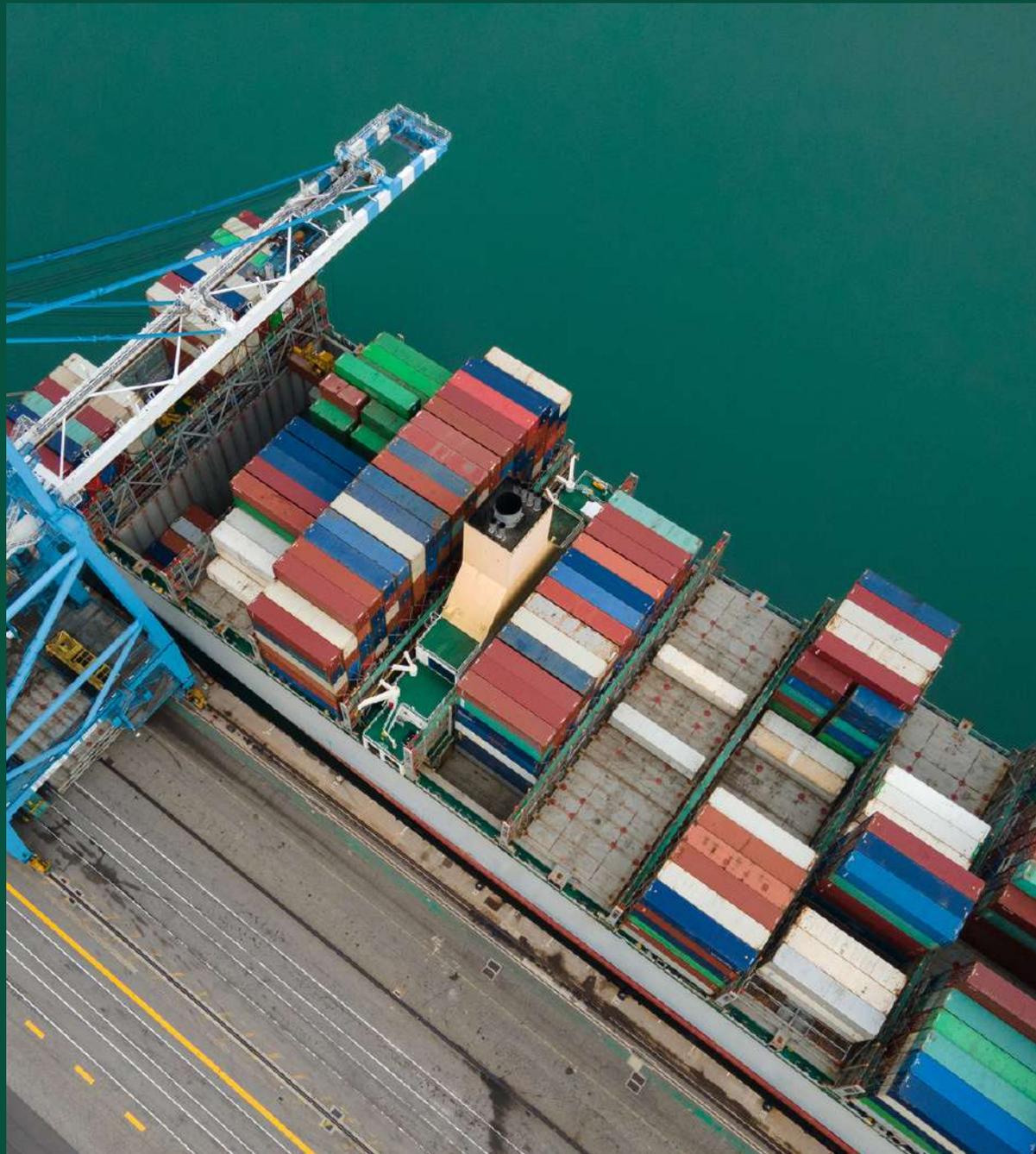




SUPPLIER ENGAGEMENT

# Sustainable procurement at the center of your strategy



greenly

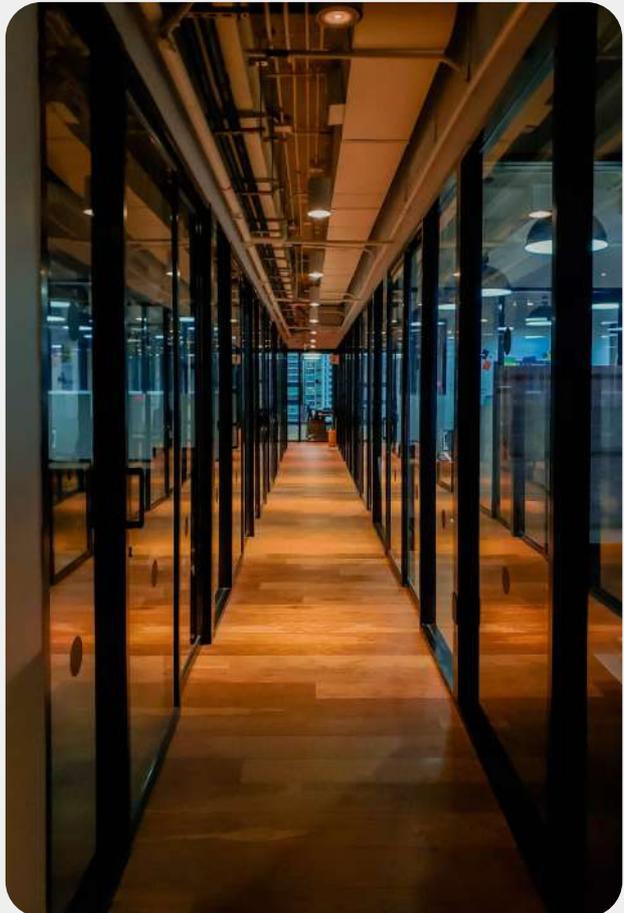
# Editorial

Reducing the carbon impact of procurement is essential for any business hoping to reduce its emissions and implement a sustainable strategy.

Currently, only 9%1 of companies are able to analyze their carbon footprint in detail. Why? The opacity of scope 3, which covers all of a company's indirect emissions (excluding energy) linked to procurement, transport, logistics, etc.

**Up to 90%...** 

of a company's carbon emissions can come from Scope 3



**SCOPE 1**  
Direct emissions

**SCOPE 2**  
Indirect emissions from energy consumption

**SCOPE 3**  
OTHER INDIRECT EMISSIONS

This includes all other emissions not accounted for in scope 1 and 2, but related to the entire value chain, for example: procurement of raw materials, services, employee commuting, transport, waste, product use and end of life, fixed assets...





# Introduction

## Sustainable procurement at the center of your CSR strategy

With new environmental regulations on the horizon, Greenly is confident that the development of sustainable procurement policies is a lever to ensure the energy transition and deploy more ambitious organizational transformation strategies.



Alexis Normand  
Greenly CEO

**68 %**

the likelihood that a supplier will engage if requested to do so by two partner companies

**76 %**

the likelihood that a supplier will engage if requested to do so by three partner companies

To help companies create a virtuous value chain, Greenly offers accessible and easy-to-implement solutions to engage your suppliers.



**If a company's carbon footprint ignores 80% of its emissions - even indirect ones - it is addressing global warming without the means to significantly reduce the real impact of its activity. There is no significant low-carbon policy that does not actively address the decarbonization of its supply chain, and there will be no effective global fight to reduce carbon emissions without a concrete engagement from companies to their suppliers.**

**Until recently, carbon accounting was a service mainly offered by consulting firms, whose rates effectively excluded small businesses. Thanks to the development of digital solutions such as Greenly, this is no longer the case. By lowering costs, these solutions represent a tremendous opportunity to accelerate the ecological transition.**

Source : SBTi (Science-based Targets Initiative) report 2018

1 Source: BCG Carbon Measurement Survey, "Use AI to Measure Emissions - Exhaustively, Accurately, and Frequently" - 2021.

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# Why Act on My Scope 3 at Company Level?

