

SEE Questionnaire

Community Relations Q2



Does your company have a policy to source goods and services from local suppliers?

Rationale for question

There are numerous benefits to locally sourcing goods and services. It is a significant way in which businesses can ensure that money remains within local communities. This is particularly important for invigorating economically depressed regions or supporting vulnerable rural communities. Sourcing locally also helps strengthen the company's relationships with the community, which may be its primary consumer base. Purchasing local goods and services also benefits the environment by minimising the fossil fuels and other resources required for transportation.

In developing a sourcing policy, a company should evaluate the benefits and drawbacks of locally sourcing particular products or services. For example, certain goods and services might not be available locally, or the quality may be inadequate. Sometimes the carbon footprint is actually lower for goods produced overseas when the environmental conditions are better suited to that product or commodity, e.g. vegetables.

Defining Terms

'Local suppliers' are suppliers with operations restricted to a particular geographic area in which the sourcing company also has operations. The definition excludes suppliers operating nationally or multinationally. However, there are no other parameters for 'local' applicable to all companies. For example, sourcing companies located in rural areas may use a wider radius to define 'local' than sourcing companies in urban areas.

Primary and Secondary answer requirements

ANSWERING YES

Companies must:

1. confirm that they actively seek to source goods and services from local suppliers, although they are not required to source every good and service locally;
2. describe their practices and policies briefly;
3. list some examples of the goods and services they source locally; and
4. explain why they do not source other goods and services locally (if any).

Companies may:

1. provide a hyperlink to their sourcing policy;
2. state their definition of 'local supplier';
3. include the proportion of spend that is local or the percentage of company turnover that remains within the local community; and
4. state whether any of their operations are located in economically depressed or vulnerable rural communities.

ANSWERING NO

Companies must:

1. explain why they do not or cannot answer YES to this question and list the business reasons, any mitigating circumstances or any other reasons that apply.

Companies may:

1. list any practices that are relevant, but not sufficient to answer YES, such as sourcing some goods and services locally, but not as a matter of policy, and
2. mention any future intentions regarding this issue.

DON'T KNOW is not a permissible answer to this question.

NOT APPLICABLE is not a permissible answer to this question.

NO ANSWER YET is only permissible under extraordinary circumstances and then for only a limited period.