

## SUSTAINABLE PROCUREMENT GUIDE SUMMARY CHECKLIST

### SCOPE

The intent of this policy is to reduce the negative environmental impacts associated with the procurement of common purchases. Purchase ongoing consumables, durable goods, and facility alterations/additions materials in a manner that will conserve natural resources, minimize waste, and therefore reduce the amount of waste sent to landfills. The Sustainable Procurement Guide is applicable to all directly managed areas of the property. Directly managed areas include the building exterior in addition to interior mechanical areas, common areas, and building staff offices.

### RESPONSIBLE PARTY

The building's Property Manager will be responsible for implementing the Sustainable Procurement Guide. The Property Manager may delegate certain duties relating to this guide to building management staff but will bear ultimate responsibility for the guide's effective implementation.

## CHECKLIST

- 1. The property will consider five criteria in all purchasing decisions:
  - Compliance with categorical procurement guidelines
  - Pollution prevention
  - Life cycle analysis
  - Relative environmental impacts
  - Past performance
- 2. Ongoing consumables—At least 60%, by cost, of total ongoing purchases shall follow one or more of the following criteria as feasible: postconsumer recycled content, extended use, and/or Forest Stewardship Council certified or USGBC-approved equivalent.
- 3. Durable goods—At least 40%, by cost, of total electric-powered equipment shall follow one or more of the following criteria as feasible: at least a silver EPEAT Rating, ENERGY STAR Rating, and/or replaces conventional gas-powered equipment.
- 4. Reduced mercury in lamps—Lighting purchases should have an overall building average of 70 picograms of mercury per lumen-hour or less for all mercury-containing lamps purchased for the building and associated grounds.
- 5. Hazardous materials—Furniture and furnishings meet the VOC content standards set in ANSI/BIFMA e3-2011 Furniture Sustainability Standard sections 7.6.1 and 7.6.2, tested in accordance with ANSI/BIFMA Standard Method M7.1-2011.
- 6. Ethical Procurement Processes—Products and materials should be ethically sourced and account for human rights and business ethics.

# SUSTAINABLE PROCUREMENT GUIDE

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## 1. SCOPE

The Sustainable Procurement Guide is applicable to all areas of the property that are directly managed by the property manager. Directly managed areas include the building exterior in addition to interior mechanical areas, common areas, and building staff offices.

The sustainable procurement guide will address the environmental, social, and economic impacts associated with Clarion's purchase of goods and services.

Sustainable procurement means making sure that our suppliers – and the products and services they supply – deliver value for money and generate benefits not only for Clarion, but also for the environment, society, and the economy.

*Sustainable procurement involves a higher degree of collaboration and engagement between all parties in a supply chain. Many businesses have adopted a broad interpretation of sustainable procurement and have developed tools and techniques to support this engagement and collaboration.*

The scope of this guide includes, at minimum, purchases of the following area within building management's control at the building and site.

Five most purchased items (based on total annual purchases), including:

- Copy paper
- Disposable kitchen goods for office breakrooms – cups, plates, and cutlery
- Envelopes
- Folders
- Toner cartridge

Ongoing Purchases

- Paper (printing or copy paper, notebooks, notepads, envelopes, etc.)
- Toner cartridges
- Binders
- Desk accessories
- Batteries
- Food and Beverage

Electronic Equipment Purchases

- Electric-powered equipment
- Office equipment, appliances, and audiovisual equipment
- Lamps

Building Materials Purchases

- Wood and steel framing
- Concrete
- Doors
- Furniture
- Paints and coatings
- Adhesives and sealants
- Flooring
- Drywall
- Windows

## 2. GOALS

The goal of the sustainable Procurement guide is to establish a sustainable purchasing program for the organization to reduce the negative environmental impacts and to provide guidance toward responsible management practices that will:

- protect the environment and public health
- conserve natural resources
- minimize waste, including landfilling and incineration, and reduce toxicity.
- strengthen our commitment to our corporate environmental, social, and governance goals

For projects pursuing Green Building Certifications, implement Section 8.