- 1** Reduce the impacts of of climate change
- 2** Anticipate environmental regulations
- 3** Stay competitive and be seen as a leader in my field
- 4** Innovate and create added value, perhaps by benefiting from funding opportunities
- 5** Improve the company's image



New regulations will apply to large companies - but they will also affect small and medium-sized businesses. Whether you want to find investors, continue to work with large companies, bid for tenders or public contracts, you need to show that your company is already engaged in reducing its carbon emissions. Customers, companies and the general public will be increasingly attentive and will want to know about your energy performance.

**This is why it is important to optimize the management and control of your supplier chains and Greenly can help you identify your suppliers with the greatest impact and engage them, in turn, in this virtuous approach.**

## Some assets

Decarbonising your products and services should not be seen as a constraint.

This approach also allows you to reduce your expenses, your reliance on fossil fuels, and to lower your carbon tax.

# Regulatory Focus

## 2010

According to the regulations, companies with more than 500 employees (or more than 250 employees in the French overseas regions and departments), local authorities with more than 50,000 inhabitants and all legal entities under public law employing more than 250 people must carry out a GHG assessment. **Only scopes 1 (direct emissions) and 2 (energy emissions) are mandatory.**

The legislative provisions relating to GHG emissions assessments are set out in Article L.229-25 of the Environmental Code. Articles R.229-45 to R.229-50-1 specify the application of the system.

The decree also leads to a demanding transition plan, which defines the actions and means considered for the reduction of emissions linked to an organisation's activities, in order to make them compatible with the low-carbon strategy respecting the Paris Agreement. The ADEME has published a guide on this matter.

## 2022

A decree relating to greenhouse gas emissions assessments was published on 1st July 2022. It establishes a change of scale for regulatory GHG assessments that will be carried out **from 1st January 2023, and will henceforth have to include "scope 3"**.

“ **Large retailers are increasingly selecting exemplary suppliers, and this trend will accelerate with the new regulations.** ”

”

Alexis Normand  
Greenly CEO

## 2023

From 2023 onwards, **other significant emissions indirectly produced by the organisation's activities** will have to be taken into account. For example, this includes procurement, upstream and downstream transport of goods, waste management, etc.

