SUSTAINABLE PROCUREMENT POLICY

VE-POL-0009



VITAL ENERGI UTILITIES LIMITED SUSTAINABLE PROCUREMENT POLICY SIGNED STATEMENT

"Vital Energi's vision is to innovate simple and reliable energy solutions that actively contribute to the sustainability agenda and provide security of supply"

A critical element of substantiating this vision is ensuring a holistic and sustainable procurement process is implemented throughout the organisation to mitigate the wide-ranging potential impacts inherent in purchasing decisions.

SUSTAINABLE PROCUREMENT: In conjunction with Vital Energi's 'Environment & Sustainability', 'Energy', and 'Slavery & Human Trafficking ' Policy Statements and commitments thereof, it is important that products and services used in operations are procured in a sustainable and ethical manner.

Vital Energi supports a sustainable procurement environment by acknowledging that environmental impact should be considered as part of this process.

Plainly, different purchasing decisions necessitate the trade off and compromise between certain procurement criteria; however below are examples of numerous aspects considered as part of a generally balanced approach.

> Governance - Legislation - Accreditation

- Expectation

TAL

ENERGI

Monetary - Cost - Quality - Value

Environmental - Life Cycle Impacts - Carbon Costs - Mileage

Other - Service Capabilities - Availability

- Practicality

EXAMPLES: of how Vital Energi has achieved good practice of sustainable procurement include...

- Using Go Green Ltd as our waste management broker on operational sites. Go Green's unique business model utilises local waste management facilities across the U.K to reduce the 'waste miles' and other environmental impacts associated with the transfer of waste. As of June 2018, the average transport journey of all waste collected on site was just 22 miles.
- Considering life cycle analysis in District Heating procurement decisions; we regularly purchase materials with a shelf life of 30+ years.
- Promoting train travel as opposed to air travel where possible, to reduce the direct CO, emission impacts involved with staff travelling around the country for work needs.

COLLABORATIVE APPROACH: It is important to us that the motives and efforts to promote sustainable procurement are shared by our supply chain. We therefore aim to develop supply chain relationships to improve our combined capability in delivering sustainable outcomes in line with shared values concerning prosperity, quality of service and environmental protection.

CONTINUAL IMPROVEMENT: Vital Energi is wholly committed to ensuring the continual improvement of sustainable performance throughout the business. We therefore commit to setting and reviewing environmental targets, including procurement factors on a regular basis; in line with our vision, scope and determination to remain a market leader in sustainable energy solutions.

Gary Fielding Joint Managing Director Date: August 2018

The original signed copy of this document is retained by the SHEQ Department Date Reviewed: 17th August 2018

Ian Whitelock Joint Managing Director Date: August 2018

KEY QUOTE

"Procurement carries significant risks and opportunities for any business. As a market leader in sustainable solutions it is important for us to lead by example in making purchasing decisions that help ameliorate the environmental impact of our activities and services'

CALLUM LYDON ENVIRONMENTAL COORDINATOR

VITALOFFICES | LONDON | BLACKBURN | GLASGOW

www.vitalenergi.co.uk