



# Green Purchasing Policy

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## Environment Supply Chain Management (ESCM)




**ESCM integrates the strategies of productivity improvement and environmental protection to produce environmentally compatible goods and services.**

## ESCM requirements address the following

- Energy Efficiency
- Material & resource management
- Safe & Clean production
- Distribution & Logistics
- Total Costs
- Risk and liability
- Secure Supply
- Innovation management



# Why ESCM

- Increased customer/consumer environmental awareness
  - Better integration with the suppliers
  - Pressure from governments, suppliers, customers and competitors to enhance the Green Supply Chain
  - Organizations emphasizing environmentalism achieve better business efficiency
  - Environmental leaders and leadership is increasingly recognized
  - Lower supply chain costs
- 

BASICALLY YOU GET  
**A Distinct Competitive advantage**



*“When the green supply chain programs are properly aligned to corporate goals, their results become leading indicators of the total business success.”*

## Success stories of Companies using ESCM

**Texas Instruments:** Saves \$8 million/year by reducing its transit packaging budget for its semiconductor business through source reduction, recycling and use of reusable packaging systems (20% annual savings)

**Commonwealth Edison:** Produced \$50 million in financial benefits from managing material and equipment with a life cycle management approach

**Pepsi Cola:** Saved \$ 44 million by switching from corrugated to reusable plastic shipping containers for one liter & 20-ounce bottles thus conserving 16 million pounds of corrugated material

**Dow Corning:** Saved \$ 2.3 million by using reconditioned steel drums in 1995. Also conserved \$7.8 million pounds of steel

## Creating an ESCM at your end

### Step One

Analysis of current situation and securing approval from senior management to make changes.

### Step Two

Identify alternatives that meet your business

### Step Three

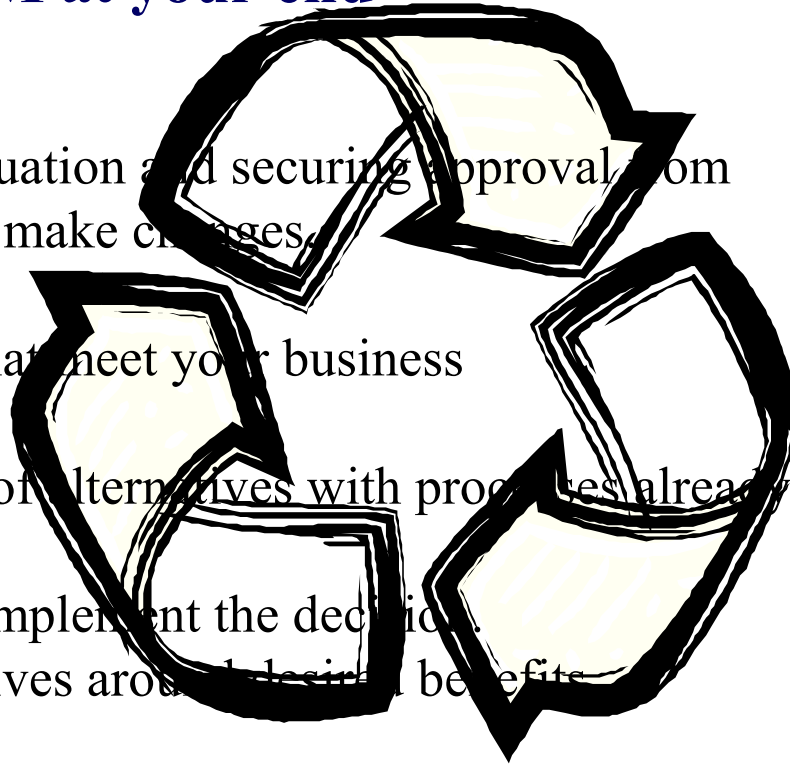
Compare the benefits of alternatives with processes already in place.

### Step Four

Make a decision and implement the decision.  
Design specific initiatives around desired benefits.

