standards of animal health and welfare when sourcing materials of animal origin for non-food items (leather, feather/down, wool, cashmere, etc.).
- Ingredients in cosmetic and household type products (e.g. cleaning or personal care items) have not been tested on animals. *

Biodiversity and natural capital

Sourcing raw materials can significantly impact flora and fauna species including through the spread of invasive species; sourcing endemic, threatened or endangered species; and contributing to biodiversity loss through unsustainable practices. Suppliers/partners should adopt sustainable agricultural, fishing and forestry practices including aspects related to animal welfare, for example, as defined in internationally recognised standards and certification schemes. Approaches that threaten the survival or lead to the global, regional or local extinction of species, or that allow the distribution or proliferation of invasive species are avoided.

Typical actions

- Identify potential direct and indirect adverse impacts to biodiversity and natural capital associated with sourcing activities and decisions and adopt measures to eliminate or minimise these impacts.



Biodiversity and natural capital

- Raw materials of natural origin have been sourced legally and products or packaging supplied/used do not make use of any fur, skin, feathers, food or food ingredients of plant or animal origin (including fish) of any species specified in the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) Appendices and in the International Union for Conservation of Nature (IUCN) Red List of Threatened Species. *
- Incorporate protection of natural habitat, wetlands, forest, wildlife corridors, protected areas and agricultural lands as part of the development of venues and infrastructure.
- Require the adoption of sustainable agriculture, fishing and forestry practices including aspects related to animal welfare.
- Support high-level partnerships and industry associations advocating responsible public policies on the protection, restoration and promotion of sustainable use of terrestrial ecosystems, sustainable forestry, reversal of desertification, halting and reversal of land degradation and biodiversity loss.

Chemicals

Chemicals can be used during manufacture and, if released into the environment, can adversely affect human health and the environment. These effects can be mitigated by programmes, practices and technologies that optimise chemical usage in combination with systems to recover waste produced during production.

Some formulations or materials (e.g. plastics) can contain chemicals that, depending on use and exposure, may be harmful to humans on contact or if consumed. Suppliers/partners should determine whether such chemicals are present in their goods and strive to reduce, eliminate or restrict their use. They should work with their supply chains to exclude harmful chemicals from their products, understand what risks may be present and assess alternatives.

Typical actions

- All chemicals supplied directly or indirectly meet all relevant legislation regarding chemical use and disposal.
- Suppliers/partners are encouraged to use substances and materials that represent a low risk to human health and the environment. Where practicable, they should seek to use such substances and materials in connection with the products and services they supply.
- Suppliers/partners have policies and restricted or prohibited substances requirements that surpass the law. *
- Suppliers/partners proactively demonstrate how they adopt the precautionary principles and substitute hazardous chemicals with less harmful alternatives or adopt different ways of working that limit the use of hazardous substances/materials.



Climate and energy

Production of goods can consume significant amounts of electricity and energy leading to greenhouse gas emissions. Items should be sourced from suppliers/partners that help abate these impacts by measuring, tracking and reporting energy use and greenhouse gas emissions, with a focus on reduction. They should also perform preventative maintenance on equipment, replace inefficient equipment, use renewable energy sources and encourage energy-efficient behaviours throughout their operations.

Typical actions

- Categories of goods and services that contribute most to the OCOG's greenhouse gas emissions (i.e. carbon footprint) have been identified. This includes consideration of embedded carbon associated with goods and services.
- Steps are taken to measure, reduce and report climate exposure and progress on actions to combat climate change taken by suppliers/partners with greatest associated carbon emissions.
- Specify the use of equipment and infrastructure that meets recognised/best practice energy efficiency standards wherever possible. This includes promoting innovation in product development that reduces energy consumption and improves energy efficiency in product use.
- Climate adaptation needs of the Games and host city/country have been considered as part of key sourcing activities and decisions.
- Support high-level partnerships and industry associations advocating responsible public policies on climate action.

Disposal and end of life

Items no longer useful or wanted need to be collected and disposed of responsibly to ensure that the product and valuable components and materials are available for further reuse or recycling. Materials and components should be compatible with end-of-use/life management arrangements. Suppliers/partners should ideally participate in stewardship programmes and engage downstream partners to ensure products are responsibly managed at the end of the useful life.

Typical actions

- Data is collected and reported on the amount of general and hazardous waste generated and the destination of each waste type.
- All waste is managed and disposed of in full compliance with all relevant legislation and requirements are communicated to suppliers/partners.
- All waste is proactively managed according to the waste hierarchy where waste prevention and recycling is prioritised over disposal (i.e. landfill and incineration) including training key staff and contractors on the correct segregation and handling of different types of waste.
- Suppliers/partners are required to proactively reduce waste and supply items that can be reused or easily recycled and have clear plans for how assets will be managed when they are no longer required by the OCOG. This includes take-back arrangements.



Disposal and end of life

- Zero waste goes directly to landfill or incineration and the amount that is sent to energy recovery/waste to energy technologies is minimised (<20 per cent of overall total waste produced).
- Suppliers/partners offer innovative solutions in line with zero waste/circular economy principles.
- Support high-level partnerships and industry associations advocating responsible public policies on supporting the transition to a circular economy.

Food waste

Excessive food surplus (edible) or waste (inedible) may be generated because of producing too much or over-ordering or because of poor storage or processing. Often this is disposed of in landfills, leading to a waste of resources and food. Efforts should be made to reduce any surplus and spoilage as well as looking at alternatives to landfills, such as redistribution to community organisations or charities, use as animal feed or use for energy recovery.

Typical actions

- Data is collected and reported on the amount of food waste generated and where it goes.
- All food waste is managed and disposed of in full compliance with all relevant legislation and suppliers/partners are required to proactively reduce the amount of food waste that is produced.
- Steps are taken to redistribute edible surplus food to workforce or community programmes and no food waste is sent directly to landfill.
- Rigorous contractual food waste reduction targets have been established and actively monitored and reported against to workforce and key stakeholders.

Material efficiency

The production of goods depletes both energy and material resources, and their improper disposal can represent a loss of otherwise reusable materials, and potentially releases pollutants into the environment. Impacts should be minimised by designing items that optimise durability whilst using the least possible amount of material overall. Efforts should be made to specify material that is reusable and recyclable and/or comes from reused and recycled sources.

Typical actions

- Products are redesigned to reduce the amount of material needed, or substitute materials or processes that are less energy-intensive to produce or deplete less non-renewable resources.
- Products and packaging are designed so they can be easily reused, repaired or recycled and, if possible, offer or suggest confirmed recycling services in the host city/country.
- Risks of limited post-Games usage is reduced by specifying market or industry-standard specifications wherever practicable.



Material efficiency

- Produce and supply products and materials that have been made with reused or recycled material.
- Provide opportunities to supply and use higher quality products with longer product life where their usage beyond the Games is more certain.

Packaging

Packaging design should be optimised to ensure that packaging performs its essential functions of containment and protection while minimising use of materials, energy resources and environmental impacts across the lifecycle of the packaged product. Underpackaging and overpackaging can both lead to increased impacts. These impacts may be mitigated by using more efficient manufacturing, selecting recyclable and sustainably-managed renewable materials, and by encouraging reuse and recycling.

Typical actions

- Use of packaging is avoided wherever possible and, where it is needed, its use is optimised and can be reused or recycled within the host city/country.
- Packaging is produced and supplied that has been made from reused or recycled material or comes from verified more sustainable sources.
- Supply/use of single-use plastics has been prohibited or heavily restricted.
- Supply/use of oxo-degradable plastics has been prohibited.
- Supply/use of compostable materials is only permitted where materials cannot be recycled and composting facilities in the host city/country will accept such materials.
- Take-back arrangements are in place for packaging materials that are difficult to handle or recycle.

Pollution

Various production processes can result in emissions that pollute the land, water and air. Suppliers/partners should implement best available practices and technologies to avoid or mitigate such impacts.

Typical actions

- Categories of goods and services with inherent pollution risks (e.g. fuel usage, air emissions, noise/odour) have been identified and measures implemented to reduce and minimise direct and indirect pollution (e.g. minimum standards for vehicles, requirement for temporary generators to have arrestment for particulate emissions, secondary containment for fuel storage tanks, etc.).
- Measure, record and report on significant sources of pollution and reduction of pollution, water consumption, waste generation and energy consumption.



Pollution

- Require suppliers/partners supplying goods and services with inherent pollution risk to put in place environmental accident and incident response arrangements (e.g. spill response).

Product efficiency

To reduce the amount of energy and water, equipment must be designed to be as energy- and water-efficient as possible and ensure instructions for proper usage are clear and accessible.