Under the SBTi initiative, companies must set action plans covering at least 2/3 of their Scope 3 emissions (i.e. 67%), in accordance with the GHG Protocol international carbon accounting standard. However, this figure has been increased to 95% in the new SBTi Net Zero standard. Action plans can be emission reduction targets, supplier or customer engagement targets.



# Figures on Responsible Engagement

**66%**

of companies **do not report emissions from their supply chain**

Source : BCG Gamma Survey, 2021

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Source : BCG Gamma Survey, 2021

**38%**

Only **38%** of companies that report their emissions **engage their suppliers with them**

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Source : CDP, Engaging the Chain: Driving Speed and Scale, Global Supply Chain Report, 2021



**71%**

In 2021, **71%** of companies have reported on their Scopes 1 and 2 emissions, while **only 20% have reported the emissions associated with the products and services they have purchased**

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Source : CDP, Engaging the Chain: Driving Speed and Scale, Global Supply Chain Report, 2021

**90%**

Supply chains account for up to **90% of the emissions and environmental impact** of consumer companies

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Source : McKinsey: Starting at the source: Sustainability in supply chains, 2016

# A Positive Impact on Companies

**30 %**

**Up to 30% increase in brand value** generated by sustainable sourcing practices

Source : World Forum économique mondial : Beyond Sustainable Procurement

**9%**

**Companies implementing sustainable procurement practices** reduce their procurement costs **by 9 to 16%**

Source : World Economic Forum, Beyond Supply Chains, 2015

**63%**

Sustainable procurement is proving to be essential for supply chain resilience. **63% of buyers and 71% of suppliers say their responsible practice initiatives helped them overcome the COVID-19 crisis.**

Source : Baromètre EcoVadis 2021



# How to decarbonize your supply chain ?

## 3 best practices to reduce Scope 3 emissions



1

Accurately analyze Scope 3 emissions to identify improvement potential

2

Switch to alternative products with a lower carbon footprint

3

Engage suppliers to reduce their emissions throughout their own value chain

## The Supplier Engagement Solution

Greenly created the Suppliers Engagement solution, to give companies a clear view of the environmental impact of their supply chain, and then engage their suppliers on a reduction path.

This is primarily a lever for reducing their own carbon footprint, but it is also likely to initiate a positive circle, as the emissions of Scopes 1 and 2 of some companies correspond to the Scope 3 emissions of others.

Companies are of course assisted in this process and advised at every stage by their dedicated Climate Expert.



**Horace**

Score : 105.0



**Editon**

Score : 92.0



**Plextech**

Score : 84.0



**Acme**

Score : 105.0





**DO YOU KNOW  
YOUR CARBON  
EMIS  
SIONS?**



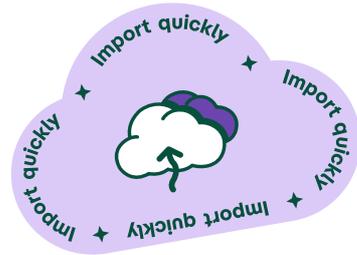
Suppliers

Whitepaper

# The 10-step Greenly method

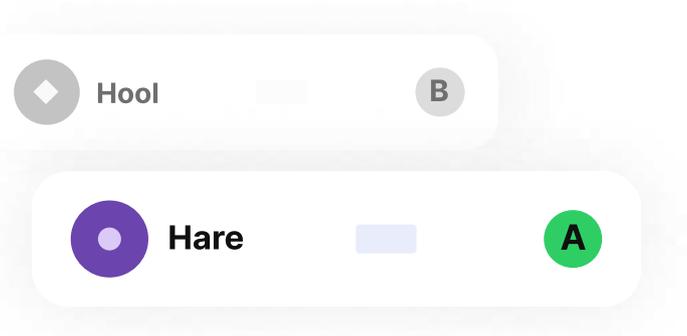
## 1. Addition of suppliers

To start, import your list of suppliers in .csv format or add them one by one. Once added, each company has an information sheet called "Supplier Profile".



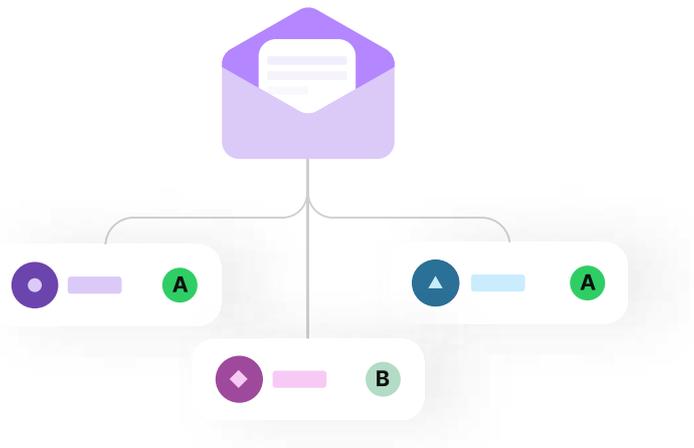
## 2. Enhanced and shared database

If we have already evaluated one of your suppliers, or if we have already retrieved their information from one of the many sources we use to feed our database, their score appears directly and automatically in your list.