## 3. RESPONSIBLE PARTY

The building's Property Manager will be responsible for implementing the Sustainable Procurement Guide on behalf of Clarion in coordination with other appropriate organization personnel, and companies contracted to provide goods and services to Clarion. The Property Manager may delegate certain duties relating to this guide to building management staff but will bear ultimate responsibility for the guide's effective implementation.

## 4. PROCEDURES AND STRATEGIES

This guide covers purchases that are within the building and site management's control. The property personnel may use any qualifying vendor to procure the products described in Section (4), and are encouraged to also consider the following areas of interest:

- Packaging  
The property desires to reduce waste generated through daily operations and recognizes that such reduction begins with the material that enters each facility/site. The property will request that items purchased should be packaged and delivered with minimal packaging material as feasible. The property reserves the right to request that vendors alter the packaging of goods delivered, when appropriate and/or possible.
- Recycled Content  
The property requests that all vendors provide recycled content options for goods when available. If a product is available with recycled content, vendor will disclose that option to the appropriate property representative. If a product is available with recycled content, but the property does not specifically request as such, the vendor will default to order the product with recycled content, unless it exceeds the cost of the conventional product by 10% or greater. Recycled content targets may be overridden at the discretion of the property representatives if certain products with recycled content present themselves as cost prohibitive.

### A. OVERVIEW

The property will consider five criteria in all purchasing decisions:

1. Compliance with categorical procurement guidelines
2. Pollution prevention
3. Life cycle analysis
4. Relative environmental impacts
5. Past performance

### B. PROCUREMENT - ONGOING

The term "ongoing purchases" refers to low-cost-per-unit materials that are regularly used and replaced through the course of daily business operations. These products may include, but are not limited to: printing and copying paper, notebooks, envelopes, business cards, sticky notes, paper clips, toner cartridges, and batteries.

The recommendations below should be implemented as feasible:

At least 50%, by cost, of total ongoing purchases shall follow one or more of the following criteria as feasible:

- Postconsumer recycled content – meet or exceed U.S. Environmental Protection Agency Comprehensive Procurement Guidelines. Products not listed in the Guidelines receive recycled content credit with no minimum.
- Extended use – batteries must be rechargeable and toner cartridges for laser printers must be remanufactured.
- Paper and Wood Products – Must be certified by the Forest Stewardship Council or USGBC-approved equivalent.

At least 50%, by cost, of total electric-powered equipment shall follow one or more of the following criteria as feasible:

- EPEAT Rating – Equipment must have a silver Electronic Product Environmental Assessment tool (EPEAT) rating or better.
- ENERGY STAR Rating – if the equipment does not have an EPEAT rating system, it must be ENERGY STAR qualified or performance equivalent for projects outside of U.S.
- The equipment (either battery or corded) replaces conventional gas-powered equipment

The property acknowledges the value of Sustainable products and requires that vendor(s) support that effort when appropriate and/or possible. The property requests that vendor(s) notify them of recycled content and reduced packaging options or alternative products that would comply with the above specifications. Nothing contained in this guide shall be construed as requiring the property to procure products that do not perform adequately for their intended use, exclude adequate competition, or are not available at a reasonable price in a reasonable time period.

At least 15%, by cost, of total food and beverage (excluding beer, wine or liquor) purchases shall follow one or more of the following criteria:

- Sustainable Agriculture-food and beverage labeled USDA Organic, Food Alliance Certified, Rainforest Alliance Certified, Protected Harvest Certified and/or Marine Stewardship Council's Blue Eco-Label
- Local sourcing- Food and Beverage contains raw materials harvested and produced within 100 miles of the site

#### C. PROCUREMENT - LAMPS

Lighting purchases should have an overall building average of 25 picograms of mercury per lumen-hour or less for all mercury-containing lamps purchased for the building and associated grounds. Must include lamps for both indoor and outdoor fixtures, hard-wired and portable fixtures.

#### D. HAZARDOUS CHEMICALS

Ensure that all products, furniture, furnishings, and materials meet do not contain harmful or hazardous chemicals. For a list of hazardous chemicals, visit the International Living Future Institute's Red List: <https://living-future.org/redlist>

- Furniture and furnishings meet the VOC content standards set in ANSI/BIFMA e3-2011 Furniture Sustainability Standard sections 7.6.1 and 7.6.2, tested in accordance with ANSI/BIFMA Standard Method M7.1-2011.