Typical actions

- Categories of goods and services with the potential to use significant energy and/or water when utilised have been identified.
- Energy- and water-using products meet recognised/best practice energy and water-efficiency standards.
- End users are provided with information about the product's energy- or water-efficiency features to ensure correct and proper use.

Sustainable fish and shellfish

Harvesting fish and shellfish faster than they can be replenished contributes to resource depletion, reduces biodiversity and impacts the climate. Fishing and farming operators can use certifications and implement programmes, practices and technologies to reduce impacts on resources, biodiversity and the climate. Suppliers/partners should be selected that are working to improve sustainability and adopt standard guidelines from certification schemes for fish and shellfish.

Typical actions

- All sourcing of fish and shellfish must be done in full compliance with all relevant legislation, and a Responsible Fish and Shellfish Sourcing Policy is in place and implemented. *
- Fish and shellfish sourced must not include species that are listed on the Convention on International Trade in Endangered Species (CITES) or the International Union for Conservation of Nature (IUCN) Red List as Critically Endangered, Endangered, Vulnerable or Near Threatened. *
- Wild-caught and farmed fish and shellfish (by volume) has been confirmed to come from sources that have been confirmed to meet the requirements of the Food and Agricultural Organisation (FAO) Code of Conduct for Responsible Fisheries and Aquaculture. *
- Wherever possible, wild-caught and farmed fish and shellfish (by volume) come from independently certified sources (e.g. MSC or Aquaculture Stewardship Council-certified sources or from sources that have made a public commitment to become certified within an agreed timescale (e.g. Fishery Improvement Project). *



Sustainable forestry and deforestation

Unsustainable sourcing of wood or wood-derived materials can result in deforestation, decreased biodiversity, land and water degradation and climate change impacts. When sourcing wood and wood-derived materials, sourcing policies should be adopted that monitor progress on zero deforestation commitments. Sourcing policies should also promote protection of high conservation value forest habitats, which have unique plants and animals. Requiring third-party audits or certifications based on site-specific observations can also reduce risks of deforestation. The other key forest risk commodities are paper, palm oil, cattle products such as leather and beef, and soy.

Typical actions

- All legal obligations have been met regarding the sourcing of wood and wood-derived materials (e.g. EU Timber Regulation) and all spend categories that may be at risk of using controversial or illegal forest sources have been identified. *
- A Wood Sourcing Policy, which covers at a minimum wood and wood-derived materials, is in place and fully implemented. *
- Wood and wood-derived materials used in connection with goods and services are confirmed to have at least been legally harvested. This includes ensuring forests with High Conservation Values and people's traditional and civil rights have been protected and plantations converted from natural woodland have been avoided. *
- All wood and wood-derived materials have been responsibly sourced, i.e. is FSC-certified, or is Programme for the Endorsement of Forest Certification (PEFC)-certified or comes from independently verified reused or recycled sources or has been determined as otherwise protecting forests and communities. *
- A comprehensive set of policies covering all key forest risk commodities (e.g. beef, leather, palm oil and soy) are in place and implemented.

Transport and logistics

Goods are transported by land, sea and air. Suppliers/partners should select carriers that use fuel-efficient modes and vehicles to reduce greenhouse gas emissions and emissions that impact local air quality such as particulates and nitrogen oxide (NOx). Fuel efficiency can be addressed through preventative maintenance, use of alternative fuels and selection of optimal vehicles, routes and transport modes. Transport efficiency can also be improved by maximising load capacity in vehicles and optimising the packaging of transport vehicles.

Transport of goods within a supply chain can have negative impacts on communities, including vehicle accidents and health risks in areas of heavy traffic, noise from distribution centres and hubs, and air and water pollution. Transport carriers should engage with local communities in planning and risk management, and work with vehicle manufacturers to improve vehicle design to reduce noise and emissions.

Typical actions

- Categories of goods and services that contribute most to the OCOG's transport environmental and social impacts have been identified. This includes transport of products and materials and



Transport and logistics

people, and ideally seeks to set baseline emission measurements including anticipated fuel usage.

- Steps are taken to measure, reduce and report transport impacts and progress on actions to be taken by suppliers/partners with greatest associated impacts.
- Suppliers/partners optimise transport efficiency and/or minimise transport distances wherever possible.
- Vehicles used meet recognised/best practice air quality emission standards and have the lowest practicable real-world tailpipe CO₂ emitted over their lifetime (ideally also the lowest possible Well-To-Wheel [WTW] CO₂ emissions) and demonstrate the best achievable fuel efficiency/economy.
- Wherever possible, vehicles for the Games are procured in line with inclusive design principles and fully accessible where required.
- All drivers receive training on improved fuel efficiency, reducing environmental pollution, advanced safe driving, and diversity and inclusion.
- Provide opportunities to use alternative vehicles and modes such as rail and water.
- Suppliers/partners develop a programme with the OCOG to continually review and trial new low/zero emission technology vehicle innovations as part of their delivery.

Water

Production of some goods or certain activities can use a significant amount of water, which can contribute to freshwater depletion and may be problematic in water-stressed regions. Items should be sourced from suppliers/partners that measure water use and perform water use assessments throughout their supply chains to map water risk in different geographical regions and mitigate impacts associated with freshwater depletion. Water pollution should be avoided throughout their supply chain, including where local government monitoring is lax.

Typical actions

- Categories of goods and services that contribute most to the OCOG's water footprint have been identified. Where possible, this includes identifying the most material and at-risk watersheds in its anticipated extended supply chain.
- Steps are taken to measure, reduce and report water impacts and progress on actions taken by suppliers/partners with greatest associated water impacts.
- Specify the use of equipment and infrastructure that meets recognised/best practice water reduction and efficiency standards wherever possible. This includes promoting innovation in product development that reduces water consumption and improves water efficiency in use.
- Ensure supplier/partner companies shipping goods by sea adhere to environmental standards on marine shipping.
- Support high-level partnerships and industry associations advocating responsible public policies on the conservation and sustainable use of oceans, seas and marine resources.



Workers and communities

Community rights

Local and indigenous people, who have traditional rights to land that companies want to develop for certain commodities, can be harmed by development that does not consider their rights. Suppliers/partners should demonstrate that they are working with local government and community representatives to ensure that traditional/customary rights are respected prior to land development and throughout production operations including free, prior and informed consent.

Growers on small farms ('smallholder farmers') may have limited access to information, technology and resources. Suppliers/partners should determine where their crops are grown, understand if they source from small farms, and work with organisations that help smallholder farmers overcome challenges and achieve greater and more sustainable results.

Typical actions

- Processes are in place to identify and assess risks and impacts related to land rights risks (individuals, indigenous people and local communities including business and commerce) within the OCOG's value chain.
- Where sourcing involves property or land, including the use and transfer of it, suppliers/partners must demonstrate how all negotiations adhere to the principles of free, prior and informed consent, contract transparency and disclosure.
- Provide opportunities to support growing artisan and smallholder producers within the OCOG's value chain.

NOTE: Refer also to Sustainable forestry and deforestation above.

Social investment

Sourcing decisions and activities may impact local communities in close proximity to where goods and services are to be delivered or upstream in the wider supply chain. Impacts of such decisions and activities in the local and wider community should be analysed and mitigated through positive contributions and investments (e.g. create local employment, use of local suppliers or investments in community infrastructure projects such as schools, health facilities or open/recreational space).

Typical actions

- Promote community development as part of sourcing activities and decisions including consideration of the economic and social impacts of entering or leaving a community.
- Analyse impact of sourcing decisions on employment creation and capacity building and on the alleviation of poverty.
- Expand opportunities for participation of SMEs, non-profit social enterprises, women-owned and minority ethnic businesses and young entrepreneurs in the OCOG's value chain.
- Consider the benefit of creating direct employment rather than using temporary work arrangements.



Social investment

- Participate in local and national skills development programmes, including apprenticeship programmes, programmes focussed on particular disadvantaged groups and skills recognition schemes.
- Help develop or improve skills development programmes in the community, where these are inadequate, in partnership with key stakeholders.
- Provide opportunities to host city/country-based suppliers/partners to supply goods and services and contribute to local supplier/partner development where possible.
- Ensure suppliers/partners fulfil their tax responsibilities and provide authorities with the necessary information to correctly determine the taxes due.

Sustainable mining and conflict minerals

Mining operations can pollute the air and water, diminish natural resources and jeopardise community and worker rights, health and safety. Raw materials should be sourced from suppliers/partners that benchmark the sustainability practices of their mining operations against recognised standards.

Certain minerals (including gold and ores of tantalum, tin and tungsten) may be mined in areas where groups responsible for human rights abuses control and profit from mining operations. Materials should be sourced responsibly and efforts made to help improve stability and quality of life for miners and their communities.

