

NICHOLSONS

RESPONSIBLE PROCUREMENT

POLICY

2024

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REVISIONS

Date	Revisions	Person
	<i>(Even just quality control and no amendments)</i>	

03.01.24	Reviewed with Minor amendments	Alan Bevan
16.05.24	Included HAVs, Audio and Coshh Specifics	Alan Bevan
10.02.25	Peat free and hierarchy of plants purchasing	Alan Bevan

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WHAT IS RESPONSIBLE PROCUREMENT?

Responsible Procurement is defined as procurement activity that:

1. seeks to build on and expand the scope of 'ethical' and 'sustainable' procurement to include environmental, economic, and social issues and their risks and benefits.
2. includes a range of considerations of equal or greater importance than profitability and the generation of value.
3. includes purchasing that minimises carbon emissions causing climate change, challenging the systems and industries driving it.
4. identifies, prevents, and mitigates the risks of human rights abuses in the supply chain, including forced labour, child labour and human trafficking; and
5. recognises that these considerations are interconnected and must be approached in their totality.

In summary, Responsible Procurement is the act of procuring goods, services, or works in a manner that is considerate of the impact, both positive and negative, that Nicholsons may have on the environment, the economy, and society in general.

SCOPE

This document describes Nicholsons' commitment to deliver responsible and sustainable outcomes through our procurement activity and confirms that the various elements that are considered under the title 'Responsible Procurement' should be applied where relevant and proportionate to the goods, services and works being procured. There is an expectation that suppliers to Nicholsons will comply with the principles of this document where relevant, and that the implementation of Responsible Procurement is the collective responsibility of all staff, suppliers, and agents to Nicholsons.

Elements of Responsible Procurement Responsible Procurement spans a range of different topics, each important and complex. An explanation of the main elements concerning the practice of Responsible Procurement from the perspective of Nicholsons is described below. The list of elements described below is not exhaustive and where appropriate other elements may also be considered where they fit within the broad definition of Responsible Procurement.

ENVIRONMENTAL

Environmental considerations include making the most efficient and effective use of energy and materials, minimising carbon emissions and reducing overall waste production. All applicable environmental laws and regulations shall be complied with in the geographical areas in which the supplier operates. The supplier shall seek to source resources and carry on its own business in a way to:

- minimise the carbon footprint and all other harmful environmental effects; and
- support sustainability in the sourcing of raw materials
- All hazardous or toxic waste that is produced by the supplier must be properly identified and disposed of by licensed and competent bodies via authorised and/or licensed means. Further information is available within Nicholsons Environmental Policy.

GOODS

The supplier shall ensure that raw materials within its supply chain are procured from legal and sustainable sources and where relevant shall seek/demonstrate chain of custody with appropriate certification. The supplier shall procure for itself and provide to Nicholsons, only fairly traded goods.

LEGITIMATE FINANCING

The supplier shall carry on its business without the making or taking of bribes in any form and by taking positive action to prevent any such corrupt practices within its supply chain.

The supplier shall be vigilant when dealing with its own suppliers and customers, that any monies received are from legitimate sources and that any monies paid out are for a legitimate purpose.

The supplier shall structure and carry on its business in a way that ensures the right amount of tax is paid at the right time and in the right place and shall put reasonable measures in place to prevent the criminal facilitation of tax evasion.

The supplier shall co-operate fully with any Nicholsons procedures relating to anti-bribery and corruption, anti-money-laundering and counter-terrorist financing and the prevention of tax fraud.

PEOPLE

The supplier shall protect and maintain the human rights of all its workers and shall take all appropriate steps to eradicate modern slavery in all of its forms.

The supplier shall not discriminate on any grounds against its workers, within the customs and practices of the countries in which a worker is engaged.

The supplier shall comply with applicable laws and regulations relating to:

- minimum wage and benefits and shall apply prevailing industry wages and benefits where higher;
- working time and shall ensure that any overtime shall be voluntary;
- minimum working age and shall ensure that child labour is not used; and
- health and safety at work.

The supplier shall engage workers on fair and easily understandable terms and conditions and provide clear, fair and uniformly applied grievance and disciplinary procedures.

