



environtec
your environment. our world.

POLICIES AND PROCEDURES

Policy:	Environtec Sustainable Procurement
Category:	Quality Policies and Procedures
Policy No:	ENVQM004

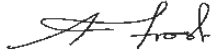
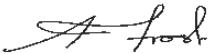
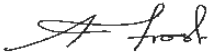
Responsible Person: National Quality Manager

Date of issue: July 2021

Next review date: July 2023

Name/Title	Signature	Date
Alan Frost SHEQ Manager		July 2021

Document Control Sheet

Date of Revision/Amendment	Name & Signature of Manager/Director Inserting Revision or Amendment
Review of Policy 2017 - No Changes Required	Alan Frost 
Review of Policy 2019 -No Changes Required	Alan Frost 
Review of Policy 2021 No Changes Required	Alan Frost 

Incorporating policies for:

- Supply chain Health and Safety;
- Ethical sourcing;
- Supply chain equality, diversity and inclusion;
- Environmental and green sourcing;
- Best Value procurement; and
- Supply chain quality management.

CONTENTS

Introduction 5

Key Principles 6

 Behaviour in our Marketplace 6

Health and Safety 7

 Management Systems 7

 Legislation Compliance 7

 Co-operation and Co-ordination Requirements 7

Ethical Sourcing 8

 Labour Practices 8

 Timber and Timber Products 9

 Quarried Products 9

 Publications and other Printed Materials 9

 Animal Welfare and Testing 10

 Certified Ethically Sourced Products 10

Equality, Diversity and Inclusion 10

Environmental and Green Sourcing 11

 Environmental Management 11

 Low Carbon 11

 Energy 12

 Transport 12

 Healthy Materials 12

 Restricted Substances and Materials 12

 Heavy Metals and Brominated Fire Retardants 12

 Use of Secondary Materials 13

 Reducing Waste 13

 Packaging 13

 Waste Transfer 13

Waste Electrical and Electronic Equipment 14

Water 14

Best Value 14

 Partnering..... 14

 Contracting Terms and Conditions 15

 Transparency and Fairness 15

Quality Management 15

 Supplier Assessment 16

 Key Requirements..... 16

Supply Chain Response..... 16

 The Tendering Process..... 16

 Integrating the Policy into Management Processes 17

 Use of Sub-contractors and Third Parties 17

 Supply of Information 17

INTRODUCTION

Sustainable procurement is the value for money sourcing of products and services taking into account environmental, social and ethical aspects over the whole product or service lifecycle. Environtec see this as essential and efficient business practice, which is integral to the way we work. It helps us to make properly informed and balanced decisions when procuring the products and services needed for our projects.

Environtec will only do business with responsible suppliers and subcontractors who understand the nature of the products, materials and services they are supplying, and who recognise their responsibility to protect the environment and foster good relations with their employees and local communities.

This document sets out the Environtec approach to sustainable procurement and acts as guidance for internal buyers and specifiers and for current and prospective suppliers and subcontractors.

The key responsibility of Environtec is to develop and maintain an economically sound and prosperous business. Environtec assumes its responsibilities towards the communities and environments in which we operate, towards our employees, business partners and society in general.

Therefore we have defined some key foundations for our performance:

- We are committed to do business with a high degree of integrity and ethics.
- We comply with legal requirements that apply in the countries where we do business.
- We respect the United Nations Universal Declaration of Human Rights and recognise our responsibility to observe those rights that apply to our performance toward our employees and the communities in which we operate. This commitment includes activities that relate to the rights and entitlements of Indigenous Peoples.
- We are open-minded in dialogue with those who are affected by our operations. We respond to inquiries from external parties and communicate with affected parties in a timely and effective manner.

We endeavour to ensure that in our projects, our suppliers, subcontractors, agents, joint ventures and other partners abide by the principles set out in our Code of Conduct.

The application of this sustainable procurement policy helps us deliver the Environtec goal of Five Zeros within the supply chain:

- Zero accidents;
- Zero ethical breaches;
- Zero environmental incidents;
- Zero losses;
- Zero defects.

Environtec requires its suppliers and subcontractors to manage the environmental and social impacts of their business operations. Suppliers and subcontractors should, where appropriate, amend their business practices to ensure that they meet with the requirements of this document and our Code of Conduct. We will support our supply chain in working towards compliance.