Typical actions

- All sourcing of metals and minerals, particularly those likely to be from conflict-affected and high-risk areas, must be identified and be in full compliance with all relevant legislation.
- Risks associated with sourcing metals and minerals in the supply chain must be identified and an appropriate level of independent due diligence carried out. Suppliers/partners can demonstrate the steps they have taken to identify mines, smelters and refiners for certain metals and minerals. *
- Suppliers/partners have identified and can verify traceability or chain-of-custody information (e.g. mine of origin, trade routes, suppliers) for metals and minerals used in key products (e.g. victory medals). For high risk locations, suppliers/partners or circumstances-on-the-ground assessments are undertaken to identify risks of contributing to environmental harm, conflict or serious abuses. *
- Increase use of recycled content in products to reduce the burden and negative impacts of metal and metal product manufacturing across the supply chain.

Workers

Workers may be exposed to hazards in the workplace such as dust, noise and/or harmful chemicals or be mistreated. They may be subject to forced labour conditions and their rights to freedom of association, equal opportunity and treatment and fair wages may not be protected. Goods and



Workers

services must be sourced from suppliers/partners that respect human rights and address workers' H&S and labour rights proactively and transparently.

Typical actions

- Suppliers/partners have confirmed that they meet relevant human rights legislation (e.g. Modern Slavery Act) and have made a public policy commitment to meet their responsibility to respect internationally recognised human rights standards. *
- Due diligence processes are in place to identify actual and potential negative human rights impacts of sourcing decisions and activities with the aim of avoiding and mitigating such impacts. Actual and potential negative impacts on human rights resulting from activities by initial assessment of suppliers/partners are identified, prevented and addressed. *
- Processes are in place to enable individuals who believe their human rights have been abused in the supply chain to bring this to the attention of the OCOG and seek redress and remedy. This should be designed to deliver mutually agreed solutions to grievances through engagement among affected parties, the OCOG and suppliers/partners. *
- Ensure that core labour rights are maintained, such as freedom of association and collective bargaining, no forced labour, equal opportunities and non-discrimination, fair employment practices and social protection, H&S and no child labour. *
- Ensure suppliers/partners take appropriate steps to create a safe and secure working environment for all workers in their supply chains.
- Suppliers/partners take appropriate steps to create an inclusive environment and protect their employees against discrimination by others.
- Contribute to providing individuals in the supply chain access to skills development, training, opportunities for improving their capabilities, functioning and for career advancement.

NOTE: refer also to Grievance mechanisms above.



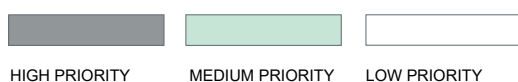
Annex III Spend category and issues matrix

The following matrix contains a list of spend categories that are typically sourced or procured by OCOGs. For each spend category, a view on the relevance of key sustainability issues is highlighted in [Annex II - Examples of sustainable sourcing issues](#). Where an area is flagged as high priority, this aspect needs careful consideration during the engagement and tendering process.

The matrix is indicative and is intended as a starting point for what needs to be considered. Even if an issue might be thought to be a low priority, it should not be taken to mean that it is not relevant or important. The matrix needs to be reviewed on a case-by-case basis and may need to be adapted to better reflect local circumstances and priorities.

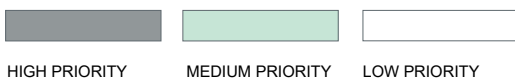


SUSTAINABLE SOURCING ISSUES	CONSUMERS		MANAGING THE SUPPLY CHAIN		
	Consumer Data Protection and Privacy	Consumer Health and Safety	Anti-Corruption	Grievance Mechanisms	Supply Chain Transparency
TYPICAL OCOG SPEND CATEGORIES					
Accommodation and conference facilities					
Administrative services					
Business travel services					
Cleaning services (including laundry, pest control)					
Clothing, footwear and textiles					
Domestic appliances					
Editorial services					
Event management services					
Floriculture and silviculture products					
Food and beverage services					
Furniture and fittings					
Gifts and give-aways					
IT, broadcasting and telecommunications					
Logistics					
Mail and courier services (including freight forwarding)					
Marketing materials, signage and accessories					
Medical and laboratory services and equipment					
Merchandise					
Office accessories, supplies and services					
Printing services					
Professional services					
Security and safety equipment and supplies					
Sports equipment supplies and accessories					
Temporary construction and fit-out (overlay)					
Utilities (including temporary power generation)					
Vehicles (including transport services)					
Venue services (including retail, operations and maintenance)					
Victory ceremonies					
Waste management (including snow removal services)					



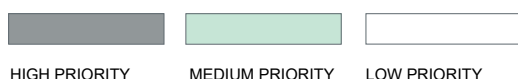


SUSTAINABLE SOURCING ISSUES	USE OF RESOURCES						
	Animal Health and Welfare	Biodiversity and natural capital	Chemicals	Climate and Energy	Disposal and End of Life	Food Waste	Material Efficiency
Accommodation and conference facilities							
Administrative services							
Business travel services							
Cleaning services (including laundry, pest control)							
Clothing, footwear and textiles							
Domestic appliances							
Editorial services							
Event management services							
Floriculture and silviculture products							
Food and beverage services							
Furniture and fittings							
Gifts and give-aways							
IT, broadcasting and telecommunications							
Logistics							
Mail and courier services (including freight forwarding)							
Marketing materials, signage and accessories							
Medical and laboratory services and equipment							
Merchandise							
Office accessories, supplies and services							
Printing services							
Professional services							
Security and safety equipment and supplies							
Sports equipment supplies and accessories							
Temporary construction and fit-out (overlay)							
Utilities (including temporary power generation)							
Vehicles (including transport services)							
Venue services (including retail, operations and maintenance)							
Victory ceremonies							
Waste management (including snow removal services)							



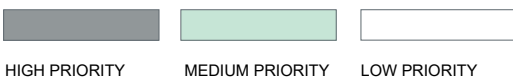


SUSTAINABLE SOURCING ISSUES TYPICAL COCOG SPEND CATEGORIES	USE OF RESOURCES						
	Packaging	Pollution	Product Efficiency	Sustainable Fish and Shellfish	Sustainable Forestry and Deforestation	Transport and Logistics	Water
Accommodation and conference facilities	Low	Low	Low	High	High	Low	Low
Administrative services	Low	Low	Low	Low	Low	Low	Low
Business travel services	Low	Low	Low	Low	Low	Low	Low
Cleaning services (including laundry, pest control)	High	Low	High	Low	High	Low	Low
Clothing, footwear and textiles	High	Low	Low	Low	Low	Low	Low
Domestic appliances	High	Low	High	Low	Low	Low	Low
Editorial services	Low	Low	Low	Low	High	Low	Low
Event management services	High	Low	High	High	High	Low	Low
Floriculture and silviculture products	High	Low	Low	Low	Low	Low	Low
Food and beverage services	High	High	High	Low	High	High	High
Furniture and fittings	High	Low	High	Low	High	Low	Low
Gifts and give-aways	High	Low	Low	Low	High	Low	Low
IT, broadcasting and telecommunications	High	Low	High	Low	Low	Low	Low
Logistics	High	High	Low	Low	Low	High	Low
Mail and courier services (including freight forwarding)	High	Low	Low	Low	Low	High	Low
Marketing materials, signage and accessories	High	Low	Low	Low	High	Low	Low
Medical and laboratory services and equipment	High	Low	Low	Low	Low	Low	Low
Merchandise	High	Low	High	Low	High	Low	Low
Office accessories, supplies and services	High	Low	High	Low	High	Low	Low
Printing services	High	Low	Low	Low	High	Low	Low
Professional services	Low	Low	Low	Low	Low	Low	Low
Security and safety equipment and supplies	High	Low	Low	Low	High	High	Low
Sports equipment supplies and accessories	High	Low	Low	Low	High	Low	Low
Temporary construction and fit-out (overlay)	High	High	High	High	High	High	Low
Utilities (including temporary power generation)	Low	High	Low	Low	Low	Low	Low
Vehicles (including transport services)	Low	High	Low	Low	Low	High	Low
Venue services (including retail, operations and maintenance)	High	High	Low	Low	Low	Low	Low
Victory ceremonies	High	Low	Low	Low	High	Low	Low
Waste management (including snow removal services)	Low	High	Low	Low	Low	High	Low





SUSTAINABLE SOURCING ISSUES	WORKERS AND COMMUNITIES			
	Community Rights	Social Investment	Sustainable Mining and Conflict Minerals	Workers
TYPICAL OCOG SPEND CATEGORIES				
Accommodation and conference facilities				
Administrative services				
Business travel services				
Cleaning services (including laundry, pest control)				
Clothing, footwear and textiles				
Domestic appliances				
Editorial services				
Event management services				
Floriculture and silviculture products				
Food and beverage services				
Furniture and fittings				
Gifts and give-aways				
IT, broadcasting and telecommunications				
Logistics				
Mail and courier services (including freight forwarding)				
Marketing materials, signage and accessories				
Medical and laboratory services and equipment				
Merchandise				
Office accessories, supplies and services				
Printing services				
Professional services				
Security and safety equipment and supplies				
Sports equipment supplies and accessories				
Temporary construction and fit-out (overlay)				
Utilities (including temporary power generation)				
Vehicles (including transport services)				
Venue services (including retail, operations and maintenance)				
Victory ceremonies				
Waste management (including snow removal services)				





Annex IV Template Sustainable Sourcing Code

Although the majority of the OCOG's procurement spend is likely to be in the two to three years before the Games, as a new organisation, the OCOG needs to set its principles, policies and processes as early as possible to give the market a clear signal about how it intends to do business. The development of the Sustainable Sourcing Code is a good opportunity to engage with industry bodies and build important partnerships.