#### E. ETHICAL PROCUREMENT PROCESSES

Clarion is committed to ethically sourcing products and material purchases. This includes:

- Human Rights: Commit to source products from companies that respect the human rights of employees including a safe working environment, decent hours, and fair pay.
- Business Ethics: Ensure all dealings with suppliers follow basic moral and legal principles used to address issues such as corporate governance, insider trading, bribery, discrimination, corporate social responsibility, and fiduciary responsibilities.

## 5. BEST PRACTICES

- Use products that have a publicly published:
  - Environmental Product Declaration
  - Health Product Declaration
  - Report stating raw material extraction locations and a commitment to responsible sourcing criteria and reducing environmental harms from the extraction/manufacturing process
- Conduct Product Life Cycle Assessments to determine the total environmental impacts of a product from the extraction of raw materials all the way through its end of life
- Use products that meet the responsible extraction criteria below:
  - Extended producer responsibility
  - Bio-based materials
  - Wood products
  - Materials reuse
  - Recycled content
  - Forest Stewardship Council certified
  - Fair Trade
  - Regional materials
  - USGBC approved program
  - Cradle to Cradle Certified
- Ensure purchases are low VOC and mercury and chemical free

## 6. PERFORMANCE EVALUATION

The building operation and maintenance teams will be responsible for ensuring performance of the following:

- Guide implementation
- Educating staff and residents on the scope, performance metric, goals, procedures and strategies of this guide
- Gathering information on the overall performance of the environmentally preferable purchasing products
- Continued education on new material and products in the sustainable market place
- Appointing certain duties relating to the purchasing guide to staff
- Reviewing and updating guide at least once a year

This guide establishes EPP guidelines for the following materials:

### **Materials and Resources Credit Purchasing – Ongoing**

Purchase at least 50%, by cost, of total ongoing consumables that meet at least one criterion as feasible. Purchase at least 50%, by cost, electric-powered equipment that meet at least one of the criteria as feasible.

### **Materials and Resources Credit Purchasing – Lamps**

Overall building average of 25 picograms of mercury per lumen-hour or less for all mercury-containing lamps purchased for the building and associated grounds. Includes indoor and outdoor fixtures, hard-wired and portable fixtures.

#### **Materials and Resources Credit Purchasing – Food and Beverage**

Of the building's total combined food and beverage purchases (not including beer, wine or liquor) at least 15%, by cost, must meet at minimum one of the criteria as feasible.

Applicable materials and supplies purchased should be evaluated, calculated and documented based on total cost. Lamps are excluded from the calculation.

The following performance metrics will be considered when purchasing products, selecting materials and qualifying services:

- Apply life-cycle costing method (LCC) to assess operation, maintenance and disposal fees as compared to the long-term environmental impact.
- For employee/resident well-being, eliminate products containing hazardous substances.
- When feasible, consider vendors who share environmentally and socially responsible principles.

The property and/or vendor is encouraged to work with key suppliers that might be able to record and track purchases monthly. Encourage vendors to report how each product purchase meets the following purchasing criteria. Whenever possible, building personnel should include an evaluation of the environmental and public health benefits achieved through sustainable purchasing of the goods described under Section (4).

## **7. REPORTING**

The Sustainable Procurement Guide is relevant to several questions on the Global Real Estate Sustainability Benchmark (GRESB) assessment, and the implementation of this guide benefits Clarion's ESG performance.

## **8. GREEN BUILDING CERTIFICATIONS**

For projects pursuing a LEED certification, this purchasing guide should be implemented in full, 100% of the time if relevant purchasing related credits are being attempted. In addition to the following.