KEY PRINCIPLES

To achieve our sustainability objectives Environtec expects our suppliers and subcontractors to adopt, and further develop, practices that are environmentally sound, socially responsible and ethical, based upon the following five principles:

1. **Zero accidents** – having in place effective Health and Safety management systems that deliver zero harm through identification and mitigation of health and safety risks.
2. **Zero ethical breaches** – ensuring that products and services are sourced and produced under a set of internationally acceptable environmental, social and ethical guidelines and standards.
3. **Zero environmental incidents** – having in place appropriate and effective environmental management systems that identify and mitigate risk. Ensuring non-polluting/non-toxic materials and substances and secondary materials are used wherever reasonably practicable. Minimising embodied impacts by maximising resource and energy efficiency in the manufacturing and supply process. Reducing impacts over time.
4. **Zero losses** – always being able to demonstrate value for money, collaborative working to correctly allocate risks, maximising the use of materials with recycled content, minimising packaging and designing products that can either be reused or recycled.
5. **Zero defects** – having in place effective Quality management systems that identify customer requirements, efficient and effective delivery processes and minimise waste.

We want suppliers and subcontractors who work with us, in mutual trust, to always deliver what we want, on time, at the right price in a safe and responsible way.

We will always provide a safe and healthy working environment and pay promptly within agreed terms. We will reward excellent supplier and subcontractor performance through repeat business opportunities and help develop mutually beneficial long term relationships.

Behaviour in our Marketplace

Corruption, bribery and unfair anti-competitive actions distort markets and hamper economic, social and democratic development. Environtec does not tolerate such activities.

- We shall not act contrary to applicable competition laws.
- We shall not, directly or indirectly, offer or give any undue payment or other consideration to any person or entity for the purpose of inducing such person or entity to act contrary to prescribed duties in order to obtain, retain or direct business or to secure any other improper advantage in the conduct of Environtec's business.
- We shall not, directly or indirectly, solicit or accept any undue payment or other consideration that is given for the purpose of inducing us to act contrary to prescribed duties.
- We record the correct nature of all financial transactions by recording them in accordance with locally accepted accounting principles and in all Group reporting follow International Financial Reporting Standards (IFRS) and applicable Environtec Policies and Rules.
- We have controls in place in our IT procedures to ensure adequate levels of data protection for our clients, employees and supply chain.
- Suppliers shall be able to demonstrate they have procedures in place to deal with the risks of bribery in their organisation in accordance with the Bribery Act 2010

Environtec requires its suppliers and subcontractors to apply and uphold these key principles within their own business operation and supply chains. We will carry out ethical audits where appropriate.

HEALTH AND SAFETY

Environtec is committed to creating and maintaining a positive health and safety culture which secures the commitment and participation of all its employees, suppliers and subcontractors.

Suppliers and subcontractors are required to work actively to prevent work place accidents and to create a healthy and safe work environment. The aim shall be zero accidents. In particular Environtec must be informed of any potential risks related to the products or services supplied.

The health and safety performance of suppliers and subcontractors will represent a key criterion used in the selection process. Wherever subcontractors seek to work for Environtec, their health and safety policy and performance should equal the standards achieved within Environtec.

Management Systems

Suppliers and subcontractors must have in place effective Health and Safety management systems, appropriate for the nature and scale of their business and services provided, that ensure compliance with health and safety law generally, as well as standards and codes specific to their industry. Suppliers and subcontractors shall ensure that any health and safety risks are mitigated by using appropriate risk management strategies and establishing a suitable assurance regime. Where appropriate this may be achieved by working under the direction of Environtec.

Legislation Compliance

Suppliers and subcontractors must ensure that all work is undertaken in accordance with relevant health and safety legislation and that suitable monitoring, audit and review systems exist to demonstrate compliance. Thus ensuring so far as is reasonably practicable the health, safety and welfare of their own employees, their sub-contractors and anyone who may be affected by their work activities.