The first edition of the Sustainable Sourcing Code may be fairly generic with subsequent updates introducing more detail as the OCOG matures and better understands its specific needs.

While some aspects are always local market-specific, the detailed work done by previous OCOGs provides an immensely valuable start. Core elements of a Sustainable Sourcing Code include:

- statement of core principles;
- scope of application of the code;
- stages of sustainable sourcing, setting out the key steps in the procurement process;
- special materials and restricted substances;
- supplier/partner obligations under the code;
- guide to commissioning audits; and
- complaints and dispute resolution procedures

The Sustainable Sourcing Code needs to be seen as a framework tool to inform decision-making. It should not be too prescriptive as this restricts the scope for competitive innovation and potentially leads to higher costs and/or delays. It should not be regarded as a stand-alone initiative; it forms an integral part of the overall procurement strategy.

As it is a contractual document, the tone of voice in the code needs to be largely directive (i.e. use of words like 'shall', 'must', 'required', etc). Anything that is not mandatory or is a recommendation can be expressed as 'need'.

This annex is intended to assist OCOGs in establishing an organisational Sustainable Sourcing Code. It is not intended to be used verbatim, but rather to serve as a template to craft their own document.

The requirements for a Sustainable Sourcing Code are specified in the HCC – Operational Requirements.



Sustainable Sourcing Code

Executive summary

Set out a brief summary of the Sustainable Sourcing Code and OCOG approach to sustainable sourcing. This summary needs to include:

- *a summary of what sustainable sourcing means to the OCOG;*
- *at which audience the code is aimed;*
- *to what goods and services the code applies;*
- *how the code will be applied/used by the OCOG; and*
- *whether the Code will be updated and how stakeholders can provide feedback.*

Introduction

Olympic context

Following the adoption of Olympic Agenda 2020, sustainability was included as a working principle of the Olympic Movement. The International Olympic Committee's (IOC) Sustainability Strategy is framed around five priority focus areas that reflect aspects of its activities where it believes it can make the biggest impact and achieve the most beneficial outcomes:

- infrastructure and natural sites;
- sourcing and resource management;
- mobility;
- workforce; and
- climate

Adopting a more sustainable sourcing approach – where the sourcing of goods and services is carried out with environmental, social and ethical issues in mind – is one of the most critical aspects of a successful sustainability programme. Through this approach, the IOC aims to promote higher levels of environmental and social responsibility within its value chain and it expects host cities and OCOGs to do the same.

Vision and objectives for a sustainable Games

Set out what sustainable sourcing means for the OCOG and its overall vision and objectives.

Core principles of the code

Set out the core principles of the code for the OCOG

Scope of the code

Set out to which suppliers/partners the code applies: this needs to include direct suppliers, licensees and Marketing Partners. It also needs to state that the code applies to contractors of suppliers, licensees and Marketing Partners, i.e. the extended supply chain.

It also needs to apply to the supply of items known as premiums, or branded promotional items, that are not for sale.



State that the code sets out the OCOG's core/mandatory requirements and how these relate to certain categories of goods and services (identified in an appendix). Further areas will be subject to an assessment on a case-by-case basis to determine if the code applies and to what extent.

Responding to the code

Set out how suppliers/partners are expected to respond to the code. This includes general expectations of suppliers/partners and reference to the OCOG's tendering process.

All suppliers/partners need to sign the Sustainable Sourcing Code Supplier/Partner Commitment to confirm that they have read, understood and agree to be bound by the requirements of the code.

Contact

Any questions regarding this Sustainable Sourcing Code can be addressed to <<provide email address>>.

Core requirements

The following sections set out the standards with which we expect our suppliers/partners to comply and the processes and systems we expect them to implement. Our requirements reflect our commitment to promote adherence to internationally agreed standards, including the [UN Universal Declaration of Human Rights](#), the [ILO Declaration on Fundamental Principles and Rights at Work](#) and the [UN Guiding Principles on Business and Human Rights](#). We have also drawn from a number of multi-stakeholder environmental, social and ethical standards and codes including the [UN Global Compact](#) and [Global Social Compliance Programme Reference Tools](#). In doing so, we aim to align our requirements with international standards and to promote comparability between the standards of different buying organisations.

We also recognise that some of our requirements will be more relevant to our product-based suppliers/partners than to our service-based suppliers/partners.

NOTE: *This section can be structured according to topic-based headings or grouped by principles or themes. Each section or sub-section can also start with a summary vision or goal at the OCOG's discretion.*

Human rights

Suppliers/partners shall respect internationally proclaimed human rights⁴ and ensure they are not complicit in human rights abuses. They shall ensure any violation of human rights is remedied in a manner consistent with international agreements, applicable laws and regulations, including the [United Nations Guiding Principles on Business and Human Rights](#).

⁴ Including those contained in the [International Bill of Human Rights](#) and the [International Labour Organization's Declaration on Fundamental Principles and Rights at Work](#)



Labour standards

Forced, bonded, indentured and prison labour	<ul style="list-style-type: none">• All work must be conducted on a voluntary basis, and not under threat of any penalty of sanctions.• The use of forced or compulsory labour in all its forms, including prison labour when not in accordance with ILO Convention 29 (Forced Labour), is prohibited.• Suppliers/partners shall not require workers to make deposits/financial guarantees and shall neither retain identity documents (such as passports, identity cards, etc), nor withhold wages.• Bonded labour is prohibited. Suppliers/partners shall not use any form of bonded labour nor permit or encourage workers to incur debt through recruitment fees, fines or other means.• Indentured labour is prohibited. Suppliers/partners shall respect the right of workers to terminate their employment after reasonable notice. Suppliers/partners shall respect the right of workers to leave the workplace after their shift.• In the case of agency/indirectly-employed workers, suppliers/partners shall ensure that such workers do not pay any form of recruitment fees to any agents to gain employment.
Child labour	<ul style="list-style-type: none">• Suppliers/partners shall comply with:<ul style="list-style-type: none">– the national minimum age for employment; or– the age of completion of compulsory education; or– any otherwise specified exceptions; and– shall not employ any person under the age of 15, whichever of these is higher. If, however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.• Suppliers/partners shall not recruit child labour nor exploit children in any way. If children are found to be working directly or indirectly for the suppliers/partners, the latter shall seek a sensitive and satisfactory solution that puts the best interests of the child first.• Suppliers/partners shall not employ young workers under 18 years of age at night, or in conditions that might compromise their health, their safety or their moral integrity and/or which harm their physical, mental, spiritual, moral or social development.



<p>Freedom of association and effective recognition of the right to collective bargaining</p>	<ul style="list-style-type: none"> • Workers have the right to join or form trade unions of their own choosing and to bargain collectively, without prior authorisation from suppliers/partners' management. Suppliers/partners shall not interfere with, obstruct or prevent such legitimate activities. • Where the right to freedom of association and collective bargaining is restricted or prohibited under law, suppliers/partners shall not hinder alternative forms of independent and free workers' representation and negotiation, in accordance with international labour standards. • Suppliers/partners shall not discriminate against or otherwise penalise worker representatives or trade union members because of their membership in or affiliation with a trade union, or their legitimate trade union activity, in accordance with international labour standards. • Suppliers/partners shall give worker representatives access to the workplace to carry out their representative functions, in accordance with international labour standards.
<p>Discrimination, harassment and abuse</p>	<ul style="list-style-type: none"> • Suppliers/partners shall take appropriate steps to create a culture and adopt practices that recognise, respect, value and embrace difference for everyone's benefit. • Suppliers/partners shall respect equal opportunities in terms of recruitment, compensation, access to training, promotion, termination or retirement. • Suppliers/partners shall not engage in, support or tolerate discrimination in employment including recruitment, hiring, training, working conditions, job assignments, pay, benefits, promotions, discipline, termination or retirement on the basis of gender, age, religion, marital status, race, caste, social background, diseases, disability, pregnancy, ethnic and national origin, nationality, membership in worker organisations including unions, political affiliation, sexual orientation or any other personal characteristics. • Suppliers/partners shall treat all workers with respect and dignity and base all terms and conditions of employment on an individual's ability to do the job, not on the basis of personal characteristics or beliefs. • Suppliers/partners shall not engage in or tolerate bullying, harassment or abuse of any kind or other forms of intimidation. • Suppliers/partners shall establish written disciplinary procedures and shall explain them in clear and understandable terms to their workers. All disciplinary actions shall be recorded.