The goals for this Sustainable Procurement Guide are as follows:

- Five most purchased product categories
  - Meet the criteria for ongoing consumables for at least 90%, by cost, of products purchased in these categories
- Disposable kitchen goods for office breakrooms
  - Purchase at least 50%, by cost, of disposable kitchen goods that meet at least one of the following criteria:
    - 100% compostable
    - 100% recyclable
    - Made from bio-based products
    - FSC-certified products
- Batteries
  - 100% of batteries purchased must be rechargeable
- Durable Goods
  - Purchase at least 50%, by cost, electric-powered equipment that meet at least one of the following criteria:
    - Silver Electronic Product Environmental Assessment Tool (EPEAT) rating or better
    - ENERGY STAR rating (if the equipment does not yet fall under EPEAT rating system, it must be ENERGY STAR qualified)

- The equipment (either battery or corded) replaces conventional gas-powered equipment
- Lamps
  - The total overall maximum of 25 picograms of mercury lumen hour for all mercury-containing lamps purchased for the building and associated grounds

Each purchase can receive credit for each criterion met, in this case, double-counting is acceptable. Responsible parties are encouraged to list all qualifying elements and explore weighted values.

#### PROCUREMENT - LAMPS

Lamp documentation must include the following:

- Compliance with the voluntary NEMA guidelines for any compact fluorescent lamps that have been excluded from this credit
- Mercury-free lamp types are at least as energy efficient (lumens/watt) as their mercury containing counterparts
- Specifications on rated picogram/lumen-hour OR rated mercury content, lumen output and lamp life

Lamps that do not meet the mentioned criteria will be labeled non-sustainable products and calculated in contrast to sustainable products.

Calculations for sustainable and non-sustainable products will then be compared to the total cost of all products and quantified through a Purchasing Calculator - Lamps. The Purchasing Calculator – Lamps will track all purchases during the performance period and include appropriate product purchasing information including: date of purchase, purchasing party, product name, cost, quantity and sustainable criteria met. Documentation for sustainable products will include product specifications describing qualifying elements(s).

The building's personnel and/or vendor responsible for purchasing will report the property purchases to the appropriate representative using the provided Purchasing Calculator - Lamps. Vendor is required to track and report this property's purchases monthly. Vendor will use the property's Purchasing Calculator - Lamps or an approved alternative reporting method.

For LEED Interiors projects, in addition to the requirements set-forth in this policy, Interiors projects must recommend best practices for environmentally preferable purchasing for purchases outside of the project's control.

For buildings pursuing Fitwel certification, 100% of cleaning products and services purchased by Clarion Partners must comply with **one** of the following guidelines:

- ISO 20400:2017 Sustainable Procurement-Guidance
- Certified by the Global Ecolabelling Network (GEN)
- EPA's Comprehensive Procurement Guideline (CPG) Program, with a listing under the CPG Product Supplier Directory
- EPA's Safer Choice Label
- Ecologo Certified

The scope and framework of this section covers the purchases of all products, materials, and/or services that may negatively impact indoor air quality, including all janitorial cleaning products and other potentially toxic chemical products used for building maintenance. Staff members responsible for procurement at buildings pursuing Fitwel certification must implement these green purchasing practices at all times within the identified scope.

Additionally, for projects pursuing Fitwel v2.1 for MTBB or MTWB, the policy must be included in either relevant leases or the tenant manual.



## 9. QUALITY ASSURANCE CONTROL PROCESS

This guide was developed for Clarion and implemented in 2014 as a part of Clarion's ESG Program. It will be reviewed annually and continue indefinitely.

## 10. TIME PERIOD

Effective Date: 2014

Updated: 1/2022

## 11. DEFINITIONS

**Procurement** is the process of finding, acquiring, buying goods, services or works from an external source that meets certain sustainability criteria. The process is used to ensure the buyer receives goods, services or works the best possible price, when aspects such as quality, quantity, time, and location are compared." Procurement is considered sustainable when organizations broadens this framework by meeting their needs for goods, services, works, and utilities in a way that achieves value for money and promotes positive outcomes not only for the organization itself but for the economy, environment, and society. This framework is also known as the triple bottom line.

**Sustainable procurement** is a spending and investment process typically associated with public policy, although it is equally applicable to the private sector. Organizations practicing sustainable procurement meet their needs for goods, services, utilities and works not on a private cost-benefit analysis, but with a view to maximizing net benefits for themselves and the wider world. In doing so they must incorporate extrinsic cost considerations into decisions alongside the conventional procurement criteria of price and quality, although in practice the sustainable impacts of a potential supplier's approach are often assessed as a form of quality consideration. These considerations are typically divided thus: environmental, economic and social. To procure in a sustainable way involves looking beyond short-term needs and considering the longer-term impacts of each purchase. Sustainable procurement is used to ensure that purchasing reflects broader goals linked to resource efficiency, climate change, social responsibility and economic resilience, for example."

