



# **SUSTAINABLE PROCUREMENT POLICY**

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# HISTORY

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## **Contents**

	Page
Introduction	4
Key principles of Link Microtek's sustainable procurement	5
Supply chain Health and Safety	6
Ethical sourcing	7
Equality, diversity and inclusion	8
Environmental and green sourcing	9
Quality management	10

## 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. Link Microtek 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.

Link Microtek 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 Link Microtek approach to sustainable procurement and acts as guidance for internal buyers and specifiers and for current and prospective suppliers and subcontractors.

Link Microtek 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.

Link Microtek 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 Link Microtek 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. Link Microtek 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 Link Microtek'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 follow International Financial Reporting Standards (IFRS)

- 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

Link Microtek 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**

Link Microtek 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 Link Microtek 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.

### **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.

### **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.

## Ethical sourcing

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.

Link Microtek aims to comply 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](http://www.unglobalcompact.org)).

All suppliers and subcontractors shall work actively to ensure that zero ethical breaches occur, 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

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 for packaging**

In line with our commitment to minimise the environmental and social impacts of our activities, suppliers and subcontractors 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, only timber and timber products that have received FSC / PEFC certification are permitted to be supplied.

## **Publications and other printed materials**

Link Microtek 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 and encourages its suppliers and subcontractors to do the same.

Wherever possible, only recycled paper should be used and produced from FSC-certified timber or other sustainable forest sources.

## **Equality, diversity and inclusion**

Link Microtek 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.

Link Microtek is also committed 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. We aim to 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 minimize environmental impact. The aim shall be zero environmental incidents.

### **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. We expect our suppliers to be aware of and promote materials with reduced environmental impacts.

### **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.

### **Restricted substances and materials**

Upon request, suppliers and subcontractors will need to confirm the extent to which they are Registration, Evaluation, Authorisation and restriction of CHemicals (REACH) compliant.

### **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.

Where appropriate suppliers and subcontractors, shall keep details on the substances and materials associated with products and services supplied.

### **Use of secondary materials**

Link Microtek 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.

## **Reducing waste**

Suppliers and subcontractors shall support Link Microtek in its commitment to minimising waste where no waste is sent directly to landfill. Where practicable, all products will be able to be reused, recycled or recovered.

## **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, 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 Link Microtek, take back any excess or noncompliant packaging relating to the products and services provided for subsequent reuse or recycling.

## **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 (WEEE). 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 Link Microtek 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.

## **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.

Link Microtek reserves the right to audit suppliers or contractors quality management systems and compliance with this policy.