## 3. Supplier engagement

Use our white label questionnaire and send it to the suppliers you wish to engage. This questionnaire is a mix of declarative data (e.g. country of production or sustainable procurement policy) and official documents to be sent (carbon footprint if already done and turnover).



# The 10-step Greenly method

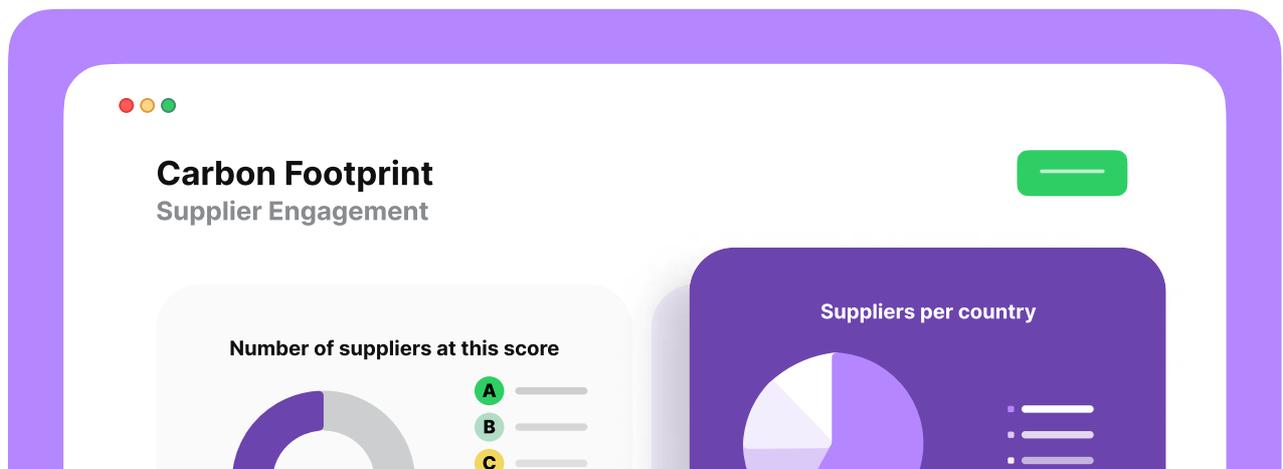
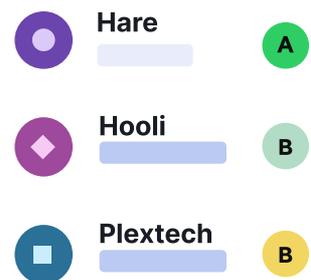
## 4. Score

Using this information, Greenly establishes a score, between A+ and E, indicative of the carbon strategy maturity of each supplier. Our methodology, developed in partnership with CentraleSupélec, is constantly being improved to keep up with advances in scientific research on the subject. It allows you to identify your virtuous suppliers, and gives the others areas for improvement.



## 5. Analytical and customized dashboard

Then access a centralized and updated view of your supplier portfolio. It allows you to view supplier information and monitor the progress of your sustainable procurement projects in real time: questionnaire response rate, score distribution, the most emissive suppliers or those who are missing.





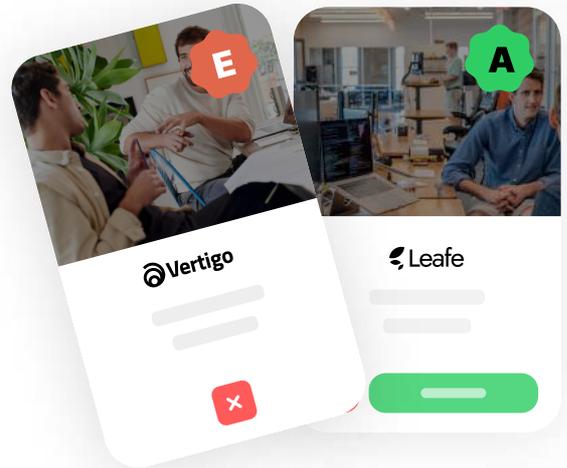
Suppliers

Whitepaper

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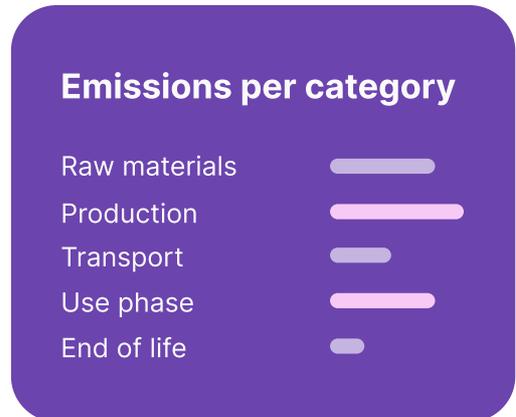
## 6. Directory of virtuous alternatives

Find the suppliers you want to work with in our supplier directory. Each of the companies listed is rated by us and compared to similar players, making it easier to make a decision.



