

# Global Sustainable Sourcing & Procurement Policy



# Our sustainability strategy

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*“Sustainable procurement is at the heart of Building a Better Tomorrow, supporting all four pillars of Clients, People, Workplaces and Communities. We strengthened our focus on this, by rolling out a Sustainable Procurement Framework in all three regions. Implementing best practice processes and policies increases the success of our sustainable procurement efforts and ensures our corporate values are integrated throughout our global supply chain for the long term.”*

*Juud Tempelman, Global Chief Procurement Officer*



*At JLL, we embrace our purpose to shape the future of real estate for a better world. We are committed to providing best-in-class service to our clients as they work towards defining and achieving their environmental, social and economic objectives. When we do, we'll build a better tomorrow for our clients, people and communities. Sustainable sourcing is critical to our achievement of our Building a Better Tomorrow targets and corporate purpose, and is a key lever to deliver meaningful, positive impact within and beyond our business.”*

*Richard Batten, Global Chief Sustainability Officer*

## United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs) are the world's to-do list to achieve a better, fair and more sustainable future for all. Guided by the goals, it is now up to all of us, businesses, governments, civil society and the general public to work together for a better world. Everything that we do should help us to contribute to their achievement.

JLL has the ability to influence six SDGs in particular which are aligned with our core business impacts and opportunities:



Focusing on these SDGs allows us to prioritize actions and interventions where we have the greatest potential to make a positive contribution, as well as mitigating any negative impacts. The sustainable procurement agenda is critical to the achievement of these six goals, and we can use them to help drive ways of thinking across our services and into activities where we procure goods and services on behalf of our clients and ourselves.



## Overview

This Global Sustainable Sourcing & Procurement Policy sets out how we expect suppliers to contribute to Building a Better Tomorrow, client sustainability and legislative requirements and how we will work with our suppliers to manage sustainability risk and improve their performance over time. This policy applies to our Direct and Indirect procurement spend under management. We will favor suppliers who have embedded sustainability into their business activities and their own supply chain. To create a sustainable supply chain, we commit to working in partnership with our suppliers to ensure they comply with our Global Sustainable Sourcing & Procurement Policy. If a supplier's conduct is not in accordance with this policy we will seek to engage with that supplier and encourage continuous improvement in their environmental, social and ethical performance.

This Policy includes a corresponding Charter which summarizes JLL's expectations for suppliers, shown on page 5. The Charter is also used as a standalone document which all suppliers must acknowledge when working with JLL.

At a minimum, suppliers must comply with the following policies to avoid contract termination: [Vendor Code of Conduct](#); [Global Health Safety and Environmental Policy](#); and [Vendor Due Diligence Policy](#).

## Building a Better Tomorrow

JLL's purpose is to shape the future of real estate for a better world. We do this by partnering with our stakeholders to drive impactful and sustainable change. We do this by embedding sustainability into everything we do.

Sourcing & Procurement is at the heart of Building a Better Tomorrow, and we recognize that a large proportion of our overall impact occurs in our supply chain. With spend in excess of \$30bn globally, we have a responsibility to ensure that our purchases are making a positive contribution to society and the environment and contributes to our key SDGs. Our Sourcing & Procurement program underpins and supports our four Pillars, as well as our Foundations, as follows:

### Clients

Embedding sustainability considerations across all our service lines and supply chain is a key priority for JLL, enabling us to offer differentiated and forward-thinking solutions to our clients as we seek to maximize the positive impact we can have in the world.

### People

We strive for a culture of safety, prevention, and diversity and inclusivity throughout the supply chain. JLL has a zero-tolerance approach to [Modern Slavery and Human Rights](#) contraventions of any kind, and we are committed to enforcing effective supply chain systems and controls to support this approach.

### Workplaces

In line with the Paris Climate Agreement we will work with our supply chain to reduce impact and stress on the environment, by adopting carbon reduction principles, promoting resource efficiency, conservation, and promoting processes which enable a circular economy.

### Communities

We look to our supplier partners to adopt approaches that maximize the positive social impacts of our procurement practices on our communities, enabling equality, equity, inclusion, and skills development.

### Foundations: Ethics and Values

JLL is committed to a corporate culture that embraces and promotes strong principles of business and professional ethics. Ethical practices are inherent in our values and strategy and must guide our interactions with our supply chain.

