



The Belazu Ingredient Company Sustainable & Ethical Procurement Policy

Policy Owner:
Purchasing Director



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Introduction

Belazu Ingredient Company takes social and environmental factors into consideration alongside financial factors in making decisions on the purchase of goods and the commissioning of services. Our purchasing decisions will consider whole life cost and the associated risks and implications for society and the environment.

Procurement can make a significant contribution to our goals of sustainable economic development and resource minimisation by ensuring that the goods and services we buy consider optimum environmental performance. Procurement has an additional role to play in minimising any risk of social exploitation within the supply chain. We believe that this not only makes business sense, it also has the potential to improve the living and working standards of people around the world.

This policy standard sets out the requirements and minimum expectations of our Sustainable and Ethical Procurement Policy. Specifically, it addresses the expectation that our staff and suppliers have a natural respect for the environment and for ethical standards in the context of their own particular culture and that relationships with our suppliers are based on the principle of fair and honest dealings at all times. The same principle of environmental standards and fair and honest dealings must be extended to all others with whom our suppliers do business, including employees, sub-contractors and other third parties and their local communities.

Our aims of becoming a more sustainable company are detailed in our separate Supplier Code of Conduct for Ethical Trade and our Environment Policy Statement.

Nick Henderson
Purchasing Director

Our Commitment

We are committed to help protect the planet – by reducing energy and water use, sourcing responsibly, reducing waste and helping communities both at home and abroad. We work with our suppliers, customers and employees to achieve our people, planet and product goals which form part of our overall programme we call “The Journey Matters”.

- **People:** Through investing in our people, local community and our Belazu foundation, we will maximise the positivity of our social impact.
- **Product:** Working with our suppliers and farmers, we will develop our commitment to ethical and environmental sourcing, as well as reducing Green House Gas (GHG) emissions and water use of our products throughout the supply chain.
- **Planet:** Focusing on reducing environmental impact of our operations including Green House Gas (GHG) emissions, waste generated and water use.

We will continuously improve our environmental and ethical performance and integrate recognised environmental and ethical management best practice into our business operations and comply as a minimum with all relevant legislation.

- We will add sustainability into the procurement cycle: identifying needs; appraising options; design and specification; supplier selection; tender evaluation; contract management and supplier development.
- Sustainability requirements will be considered and will be specified in initial tender documentation for both suppliers and contractors, to ensure suppliers and contractors are aware of our environmental and social criteria at an early stage in the tender process.
- Environmental and social factors shall be considered in the purchasing process. We recognise the significant impact that our operations can have on the environment and on our suppliers. This includes considering what the product is made from, the product durability, where it is made and by whom, the efficiency of the product during use and the processes involved in its production and distribution, what the disposal requirements are and if it can be reused or recycled.
- We will seek out organisations that share our commitment to sound environmental and ethical performance and improvement.
- Sustainable development concepts will be embedded into purchasing functions through training programmes.

- Where applicable, we will offer assistance to our suppliers in raising their ethical and environmental awareness. We will develop partnerships with our suppliers and contractors and work together to minimise the environmental and social impacts of our supply chain.
- We will use our purchasing power, where practicable, to influence and encourage suppliers in order to create a more reliable market for environmentally and ethically produced products and services.
- Small firms, voluntary and community organisations, social enterprises and ethnic minority businesses are considered members of our supply chain as they play an important role in the local economy and contribute to social cohesion.
- All of our suppliers will be required to complete and sign our Supplier Code of Conduct for Ethical Trade.

Principles

We have the following 5 key principles that we work to and we expect that our suppliers will work to:

Principle 1: Working together

We will:

- Guide relationships by the principle of continuous improvement.
- Welcome rather than penalise suppliers identifying activities that fall below this standard (undertaken by themselves or sub-contractors) and who agree to pursue their aspirations.
- Consider a similar ethical trading standard as a reasonable alternative where suppliers are already working towards sustainability outlined in this policy.

Principle 2: Making a difference

We will, and we expect our suppliers to:

- Focus attention on those parts of the supply chain where the risk of not meeting this standard is highest and where the maximum difference can be made with resources available.
- Demonstrate the basis of their approach with regard to the above.

Principle 3: Awareness raising and training

We will, and we expect our suppliers to:

- Ensure that all relevant people are provided with appropriate training and guidelines to implement the requirements of this standard.

Principle 4: Monitoring and independent verification

We will:

- Recognise that implementation of this standard may be assessed through monitoring and independent verification, and that these methods will be developed as our understanding grows.