For all contracts, compliance with the Health and Safety at Work etc Act and the Management of Health and Safety at Work Regulations is required. Depending on the nature of the work being carried out, there will almost certainly be the need to comply with additional health and safety legislation, for example the Control of Asbestos Regulations (CAR) 2012. It is for the supplier or subcontractor to identify and demonstrate compliance with all relevant legislation both at the tendering stage and throughout the lifetime of the contract. (www.hse.gov.uk).

Co-operation and Co-ordination Requirements

Environtec considers that the need to co-operate and co-ordinate health and safety issues are central to successful health and safety management, therefore:

- Suppliers and subcontractors must provide Environtec with all relevant safety documents relating to the work that they are tendering for. This provision extends to Method Statements and Risk Assessments.
- When requested by Environtec suppliers and subcontractors must attend Pre-Start Site Meetings at which health, safety and welfare matters pertinent to the work shall be discussed, agreed and formally recorded, ahead of being implemented on site.

- Suppliers and subcontractors must co-operate with and co-ordinate health and safety issues and share best practice with Environtec and others on our projects.

ETHICAL SOURCING

Suppliers and subcontractors must undertake to act in accordance with the Environtec Code of Conduct in the performance of any agreement. This undertaking shall also include their subsidiaries or sub-contractors. This means that all products and services supplied must have been produced in compliance with all applicable laws and regulations through the entire supply chain.

Suppliers and subcontractors shall ensure that products and services are sourced and produced under a set of internationally acceptable environmental, social and ethical guidelines and standards.

Environtec complies with the 10 principles of the UN Global Compact. We expect that our suppliers and subcontractors encourage and work with their own supply chain to ensure they also meet the principles of the UN Global Compact (www.unglobalcompact.org).

All suppliers and subcontractors shall work actively to ensure that zero ethical breaches occur, as defined in the Environtec Code of Conduct, by preventing all forms of corruption, including but not limited to extortion and bribery. This includes a commitment to comply with any applicable competition (anti-trust) laws. Suppliers shall be able to demonstrate they have procedures in place to deal with the risks of bribery in their organisation in accordance with the Bribery Act 2010.

Labour Practices

All subcontractors shall note that not only must they undertake to work in accordance with the Environtec Code of Conduct but in accordance with the international agreement made between Environtec AB and the international union Builders and Woodworkers International (www.bwint.org). Suppliers and subcontractors shall ensure that all factories and premises used in the manufacture and supply of products and services are working towards meeting the provisions of the Ethical Trading Initiative (ETI) Base Code, (www.ethicaltrade.org).

Where suppliers and subcontractors intend to use temporary or agency staff they should seek to ensure that any labour providers supplying such staff are fully in compliance with the Environtec Code of Conduct. Additionally it is the duty of subcontractors when they intend to further subcontract part of their work to another subcontractor, after having obtained permission to do so from Environtec that they make explicitly clear to their subcontractor that they too will be bound by the Environtec Code of Conduct.

Suppliers and subcontractors shall comply not only with all domestic employment legislation but also will comply with both all applicable International Labour Organization (ILO) conventions and protocols and the United Nations Universal Declaration of Human Rights. This commitment includes not using child or forced labour and activities that relate to the rights of and entitlements of indigenous peoples.

Suppliers, subcontractors and their supply chains shall:

- Provide a safe and healthy working environment and are committed to continual improvement
- Provide equal opportunities to people without regard to race, colour, gender, religion, ethnic affiliation or other distinguishing characteristics and do not allow discrimination or harassment.

- Provide means for employees and other persons to report concerns and grievances in a manner that ensures proper review and action, without retaliation.
- Recognise employees' rights to form or join trade unions in accordance with applicable national laws and principles.
- Provide training and education opportunities for employees that support their work plans.
- Not employ any person below the age of 15 or applicable higher legal minimum age
- Not use forced labour, slave labour or other forms of involuntary labour at their work sites
- Not allow any practice that would restrict free movement of employees.

Timber and Timber Products

In line with our commitment to minimise the environmental and social impacts of our activities, Environtec and its trade contractors when purchasing on behalf of Environtec UK, will only procure timber from verified legal sources.

Products should be certified under Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC) Schemes. Both schemes are approved for the purposes of both 'Legal Timber' and 'Sustainable Timber'. Therefore, unless there is a justifiable circumstance, or if otherwise agreed with Environtec, only timber and timber products that have received FSC / PEFC certification are permitted to be supplied.

