

Supply chain

Our suppliers are also key stakeholders and we rely on them heavily to ensure the effective delivery of our services. We aim to maintain open and honest dialogue with them, developing strategic partnerships with key suppliers with whom we meet regularly to review the supplier relationship.

Our supplier partners include vehicle manufacturers, engine component suppliers, fuel suppliers, waste management contractors, cleaning contractors and catering contractors.

Ethical purchasing

Our purchasing strategy is driven by the need to obtain competitive goods in compliance with our Ethical Purchasing Policy, a copy of which can be found at www.firstgroup.com/corporate/csr/csr_policy/.

Powerful software allows us to manage the significant amounts of information generated during the tendering process, including ethical and environmental data from our supplier self-assessment questionnaire. We score and evaluate responses to determine the appropriate level of follow-up required. For our largest contracts we have developed a risk matrix to help purchasing managers to identify ethical and environmental risks when setting up new contracts.

We look for partnerships with our main suppliers to ensure regular two-way dialogue and drive continuous improvement.

Supply chain partnerships

The following examples illustrate how we promote performance improvements through our supply chain partnerships.

- Throughout the year we have worked closely with our fuel suppliers, exploring sustainable sourcing of biodiesel feedstock and fuel quality to promote better fuel efficiency.
- This year we signed an energy contract with Opus Energy who source their electricity from a range of renewable resources. In partnership with them we are installing smart meters across the company to improve our energy monitoring data. This will help us better understand energy usage trends and the action we can take to reduce them.
- In North America we are working with Integrys Energy Services to collate and manage utilities data across the business. This contract will enable us to report baseline utilities usage for the first time.
- In both the UK and North America we work in close partnership with our waste management contractors. They help us to reduce waste by optimising waste collections and disposal methods and to improve recycling rates at our depots and stations.
- We work with our design teams to develop design guides and checklists aimed at improving the sustainability of our buildings. Our new head office in Aberdeen will include ground source heat pumps and other sustainability features.
- We are working with our uniform suppliers in both our UK Bus and UK Rail divisions to find ways to divert old uniforms away from landfill.
- We have been working in close partnership with Fabtech who specialise in on-board cash payment handling systems to address problems with our on-bus equipment and design more practical solutions for passengers. This work earned them the Best Quality and Technical Improvement award at our UK supplier awards ceremony.
- In partnership with our stationery supplier we have introduced 100% recycled copier paper. With a few exceptions this is now used for all our printing and copying.
- In conjunction with our printing supplier we have rationalised from 1,823 devices to 1,000 in our UK Rail division. The new devices are multi-functional and incorporate print, copy and fax functions. The new devices use 25% less energy than the original estate.



Transwipers receive the award for Best Overall Supplier at our UK Bus Supplier Awards event.



We have worked closely with our design team to deliver sustainability features in our new head office in Aberdeen which include ground source heat pumps.