SOCIAL

The concept of what constitutes a social consideration is most easily understood by way of examples such as:

1. Reducing unemployment
2. Preventing the use of child labour
3. Preventing discrimination on the grounds of race, religion, disability, sex or sexual orientation
4. Encouraging good employment practice
5. Reducing local unemployment
6. Reducing social exclusion
7. Promoting training opportunities for the young or disadvantaged
8. Encouraging access to work for people with disabilities
9. Increasing the opportunities for Apprenticeship Placements

ECONOMICAL

Economic considerations are those where procurement activity may negatively impact on the economic health of individual suppliers and local, national, and international economies.

ETHICAL

'Ethics' in procurement can relate to a wide range of issues from supplier business procedures and practices to corruption. Common areas that relate to ethics and ethical behaviour in procurement include fair-trade, ethical trading, ethical sourcing, social accountability, social auditing, corporate social responsibility, and buyer and supplier codes of conduct.

LEGISLATIVE

There are a range of EU and UK legal requirements that must be complied with when conducting procurement activity. Many of these fit neatly under the definition of 'Responsible Procurement' used within this document. Examples of current legislation include The Modern Slavery Act 2015, Late Payment of Commercial Debt Regulations 2013, Equality Act 2010 and The Bribery Act 2010.

RESPONSIBLE PROCUREMENT PRACTICE

Nicholsons aims to follow recognised good procurement practice to support the reduction of any negative impacts and enhance any positive impacts. Actions may include, but are not limited to:

1. Providing training to staff on aspects of Responsible Procurement
2. Ensuring appointed suppliers pay their staff (and staff within their supply chains where relevant) in line with the UK Living Wage.
3. Aiming to pay all suppliers within 30 days* from receipt of a valid invoice, or sooner where necessary. (*unless other agreements in place)
4. Requesting that suppliers pay their sub- contractors within 30 days when working on Nicholsons contracts.
5. Working collaboratively with existing suppliers to improve sustainability outcomes in the delivery of the contract to Nicholsons.
6. Considering all relevant aspects of Responsible Procurement during the selection process of new suppliers.
7. Ceasing to trade with suppliers that demonstrate a wilful disregard for the principles of Responsible Procurement.
8. Using a risk-based approach to ensure there is focus on those areas where the risk is greatest and maximum impact can be achieved.
9. Considering and implementing where appropriate recognised tools to support the delivery of Responsible Procurement.
10. Continuing to evolve the approach to identifying and eradicating where necessary any modern slavery and human trafficking within our supply chains.
11. Ensuring all prospective suppliers are treated fairly and equally throughout all procurement selection processes.
12. Ensuring that Nicholsons terms and conditions are fair and promote the principles of Responsible Procurement.
13. Wherever possible, minimising waste and material use including the reduction of energy and water usage and give preference to materials products and services with greatest circular-economy benefits.
14. Limiting any negative impact on the environment and biodiversity when procuring works.
15. Providing engagement opportunities to the local supplier base.
16. Ensure all prospective tools procured and provided by Nicholsons are assessed for suitability for the relevant tasks performed and prioritise low vibration and “Buy Quiet” tools for all models of equipment where appropriate. See “Control of vibration at work policy” for detailed interventions.
17. All hazardous substances are procured through the approved purchasing process. COSHH Risk Assessments are carried out for all hazardous substances to which an employee may be exposed to. These assessments are carried out prior to any new hazardous substance procured and assessed for suitability to the task required before purchase approved.
18. We will endeavour to procure plants and trees using the following hierarchy of procurement
 - A. Plant healthy suppliers
 - B. Grow in Peat Free compost
 - C. UK Grown
 - D. Most sustainable
 - E. Cost

RESPONSIBLE PROCUREMENT WITHIN THE PROCUREMENT PROCESS

To embed Responsible Procurement within Nicholsons normal procurement practice the following approach shall be adopted:

1. Understand the relative impact of each element of Responsible Procurement to each contract.
2. Include relevant Responsible Procurement outcomes within the contract specification and terms and conditions.
3. Include relevant Responsible Procurement evaluation criteria with appropriate weighting within the supplier selection process.
4. Manage and measure Responsible Procurement objectives that each supplier delivers where appropriate.