**Impacts** of a purchased good or service include all the direct or indirect consequences of production, distribution, use, and disposal of that good or service in terms of environmental, social, and/or economic sustainability. Impacts may be positive or negative, and improving impacts includes both enhancing positive impacts and reducing negative impacts.

**Material impact** refers to the relative significance or importance of a specific environmental, social and or economic impact.

**Sustainability criteria** are requirements pertaining to the sustainable quality of a product and its sustainable production, which must be fulfilled in order to acquire a sustainability status or certification.

**Sustainability performance** refers to the extent to which a product, service, or supplier supports the natural, social, and economic systems on which we depend, now and in the future. Sustainable purchasing means making sure that an organization's suppliers – and the products and services they supply – deliver value for money and generate benefits not only for the organization, but also for the environment, society and the economy.

**Sustainable purchasing program** is the set of activities undertaken by an organization to implement sustainable purchasing, whether unified as a centrally managed program/policy or decentralized as a collection of potentially uncoordinated programs/policies.

**Sustainable Purchasing Leadership Council** is a non-profit whose mission is to support and recognize purchasing leadership that accelerates the transition to a prosperous and sustainable future.

**Sustainability spend analysis** is a process for identifying: 1) sustainability-related risks and opportunities across an organization's overall portfolio of spending; and 2) priorities for action based on the relative significance of particular spend categories, suppliers, purchasers, regions of origin, or other factors.

**Supplier diversity** refers to sourcing from businesses that are owned or operated by individuals who belong to groups that have historically faced barriers to employment and/or economic opportunity. These may include, for example, businesses that are owned or operated by women, minorities, veterans, or LGBT individuals; or have been historically disadvantaged in the marketplace for other reasons. Supplier diversity has many benefits, including customer satisfaction, cost savings, and investor relations.

**Total cost of ownership (TCO)** is a financial estimate intended to help buyers and owners determine the direct and indirect costs of a product or system over the lifetime of its use and disposal. Value for money is the optimum combination of whole life costs and quality. Factors often taken into account in defining value for money include quality, fitness for purpose, total cost of ownership, risk, sustainability issues, and other factors relating to an organization's overall goals."

## 12. RESOURCES AND REFERENCES

Responsible Purchasing Network:

<http://www.responsiblepurchasing.org>

Green Seal list of certified paper products:

[http://www.greenseal.org/findaproduct/papers\\_newsprint.cfm](http://www.greenseal.org/findaproduct/papers_newsprint.cfm)

U.S. EPA Sustainable Purchasing (EPP):

<http://www.epa.gov/epp/>

U.S. EPA Mercury:

<http://www.epa.gov/mercury/>

SAMPLE LAMP PROCUREMENT CALCULATOR (FOR BUILDINGS PURSUING LEED)

## Lamps

List the lamps purchased during the performance period. Include both indoor and outdoor fixtures, as well as both hard-wired and portable fixtures.

Bulb General Type	Bulb Specific Description or Code	Quantity of Specific Bulb Type	Mercury Content per Bulb <sup>1</sup> (mg)	Mean Light Output per Bulb Type (lumens)	Rated Life per Bulb (hrs)	Total Lumen Hours per Bulb	Total Mercury Content per Bulb (picograms/lumen-hr)
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
						0.00	
Building average lamp picograms per lumen-hr							0.00

**Notes:**

1 Successfully completing the picogram per lumen hour calculations requires information about the mercury content in milligrams per bulb for each type of mercury-containing bulb in the building. This information should be obtained from MSDSs or other public literature from the manufacturer, or by directly contacting the manufacturer/vendor and requesting a written statement reporting mercury content values. Mercury values generated by TCLP (Toxicity Characteristic Leaching Procedure) tests are measured in mg per liter of test solution, and do not reflect total mercury content or mercury concentration in the bulb, and therefore are not appropriate for use in these calculations. These values cannot be converted to total mercury content through calculations. Only the following ranges of values for mercury content are valid: less than 0.001 mg, or between 0.5 mg and 300 mg.