Quarried Products

We are working towards only using quarry products that meet the requirements of the BRE BES 6001 framework standard for Responsible Sourcing of Construction Products, or similar. Quarry products supplied should therefore be able to show a clear chain of custody from source to point of use. Quarried products and timber are the first in our list of prioritised materials affecting flora, fauna and ecosystems that we wish to show a clear chain of custody to influence supply from the most sustainable sources.

Publications and other Printed Materials

Environtec wishes to minimise the use of printed publications and other printed materials as much as possible and as such, favours the use of electronic publications. However, where this is not possible the supplier or subcontractor shall ensure that any organisation engaged to undertake printing in relation to Environtec work is certified to ISO 14001, registered with EMAS, or taking steps towards managing their environmental impact through other initiatives such as BS 8555.

Ideally, any organisation engaged for such printing shall have a waterless offset design and print process available, use vegetable based surfactants and fruit acids and offer an environmentally friendly option for coatings/lamination (e.g. water-based coatings, biodegradable lamination, etc).

Wherever possible, only recycled paper should be used with a minimum of 75 per cent post-consumer waste for coated paper and 100 per cent post consumer waste for uncoated paper. All paper should be chlorine free. For any non-recycled portion of paper, or where only virgin fibre pulp is used, the bleaching process should be elemental chlorine free (or preferably totally chlorine free) and produced from FSC-certified timber or other sustainable forest sources.

Animal Welfare and Testing

Where products are likely to have been tested on animals, suppliers and subcontractors should seek advice from Environtec before supplying them. Suppliers and subcontractors should also ensure high standards of animal welfare both for animals that are raised for meat and dairy products, and for animals used for work and transport.

Certified Ethically Sourced Products

Environtec will seek to procure products that have been certified as ethically sourced, such as those certified by a member of Fairtrade Labelling Organizations International (FLO) or the Rainforest Alliance, or other equivalent standards, where they represent value for money and do not compromise other sustainability objectives.

EQUALITY, DIVERSITY AND INCLUSION

Environtec is committed to promoting equal opportunities to all its employees, customers and supply chain partners. We treat all people equally with respect and dignity including those contracting to supply goods or services. We do not discriminate on the grounds of age, colour, disability, ethnicity, gender, marital status, sexual orientation, religion, faith or on any other unjustifiable or illegal grounds. We expect Suppliers or contractors appointed for the provision of goods, services or works to demonstrate the same commitment to promoting equal opportunities in how they operate.

We are also committed to establishing a greater understanding of the diversity of our supply chain and to increasing supplier diversity in our supply chain where possible. For the purposes of our procurement supply chain diversity programme “Diverse Suppliers or Subcontractors” comprise of the following sub-sets:

- Small and Medium Enterprises (SME’s);
- Black Asian and Minority Ethnic businesses (BAME’s);
- Suppliers from other under-represented or protected groups;
- Suppliers demonstrating a diverse workforce composition;
- Micro-businesses (i.e. under 5 employees);
- Charities.

Our key objectives are to:

- Promote and ensure good labour standards, equality, diversity and inclusion in our supply chain across SME’s, BAME’s, suppliers from other under-represented or protected groups and suppliers demonstrating a diverse workforce composition.
- Set out the standards that we would like our supply chain to achieve and promote within their own supply chain.
- Use our supply chain as a potential means of improving the living and working standards of people in the communities we work within.

We will work with our supply chain to develop appropriate systems that will improve:

Awareness – To be aware of diverse suppliers and subcontractors that are available to undertake work required within our contracts and have in place strategies that will ensure that barriers preventing supplier opportunities are removed.

Monitoring – To specify and implement how suppliers and subcontractors at all levels will provide diversity data, how baseline evaluation will be undertaken and how individual members of the complete workforce will be monitored.

Involvement – Be able to demonstrate clearly a commitment to processes that will ensure that diverse supply chain involvement is optimised in our contracts. Have procedures for monitoring programmes and cater for women, black, Asian and minority ethnic, disabled and other diverse groups.

Opportunities – To ensure that diverse suppliers and subcontractors are aware of potential opportunities to supply services, receive assistance in understanding the bidding process, are offered support when deemed appropriate and to actively seek out potential tenderers from these categories where appropriate.