RESPONSIBLE PROCUREMENT RESOURCES

A variety of resources exist that provide detailed guidance, tools, and templates to support the different aspects of Responsible Procurement. Nicholsons will continue to review the available resources to ensure that this code of conduct considers and applies where appropriate developments in relevant guidance, tools, and templates.

NICHOLSONS RESPONSIBLE PROCUREMENT IN PRACTICE

Nicholsons follows the principle of procuring tools and machinery which are as low as reasonably practicable (ALARP)

Vibration equipment (HAVS)

Nicholsons will, so far as is reasonably practicable, procure tools which are suitable for the work, efficient and of lower vibration and where there is no reasonably practicable alternative method with no (or less) vibration exposure.

Purchasing of new tools will include the following procedures:

1. Discuss your requirements with a range of suppliers to make sure equipment is generally suitable for the job (safety, size, power, efficiency, ergonomics, cost, user acceptability, etc.)
2. Check with suppliers that their equipment is suitable and will be effective for the work, compare vibration emission information for different brands/models of equipment, ask for vibration

information for the way you plan to use the equipment, and ask for information on any training requirements for safe operation.

3. Where possible, get employees to try the different models and brands of equipment and take account of their opinions before you decide which to buy taking account of vibration emission, efficiency and their specific requirements.
4. Find out about the equipment's vibration reduction features and how to use and maintain the equipment to make these features effective. Reduced vibration designs are selected provided the tools are otherwise suitable (e.g. grinders with automatic spindle balancing).
5. Purchasing staff will be trained on the issues relating to vibration so that they can deal effectively with equipment suppliers.
6. Available information from the manufacturer or elsewhere on control of vibration risks through:
 - a. maintenance of tools and accessories (eg servicing grinders, sharpening chisels)
 - b. selection of consumables (eg suitable grit size and hardness of abrasive wheels, pitch of teeth on rotary files/burrs)
 - c. correct operation and operator training
 - d. maximum daily trigger times or maximum daily work done with the tool

Example: If a breaker has vibration-isolating handles, check how the machine must be operated to ensure the reduced vibration levels are achieved in use and ensure your operators have the necessary training.

Quieter equipment

Nicholsons will purchase and or hire 'buy quiet' equipment which are suitable for the work and reduces noise at work and will involve the following:

1. Consider at an early stage how new or replacement machinery could reduce noise levels in the workplace – set a target to reduce the noise levels if possible, with support from our health and safety officer.
2. Make sure you specify a realistic noise output level for all new machinery, and check that tenderers and suppliers are aware of their legal duties.
3. Produce a list of machinery suitable for your intended use and their suppliers.
4. Ask the potential suppliers about the likely noise levels under the particular conditions in which you will operate the machinery, as well as under standard test conditions. If you ask the same question to all suppliers, you can compare information.

Noise output data will only ever be a guide as many factors affect the noise levels experienced by employees.

5. Ask for a statement from all companies who are tendering or supplying to say their machinery will meet your company noise target specification.
6. Only purchase or hire from suppliers who can demonstrate a low-noise design, with noise control as a standard part of the machine, not as a costly optional extra.
7. Check that your noise specification is met when the machinery is delivered and installed on site.
8. Keep a record of your decision process and reasons if noisy machinery has been purchased with information about where improvements are necessary to help prepare future machine specifications.
9. Tell other employers in your industry when you find quieter machinery
10. Include a penalty clause in supplier contracts if guaranteed noise emission values are exceeded.

Installation and operational or maintenance training

Nicholsons will ask suppliers for any specific requirements regarding installation and operational or maintenance training to ensure low noise exposures are achieved and sustained.

This might include:

- installation arrangements, such as methods of mounting and location, to ensure machinery operates as quietly as possible
- training in new operator skills for tools or machines with noise-reduction features
- warning of machine uses that produce unusually high noise emissions
- information about the methods to use or avoid with particular tools or machines so noise emissions are kept low
- training in maintenance requirements to avoid unnecessary noise exposure