

# Sustainable Procurement Policy

## Introduction

This Sustainable Procurement Policy (herein “Policy”) outlines Vp’s approach to sustainable procurement and acts as a guide to internal procurement teams as well as current and prospective suppliers. For the purposes of this Policy, we define supplier as providers of goods, consultancy or professional services in addition to contractors and sub-contractors.

Vp’s objective as a business is to deliver longer term value to our stakeholders whilst embracing our commitment to the highest environmental, social and ethical standards.

This Policy reflects our ambitions stated in our Medium Term Roadmap To Net Zero by 2050 and Science Based Target initiative Business Ambition for 1.5°C Commitment Letter; and our achievements detailed in Sustainability Report. These resources can be found on our website <https://sustainability.vpplc.com/>.

Vp’s headline achievements are:

- All UK properties have switched to 100% renewable electricity, backed by renewable energy guarantees of origin (REGOs);
- 95% of our waste is diverted from landfill;
- All of our UK divisions have attained ISO 50001 – the Energy Management System certification.

Our sustainability objectives will only be achieved if our supplier network is also proactively following the highest standards and if their ambitions align with our own. Consequently, we expect our suppliers to adhere to this Policy and work with their supply chain towards the same outcome.

In instances of non-compliance, we will support the relevant supplier(s) to find a mutual solution within a fair timeframe.

This Policy incorporates and builds on our Anti-Bribery and Corruption, Competition Law, Health and Safety, Whistle Blowing, Data Protection, Modern Slavery, Climate Change and Environmental Policies.

## 1. Principles

1.1 This Policy is based on the following seven principles:

- I. Sustainability will be embedded within all procurement processes.
- II. We commit to conduct our business with honesty and integrity acting in full compliance with all applicable Competition, Anti-Bribery and Corruption Laws and Regulations.
- III. We regard the legal Health and Safety requirements as a minimum standard and encourage the growth of a positive Health and Safety culture.
- IV. We operate a zero tolerance to human rights abuses within our own and extended supply chains.
- V. We strive to have a net positive impact on the environment through internal mitigation alongside finding and investing in local, impactful solutions to the global challenges of biodiversity loss and climate change.
- VI. We seek to optimise the use of natural resources and strongly support the transition to a circular economy.

- VII. Where appropriate to the business, we support suppliers who look to source locally as well as from SMEs and social enterprises in the first instance.

## 2. Minimum Requirements

2.1 To achieve these seven principles, all suppliers must adhere to the following minimum requirements and must be prepared to provide evidence of compliance on request:

- I. Obey all local laws and regulations regarding ethical business practices, the environment, working conditions, hours, wages and benefits.
- II. Demonstrate the existence of, or written agreement to follow Vp's, policies and procedures to prevent, report and address:
  - a. Bribery, corruption, fraud and money laundering;
  - b. Modern slavery, human trafficking and child labour;
  - c. Anti-competitive behaviour;
  - d. Discrimination and harassment;
  - e. Data security issues.
- III. Maintain Quality, Health and Safety and Environmental Management Systems that are of a suitable standard for the operations they are engaged in. Individual businesses will seek additional standards where appropriate.
- IV. Ensure that all employees are adequately trained and provided with the proper equipment to safely carry out their work.
- V. Recognize that all employees have a right and an obligation to stop and report unsafe work.
- VI. Make demonstrable efforts towards continual sustainability improvements, such as:
  - a. Reducing the embodied carbon of products and services;
  - b. Procuring renewable electricity;
  - c. Limiting the use of packaging and hazardous materials, including single use plastics;
  - d. Optimising the use of water including rainwater harvesting and grey water recycling;
  - e. Adopting a more circular approach to product design and material use.

## 3. Key Suppliers

3.1 For supplier relationships we deem critical and strategic, we shall additionally implement and integrate a preference for those meeting the following requirements:

- I. Verify the labour conditions of our direct suppliers' employees on a risk basis;
- II. Require evidence of continual sustainability improvements (e.g. ISO 50001);
- III. Require evidence of a commitment to set near term science based emissions reduction targets and become Net Zero with the Science based Targets Initiative (SBTi);
- IV. Require evidence of working towards our shared standards within your own supply chain, including human rights, labour and fair operating and environmental practices;
- V. Require primary carbon data from suppliers related to purchased goods and service and purchase of capital goods;
- VI. Strong preference will be given to suppliers with high percentages of renewable electricity supply;
- VII. Strong preference will be given to suppliers with evidenced continual professional development with the Supply Chain Sustainability School;
- VIII. Where appropriate, we will engage with suppliers to sign Terms and Conditions.


3.2 Key suppliers will undergo regular assessment, monitoring and formal recording of environmental & social performance based on the above criteria as well as on price, quality

and availability. Such performance will be used to select suppliers going forward and may be tracked using third parties.

#### 4. Whistleblowing

If you become aware of any non-compliance with this policy or its requirements, please report this internally using [tellus@vpplc.com](mailto:tellus@vpplc.com) or using the internal helpline number 0800 012 1640 and leave a message detailing the concern. Alternatively, you can contact the Advisory, Conciliation and Arbitration Service (ACAS), or the whistleblowing charity Protect (020 3117 2520) for free and confidential advice.

This policy is reviewed annually and communicated to key stakeholders.

Signature	
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