Communities – To ensure local suppliers and subcontractors are used where appropriate. Understand the impact our procurement activities have on local communities and encourage a positive contribution from our suppliers and subcontractors to the local communities in which they work on our behalf. We promote the provision of training, skills development and opportunities for under-represented groups and people experiencing long-term unemployment.

ENVIRONMENTAL AND GREEN SOURCING

Suppliers and subcontractors shall work actively to prevent environmental harm and to minimise environmental impact. The aim shall be zero environmental incidents. All members of our supply chain must agree to comply with the Environtec Environmental Policy.

Environmental Management

Suppliers and subcontractors shall make every effort to limit the environmental impact of their business operations and shall have appropriate programmes in place to help achieve this objective. They must have in place effective environmental management systems that are appropriate for the nature and scale of their business and services provided that identify and mitigate environmental risks. Where appropriate this may be achieved by working under the direction of Environtec. We expect our suppliers to be aware of and promote materials with reduced environmental impacts by reference to documents such as the BRE Green Guide to Specification. These guides help with material selection and we expect suppliers to be able to offer us lower impact alternatives where available.

Low Carbon

Environtec's objective is to manage and reduce our overall carbon footprint and requires its suppliers and subcontractors to support us in achieving this goal. To achieve this, we are currently assessing ways in which to measure the carbon emissions associated with products or services supplied. We can then better manage and reduce carbon emissions associated with production, storage, transportation, use and ultimate disposal or recycling.

Environtec will require information on carbon emissions of products and services from suppliers and subcontractors. Environtec will request this information in tender documentation and it may influence decisions made during the procurement process.

Suppliers and subcontractors may also be required to provide Environtec with all relevant documents relating to the embodied carbon of the products and services provided.

Energy

Wherever possible, suppliers and subcontractors shall seek to fully exploit opportunities for resource and energy optimisation and efficiency. The supply chain is encouraged to use clean and low energy sources wherever reasonably practicable.

For example, supplying products rated in accordance with EU Energy Label Class A + and ++, Energy Saving Recommended (ESR) endorsed, or those compliant with other recognised equivalent standards, such as PC monitors that meet current 'Energy Star' requirements. Chilling or cooling equipment containing substances with a global warming potential (GWP) of 150 or more in composition should be avoided where possible.

Where relevant, material constituents will be expected to achieve an area weighted average rating of A or B, as defined in the Green Guide to Building Specification. Where the Green Guide is not relevant, or specifications are not included, suppliers and subcontractors must demonstrate how the embodied impact of the products and services have been minimised.

Transport

Environtec encourages suppliers and subcontractors to use low emission transport modes including considering the use of rail or barge where appropriate. In addition, suppliers and subcontractors shall aim to optimise transport efficiency and minimise transport distances through effective planning and driver training. We may require our supply chain to provide evidence of actions taken to reduce transport impacts on our projects.

Healthy Materials

Environtec is committed to proactively selecting and using, where possible, materials that are benign to people and the environment. Where reasonably practicable, suppliers and subcontractors shall seek to use non polluting and non-toxic materials and substances in the products and services they supply. All materials and substances must comply with relevant legislation.

Restricted Substances and Materials

Upon request, suppliers and subcontractors will need to confirm to Environtec the extent to which they are Registration, Evaluation, Authorisation and restriction of CHemicals (REACH) compliant. Except where permitted suppliers and subcontractors shall seek to avoid supplying products, services or packaging as set out in the Environtec restricted substances list and phase out list.

Heavy Metals and Brominated Fire Retardants

Suppliers and subcontractors shall, as far as is reasonably practicable, minimise the concentrations of heavy metals and brominated fire retardants in products and packaging being supplied.

The level of certain heavy metals and brominated fire retardants in electrical and electronic equipment is controlled by the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment Regulations 2006 (as amended). The level of certain heavy metals in packaging is controlled by the Packaging (Essential Requirements) Regulations 2003 (as amended). The total content of the heavy metals Cadmium, Hexavalent Chromium Lead and Mercury in packaging or in any packaging components must not exceed 100ppm:

Suppliers and subcontractors shall keep details on the substances and materials associated with products and services supplied.