We will expect our suppliers to:

- Provide reasonable access to all relevant information, premises, and workers (through interviews) and co-operate in any assessment against this standard.

We will use reasonable endeavours to:

- Ensure that sub-contractors also co-operate in any assessment against this standard.
- Provide workers covered by this standard with a confidential means to report to the supplier failure to observe its requirements.

Principle 5: Continuous improvement

We will, and we expect our suppliers to:

- Apply a continuous improvement approach in agreeing schedules for improvement plans with suppliers not meeting this standard.
- Base improvement plans on individual case circumstances.

Objectives

Environment

Our environmental objective is to ensure a continuous improvement in procurement decisions measured against delivering sustainable trading. More specifically, we seek to avoid adverse environmental impact in the supply-chain, the reduction of environmental impact from service operations and the purchase of products that meet recognised environmental standards. We recognise the significant impact that our operations can have on the environment and on our suppliers.

Our aims of becoming a more environmentally sustainable company are detailed in our separate Environment Policy Statement. This outlines our focus on reducing the environmental impact of our operations including Green House Gas (GHG) emissions, waste generated and water use. We will support national policy and legislation to reduce CO₂ emissions, ban ozone-depleting substances and protect biodiversity.

We expect our suppliers to:

- Comply with all environmental legislation, regulations and all local laws which relate to the organisations environmental aspects to facilitate the protection of the environment.
- Have an effective environmental policy, to implement the policy at all levels throughout the company and to include a commitment to continuous improvement in environmental performance and prevention of pollution.
- Have a process that ensures conformity to local regulations, including those relating to the reduction, reuse and recycling of waste and the elimination and safe disposal of dangerous materials.
- Identify a person within its business who has responsibility for environmental compliance issues and to be able to demonstrate that responsible personnel are adequately trained in environmental matters.
- Routinely identify risks of adverse environmental impact associated with their operations and where operations with identified risks are planned to ensure they are carried out under controlled conditions with the objective of minimising potential adverse impact upon the environment.

Ethical

Our ethical objective is to ensure that people in the supply-chain are treated with respect and have rights with regard to employment including the rights to freely choose employment, freedom of association, payment of a living wage, working hours that comply with national laws, equal opportunities, recognised employment relationship, freedom from intimidation and to a safe and healthy working environment. Under the Modern Slavery Act 2015 we will disclose what we are doing to eliminate slavery throughout our supply chain.

All of our suppliers will be required to complete and sign our Supplier Code of Conduct for Ethical Trade. Belazu Ingredient Company believes the protection of human rights throughout our supply chain is a critical part of our mission and we will and we expect our suppliers to meet the following human right standards.

- To ensure that employment is freely chosen
- To allow freedom of association and the right to collective bargaining are respected
- To ensure no child labour is used
- To ensure a living wage is paid
- To prevent discrimination
- To ensure regular employment is provided
- To prevent harsh or inhumane treatment
- Working hours are not excessive
- To ensure health and safety working conditions
- Business Integrity and corruption

Responsibility and Authority

This policy standard is issued under the authority of the Managing Director, Belazu Ingredient Company. Responsibility for implementation of this policy standard is set out below:

- Responsibility for the achievement of this policy standard rests with the Purchasing Director.
- Directors are responsible for implementing the policy standard, monitoring its implementation in the everyday activities of their functions and report to the Belazu Ingredient Board.



- Managers are responsible for implementing the policy standard, monitoring its implementation in the everyday activities of their operations and report to their Directors.
- The Purchasing Director is responsible for reviewing the policy standard and ensuring that it is kept up to date with changes in legislation. It is also responsible for the development of guidance and training on the implementation of the policy standard and for providing appropriate reports to the board.
- The Belazu Ingredient Company Board will carry out regular monitoring of the implementation of sustainable procurement commitments of our suppliers, to enable us to identify trends and ensure that environmental and social factors are being considered in procurement decisions.
- The provisions of these sustainability principles constitute minimum and not maximum standards. All suppliers are expected to comply with national and other applicable law and, where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection.

Evidence of Compliance: Monitoring and measuring

We will seek to establish key performance indicators for sustainable procurement where appropriate and monitor and measure the performance of our supply chain against them.

To support compliance with this policy standard, we will use due diligence and develop our existing supplier audit programs.

Belazu Ingredient Company will terminate supplier relationships where serious breaches of this Policy persist only after reasonable attempts have been made to work with the supplier to implement improvements, and where there is no reasonable prospect of securing improvements.