

Procurement Policy

Newgrove seeks to purchase goods and services that minimise negative and enhance positive impacts on the environment and society whilst meeting our business requirements. By incorporating social, environmental and ethical considerations into purchasing decisions we endeavour to make a positive contribution to the environment and society. To this end, we have developed processes and systems that are applicable to both our suppliers and to ourselves, following these ensures that we and our suppliers act in a responsible manner.

Where it is found that a supplier's conduct is not in accordance with Newgrove's policy we will seek to engage with that supplier and encourage continuous improvement in their environmental, social and ethical performance.

Newgrove:

- Assigns responsibility for the purchasing policies to the Executive Management Team
- Seeks to continuously monitor and improve its purchasing processes and systems
- Review and, where appropriate, revise the purchasing processes and systems annually
- Conducts an annual environmental, social and ethical assessment of our key suppliers
- Ensures our procurement process in line with all applicable laws and regulations
- Works collaboratively with suppliers to improve environmental, social and ethical standards with the aim of realising continuous improvement in all three areas for both our suppliers and ourselves
- Will protect the confidentiality of information entrusted to us
- Ensures that all relevant employees are aware of our procurement policies
- Bases its supplier selection on objective and transparent criteria that include the consideration of environmental, social and ethical performance.
- Will cease trading with suppliers showing persistent disregard for important elements of environmental, social and ethical performance.

Newgrove expects that all our suppliers adhere to the following:

- Suppliers should comply with all relevant legislation in the countries in which they operate and all relevant International Labour Organisation (ILO) conventions
- Suppliers are expected to have management systems in place for monitoring and delivering compliance
- Suppliers are expected to communicate their expectations for compliance on all the issues raised to all relevant employees and suppliers
- Suppliers should be able to provide evidence to enable assessment of the implementation of their standards

- Suppliers should demonstrate continuous improvement in their approach to sustainable and responsible purchasing

Working Conditions

Newgrove expects our suppliers to adopt and demonstrate the following standards:

Child Labour: Organisations should ensure the effective long-term elimination of child labour, in a manner consistent with the interests of the children concerned. Children or young persons under 18 shall not be employed at night or in hazardous conditions.

Forced Labour: There should be no forced, bonded or involuntary labour and no workers are required to lodge “deposits” or identity papers with their employers and should be able to leave after giving reasonable notice.

Health, Safety and Hygiene: All employees should expect to work in an environment that is both safe and healthy. Adequate steps should be taken to prevent accidents occurring in the normal course of work. Workers should receive suitable health and safety training and have access to clean toilet facilities and clean drinking water as required.

Discipline: Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation is not acceptable. Disciplinary and grievance procedures shall be clearly documented and communicated to all employees. All disciplinary measures of a serious nature shall be recorded.

Freedom of Association and Employee Representation: All workers and employers have the right to form and join organisations of their own choosing without prior authorisation.

Working Hours: working hours should not be excessive and shall comply with relevant national laws. Overtime should be voluntary.

Equality of Treatment: Organisations will seek to eliminate discrimination in access to employment, training and working conditions, on grounds of race, colour, sex, age, religion, political opinion, national extraction, sexual orientation, disability or social origin and promote equality of opportunity and treatment

Remuneration: Wages and benefits afforded to workers should meet national standards. Workers should be provided with clear written information on their pay and conditions. Excessive deductions on wages should not be permitted as a disciplinary measure.

Employment terms: All workers should be provided with simple, written contracts which must detail the terms and conditions of their employment. Contracts should be clearly understandable to each worker. Work performed should be on the basis of recognised employment law and practice.

Community impact: Organisations are encouraged to support the communities in which they operate through appropriate community initiatives.

It is understood that organisations must comply with national and other applicable laws and regulations and where there is conflict between these and this policy then the highest standards linked with such laws and regulations shall be applied. Where there is no conflict we would expect that the provisions that give the greatest protection to workers should be applied.

Environment

Newgrove seeks to ensure that appropriate attention is paid to environmental issues when purchasing products and services. Suppliers should be able to demonstrate environmental policies and management systems sufficient to ensure continuous improvement in environmental performance, including:

- Have documented policies regarding environmental management
- Monitor and review environmental performance
- Awareness of potential environmental risks inherent in their production, service or sourcing activities
- Implementation of mechanisms and processes in place to mitigate or minimise potential environmental risks
- An understanding of the degree to which products and services have been designed with environmental considerations in mind
- Minimise the use of energy, water and raw materials where practical.
- Maximise the use of recyclable and renewable materials including energy where possible.
- Make practical efforts to minimise waste and dispose of it in a safe, efficient, and environmentally responsible manner
- Avoid contamination of the local environment and ensure that emissions, air, noise and odour pollution is, as a minimum, within nationally defined limits

Ethics

Newgrove has clear ethical standards and expects similar standards from its suppliers. Suppliers should be able to demonstrate the existence of processes and procedures to implement appropriate staff guidelines and codes of conduct, and ensure that management systems and practices are in place to ensure the prevention of:

- Money Laundering
- Insider Trading
- Conflicts of Interest
- Fraud, Bribery and Corruption and other improper Payments or Gifts
- Unauthorised access to personal and business information