Use of Secondary Materials

Envirotec encourages the use of materials with recycled content. We also support the use of products that are designed with minimal packaging and which can either be reused or recycled. Suppliers and subcontractors shall maximise the use of recycled content in products and packaging. Suppliers and subcontractors shall retain information on the recycled content associated with products and packaging supplied. They may need to make this information available, upon request, to Envirotec.

Reducing Waste

Suppliers and subcontractors shall support Envirotec in its commitment to delivering zero waste projects where no waste is sent directly to landfill. Where practicable, all products will be able to be reused, recycled or recovered. Suppliers and subcontractors shall where required contribute to the development and compliance with any Site Waste Management Plan (SWMP).

Packaging

Use of primary, secondary and tertiary packaging should be minimised and made from materials that can be reused, recycled, or recovered by commonly available methods in the UK. For example, the use of polystyrene should be avoided as it cannot be easily recycled or reused. Suppliers or subcontractors shall provide Envirotec, upon request, with all necessary information about any primary, secondary and tertiary packaging supplied with products or used.

Suppliers or subcontractors shall at their expense, where required by Envirotec, take back any excess or noncompliant packaging relating to the products and services provided for subsequent reuse or recycling. Further guidance on packaging can be found in Producer Responsibility Obligations (Packaging Waste) Regulations and the Packaging (Essential Requirements) Regulations.

Waste Transfer

For the transfer of Inert and Non hazardous waste the following is required:

- Details of the Waste Carrier including the Carriers carrier licence
- Details of the end destination (Recycling centre, Landfill, Exemption site). This should include a copy of the waste management licence / environment permit or evidence of an exemption from these regulations.
- A waste transfer note should be completed for all waste movement and this should include details of the type of waste (include EWC code), location of waste arisings and how the waste is contained.
- Producer and Carrier details and details of end destination.

Additionally for hazardous waste:

- Establish exact nature of hazardous waste, undertake any analysis required by the Waste Carrier, including WAC testing and determine any restrictions on mixing hazardous wastes.
- Register the site/premises with the Environment Agency as a location producing hazardous waste.

- Check the validity of the proposed Carrier's registration and the validity of the proposed disposal facilities' licences.
- Complete a consignment note for each load of Hazardous waste

Waste Electrical and Electronic Equipment

Regardless of turnover or market share, any business that manufactures, rebrands and sells, or imports electrical or electronic equipment, referred to as a 'Producer', has obligations under the Waste Electrical and Electronic Equipment Regulations. Where electrical or electronic equipment or components are supplied, the supplier shall determine the extent to which the Regulations apply and comply at their expense. In addition, where required they shall take back such items when they are no longer required by Environtec for subsequent reuse, recycling, recovery or remanufacture (where feasible). Items of electrical or electronic equipment will also need to comply with the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment Regulations.

Water

Suppliers and subcontractors shall support Environtec in its commitment to reducing demand for, conservation and recycling water resources. We will work with our supply chain to reduce water consumption on our projects by, where possible:

- Avoiding water intensive activities;
- Measuring water consumption;
- Improving water efficiency;
- Rainwater harvesting;
- Grey water recycling.

BEST VALUE

Environtec is fully committed to improving the economy, efficiency and effectiveness of all its activities. The aim shall be zero losses on all our projects.

All procurement of goods and services will be based on best value principles, having due regard to propriety, regularity and legal obligations. In the context of our procurement process, obtaining 'best value for money' means meeting our customers requirements for best value and when appropriate choosing the optimum combination of whole life costs and benefits. This is not necessarily always the lowest initial price option and may require an assessment of the ongoing revenue/resource costs as well as any initial investment.

Environtec requirements will include social, environmental and other strategic objectives and will be specified at the earliest stages of the procurement cycle. The criterion of best value for money is used at the award stage to select the bid that best meets the requirement.

Partnering

Partnering may be identified through a best value or strategic review to provide opportunities for providing improved delivery. This would necessitate the creation of a sustainable relationship with

suppliers and subcontractors to deliver services, carry out major projects or acquire supplies and equipment. Benefits include:

- Better designed solutions, efficient programs and lower cost.
- Economies of scale and scope with access to new and scarce skills.
- Improved brand and community impact.
- Sharing of best practice in achievement of environmental objectives and information for carbon foot printing.
- Sharing of risk, reward and investment.