## 7. Refined LCA

When you manufacture a product, not all emissions come from you: sooner or later you have to involve partners, even if only for the extraction of raw materials and their transport. When analyzing the life cycle of a product, adding supply chain data therefore helps to refine the calculation.



## 8. Scope 3

All of the collected data can be used to associate an emission factor with each supplier. This allows the calculation of Scope 3 emissions to be refined and improves the carbon balance.

Scope 1



Scope 2



Scope 3



# The 10-step Greenly method

## 9. Integration with your business tools

Our solutions are integrated with the software and systems you use to track your suppliers, so you don't have to switch from one tool to another and can manage your sustainable procurement from a single platform.

## 10. Continuous updating

Update your supplier information throughout the year and get support from our climate experts to achieve your sustainable procurement goals.



# What you Get

## A Unique Scoring Methodology

**A****B****C****D****E**

Greenly establishes a comprehensive ecoscore (ranging from A+ to E) and grants you access to its shared database.

The ecoscore indicates the maturity of each supplier's carbon strategy.

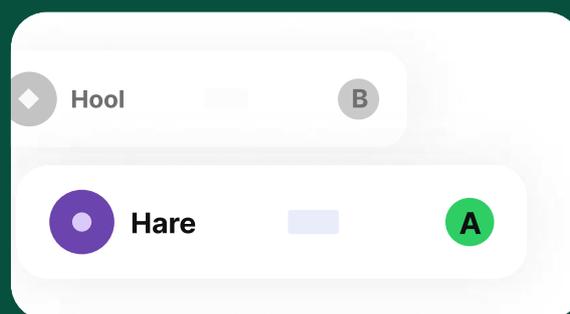
Our methodology, developed in partnership with [CentraleSupélec](#), is constantly being improved to keep up with advances in scientific research on the subject.

It allows you to easily identify your virtuous suppliers and the potential areas for improvement for all of your business partners.

## Analytical and Customized Dashboard



Access a centralized and updated view of your supplier portfolio. This gives you access to supplier information and allows you to monitor the progress of your sustainable procurement projects in real time: questionnaire response rate, score distribution, the most emissive suppliers or those who are missing, etc.



Access to the directory of green alternatives.

Find the suppliers you would like to work with through our supplier directory. Each of the companies listed is rated by us and compared to similar players, making it easier to make a decision.



Suppliers

Whitepaper

# Visualize your suppliers' behaviour

We centralize all suppliers on our platform according to their results and by category.



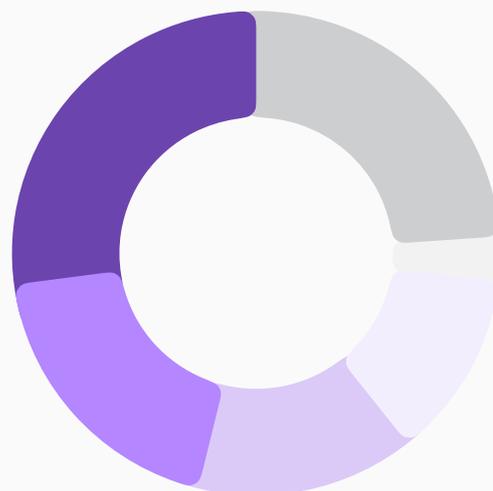
## Carbone Footprint Supplier Engagement

### And also...

#### Integration with your business tools

We adapt to the software and systems you use to track your suppliers, so you don't have to switch from one tool to another and can manage your sustainable procurement from a single platform.

### Number of suppliers at this score



- A
- B
- C
- D
- E



## Why do I Need to Engage my Suppliers?

**To have a real low-carbon policy and achieve the objectives set by the European law**

**To conduct a responsible procurement policy**

Scope 3 accounts for around 80% of a company's carbon impact. Engaging your suppliers and your entire supply chain in your green transition is one of the most effective ways to improve your carbon footprint and help fight climate change.

**To reduce the risks associated with material shortages and rising energy costs**

By analyzing the sources of emissions within your supply chain, you can :

- identify opportunities to reduce operational costs directly, by implementing better material and energy saving practices;
- limit the risks related to supply and regulatory developments in connection with climate change (rising energy prices, volatile commodity prices, etc.).

**To make the company's environmental approach credible**

Investors, consumers, associations and institutions want companies to take responsibility for their value chain and procurement decisions. Sustainable sourcing practices result in an increase in brand value of 15-30%.

## How Does Greenly Engage my Suppliers?

Use our white label questionnaire and send it to the suppliers you wish to engage. The questionnaire is a mix of declarative data (e.g. country of production or sustainable procurement policy) and official documents (e.g. carbon footprint - if already performed - and turnover).

With your permission, a Greenly expert can contact your suppliers and help them fill in the questionnaire or identify the necessary documents.





### What are the benefits of a sustainable procurement policy?

#### Reduce risk and improve reputation

Suppliers with bad practices such as the use of child labor or pollution may experience financial consequences for their business and have their reputation tarnished.

#### Reduce costs

Sustainable suppliers can help reduce an organization's expenses by reducing waste and energy costs.

