



## Sustainable Procurement Policy

### Objectives and Aims

Sustainable procurement means appreciating and managing the social, ethical, safety, environmental and economic value associated with our supply chain and materials selection. We recognise our overall approach and decisions in procurement of products, works and services have major implications on socio-economic conditions and the environment. Improving our procurement performance is an ongoing process and our suppliers, both large and small, are important partners in our journey to become more sustainable.

Our objective is to embed sustainability in our supply chain and procurement processes. We will apply high standards and best practices incorporating the principles of sustainable procurement in the selection of materials, suppliers and subcontractors, taking account of their economic, social, ethical, safety and environmental performance. We aim to reduce and minimise our impacts on the environment and communities through better selection and improved usage of products, works and services. We engage, support and develop our supply chain so it is safer, more socially responsible and has less environmental impact.

### The Policy Statement

Managing and improving socio-economic and environmental conditions in our supply chain is a challenging process requiring the efforts of our employees, our suppliers and subcontractors, and other stakeholders. We will work collaboratively with key suppliers and subcontractors to change practices and strive for sustainability improvements through the supply chain in the following three key areas:

#### Customers & Markets

- Assisting and working with our customers and supply chain partners in delivering sustainability through partnering to achieve our common goals and continually improve performance over time.
- Delivering sustainable solutions and working practices with our supply chain to achieve efficiencies and better value.
- Complying with all environmental legislative and regulatory requirements in the procurement of products, works and services.

#### Responsible Sourcing

- Ensuring our suppliers and subcontractors conduct their business with us adhering to the Gammon Code of Conduct.
- Ensuring sustainability credentials are considered as part of our selection and approval of suppliers and subcontractors.
- Striving to procure products which are ethically and, if practical and possible, locally and regionally produced.
- Ensuring that all relevant employees are aware of the Sustainable Procurement Policy.
- Expecting suppliers and subcontractors to communicate the requirements of this policy to all their employees, suppliers, subcontractors and other stakeholders engaged in their supply chain.

#### Zero Harm & Environmental Stewardship

- Sourcing products and services that improve the safety for our people, contractors, customers and that of the wider public.
- Integrating environmental factors into procurement decisions where external authorities have not established criteria, particularly for plant with significant energy use, such as: replacing disposables with reusable or recyclable materials; supporting eco-labelling practices by buying products bearing such labels in preference to others, buying products with higher energy efficiency, where they are available and provide value for money.
- Avoiding products with harmful substances.
- Evaluating and encouraging the use of products and services based on embodied carbon and transport as well as energy use.

This policy will be made available to all stakeholders. This policy shall be reviewed periodically as we gain knowledge, capabilities and experience.

A handwritten signature in black ink, appearing to read 'T. Ho'.

Thomas Ho  
Chief Executive  
Gammon Construction Ltd.

October 2015