

CONTEXT

WHAT WAS THE PROCUREMENT RISK OR OPPORTUNITY?

In 2025, **OECM**, a collaborative sourcing organization, adopted its **ESG policy** to allocate a minimum of 12% weighting to ESG components in the overall evaluation criteria for all sourcing initiatives. So, when the time came to refresh the management of contracts for furniture, it was an opportunity to apply the new approach. Previously, furniture procurement was handled through multiple agreements with differing scopes, pricing models, and sustainability expectations. Environmental and social considerations were not consistently applied, pricing relied heavily on maximum rates, and pre-defined core product lists often limited flexibility for customers seeking customized or sustainable solutions.

OECM conducted a competitive Request for Proposals (RFP) using a one-or-more award strategy, for furniture, mattresses, and related services for public sector environments for its members to access, including schools, post-secondary institutions, municipal facilities, and other public organizations.

The procurement aimed to address common sustainability risks such as material waste, inconsistent standards, limited lifecycle transparency, and barriers to inclusive supplier participation. It also presented an opportunity to promote certified sustainable products, ethical sourcing, diversity and inclusion, and improved governance and pricing transparency.

PROCUREMENT PROCESS

WHAT PROCESSES WERE USED AND WHO WAS ENGAGED?

OECM's Sourcing, Customer Relationship and Supplier Relationship Management teams collaborated with Project Advisors from the education and municipal sectors, suppliers (including Indigenous and local businesses), and public sector customers across Ontario to identify the criteria that were used.

The RFP allocated approximately 19% weighting to ESG factors, requiring Proponents to demonstrate:

- Environmental sustainability practices (materials, waste reduction, packaging, end-of-life management);
- Product certifications (e.g., FSC, GREENGUARD, BIFMA LEVEL®);
- Diversity, equity, and inclusion (DEI) practices; and
- Ethical governance, supply chain transparency, and anti-corruption measures.



The resulting **Master Agreements** have a six-year term and support significant aggregated public sector spend across Ontario.

IMPACT

WHAT WERE THE SUSTAINABILITY OUTCOMES?

The consolidated agreement expanded access to durable, sustainable, and ethically sourced furniture products. It improved environmental outcomes through greater use of certified materials and waste reduction practices, strengthened social value, and enhanced governance through improved pricing transparency and auditability. Specific outcomes included:

- **Environmental:** Increased availability of certified products, reduced packaging waste, and improved lifecycle management.
- **Social & Indigenous:** Participation by Indigenous-owned and local suppliers, and evaluation of DEI practices.
- **Governance:** A Verified MSRP Policy requiring supporting documentation, customer access to MSRP catalogues, and OECM audit rights.

OECM's process had to balance flexibility for highly customized furniture products with the need for consistency and transparency. These challenges were addressed through early supplier engagement, strong customer input, a flexible discount off MSRP model, and clear ESG criteria supported by a post award process that refined net priced core product lists to meet real customer needs and create a one stop purchasing experience. The case shows that embedding ESG criteria early, engaging stakeholders throughout the process, and enabling structured post award refinement can strengthen sustainability outcomes without limiting competition, and that flexibility paired with transparency is especially important in customized categories.