Health and Safety (H&S)	<ul style="list-style-type: none">• Suppliers/partners shall provide safe and clean conditions in all work and residential facilities and shall establish and follow a clear set of procedures regulating occupational H&S.• Suppliers/partners must take adequate steps to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.• Appropriate and effective Personal Protective Equipment (PPE) shall be provided as needed and workers shall be trained on the proper use and maintenance of such equipment.• Suppliers/partners shall provide access to adequate medical assistance and facilities.• Suppliers/partners shall provide all workers with access to clean toilet facilities and to drinkable water and, if applicable, sanitary facilities for food preparation and storage.• Suppliers/partners shall ensure that residential facilities for workers, where provided, are clean and safe.• Suppliers/partners shall assign the responsibility for H&S to a senior management representative.• Suppliers/partners shall provide regular and recorded H&S training to workers and management, and such training shall be repeated for all new or reassigned workers and management.• Suppliers/partners shall provide adequate safeguards against fire, including providing an adequate number of unblocked escape routes and exits, and shall ensure the strength, stability and safety of buildings and equipment, including residential facilities where provided.• Where provided, accommodation must be segregated from production facilities, located only in buildings designed for the purpose of worker accommodation, and provides for individual privacy and secure storage of personal belongings.• Suppliers/partners shall undertake sufficient training of workers and management of workplace H&S hazards, including waste management, handling and disposal of chemicals and other dangerous materials, fire safety and emergency procedures.
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Wages, benefits and terms of employment	<ul style="list-style-type: none">• Work performed must be on the basis of a recognised employment relationship established in compliance with national legislation and practice and international labour standards, whichever affords the greater protection.• Labour-only contracting, subcontracting or home-working arrangements, apprenticeship schemes where there is no real intent to impart skills or provide regular employment, excessive use of fixed-term contracts of employment, or any comparable arrangements shall not be used to avoid obligations to workers under labour or social security laws and regulations arising from the regular employment relationship.• Suppliers/partners must compensate their workers by providing wages, overtime pay, benefits and paid leave that respectively meet or exceed legal minimum and/or industry benchmark standards and/or collective agreements, whichever is higher. Wages and compensation for regular working hours shall meet basic needs and provide some discretionary income for workers and their families.• Suppliers/partners shall provide all workers with written and understandable information about their employment conditions, including wages, before they enter into employment; and about details of their wages for the pay period concerned each time that they are paid.• Suppliers/partners shall not make any deductions from wages that are unauthorised or not provided for by national law. Suppliers/partners shall not make any deduction from wages as a disciplinary measure.• Suppliers/partners shall provide all legally required benefits, including paid leave, to all workers as well as parental leave provision and support for child care where appropriate.• Suppliers/partners shall always compensate all workers for all overtime at a premium rate, as required by law and, where applicable, by contractual agreement.
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Working hours	<ul style="list-style-type: none">• Suppliers/partners shall set working hours that comply with national laws or benchmark industry standards or relevant international standards, whichever affords greater protection to ensure the health, safety and welfare of workers.• Working hours, excluding overtime, shall be defined by contract. Suppliers/partners shall respect that the standard allowable working hours in a week are 48⁵, excluding overtime.• All overtime shall be voluntary, shall not exceed 12 hours per week and shall not be requested on a regular basis. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125 per cent of the regular rate of pay.• The total hours worked in any seven-day period shall not exceed 60 hours unless in exceptional circumstances where all of the following are met:<ul style="list-style-type: none">– This is allowed by national law.– This is allowed by collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce.– Appropriate safeguards are taken to protect the workers' health and safety.– Exceptional circumstances can be demonstrated.• Workers shall be provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14-day period well as public and annual holidays.
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Bribery and corruption

Suppliers/partners are expected to act professionally, fairly and with integrity in all their business dealings and relationships wherever they operate and to assess risks, implement and enforce effective systems to counter fraud, bribery and other forms of corrupt business practices. Suppliers/partners must also uphold fair business standards in advertising, sales and competition.

If we have serious concerns about suppliers/partners' ethical business conduct (whether they relate to the <<OCOG>> or not) we will review our relationship with them.

Community impacts

We expect all suppliers/partners to understand how their decisions and activities impact local communities and the general public (e.g. nuisances) and take appropriate steps to mitigate such impacts. They are encouraged to make positive contributions and investments in their local and wider community.

⁵ International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.



Diversity and inclusion

Diversity and inclusion are central to our mission statement and the way we do business. Discrimination on any grounds including race, gender, age, disability, marital status, sexual orientation, religious belief or any other unlawful reason will not be tolerated. Suppliers/partners should take appropriate steps to create an inclusive environment and protect their employees against discrimination by others.

Environmental standards

Suppliers/partners shall conduct all operations in full compliance with all applicable environmental laws and regulations as well as develop, implement and maintain business practices that minimise the impact of their operations, products and services on the environment.

Suppliers/partners shall support a precautionary approach to environmental challenges.

<p>Impact on climate and air quality</p>	<p>Suppliers/partners need to aim to mitigate impacts on climate change and air quality by:</p> <ul style="list-style-type: none"> • mitigating greenhouse gas emissions and other air emissions that harm the environment; • continuously improving energy management and efficiency (e.g. using/supplying products that meet or exceed recognised energy efficiency standards); • selecting energy sources responsibly and taking appropriate steps towards adopting lower carbon intensity and renewable energy sources; and • using low or zero emission transport modes. Suppliers/partners should aim to optimise transport efficiency and/or minimise transport distances wherever possible.
<p>Waste, reuse and recycling</p>	<p>The <<OCOG>> places a high priority on the prevention of waste. Suppliers/partners are expected to demonstrate a proactive approach in this area by reducing waste, achieving high reuse and recycling, avoiding the use of landfill and proactively offering solutions aligned with circular economy innovation.</p> <ul style="list-style-type: none"> • Use of primary, secondary and tertiary packaging must be optimised. • Where practicable, all products and packaging need to be able to be easily reused or recycled. Suppliers/partners must confirm that such items can actually be reused or recycled or put specific reuse or recycling arrangements in place for the <<OCOG>>. • Suppliers/partners should propose solutions to take-back products and packaging and ensure their reuse or recycling, if requested by the <<OCOG>>. • Suppliers/partners are also encouraged to propose products that contain reused or recycled content.



Use of chemicals	<p>The <<OCOG>> encourages the use of substances and materials that do not represent a risk to human health and the environment. This is not limited to those that have been regulated or restricted in particular regions.</p> <p><<Include OCOG-specific requirements on chemicals including substances/materials that must be prohibited from use or are restricted in their use.>></p>
Conservation of species and natural habitats	<p>Suppliers/partners shall ensure raw materials of natural origin have been sourced legally and must not supply or use products or packaging that make use of any fur, skin, feathers, food or food ingredients of plant or animal origin (including fish) of any species specified in the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) Appendices and in the International Union for Conservation of Nature (IUCN) Red List of Threatened Species.</p> <p>The <<OCOG>> reserves the right to stipulate additional requirements of relevance to the conservation of species and natural habitats including sourcing raw materials from more sustainable practices.</p>
Wood and wood-derived materials	<p>Wood in products and packaging must:</p> <ul style="list-style-type: none">• come from forests and plantations that meet all the following:<ul style="list-style-type: none">– wood is legally harvested;– wood is not harvested in forests where globally, nationally or locally significant high conservation values are threatened by management activities;– wood is not harvested in violation of traditional and civil rights; and– wood is not harvested in forests that have been converted to plantations or non-forest use; and• Meet at least one of the following (in order of preference):<ul style="list-style-type: none">– FSC-certified with full chain of custody throughout the supply chain (FSC 100 per cent/mix) or FSC recycled and eligible to carry the appropriate label;– PEFC-certified with full chain of custody throughout the supply chain from countries that have a national FSC Controlled Wood Risk Assessment or FSC Controlled Wood;– from other forestry schemes where additional evidence can be provided (i.e. country of origin and species information, compliant chain of custody for final manufacturer or supplier, invoices from forest source



	<p>demonstrating supply of certified product and named forest source with address and management system information); and</p> <ul style="list-style-type: none"> - contains at least 50 per cent reused or recycled content from pre-consumer and post-consumer sources that have been independently verified.
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Animal welfare and testing

Suppliers/partners must ensure the highest standards of animal health and welfare both for animals that are raised for meat, fish, eggs and dairy products, and for animals used for work and transport. The internationally recognised '[Five Freedoms](#)' is used as the reference point for such standards.

