

Ethical and Sustainable Procurement Policy

APS GROUP

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1 INTRODUCTION

This policy sets out the context for ethical trade practices and the ethical core objectives that The APS Group has agreed to deliver through commissioning and procurement activities. The company is committed to ensuring a high standard of ethical trade practices, across its commissioning and procurement activities. In accordance with this Policy the company expects its suppliers, service providers and contractors to observe the policy's provisions and to demonstrate a similar commitment to an ongoing programme of ensuring and, where necessary, improving ethical practices locally and globally.

The company will proactively work to ensure that all goods, works and services it procures are sourced ethically in terms of both the way the company procures and in terms of the standards that we expect our suppliers, service providers and contractors to meet. The company aims to conduct its procurement process in line with this Ethical and Sustainable Procurement Policy ("the Policy") which is based upon the principles of the Ethical Trading Initiative (ETI) Base Code, which were founded on the conventions of the International Labour Organisation (ILO) and is an internationally recognised code of labour practice.

2 OWNERSHIP

Procurement and Supply chain team manages this policy on behalf of The APS Group Via the Global Supply Chain Director.

3 ORGANISATIONAL SCOPE

This Ethical and Sustainable Procurement policy is a corporate policy and applies to all employees (and workers, as applicable) of The APS Group including any wholly owned subsidiaries, unless an alternative policy exists, subject to any qualifying conditions.

4 POLICY STATEMENT

- 4.1 The APS Group recognises that there is a responsibility to work to ensure that products, goods, services and works that we procure are sourced ethically and sustainably when viable. Within our obligations to comply with UK legislation, we will endeavour to conduct our procurement processes in accordance with this policy.
- 4.2 The APS Group will base this policy around the ETI Base Code. The ETI Base Code is based on the internationally recognised standards of the International Labour Organisation (ILO), the UN agency responsible for labour standards, which the UK has signed up to: these include working conditions are safe and hygienic, child labour is not used, living wages are paid, working hours are not excessive.

- 4.3 The APS Group accepts it has an impact on sustainability and recognises it has a responsibility to reduce our impact. We endeavour to embed sustainable and ethical purchasing by:
- encourage our supply chain to comply with national and international standards on environmental and human rights matters.
 - take into account the environmental, social and whole life impacts during the assessment of the goods or services.
 - encourage our supply chain to consider the social and environmental impacts of their activities.
 - manage our supply chain to support The APS Group in achieving its ISO 14001 targets and carbon reduction programs
 - ensure that any timber and timber products, including paper, are from certified sustainable sources such as FSC and PEFC.

5 DEFINITIONS

- 5.1 CIPS - "Chartered Institute of Purchasing and Supply", is a United Kingdom based global professional body working for the purchasing and supply professions.
- 5.2 ETI Base Code - ETI Base Code is based on the internationally recognised standards of the International Labour Organisation (ILO), the UN agency responsible for labour standards, which the UK has signed up to: these include working conditions are safe and hygienic, child labour is not used, living wages are paid, working hours are not excessive.
- 5.3 Ethical Procurement - Ethical Procurement can be defined as: "*a procurement process that respects fundamental international standards against criminal conduct such as bribery, corruption, fraud and human rights abuse, and responds immediately to such matters where they are identified*" and "*result in progressive improvements to the lives of people who contribute to supply chains and are impacted by supply chain decisions.*" (Ethical and Sustainable Procurement, CIPS).
- 5.4 FSC - The Forest Stewardship Council is an international non-profit, multi stakeholder organisation established in 1993 that promotes responsible management of the world's forests.
- 5.5 ILO - The International Labour Organization is a United Nations agency whose mandate is to advance social and economic justice through setting international labour standards.
- 5.6 PEFC - The Programme for the Endorsement of Forest Certification is an international, non-profit, non-governmental organization which promotes sustainable forest management through independent third-party certification.

- 5.7 Sustainable procurement - "*Sustainable procurement considers the environmental, social and economic consequences of design, materials used, manufacturing methods, logistics and disposal.*" (Ethical and Sustainable Procurement, CIPS).
- 5.8 UN - The United Nations is an intergovernmental organization aiming to maintain international peace and security, develop friendly relations among nations, achieve international cooperation, and be a centre for harmonizing the actions of nations.

6 KEY PRINCIPLES

- 6.1 The purpose of the policy is to use The APS Group's spending power to best serve clients, consumers, the community, and the economy.
- 6.2 The APS Group will endeavour to purchase goods and services from supply sources which maintain ethical and sustainable standards through-out their supply chains.
- 6.3 Procurement decisions will be based on an appropriate balance between economic, social and sustainable factors.
- 6.4 Within competitive processes and procedures suppliers and contractors are required to maintain the highest standards of integrity and professionalism in their business dealings and practices, adhere to the laws of the countries where they operate and manage their own procurement processes and procedures such that their suppliers and sub-contractors meet the same standards.
- 6.5 Provide appropriate support, guidance and training for APS staff engaged in procurement processes, and in particular tender evaluation, bribery and corruption, modern slavery supplier relationship and contract management processes.
- 6.7 Communicate the Ethical and Sustainable Procurement Policy to APS staff and, where appropriate its suppliers and contractors, and make the policy available on the APS Group web site.

7 PROCEDURES

- 7.1 The Global Supply Chain Director will have the right to exclude any supplier or contractor deemed ineligible to tender for or be awarded a contract when any of the conditions set out in its Code of Conduct, Terms and Conditions, on-boarding and audit processes.

In deciding whether to exclude a supplier or contractor, the Global Supply Chain Director will consider the seriousness of the misconduct, whether it was related to the subject matter of the contract, when it was committed and the action taken or being taken to prevent its recurrence, but this discretion will not apply to convictions for offences where there is a requirement by law.

- 7.2 The Global Supply Chain Director, at his/her discretion will select, segment and audit suppliers to ensure compliance.
- 7.3 Where a breach is identified the Global Supply Chain Director will investigate, evaluate and report. If necessary, where required improvements have not or cannot be made the Global Supply Chain Director may manage the exit of the relationship with the supplier at his/her discretion.

8 ASSOCIATED DOCUMENTS

- 8.1 This policy should be read in conjunction with the APS Group's Procurement policy, Code of Conduct, Modern Slavery Policy and other related policies and procedures.

9 VERSION CONTROL

Version	Comment	Date
1.0	Creation, signoff	21-09-2023



John Holmes

Executive Director