

Sustainable Procurement Policy

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Date reviewed: 25th July 2024



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Introduction

Reconomy is an international circular economy specialist that combines technology, skills and incredible people to build sustainability 'loops' that create circular opportunities for business. We do this through a tech enabled, people-powered approach that helps our customers better manage their resources, reduce waste, optimise their supply chains, and contribute in a meaningful way towards the circular economy.

It's not just about doing good; it's about doing good business for others as well as ourselves. That means combining ethical and sustainable practices, with sound future-proofed business strategies

Scope

This policy applies across Reconomy, to all our business brands.

Strategic Context

Reconomy's Sustainability Strategy and Business Ethics Code of Conduct is core to the business and commits us to developing a sustainable procurement framework and Policy. This relates to the goods and services we procure, as well as our suppliers and service providers.

'Sustainable procurement means meeting both ours and our customers' needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation but also society and the economy, whilst minimising the damage to the environment'. *(Definition from the UK Sustainable Taskforce, Procuring the Future)*

Ensuring sustainability and business ethics are considered prior to and during procurement decisions will help us to ensure they are central to making informed purchasing decisions. Environmental, social, ethical and business values are fundamental to our sustainability strategy, and these are also the focus areas of sustainable procurement.

For Reconomy, our stakeholders include customers, employees, suppliers, charities, regulators and industry bodies.

Procuring sustainably and responsibly aligns entirely with both our policies and our values.





Implementation

We have used the ISO20400 Sustainable Procurement framework and have taken a risk-based approach identifying areas of higher spend and operational risk. We have undertaken a Sustainable Procurement heat map of our operational suppliers and suppliers of goods and services.

The purpose of this Policy is to:

- Support the implementation of our Sustainability Strategy
- Endorse sustainability throughout our supply chain
- Ensure sustainable procurement practices are adopted and maintained across the business
- Meet and exceed our targets and key performance indicators KPIs

Procurement, Operations and Supply Chain Teams

Our teams are qualified and experienced in supply chain management are aware of the principles of sustainable procurement and have regular update training.

Supplier Selection

The following basic principles are followed when selecting suppliers:

- Financial checks
- Capability and capacity
- Compliance and legal checks
- Required accreditations
- Sustainability criteria

Reconomy Supply Chain

Reconomy has an extensive and international supply chain to offer a quality service to a diverse client base and we are uniquely positioned to influence resource management and sustainability.

We are committed to doing business ethically and with integrity. We will only work with and support suppliers who adopt the highest standards of:

- ethics
- human rights
- health, safety and wellbeing
- working arrangements
- equality and diversity





- environmental responsibility and protection

Reconomy has clearly laid out the expectations of our suppliers and what they can expect from us in return in our **Supplier Sustainability Charter** and **Business Ethics Code of Conduct**. All suppliers are required to sign up to the charter and to develop improvement actions to ensure standards are met.

Reconomy commits to:

- Paying our suppliers and subcontractors on time and requesting that they pay their suppliers and subcontractors on time and in accordance with the contract conditions.
- Ensuring that we deal with all our suppliers and potential suppliers fairly and ethically and in accordance with our Supplier Sustainability Charter and Business Ethics Code of Conduct
- Ensuring that we are working with Suppliers who have high ethical standards and who actively work to improve their social and environmental impacts
- Promoting a two-way engagement process that encourages continuous improvement to Sustainable Issues

Reconomy Goods and Services

Sustainability will be considered, as follows, when procuring goods and services across the Group

- Using sustainability criteria, where appropriate, when awarding contracts and selecting suppliers
- Requesting suppliers and potential suppliers submit prices for alternative more sustainable solutions
- Ensuring that any alternatives are given due cost benefit consideration prior to award

Reconomy Sustainable Procurement Guidance has been communicated and is designed to support our functions and departments in making more sustainable decisions.

Setting Sustainable Procurement Priorities

Four key sustainability factors have been identified as focus areas to implement this policy (environment, social, ethical and business value) and ensure we work towards our sustainable procurement aims. We will ensure our supply chain supports this Sustainable Procurement Policy and we work together towards specific measurable outcomes.





Key Sustainable Procurement Target

Strategic Aim	Objective	Target	Responsible	Goal year
Ethical business	Developing our supply chain	Full integration of sustainability across procurement	Group Sustainability and Procurement	2025

We would also like to work with Suppliers and Subcontractors to improve the sustainability knowledge amongst their teams. They are also required to pass on our sustainability and business ethics requirements to their supply chain and have plans in place to deliver, manage and report this information effectively, with support from ourselves.

In due course we would like our suppliers to consider the use of local (50-mile radius) suppliers, and consider SMEs (Small, Medium size enterprises) or VCSE (voluntary, community, social enterprise) companies who support and develop skills and talent from a variety of sources such as apprenticeships or disadvantaged groups.

Our suppliers and subcontractors are also required to ensure that they adhere to our Modern Slavery and Business Ethics Code of Conduct.

Signature:

Name: Guy Wakeley
 Position: Chief Executive Officer
 Date: 25th July 2024