All cosmetic and cleaning products and ingredients supplied must not have been tested on animals and ideally be certified as 'Cruelty Free' by [Cruelty Free International](#).

Principles of implementation

Complying with the Sustainable Sourcing Code

The requirements set out in this Sustainable Sourcing Code constitute minimum and not maximum standards. Suppliers/partners are expected to comply with applicable laws and regulations related to environmental and social responsibility and to ethical business conduct. Where regulatory provisions are more stringent, suppliers/partners shall apply the more stringent provisions.

Include reference to OCOG-specific requirements such as information on the tendering process, any supporting tools and methods that will be used (e.g. Sedex).

Integrating sustainability into company culture and business practices

Suppliers/partners must manage the impacts of their activities in the context of the products and services supplied to the <<OCOG>> and have a basic management system in place (which may or may not be independently certified). Suppliers/partners need to take appropriate steps to integrate the relevant requirements of this Sustainable Sourcing Code into their business management practices as appropriate. Steps to achieve this may include:

- production of written procedures and/or work instructions to facilitate implementation of all applicable elements specified in the code;
- identification of person(s) responsible for ensuring implementation of each procedure and/or work instruction;
- monitoring, measuring and analysing these processes (through a combination of in-house and independent resources, including audits);
- establishing procedures for notifying local regulatory authorities in case of accidental discharges or release or any other environmental emergency; and
- maintenance of accurate, complete, up-to-date and accessible information records for each procedure and/or work instruction, as appropriate.

We expect all suppliers/partners that mainly supply goods and services to the events sector to be taking steps to implement the requirements of ISO 20121:2012 'Event sustainability management systems -- Requirements with guidance for use'. Standards such as ISO 9001, ISO 14001 and ISO 45001 are considered appropriate for those that supply goods and services to a wider range of sectors.



It is the supplier's/partner's responsibility to achieve and maintain our standards and to communicate, monitor and enforce these standards within their own supply chain.

Use of subcontractors, home-workers or other third parties

Suppliers/partners must agree with us in advance the organisations and the production site or sites to be used. Subcontracting of any kind (e.g. organisations, sites or units) is not permitted without pre-authorized permission in writing from <<OCOG>>.

Transparency

In today's increasingly transparent world we are committed to working with our suppliers/partners in an open, constructive and transparent manner and we request our suppliers/partners to do the same. In this spirit, suppliers/partners must be willing to provide information about a product's or service's social, environmental and ethical credentials including full details of all sites used (e.g. factories).

This is a contractual condition of supply. We also reserve the right to disclose and/or publicise such information to advance our sustainability goals.

Claims and declarations

Suppliers/partners must ensure that any claims and declarations made about products and services (e.g. recyclability, recycled content or 'carbon neutral') are legal, honest, transparent and verifiable. The use of third-party logos (e.g. FSC®, Fairtrade, or Rainforest Alliance) is likely to be strictly controlled so the necessary licenses and permissions must be obtained from the corresponding certification or licensing body prior to use.

Workplace grievances

Suppliers/partners shall provide a mechanism for their employees and workers in their supply chain to raise workplace issues and concerns without fear of retribution. This grievance mechanism must involve an appropriate level of management and seek to address concerns promptly and transparently. Arrangements must allow for issues and concerns to be raised and addressed anonymously and be clearly communicated to all workers and their representatives.

Communication

Suppliers/partners shall ensure that the applicable provisions of the code are appropriately communicated to all employees and take steps to ensure that these provisions are communicated to all employees of suppliers/partners and subcontractors involved in producing or supplying goods and services to <<OCOG>> (for example, posted in both English and the local language of the workers, in an area accessible to all workers).

Complaints

Include information on how complaints about the implementation of the code by its suppliers/partners may be received/submitted. This includes any links to the OCOG's own operational supply chain grievance mechanism(s), which is an IOC host city requirement.

Monitoring and evaluation

We will monitor and evaluate our suppliers'/partners' adherence to our requirements through various methods, including review of documented evidence or independent specialist audits if deemed relevant. Any violations of our standards may jeopardise our business relationship with the supplier/partner and may lead to the termination of the contract or cooperation. We reserve the right to take any further legal action at our discretion.

Expand and supplement as appropriate: all provisions on dispute resolution need to be robust and be reviewed by the OCOG's Legal team.



<<OCOG>> Sustainable Sourcing Code

Supplier/partner commitment

As an <<OCOG>> supplier/partner we understand that the <<OCOG>> wants to engage and collaborate with organisations that share the <<OCOG's>> sustainability ambition beyond managing risk and complying with the law to contribute actively to delivering its vision for a sustainable Games.

As a minimum, we commit to complying with the requirements outlined in this Sustainable Sourcing Code, and to implement them in our business and supply chains. We acknowledge that these requirements constitute minimum and not maximum standards.

We agree to be monitored and evaluated on our sustainability performance within the areas described in this Sustainable Sourcing Code.

We also acknowledge that we may be asked to meet additional sustainability requirements that are specific to certain categories of goods and services.

(insert signature)

.....
(insert name and position held)
duly authorised to sign for and on behalf of
(insert company name)

Date.....



Glossary

Include definitions of key terms: focus on those where the OCOG's definition may differ from what others may understand and terms that may be relied on in contract.

Appendices

Include individual appendices to provide further guidance or supplement the code with specific requirements. This may include:

- *spend category prioritisation: a matrix setting how the code applies to specific categories of goods and services. This may also reference additional/specific requirements where supporting strategies exist in respect to a particular spend category;*
- *restricted substances and materials;*
- *protocols for supply chain audits and approved audit providers; and*
- *information required for the OCOG's operational supply chain grievance mechanism(s).*



Annex V Example of sustainability due diligence questions

The following questions are examples of what might be asked of organisations during pre-qualification and prior to issuing a tender. If you progress straight to tender these or similar questions need to be asked alongside those more specific to the goods and services being sought.

Please provide details of your approach to sustainability, covering the following:

- Does your organisation have a public sustainability policy and/or strategy? If so, please provide details, including organisational scope (i.e. the extent they would apply to goods and services supplied).
- Does your organisation have a senior manager and/or management committee responsible for sustainability? If so, please give a role description, and the name and grade of the person in that role.
- Has your organisation undertaken a review of its environmental and social issues and impacts and set appropriate performance objectives and targets? If so, please provide details of key objectives and targets in this area and related achievements.
- Do you communicate sustainability objectives and targets to employees and wider external stakeholders? If so, please provide details.
- Does your organisation have formal certified systems in place to manage environmental and social issues (examples include: Environment [e.g. ISO 14001]; H&S [e.g. ISO 45001]; Event Sustainability [e.g. ISO 20121]) or does it have business specific or informal systems in place? If so, please provide details.
- Does your organisation undertake audits of your management system arrangements? If so, please provide details.
- Does your organisation formally report externally on progress towards meeting your sustainability objectives and targets? If so, please indicate how and to whom, and provide examples (e.g. your latest Sustainability Report).
- Is training provided to employees in relation to sustainability? If yes, please provide details of the training.
- Has your organisation been successfully prosecuted for infringement of environmental or social legislation and/or received adverse media or stakeholder notoriety in the past five years? If yes, please outline the measures your company took to rectify the situation and measures taken to minimise the chances of reoccurrence.

Please provide details on your approach to managing your supply chain, covering the following:

- Does your organisation have an Ethical Sourcing Policy or Supplier Code of Conduct? If so, please state what it covers, e.g. human rights, labour standards, environmental management, animal welfare, etc.
- Does your organisation assess the effectiveness of your Ethical Sourcing Policy or Supplier Code of Conduct? If so, please provide details.
- Has your organisation traced the tiers of its supply chain? If so, please details of the level of visibility you have across different tiers.
- Does your organisation ensure that people affected by your supply chain activities have access to grievance mechanisms and remedy? If so, please provide details.



Annex VI Guidance on developing and implementing a supply chain grievance mechanism

The IOC is committed to respecting internationally recognised human rights norms. It will not tolerate, nor will it condone, abuse of human rights within any part of its business or value chain, and it will take seriously any allegations that human rights are not properly respected. In the case of planning and staging the Olympic Games these expectations extend to the OCOG, the NOC and the host city. The IOC wants employees and individuals within Olympic supply chains to report any wrongdoing without fear of retribution.

The requirements related to human rights are specified in the HCC – Operational Requirements.

