

The Berkeley Group's business is about placemaking; it is about creating strong communities where people enjoy a great quality of life. Our goal is to be a modern, world-class business generating long-term value by creating successful, sustainable places where people aspire to live.

We define sustainable specification and procurement to be the responsible selection and sourcing of products and services, taking into account environmental, social, economic and ethical aspects over their whole lifecycle. We recognise that we have the potential to have a negative sustainability impact through the use of a vast number of products and services from a global marketplace. Through careful consideration and management of our supply chain we seek to reduce any negative impacts and have a positive impact where possible. We endeavour to:

1. Consider the sustainability of materials from the outset and specify sustainable products throughout the design process

- Take into account environmental impacts when specifying products, referring to the *Green Guide to Specification* and *ISO 20400 Sustainable Procurement Standard* where appropriate.
- Specify products with consideration to the likely source and processing locations of materials, with a preference given to those which are produced within Organisation for Economic Co-operation and Development (OECD) countries as determined by the World Bank, or ensuring that adequate due diligence processes can be put into place for any materials sourced from other countries.
- Incorporate our sustainable specification aspirations within our briefs for consultants and architects.
- Give preference to materials which:
 - Have a low environmental impact.
 - Have a high recycled content or can be re-used.
 - Help to mitigate issues such as climate change, ecological damage, waste production and water scarcity.
 - Have recognised sustainability ratings, such as energy efficient appliances.

2. Preferentially source sustainable products and materials

- Review the sustainability credentials of materials and their suppliers as part of the procurement process.
- Refer to relevant standards and guidance during the sourcing of products and materials, for example *BES 6001 The Framework Standard for Responsible Sourcing for Construction Products*, *ISO 20400 Sustainable Procurement Standard* and *ISO 14001 Environmental Management*.
- Ensure all timber is sustainably sourced in addition to procuring all timber and wood-based products from known and legal sources:
 - Never knowingly become involved in, collude with or procure timber from illegal operations.
 - Never procure any species listed on the Convention on International Trade in Endangered Species (CITES) of Wild Fauna and Flora (Appendices I, II and III).
 - Ensure all timber has been independently certified to either the Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC) schemes.
 - Express a strong preference for all wood-based products to be either FSC or PEFC certified. Where unavailable, we will source products in partnership with organisations which have

Chain of Custody procedures in place and that can demonstrate that the forests from which the timber originates are legally managed and are committed to improving forest management practices.

- Consider transportation distance and mode, including from the original source of extraction/manufacture.
- Require suppliers of goods to ensure that slavery and human trafficking does not take place within their supply chain.
- Procure recycled copier paper for business use that is chlorine free (totally or elementally) and seek to select sustainable stationery and consumables.

3. Select contractors based on their sustainability credentials and work in partnership to create a more sustainable supply chain

- Use the Berkeley Group Management Rules to communicate our commitment to sustainability to our supply chain throughout the tender process.
- Encourage all contractors to have appropriate policies and management systems in place as standard.
- Assess contractors based on overall value rather than cost alone during each tender process and ensure sustainability impacts form part of the consideration.
- Work in partnership with appointed contractors to ensure that the environmental and social impacts of their work are minimised and that each operative is appropriately trained.
- Encourage contractors to sign up to the Supply Chain Sustainability School.
- Follow the Berkeley Group's 10 Point Plan against Bribery and Corruption, as set out within our Anti-Bribery and Corruption Policy.
- Ensure contract prices and terms are ethical, fair and respected and make payments promptly in line with the Construction Supply Chain Payment Charter.
- Encourage contractors and their supply chains to pay the Living Wage Foundation's Living Wage.
- Provide opportunities for a range of companies within the tender process, including local, small- and medium-sized businesses.
- Encourage and support contractors in the provision of training and skills development to their employees, in line with our Apprenticeships and Skills Development Policy.

4. Reduce demand for procurement in divisional offices and on sites

- Use energy, water and materials efficiently.
- Store and handle materials carefully and re-use materials where possible.
- Operate a materials exchange service between sites and support similar industry initiatives.

5. Strive for continual improvement and be innovative in our approach

- Work in partnership with our supply chain to understand how sustainability could be improved and tackle any issues.
- Keep up-to-date with emerging standards, materials and practices.

Where practicable and within the framework of commercial value, this policy commits the Berkeley Group to selecting those suppliers, services and products that are environmentally or socially preferable. The policy should be implemented throughout the whole procurement cycle, unless there are compelling prohibitive reasons for it not to be. We expect all suppliers to apply the sustainable procurement principles outlined in this policy during any procurement on behalf of the Berkeley Group and we reserve the right not to do business with companies where it can be demonstrated that significant violations of this policy exist.

Ultimate responsibility for all matters related to sustainability, including sustainable procurement, rests with the Main Board of Directors. This policy will be reviewed at least annually and amended where appropriate.

This policy is in support of the Group's Sustainability Policy and sits alongside the following policies: Sustainable Places Policy; Sustainable Business Policy; Climate Change Policy; and Apprenticeships and Skills Development Policy.



Signed:

K Whiteman, Main Board Director

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