### Step Five

Monitor progress to continually identify opportunities to reduce costs, reduce environmental impacts and improve the supply chain management in place.





# ORCHID MISSION STATEMENT

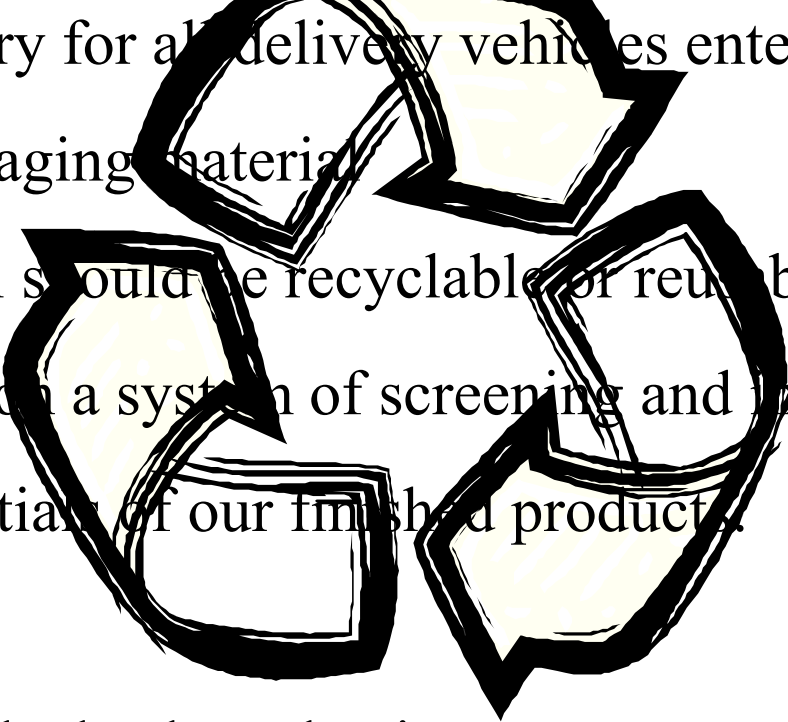
THE ORCHID - ASIA'S FIRST FIVE-STAR ECOTEL HOTEL, IS COMMITTED TO ENHANCING THE GUEST EXPERIENCE WHILE SETTING A NEW STANDARD OF ENVIRONMENTAL RESPONSIBILITY BY CONSERVING NATURAL RESOURCES; EDUCATING, ENLIGHTENING AND MOTIVATING OUR STAFF; AND CULTIVATING COMMUNITY RELATIONSHIPS.

- THE ORCHID TEAM



**WE BECAME A HOTEL THAT  
CARES FOR THE ENVIRONMENT  
JUST AS MUCH WE CARE FOR  
OUR GUESTS**

# ORCHID PURCHASING POLICY

- 
- P.U.C is compulsory for all delivery vehicles entering our premises
  - Avoid plastic packaging material
  - Packaging material should be recyclable or reusable
  - Purchasing based on a system of screening and investigation of the ecological credentials of our finished products.
  - Buying in bulk
  - Asking partners take back packaging
  - Minimizing the amount of disposable single portions.

## **WHILE ISSUING CONTRACTS & PURCHASE ORDERS WE ARE INCLUDING THE FOLLOWING CLAUSE**

**“We will use environmentally sustainable resources  
whenever technically and  
economically viable.**

**Our purchasing will be based on a system of  
screening and investigation of the ecological  
credentials of our finished products, ingredients,  
packaging and suppliers.”**