Where an OCOG has caused direct, negative impacts on workers' human rights through its activities, it must ensure remedy is provided to those affected. This forms part of a broader responsibility to respect human rights as set out in the UNGP. The UNGP encourages organisations to establish, or participate in, effective operational-level or company grievance mechanisms to support provision of such remedy. Similarly, industry, multi-stakeholder or other collaborative initiatives based on human rights standards can also provide grievance mechanisms that may be accessed by those impacted by companies' activities.

NOTE: The term 'grievance' is widely used within business in the context of arrangements for their employees to raise a concern, problem or complaint about something to do with work. For the purposes of the Guide, the term 'grievance' is used to refer to allegations of specific incidents and of any damage, impact or dissatisfaction resulting from actions within the OCOGs supply chain, whether perceived or actual.

The main responsibility for dealing with grievances of supply chain workers lies with the direct employer – which will be the supplier, licensee or Marketing Partner, or sometimes contractors to these parties. Typically, local or workplace-level grievance channels will be the most effective and accessible way for workers to seek redress. However, access to such routes is often limited in practice, while, at the same time, supply chain workers are among the rights-holder groups likely to be most vulnerable to negative impacts on their human rights. This can lead to a significant gap regarding the provision of remedy for such impacts. This is compounded by the high degree of public scrutiny the OCOG will be under so it will need to react quickly to remedy issues and avoid impacts on Games planning and delivery.

There are several ways an OCOG can help bridge this gap and improve access to remedy in its global supply chains. This includes the provision of a formal, overarching grievance mechanism for supply chain workers.

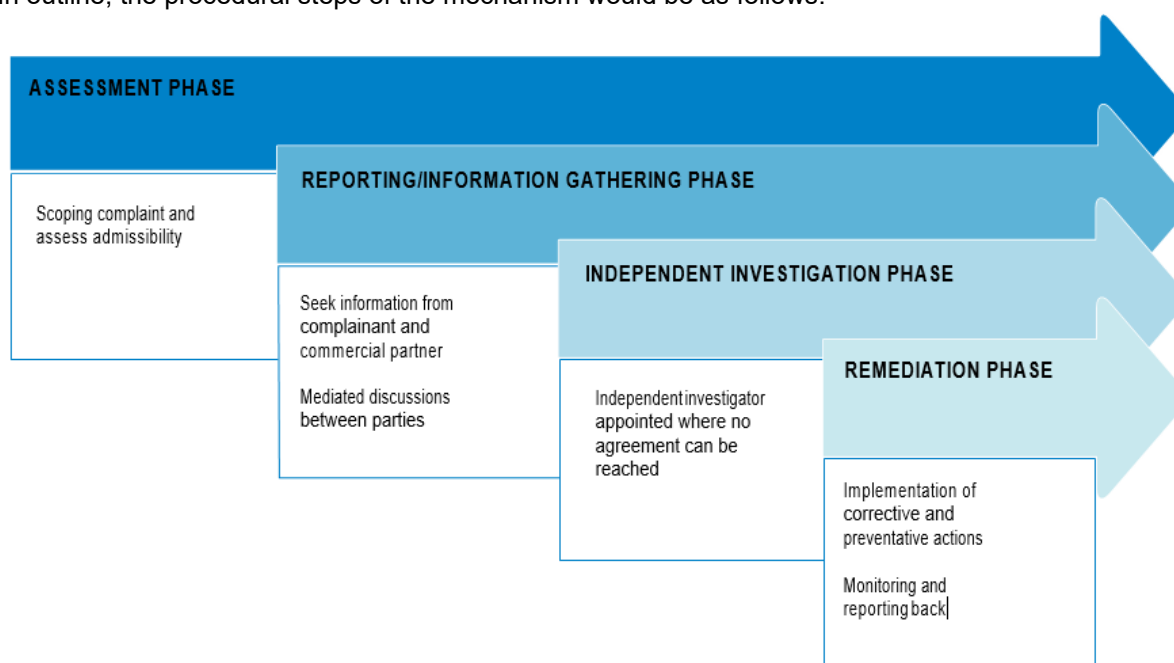
As a temporary organisation, an OCOG is unlikely to have the skills and infrastructure necessary to address potentially complex labour rights or human rights grievances. One option to consider is to appoint an independent third party to first develop and then operate an appropriate grievance mechanism in partnership with the OCOG. Under this arrangement, the independent third party would manage the grievance process, with the OCOG retaining the final say how complaints are dealt with and closed. This should help ensure that there is sufficient capacity and time to deal with sometimes complex complaints, which would be challenging for an OCOG, especially during the pre-Games and Games-time periods.



Such a mechanism should not prejudice access to available legal channels. It should not undermine the strengthening of state institutions, particularly judicial mechanisms, nor trade unions, but offer additional opportunities for recourse and redress.

It is important that the independent third party has credibility with external stakeholders and commercial partners, can maintain operational independence and has the capacity to react flexibly to different and potentially complex and lengthy complaints scenarios. Design of the mechanism also needs to be informed by widespread stakeholder engagement.

In outline, the procedural steps of the mechanism would be as follows:



The mechanism needs to allow complaints to be raised by individual workers as well as by organisations acting on their behalf. The mechanism can also be designed to accommodate press/media allegations and disputes with suppliers, licensees and Marketing Partners.

One of the ways in which grievance mechanisms can fail to be effective is insufficient communication about their existence to potentially affected rights holders and workers. In both the design and implementation of the mechanism, the OCOG needs to provide sufficient resource and priority to communication and awareness-raising to ensure the mechanism is known and understood by its suppliers, licensees and Marketing Partners, and their workers.

A clear definition of the basic information required from complainants, including accurate information about the exact location of their workplace, the period to which the complaint relates as well as specific allegations is key to enabling a timely assessment of admissibility and acknowledgement of a complaint. The mechanism also needs to allow anonymous complaints to be raised and addressed.

Stakeholder engagement is also essential in making the mechanism known to those for whose use it is intended. A further consideration is whether the mechanism is also supported by a stakeholder oversight group to assist with ensuring its implementation is fair and effective. Such a group can also provide an important opportunity to discuss implementation questions and challenges that emerge in the context of handling specific cases. These may include issues regarding the role of an OCOG where bilateral



dialogue between complaints parties is already taking place, or the way in which allegations raised by NGOs or the media need to be dealt with.

Where Games are to be hosted in a country that adheres to the [OECD Declaration on International Investment and Multinational Enterprises](#), OCOGs may also consider promoting the existence of their [National Contact Point \(NCP\)](#). NCPs provide a conciliation and mediation platform for resolving complaints that may arise in connection with implementing the [OECD Guidelines for Multinational Enterprises](#). Any interested party can file a complaint where they feel the guidelines have been breached by a multi-national corporation. NCPs seek to resolve issues through amicable discussions to the satisfaction of the parties involved. If conciliation fails, complaints go through a process of mediation and if this ultimately fails the NCP issues a statement or makes a recommendation. Contact details for each country that has an NCP is available [here](#).

Regardless of approach, the mechanism's design needs to be aligned with the requirements of the UNGP. The UNGP states that grievance mechanisms must be:

- **legitimate:** enabling trust from stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes;
- **accessible:** being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access;
- **predictable:** providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation;
- **equitable:** seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms;
- **transparent:** keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake;
- **rights compatible:** ensuring the outcomes and remedies accord with internationally recognised human rights;
- **a source of continuous learning:** drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms; and
- **based on engagement and dialogue:** consulting stakeholder groups for whose use they are intended on their design and performance and focusing on dialogue as the means to address and resolve grievances.

NOTE: The guidance in this annex is aimed at extended supply chain issues. The UNGP covers also business (i.e. the OCOG itself) and communities, and OCOGs may wish to ensure that whatever mechanism they put in place covers other sustainable sourcing areas as well (e.g. environmental matters).

Where there is a recognised trade union operating (or indeed agreement), any grievance mechanism needs to be designed in a way that complements these arrangements.

While further sources of guidance are provided in [Annex - VII References and guidance](#) - the establishment of grievance mechanisms is very much an emerging area. As such, good practice in this area is still developing. OCOGs are advised to seek independent and credible specialist advice and support on this topic at the earliest opportunity.