#### Increase revenue and build customer loyalty

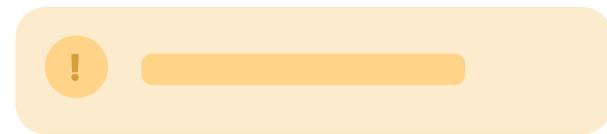
Consumers who embrace sustainability actively seek out ethical and sustainable products and organizations. These customers are often willing to pay a little more for a sustainable and ethically sourced product or service.

### How is the Score of my Suppliers Calculated?

The supplier questionnaire consists of questions divided into categories. Each answer choice is given a given number of points, resulting in the calculation of a category score. The sum of the scores for each category results in an overall score, on a scale of 0 to 100, translated into a letter from A+ to E.

To learn more about our methodology, please visit our [Help Center](#)

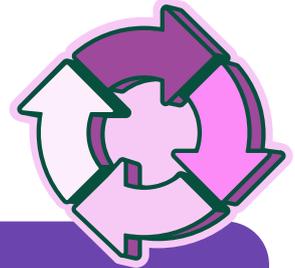
## Software



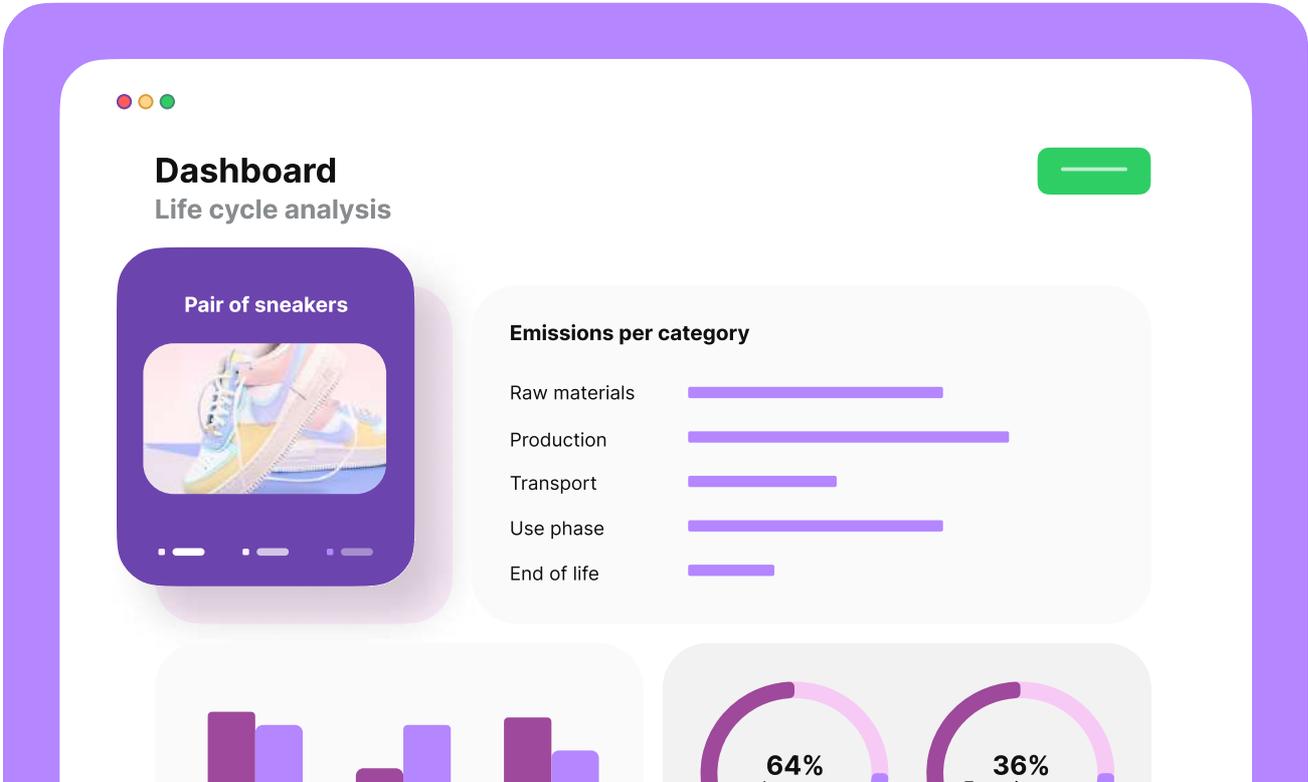


## How do I Explain my Greenly Assessment Process to my Suppliers?

- 01.** Improving risk and cost management related to climate change (increase in resource prices, production costs, changes in regulations, etc.)
- 02.** Refine Scope 3 calculation
- 03.** Address external pressure from investors, customers and civil society to reduce climate impact
- 04.** Strengthen the collaboration and transparency of business partners



We are committed to a low carbon approach. To achieve this, we need to analyze our carbon footprint and LCAs (life cycle assessments) in more detail. This is why we have to audit all our suppliers in order to improve our performance.





