Sustainable Procurement and Supply Chain Policy Statement

1.0 Overview

We aim to build, manage, develop and maintain a supply chain comprising the best partners and suppliers who will work safely, collaboratively, improve efficiency, innovate, provide value for money and realise our customers’ aspirations.

Our supply chain strategy embeds our Values and behaviours and we choose to work with strongly led, socially responsible, responsive and collaborative organisations that reflect this in their own organisations. Our supplier selection & procurement management processes are inclusive, objective and rigorous to ensure we work with the right organisations for the long term. We use performance data from annual 360° supplier reviews to maintain and continually develop to improve our supply chain performance, build relationships and to ensure the right behaviours consistently to achieve our business goals.

The diverse nature of our business means that we have relationships with many suppliers of all sizes. We spend a significant amount of money every year with our suppliers on goods and services supporting our activities. Our suppliers are fundamental to the performance of our business and as such we expect them to have a total commitment to working safely, be capable, socially responsible, quality driven, innovative and efficient; and to provide Amey with value at competitive cost and in full compliance with legal requirements, regulations and the highest ethical practices – all in a collaborative environment.

We apply a consistent, clear, best practice procurement process to build long term sustainable relationships with our suppliers, treating them fairly and embracing them as part of our organisation to enhance our capability in delivering great service competitively to our customers.

2.0 Principles of Working with our Suppliers

The application of our sustainable procurement policy helps us deliver the Amey Values throughout our supply chain:

1. **Putting people first**: Looking out for each other in our relentless pursuit of zero harm, involving and empowering everyone to deliver and grow, being both accountable and supportive
2. **Delivering great service**: Showing our passion for great customer service, delivering brilliantly on what we promise, listening and responding quickly to solve problems together to get things done
3. **Creating better solutions**: Doing things better every day, innovating and finding new ways to improve and make things simpler, collaborating, sharing our knowledge and learning from best practice
2.0 Policy Statement

Throughout our business, we will:

Put People First
Our Company Code of Ethics sets out our requirements to ensure that we only work with capable suppliers who share our Values and our unwavering commitment to good ethical practices, meeting our standards in respect of safety, wellbeing, human rights, environmental stewardship and social impact.

Amey will only trade with organisations that ensure and can demonstrate:

- Legal requirements are met and maintained
- No forced labour or human trafficking is practiced, and employment is freely chosen
- Working conditions are safe and hygienic
- Working hours are not excessive
- A fair wage is paid
- Deductions from wages as a disciplinary measure are not permitted
- No child labour is exploited
- No harsh, cruel or degrading treatment or practices are allowed
- No discrimination is practised
- No corruption, bribery, blackmail or bullying
- Have procedures in place to deal with the risks of bribery in their organisation in accordance with the Bribery Act 2010

In addition, it is Amey policy to:

- Require all suppliers to work in accordance with effective Health and Safety management systems, appropriate for the nature and scale of their business and services provided
- Expect and support good labour standards, equality, diversity and inclusion in our supply chain
- Ensure our procurement teams are trained, competent and supported to carry out their roles and responsibilities in accordance with this policy

Deliver Great Service
Amey aim to deliver brilliantly on what we promise, showing passion for great customer service. Working with the best suppliers is crucial to ensuring this happens, working together to listen and respond quickly to deliver to our customers.

It is Amey policy to:

- Clearly align specifications and delivery requirements to our customer expectations, giving great service with predictability
- Engage the Business Units to ensure that supplier selection and evaluation processes are adopted ensuring that suppliers meet our standards and deliver customer requirements
- Achieve maximum value from our spend and for our customers by managing business and financial risk through the most appropriate procurement strategies
- Respect intellectual property rights and the confidentiality of information of customers and suppliers
We will apply consistent use of robust, fair and clearly understood procurement processes and management controls making Amey easy to do business with. This will include:

- Applying financial controls through delegated levels of authority so that procurement decisions are well managed and communicated
- Involving our suppliers at the earliest stage to identify opportunity, plan effectively and ensure that our suppliers are contracted before work commences
- Utilising a robust supplier evaluation process to ensure suppliers adhere to Amey Values, policies and legislation
- Incorporating appropriate KPIs into key contracts to incentivise great performance and measure to continually improve
- Processing invoices and applications for payment promptly such that suppliers can be paid on time to agreed terms
- Working with suppliers to identify, prioritise and monitor short, mid and long-term sustainability risks and seek to reduce them
- Using our annual 360 supplier survey to report on key supplier performance and measure the effectiveness of relationships with the aim of continually developing and improving
- Communicating clearly and concisely with our suppliers and require our suppliers do the same

**Create better solutions**

We seek to continue to do things better every day, finding new ways to improve, share knowledge and learn form best practice. We seek innovation with and from our suppliers utilising their knowledge, experience and technical expertise to provide products and services that continue to add value, minimise risk and embrace opportunities from social, economic and environmental developments.

It is Amey policy to:

- Work with suppliers to promote and support the application of the waste hierarchy
- Encourage the re-use and sourcing of materials with high recycled content
- Seek out and use non-toxic materials, or where unavoidable to consider less harmful materials
- Promote the use of life-cycle material assessment
- Identify and use materials that have a low-embodied impact, including reduced carbon footprint and water footprint where it is appropriate
- Monitor fleet vehicle mileage and fuel consumption
- Ensure sourcing processes and systems are inclusive to give opportunity to suppliers of all sizes, including SMEs, Social Enterprises and local suppliers
- Support and promote suppliers to open up employment through apprenticeship, trainee and work experience opportunities to local residents, students, under-represented groups and people experiencing long-term unemployment
- Procure timber products from renewable sources certified by the Forest Stewardship Council or a similar internationally recognised body
- Procure retail and catering products from producers complying with Fair Trade Foundation guidelines and certification
3.0 Communications

This policy will be communicated to all employees and suppliers using a range of appropriate media and providing opportunities for questions and concerns to be fully addressed. It will be made available via both the internet and intranet sites and reviewed annually by our Chief Procurement Officer.

This policy should be read in conjunction with a number of other Amey policies on related matters, including but not limited to:
- Amey’s Code of Ethics
- Amey’s Slavery and Human Trafficking Statement

Andy Milner  
Chief Executive Officer

John Cully  
Chief Procurement Officer

Revision Status

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