



Procurement and Supply Chain Policy

Purpose and scope

This policy governs the way we work with our suppliers, our clients, business partners and third parties (including subcontractors). The policy applies to all employees who procure from suppliers, in all our operating countries.

Policy objectives

APEM Limited aims to be considered a World Class Environmental consultancy of choice and takes pride in being a company built upon honesty and integrity. APEM also values the relationships it develops with other organisations in its supply chain and prefers to do business with those who understand and share our business aims and values. All APEM staff involved in the procurement of goods, services or works from the external supply chain are expected to have regard for APEM's commitment to providing the highest quality of service, to add value, minimise costs and have limited negative impact on the environment.

APEM is respected for providing excellent services at great value. The way we manage our procurement and supply chain makes a huge difference to our profitability, our reputation and our success in meeting our sustainability objectives. Using vendors, business partners and third parties gives us flexibility and is integral to the sustainable delivery of client commitments. The objectives of this policy are to:

- Make sure that suppliers comply with our policies and other legal requirements (including health and safety, human rights and labour standards, and employment laws);
- Identify the risks associated with using suppliers and manage these risks to an acceptable level;
- Ensure that the roles and responsibilities of suppliers are clearly defined and adhered to;
- Ensure that the way we supply and develop our services reflects our sustainability objectives and those of our clients.

Our approach to procurement is based on four principles:

1. We uphold ethical business practices and comply with legislation;
2. We are an intelligent customer. We understand the risks and complexities of the services we procure and are able to respond to performance issues appropriately;
3. We influence the priorities of our key suppliers so that they align with ours and those of our clients, to ensure a sustainable service to our clients; and
4. We ensure diversity is embedded within our supply chain.

Requirements

Supplier selection: APEM will appoint suppliers for their ability to perform as defined, as well as taking into consideration social values, ethical practices and environmental impacts. APEM will encourage suppliers to monitor the sustainable credentials of their own suppliers.

Manage contracts: APEM will ensure that all contracts address the key issues. These include defining vendor expectations, performance, scope of work, and deliverables. In particular, APEM will seek confirmation regarding understanding of and adherence to APEM policies and make sure that all contracts protect our physical and intellectual property and data.

Extend opportunities: Provide equal opportunities for SMEs, minority owned businesses, social enterprises and the voluntary and community sector.

Manage subcontracting: Ensure that any right to subcontract included in the contract is bound by the same terms and conditions and is expressly agreed and approved by the contract manager prior to commencement.

Monitor suppliers: Monitor suppliers to ensure that the supply chain risk is managed.

Responsibilities

The **Managing Director** is responsible for reviewing, endorsing and achieving this policy's aims.

The **Business Support team** are responsible for:

- Administering this policy on behalf of the MD;
- Developing and rolling out the supporting strategies to drive continual performance improvement;
- Driving, adopting and sharing best practice purchasing and supply standards and initiatives;
- Developing mutually beneficial collaborative relationships with suppliers which increase the accountability (including environmental performance) of our supply chain;
- Monitoring the evaluation and assessment of suppliers' supply practices (including ethical, sustainable measures), taking appropriate commercial action as necessary.

Team Managers and Associate Directors are responsible for:

- Ensuring that this policy, supporting procedures and corrective actions are implemented and complied with;
- Leading by example in protecting the APEM brand and championing knowledge sharing across the divisions;
- Implementing and enforcing the processes and procedures;
- Addressing any inappropriate behaviour;
- Undertaking effective sustainability evaluation and applying corrective actions;
- Ensuring that their team are aware of their responsibilities and receive appropriate training.

Employees are responsible for:

- Carrying out their work in line with this policy and associated procedures;
- Challenging any behaviour that falls short of the expectations of this policy and identifying any breaches of this policy and reporting them to their line manager.

Suppliers are responsible for:

- Acting in accordance with this policy and associated procedures and guidance.

APEM seeks to ensure that it develops and maintains mutually beneficial partnerships and that all parties across its supply chain will:

- Act honestly and transparently and demonstrate high professional and ethical standards and excellent corporate governance;
- Agree key performance indicators against which performance will be assessed;
- Agree terms and conditions which are reasonable and not unduly onerous for either party;
- Provide value for money including price, quality, reliability, operating costs, etc.;
- Comply with all legal and statutory requirements including health and safety, anti-bribery, equality and diversity, etc.;
- Responding to issues and events in a prompt and timely manner;
- Provide goods and services which are appropriate for the specified technical and quality requirements;
- Deliver goods and services in a timely manner, as and when they are required;
- Ensure that any goods and services do not compromise the rights of individuals;
- Meet payment terms;
- Ensure that small and medium enterprises are given opportunity to bid for work alongside larger organisations;
- Support local businesses in areas where they operate;
- Not divulge commercially sensitive information to other suppliers or third parties;
- Understand that offering or receiving inducements is not permitted; and that while appropriate hospitality can arise out of business relationships between APEM and other organisations, anyone

benefitting from such hospitality will not be, or perceived by others to be, influenced in making a business decision as a consequence of accepting such hospitality.

Any APEM employee who fails to meet their obligations under this policy may be subject to disciplinary action. APEM can choose to terminate any external relationship which it considers to be breaching the spirit of this policy.

Signed



Adrian Williams (Managing Director)

Reviewed: 22/04/2020

Revision	Date	Approved by	Comments
4	12/04/2019	Adrian Williams	Next Review: 12/04/2020
5	22/04/2020	Adrian Williams	Next Review: April 2021