**All our suppliers are known as  
PARTNERS**

**Orchid initiated “Greening the supply  
chain” concept in the industry**

**Purchase contracts states the environment  
policy as part of the agreement**

**A PARTNERS meet held each year**

**“Eco-Friendly Award given to partners for  
new eco-friendly initiatives from their end**

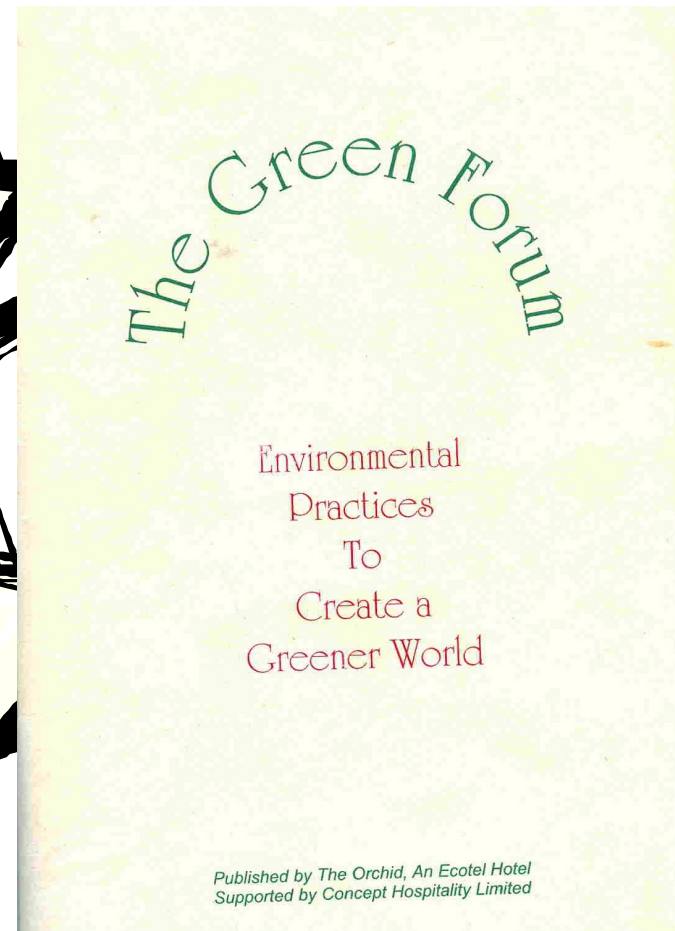


## Green Forum

**“Practices towards a Greener Tomorrow”  
Eco Audit book launched last year  
for our partners**

**Partners have been encouraged to  
conduct environment audits  
and come back with results**

**Environment audits carried out by the  
Corporate Purchase manager  
along with environment officer**



## **HOW ORCHID REDUCE WASTE IN PACKAGING**

- MINERAL WATER IN CRATES INSTEAD OF CARDBOARD BOXES.
- BEER IN CRATES INSTEAD OF CARDBOARD BOXES.
- GROCERIES IN 5 KG CLOTH BAGS (RETURNABLE) INSTEAD OF PLASTIC BAGS.
- DRY FRUITS IN RETURNABLE BOXES INSTEAD OF PLASTIC BAGS
- SWEETS IN CONTAINERS RETURNABLE INSTEAD OF PLASTIC BAGS.

□ **EARLIER BISCUITS (SERVED IN ECOTERIA)  
DELIVERED IN 200 gms PLASTIC BAGS, NOW THEY ARE  
DELIVERED IN RETURNABLE & REUSEABLE TINS IN  
BULK**


□ **EARLIER REEF SLIPPERS DELIVERED IN  
PLASTIC BAGS NOW THEY ARE TIED WITH  
HELP OF JUTE STRINGS**

# Purchasing Checklist


- ✓ Which items can be replaced by a more environmentally preferable alternative ?
- ✓ Which can be reused for the same or another purpose ?
- ✓ Have partners been asked for environmentally-preferable alternatives ?



# Purchasing Checklist

- 
- ✓ Have partners been able to provide a more environmentally-preferable service ?
  - ✓ Which partners have an environment policy ?
  - ✓ Are efforts being made to reduce packaging ?
  - ✓ Is a conscious effort being made to buy environmentally - preferable products whenever possible ?

# Purchasing Checklist

- 
- ✓ Share the overall environmental goals with the partners
  - ✓ Provide Technical assistance and share knowledge
  - ✓ Increase the volume of purchases from partners who demonstrate environment excellence



THANKYOU