# A sustainable commitment to global warming What to do?

## 1

### Step 1. Carry out an express and detailed audit

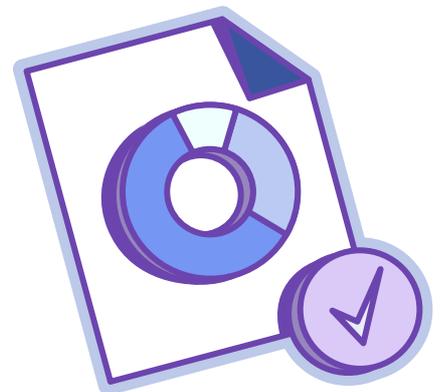
You can use the free data from ADEME to carry out your carbon audit. But this takes an average of 80 hours and requires dedicating human resources. Luckily, solutions exist to digitalize carbon accounting for companies: Greenly provides you with an accurate carbon audit, in a few hours, thanks to a fully digitalized solution that analyzes your transactions via your accounting records file. Everything is managed independently! The main benefit offered by this platform - beyond the carbon footprint picture - is the simplicity of setting up a Net Zero trajectory within your company, thanks to tailor-made action plans and contribution projects.



## 2

### Step 2. Analyze data

Greenly's carbon footprint presents data on your environmental impact that you did not have before, and gives you the opportunity to analyze it continuously.

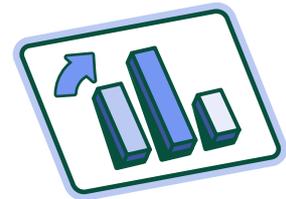




**Step 3. Develop a strategy**

How to improve? In what area? What should be prioritized? In the short term? In the medium term? In the longer term? You will determine the areas of improvement in your company yourself.

The audit will allow you to identify savings opportunities related to direct and indirect consumption and emissions, priority items, as well as the main actions to be implemented.



**Step 4. Ensure a follow-up**

Are you improving? Regular monitoring will allow you to enter into a continuous improvement process.

Monitor your expenditure easily and regularly (e.g. every 2 months), converted into carbon savings.



**Step 5. Communicate**

Proud of your results? You can communicate them, share them and make them visible to your employees (newsletter, screens, intranet, etc.), your partners, your customers and your prospects. Remember to address these subjects very regularly.



**And it goes on for 1 year!**

Greenly assists you throughout the following year: a question? A hotline and an engineer follow your progress and give you advice!





Suppliers

Whitepaper

# Beyond the carbon footprint, Greenly also provides you with an improvement approach



With its Greenly Corporate Impact web platform, Greenly assists you in carrying out your carbon footprint, with a digitalized and economical carbon assessment. The methodology is based on your invoices to identify everything you use. A share of the depreciation of their construction is charged to you in proportion to your use. Greenly relies on company data by setting up a dashboard, automating the collection and analysis of numerous secure data. This information is measured on a very regular basis in order to act on the right levers at the right time. Based on the personalized results, you will identify the priority areas and solutions for effectively reducing emissions. Greenly's experts are working to provide ever more accurate digital solutions.



# A 5-step Method 5

## 1. Measure

Identify emission sources

"The process has begun! You will soon have a carbon footprint for your company"

**Thanks to its R&D assistance, Greenly uses the most recent emission factors to carry out a comprehensive analysis of your emissions (processing, energy, heating, electricity, cooling, logistics, transport, travel, digital...)**

### Extract from the Accounting Entries (AE)

-  Fixed assets (account 200)
-  Supplier expenditure (account 400)
-  Expenses (account 600)

### Integrate other specific data (electricity, cloud services...)

-  Employee questionnaires
-  Invoice analysis
-  Life Cycle Analysis

 **The platform is connected! The process is launched!**

## HOW?

### 2. Identify your reduction levers

How to act?

"Greenly identifies optimization levers from the carbon footprint"

**On the basis of an analysis, Greenly suggests personalized action plans: Acting on equipment, products, suppliers, logistics, transport, energy, IT equipment...**

### Automatic monitoring of emissions

- 1 Scope 1: direct
- 2 Scope 2: indirect energy
- 3 Scope 3: indirect non-energy

# A 5-step Method **5**

## I HAVE A PLAN

### 3. Implement an action plan

Using your carbon footprint to define an action plan

"You have an action plan"

**Identify stakeholders who can implement the actions and organize "action plan" workshops**



## CONTRIBUTE

### 4. Contribute to carbon neutrality

"You act for the environment".

**It is possible to finance certified projects, label your company and actively contribute to the global goal of carbon neutrality.**



Gold Standard

## MONITOR

### 5. Monitor and continuously improve

"You are in an improvement process that you monitor regularly"

**Greenly provides you with tools that allow you to continuously monitor your emissions in order to evaluate the impact of your action plans**

**And Greenly will support you for a year with its hotline!**



Currently, barely 20% of companies' carbon emissions are monitored and controlled, mainly by large groups with budgets exceeding \$14,537 (£13,222). Due to a lack of financial and human resources, SMEs are struggling to carry out their carbon footprint, despite the Paris Agreements, which aim to achieve Net Zero by 2050 - to limit global warming.

Yet, we are convinced that all companies, regardless of their size or sector, can contribute to the fight against global warming, starting by simply managing their emissions.