Contracting Terms and Conditions

Environtec is committed to honouring its contractual obligations to suppliers and subcontractors including:

- Paying in accordance with agreed payment terms;
- Maintaining an effective grievance procedure;
- Respecting the commercial confidentiality of information received.

Transparency and Fairness

Environtec seeks to make the procurement process as transparent as possible, within commercial and legal constraints. This is to enable suppliers to understand the elements of the process, including the procedures, timescales, expectations and criteria for selection.

QUALITY MANAGEMENT

Suppliers and subcontractors shall have in place:

- Effective quality management systems appropriate for the nature and scale of their business and services provided.
- Systems to identify customer requirements
- Efficient and effective delivery processes that minimise waste
- Target zero defects.

Suppliers and subcontractors shall work actively towards the goal of zero quality defects.

The supplier or subcontractor shall in particular inform Environtec of any potential quality risks related to the products or services supplied.

Supplier Assessment

Environtec operates its own management systems in order to continually improve the quality, security, or health and safety and to manage risk. Knowing about supplier and subcontractor risks and opportunities plays a key part in Environtec achieving continuous supply chain improvement.

Environtec's ability to realise these improvements is reliant on supplier and subcontractor co-operation and participation in assessment activity. Environtec has developed a supplier assessment questionnaire.

Key Requirements

Suppliers and subcontractors shall at Environtec's request:

- Provide Environtec or its authorised representatives with reasonable access and facilities upon reasonable notice at reasonable times to the supplier's (and to any significant sub-contractor's) premises.
- Provide information for the purposes of examining and checking the supplier's (and relevant subcontractor's) compliance with the contract including our Business Management System requirements.
- Provide Environtec with samples of products for evaluation
- Participate in continuous improvement activities in relation to supplies or services.
- Promptly inform Environtec from time to time of changes to its business management system status.
- Supply Environtec with a Quality Plan (updated as appropriate) in relation to supplies or services.
- When defects in the product or service are identified, the supplier or subcontractor shall investigate nonconformity, report to Environtec its findings and instigate appropriate corrective action and preventative action to prevent recurrence.

SUPPLY CHAIN RESPONSE

The Tendering Process

Application of the policies within this document will be managed through our pre-qualification and tendering process. Environtec will inform prospective suppliers or subcontractors when specific action is required in relation to this document. Environtec will have sustainability objectives it wishes to achieve from a particular tendering process. These will be communicated to all prospective bidders at an appropriate time. However, although for the most part our sustainability objectives will be clearly stated, we will often encourage suppliers or subcontractors to be innovative in their response to how they would meet them.

The evaluation criteria used by Environtec at the Invitation To Tender (ITT) stage will include a range of criteria, but with a focus on value for money and delivery. Additional sustainability criteria may also be included, alongside other specific requirements appropriate to the nature of the product or service being tendered.

Integrating the Policy into Management Processes

All suppliers and subcontractors must manage the environmental and social impacts of their business operations and supply chains. In particular integrate the requirements of this document into their business management processes as appropriate. Steps to achieve this may include:

- Production of written procedures, work instructions or improvement plans to facilitate implementation of all applicable elements specified in this document;
- Identification of person(s) responsible for ensuring implementation of each procedure and/or work instruction;
- Gathering and analysis of performance data in relation to each procedure and/or work instruction; and
- Maintenance of accurate, complete, up-to-date and accessible information records for each procedure and/or work instruction, as appropriate.

Use of Sub-contractors and Third Parties

Suppliers or subcontractors are not permitted to use sub-contractors or other third party organisations to supply products or services to Environtec, other than those specified in their tender submission, without first gaining prior written approval from Environtec.

Supply of Information

All suppliers and subcontractors must be willing to provide information to Environtec about a product or service's social, environmental and ethical trade credentials. The supplier or subcontractor should be prepared to disclose the locations of all production and warehouse locations fully to Environtec. If Environtec considers that any information provided warrants further investigation, the preferred course of action would be to commission an independent auditor to examine the information provided, at the expense of the supplier or subcontractor.

NOTE: *The Company reserves the right to amend this policy in the light of any future changes in legislation or business need.*