Annex VII References and guidance

Useful sources of information

Olympic Movement-related guides and tools

- Host City Contract – Operational Requirements
- Olympic Games Guide to Sustainability
- Olympic Games Guide on Sourcing and Resource Management - a circular economy approach
- [LOCOG Sustainable Sourcing Code](#)
- LOCOG Learning Legacy Case Study, [Sustainable procurement – the London 2012 Olympic Games and Paralympic Games](#)
- LOCOG Learning Legacy Case Study, [Complaint and dispute resolution process to deal with breaches of the Sustainable Sourcing Code](#)
- LOCOG Learning Legacy Case Study, [Establishing a Stakeholder Oversight Group to support a supply chain grievance mechanism](#)
- LOCOG Learning Legacy Micro Report, [Operating a temporary worker hotline in China](#)
- LOCOG Learning Legacy Research Summary, [Managing compliance with labour standards: findings and recommendations from an independent assessment of LOCOG's labour risk management systems](#)
- [London 2012 Learning Legacy Website](#)
- Rio 2016, Sustainable Supply Chain Guide

Guides and tools developed by other organisations

- BSI, [Sustainable Events Guide – Developing a sustainability management system for events: A stepping-stone to BS ISO 20121](#)
- BSI, [Executive Briefing: BS 8001 – a Guide: The world's first standard for implementing the principles of the circular economy in organizations](#)
- BS 8001:2017, [Framework for implementing the principles of the circular economy in organizations - Guide](#)
- Ergon Associates Ltd, [Access to remedy – operational grievance mechanisms: An issues paper for ETI](#)
- ISO 20121:2012, [Event sustainability management systems – Requirements with guidance for use](#)
- ISO 20400:2017, [Sustainable procurement – Guidance](#)
- ISO 26000:2010, [Social responsibility – Guidance](#)
- OECD, [OECD Guidelines for Multinational Enterprises](#)
- OECD, [OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#)
- Sedex, [Sedex Supplier Workbook](#)



- UN, [Guiding Principles for Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework](#)
- UN, [Buying for a Better World: A Guide on Sustainable Procurement for the UN System](#)
- UN Global Compact and BSR, [Supply Chain Sustainability: A Practical Guide for Continuous Improvement](#)
- UN Global Compact and BSR, [A Guide to Traceability: A Practical Approach to Advance Sustainability in Global Supply Chains](#)
- World Business Council for Sustainable Development, [People Matter Reward: Linking sustainability to pay](#)

Useful links

- The **Global Social Compliance Programme Reference Tools** is a suite of documents compiling best practices for managing sustainable supply chains. Visit the website at <https://www.theconsumergoodsforum.com/initiatives/sustainable-supply-chain-initiative/global-social-compliance-programme-gscp> for more information.
- The **Supplier Ethical Data Exchange (Sedex)** is the world’s largest collaborative platform for sharing responsible sourcing data on supply chains. Visit the website at <https://www.sedexglobal.com> for more information.
- The **ITC Standards Map** provides information on standards, codes of conduct and audit protocols addressing sustainability hotspots in global supply chains. Visit the website at <http://sustainabilitymap.org/standardidentify/> for more information.
- The **ISEAL Credibility Principles** provide guidance on fundamental qualities that make standards most likely to achieve positive impacts. Visit the website at <https://www.isealalliance.org/credible-sustainability-standards/iseal-credibility-principles> for more information.
- The **ISEAL Challenge the Label** webpage is a tool for claims users to distinguish between credible and non-credible claims. Visit the website at <https://community.isealalliance.org/challenge> for more information.
- The **Sustainability Consortium** is a global organisation working with the consumer goods industry to deliver more sustainable consumer products. They have developed the **ProductFinder online platform** that includes free sustainability insights on a wide range of consumer goods products. Visit the website at <https://www.sustainabilityconsortium.org/product-sustainability/productfinder/> for more information.
- The EU has developed **Green Public Procurement (GPP) criteria** for public bodies for certain categories of goods and services. Visit the website at http://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm for more information.
- The GRI, the UN Global Compact and the World Business Council for Sustainable Development (WBCSD) have developed the **SDG Compass** that aims to support companies of all sizes in aligning their strategies with the UN Sustainable Development Goals. Visit the website <https://sdgcompass.org> for more information.



Cross-referenced documents

This section lists all documents cross-referenced within this Olympic Games Guide.

Document name
Olympic Charter
Host City Contract – Principles
Host City Contract – Operational Requirements
Games Delivery Plan
Olympic Games Guide on Sourcing and Resource Management - a circular economy approach
Olympic Games Guide on Sustainability
BS 8001:2017, Framework for implementing the principles of the circular economy in organizations - Guide
BSI, Executive Briefing: BS 8001 – a Guide: The world’s first standard for implementing the principles of the circular economy in organizations
BSI, Sustainable Events Guide – Developing a sustainability management system for events: A stepping-stone to BS ISO 20121
Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) Appendices
Cruelty Free International Cruelty Free
Ergon Associates Ltd, Access to remedy – operational grievance mechanisms: An issues paper for ETI
World Organisation for Animal Health
Global Reporting Initiative
Global Social Compliance Programme
ILO Declaration on Fundamental Principles and Rights at Work
International Trade Centre Standards Map
International Union for Conservation of Nature (IUCN) Red List of Threatened Species.
ISEAL Alliance Challenge the Label
ISEAL Alliance Credibility Principles
ISO 26000:2010, Social responsibility – Guidance
ISO 20121:2012, Event sustainability management systems – Requirements with guidance for use
ISO 20400:2017, Sustainable procurement – Guidance
LOCOG Learning Legacy Case Study, Complaint and dispute resolution process to deal with breaches of the Sustainable Sourcing Code



Document name
LOCOG Learning Legacy Case Study, Establishing a Stakeholder Oversight Group to support a supply chain grievance mechanism
LOCOG Learning Legacy Case Study, Sustainable procurement – the London 2012 Olympic Games and Paralympic Games
LOCOG Learning Legacy Micro Report, Operating a temporary worker hotline in China
LOCOG Learning Legacy Research Summary, Managing compliance with labour standards: findings and recommendations from an independent assessment of LOCOG's labour risk management systems
London 2012 Learning Legacy Website
LOCOG Sustainable Sourcing Code
OECD Declaration on International Investment and Multinational Enterprises
OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflicted-Affected and High Risk Areas
OECD Guidelines for Multinational Enterprises
Rio 2016 Sustainable Supply Chain Guide
SDG Industry Matrix
Sedex Supplier Workbook
The Sustainability Consortium Sustainability Insights
United Nations Buying for a Better World: A Guide on Sustainable Procurement for the UN System
United Nations Global Compact
United Nations Global Compact and BSR, A Guide to Traceability: A Practical Approach to Advance Sustainability in Global Supply Chains
United Nations Global Compact and BSR, Supply Chain Sustainability: A Practical Guide for Continuous Improvement
United Nations Guiding Principles on Business and Human Rights
United Nations Universal Declaration of Human Rights
Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security
World Business Council for Sustainable Development, People Matter Reward: Linking sustainability to pay



Glossary and acronyms

Terminology

Games-specific terms are available on the Games Terminology platform via the [Olympic Games Knowledge \(OGK\)](#) homepage.

Acronyms

Acronyms used in this Guide are shown in the table below:

Acronym	Expanded acronym
B2B	Business to Business
BCI	Better Cotton Initiative
BSCI	Business Social Compliance Initiative
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
EB	Executive Board
ETI	Ethical Trading Initiative
EU	European Union
FAO	Food and Agriculture Organisation
FOP	Field of Play
FSC	Forest Stewardship Council
GDP	Games Delivery Plan
GPP	Green Public Procurement
GRI	Global Reporting Initiative
HCC	Host City Contract
IF	International Federation
ILO	International Labor Organization
IOC	International Olympic Committee
IPC	International Paralympic Committee
ISEAL	International Social and Environmental Accreditation and Labelling
ISO	International Organisation for Standardization
IT	Information Technology
ITC	International Trade Centre
ITCI	International Council of Toy Industries
ITT	Invitation to Tender
IUCN	International Union for Conservation of Nature
LOCOG	London Organising Committee of the Olympic Games and Paralympic Games
MSC	Marine Stewardship Council
NCP	National Contact Point
NDA	Non-Disclosure Agreement
NGO	Non-governmental Organisation



Acronym	Expanded acronym
NOC	National Olympic Committee
OCOG	Organising Committees for the Olympic Games
OECD	Organisation for Economic Co-operation and Development
OGG	Olympic Games Guide
OGK	Olympic Games Knowledge
OGLM	Olympic Games Learning Model
PEFC	Programme for the Endorsement of Forest Certification
PPE	Personal Protective Equipment
PVC	Polyvinyl Chloride
RACI	Responsible, Accountable, Consulted and Informed
RFP	Request for Proposal
SDG	Sustainable Development Goal
SME	Subject Matter Expert
TOP	The Olympic Programme
UK	United Kingdom
UN	United Nations
UNGP	United Nations Guiding Principles on Business and Human Rights
VANOC	Vancouver Organising Committee for the Olympic Winter Games
VIK	Value In Kind
WBCSD	World Business Council for Sustainable Development
WRAP	Waste and Resources Action Programme
WTW	Well-To-Wheel