



# Sustainable Procurement Policy



*Supporting the local economy and reducing environmental  
impact through thoughtful purchasing decisions*

# Purchasing and suppliers

## Preference for local suppliers

### Purpose

The purpose of this policy is to support local businesses, reduce environmental impact through minimized transportation, and foster strong community relations by prioritizing local suppliers for our purchasing needs.

### Scope

This policy applies to all employees involved in the procurement process across all departments within the company.

### Policy statement

Our company is committed to purchasing goods and services from local suppliers whenever feasible. This preference aims to promote economic growth within our community, support local jobs, and reduce our carbon footprint.

### Definitions

#### Local suppliers

Suppliers that are based

within a 50-mile (100-mile if not available) radius of our company's headquarters or the specific site requiring the goods or services.

#### Feasibility

The ability to obtain goods or services that meet required specifications, quality standards, and competitive pricing.

### Procedures

#### 1. Identification of local suppliers

- Procurement teams will maintain a database of local suppliers.
- Regular reviews and updates of the supplier database will be conducted to ensure current and potential suppliers are included.

#### 2. Supplier selection criteria

- When sourcing goods and services, procurement staff must consider local suppliers first.
- Evaluation of suppliers will include considerations

of quality, cost, and delivery capabilities.

#### 3. Request for proposals (RFP) and quotations (RFQ)

- RFPs and RFQs should be distributed to local suppliers to provide them the opportunity to bid.
- Local suppliers must be given equal consideration in the bidding process.

#### 4. Assessment and comparison

- When comparing bids, local suppliers will be given preference if their pricing is within 5% of the lowest bid from a non-local supplier, assuming all other factors (quality, delivery, service) are comparable.
- An exception can be made if the cost differential is justified by significant differences in quality, service, or other critical factors.



## « 5. Documentation and reporting

- Procurement decisions should be documented, including the rationale for selecting or not selecting a local supplier.
- A quarterly report will be prepared, summarizing the percentage of purchases made from local suppliers and any deviations from the policy.

## 6. Continuous improvement

- Feedback from local suppliers will be solicited to improve processes and foster better relationships.
- The procurement team will participate in local business events and trade shows to identify and engage with potential local suppliers.

## Responsibilities

### Procurement team

Ensure compliance with this policy, maintain the local supplier database, and conduct regular reviews.

### Department managers

Encourage their teams to follow the policy and support local purchasing efforts.

### Employees

Adhere to the policy when making purchasing decisions and provide feedback on supplier performance.

## Exceptions

Any exceptions to this policy must be justified in writing and approved by the Procurement Director. Exceptions may be considered for specialized goods or services that are not available locally or in cases where local suppliers cannot meet required standards.

## Review and amendments

This policy will be reviewed annually and updated as necessary to ensure its effectiveness and alignment with company objectives.

## Effective date

This policy is effective as of 1 July 2024 and will remain in force until amended or revoked by the company's executive team.

*This policy underscores our commitment to supporting the local economy and reducing environmental impact through thoughtful purchasing decisions.*