## **Our Commitment to Clients**

JLL commits to using all reasonably available channels to deliver excellence for our clients through the best value sourcing of products and services taking into account human rights, the environment, and social and ethical considerations over the product or service life cycle. JLL will identify the best procurement offer based on a total value assessment that includes an evaluation of how suppliers manage the expectations outlined in this charter (see page 5). This will be achieved by:

- Including sustainability criteria in tenders and setting sustainability targets with key suppliers
- Monitoring and evaluating the sustainability performance of key suppliers
- Reporting on progress against JLL's Sustainable Sourcing & Procurement policy annually

## **Our Commitment to Suppliers**

To create a sustainable supply chain, we commit to working in partnership with our suppliers to ensure they comply with our Global Sustainability Sourcing & Procurement Policy and the expectations outlined in our Charter on page 5, including via the following methods:

- Supporting key suppliers to improve performance through agreed objectives within the existing Supplier Relationship Management program
- Knowledge transfer and continued education about process optimization, resource efficiency, and environmental and social standards
- Putting in place clear and transparent supplier requirements

Across our global operations, we actively analyze spend and risk globally to identify our key sustainability risks and opportunities. Our expectations of suppliers are mapped against the pillars of Building a Better Tomorrow. Additional business-critical sustainability risks such as business ethics & integrity and modern slavery are covered in full in our Vendor Code of Conduct, Global Health, Safety and Environment Policy, Vendor Due Diligence Policy, and country or service line specific policies. Suppliers should refer to each of these, in addition to any tender specific criteria.

## **Policy Details**

This policy, and the corresponding charter, describe JLL commitments to deliver sustainable outcomes through our sourcing, procurement and contracting activities and is to be applied across all business lines and operations. Responsibility for this policy lies with our Global Chief Procurement Officer. The implementation of this policy is the collective responsibility of all employees, suppliers and subcontractors with leadership from the Sourcing & Procurement team.

This policy and charter will be reviewed and updated periodically.

# Sustainable Procurement Policy Charter



JLL's purpose is to shape the future of real estate for a better world. We do this by embedding sustainability into everything we do through the four pillars of Building a Better Tomorrow: Clients, People, Workplaces and Communities, as well as our Foundations. As our supplier, we will work with you to assess, monitor and improve your contribution towards the expectations of this charter. The level of engagement with you will be determined by the size and nature of your business and how you work with us. We expect all suppliers to support this charter and adhere to its corresponding policy. This document should be read in conjunction with the Global Sustainable Sourcing & Procurement Policy; Vendor Code of Conduct, Global HSE Policy, and country or service line specific policies.

## Building a Better Tomorrow



### Governance

Appointing subject matter experts in sustainability. Reporting regularly through local, regional, and global sustainability governance structures.

### Thought Leadership

Asserting JLL's voice as sustainability leaders. Sharing innovative case studies via papers, research, external conferences and publications.

### Innovation and Technology

Delivering smart, forward-thinking, and value-enhancing solutions at every opportunity—both for our clients and within our own walls

### Ethics

Committing to strong principles of business and professional ethics, ensuring compliance with community, state, regional and national regulatory requirements



## Clients

*JLL expects suppliers...*

...to understand the **goals and priorities** of our clients and deliver their goods and services in a manner which is compliant with and /or contributes value toward goal achievement

...to minimize their impact on the environment via **resource conservation, emission mitigation and sustainability best practices**, including the personnel, equipment, products and procedures used

...to report progress towards JLL's **Science Based Targets** and set their own goals to **minimize the environmental impact** of their firm, products and services



## People

*JLL expects suppliers...*

...to provide a “**culture of safety**” throughout the firm

...to follow national **minimum wage** requirements, and adhering to Fair Wage and Living Wage requirements

...to ensure effective systems and procedures are in place to eliminate **Modern Slavery**

...to be committed to the **health and well-being** of their staff and in the **safety** of goods or services provided

...to promote **Diversity & Inclusion** by embracing diverse backgrounds, experiences and skills in their workplaces and management



## Workplaces

*JLL expects suppliers...*

...to actively reduce the **carbon footprint** of their products or services and to provide energy/carbon efficiency options

...to demonstrate the climate **resilience** of their **operations, goods and services** to support JLL's own resilience and ensure that the services provided to clients are appropriate

...to understand and reduce waste, water, the **lifecycle environmental impacts** of their products and services, and working towards a **circular economy**



## Communities

*JLL expects suppliers...*

...to demonstrate **positive social impacts** and responsible procurement practices, such as buying local, including a **diverse supply chain**, and supporting community engagement through organizations like green building and diversity councils

...to promote **professional skills development** through, employee training and promotion, and offering employment opportunities to the local community