This is why Greenly offers any company the possibility to manage its carbon footprint, to better reduce its CO2 emissions thanks to a digitalized solution, at the most competitive price on the market, while offering excellent assistance. With its Greenly Corporate Impact platform, Greenly offers software to simplify and automate this measurement, but also to constantly provide new data.

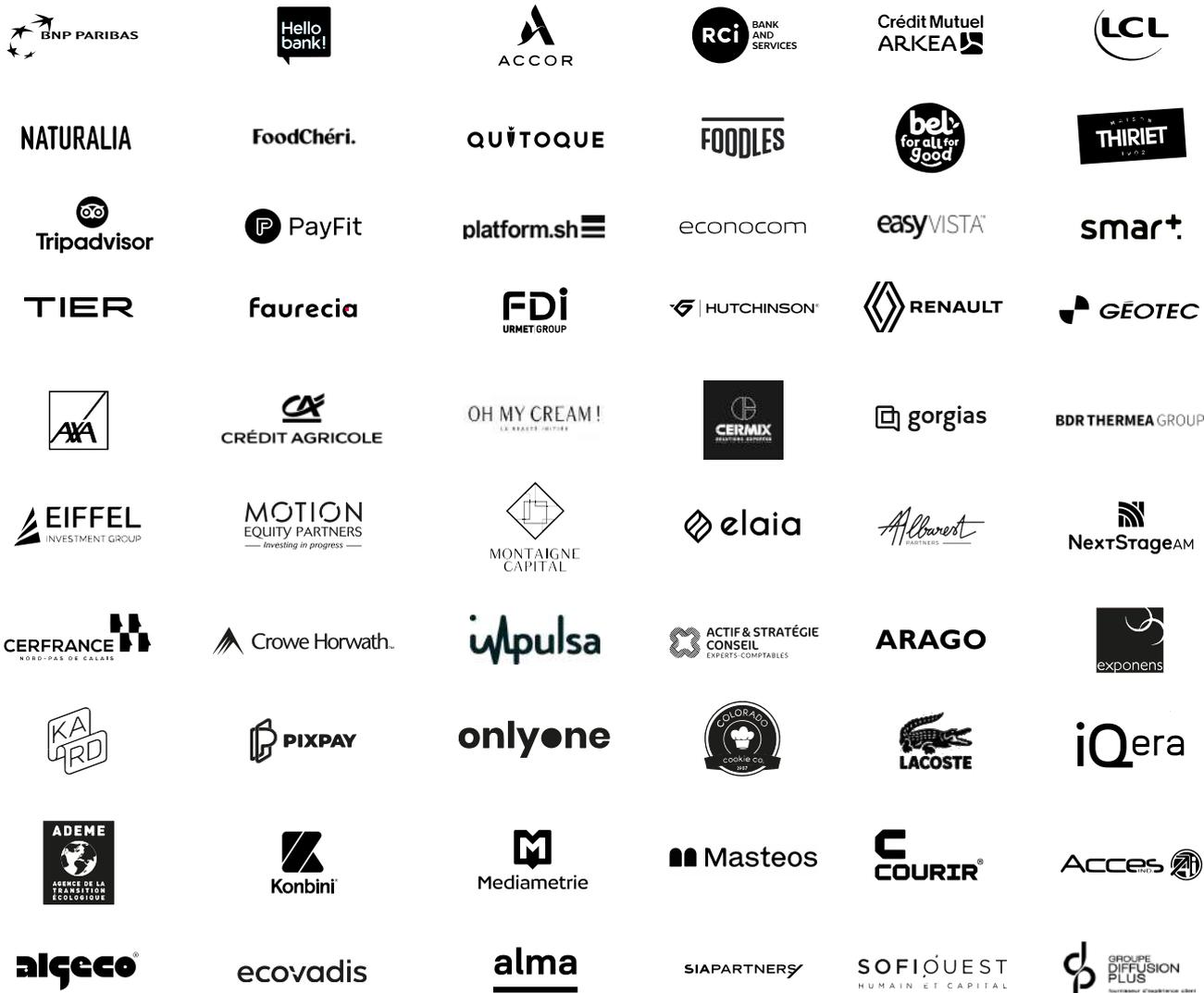
In 2021, the FinTech enriches its service offer with Greenly Web Services, to carry out the carbon assessment of the digital business.

All companies - start-ups, SMEs or large corporations - including those in the service industry, can now track their emissions, with the necessary keys for optimal decision making, in order to align their business strategy with their climate ambition.

Launched in 2019, French start-up Greenly was voted FinTech of the Year in 2020. It has also joined the French Tech Green20 programme, which aims to bring out the new technological champions of the ecological transition. In 2022, Greenly continues its development with a new round of financing and expands internationally.



# Just like **over 600** companies, they have entrusted Greenly with their Carbon Footprint



To find out more or to meet a Greenly expert



Website : <https://www.greenly.earth/>  
 Mobile App on all stores : <https://apps.apple.com/fr/app/greenly/id1490423197>  
 Contact : [contact@greenly.earth](mailto:contact@greenly.earth)

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