

ESM Ethical & Sustainable Procurement Policy

1. Policy Statement

It is the policy of ESM to practice a continuous improvement approach to understanding and taking appropriate responsibility for any adverse environmental, social, and economic impacts of its purchasing. In doing so, ESM shall consider impacts on a life-cycle basis and prioritize actions according to: alignment with ESM's values, sustainability KPIs, magnitude of impact, and compliance with any applicable regulations.

2. Purpose

This Policy is adopted in order to align ESM's purchasing with its climate, environmental, ethical and sustainable governance and resource use reduction values, goals and related policies. In doing so, ESM seeks to harness the influence of its purchasing to support markets for, and increase accessibility to, more sustainable goods and services within the wider events industry, and contribute to the reduction and eventual eradication of unethical practises, such as modern slavery.

3. Commitment to Ethical & Sustainable Procurement

- ESM is committed to making purchasing decisions that prioritise products, services and suppliers that promote the fair treatment of workers, reduction of waste and have a positive impact on sustainability.
- We strive to go beyond traditional procurement practices and economic concerns, expanding the evaluation criteria to include sustainability factors when selecting suppliers.
- We aim to consider the broader social, environmental and economic implications of procurement decisions.
- We aim to measure and minimise resource use and waste produced within our supply chain as a result of our procurement decisions, through packaging reviews and effective premises management that promotes energy/water efficiency.
- We aim to cut down on the use of carbon-based fuels and reduce embodied carbon through sustainable sourcing, as well as effective production, manufacturing, operations and logistics management that promotes more sustainable practices.
- We only work with companies that are legally certified, experienced and/or proven in their sectors, such as certified waste carriers, and suppliers who demonstrate considerations in the areas of waste reduction, ethical practices and sustainability.

- We treat suppliers fairly, ensuring payments are processed on time.
- Our supplier expectations are communicated directly through our terms of business and annual supply chain reviews.
- We regularly review our policies and practices to ensure they are effective and in line with current legislation. We also monitor the effectiveness of our ethical and sustainable procurement policies and practices to identify areas for improvement.

4. Scope

- This policy applies to all aspects of ESM-funded procurements and to all ESM departments and employees. Specific employee roles, responsibilities, and expectations are further described within this policy.
- This policy applies to all aspects of procurement, purchasing and supply chains.
- It covers all employees, contractors, volunteers, and other individuals who interact with ESM.

5. Responsibilities

- **Nominated Sustainability Representative:** Overall responsibility for championing ethical and sustainability concerns in all purchasing, procurement and sourcing decisions.
- **Management:** Managers at all levels, but particularly the director(s) are responsible for implementing and promoting this policy within their teams, taking into account these policy requirements when developing departmental and project budgets in order to ensure resources (budget and staff) are available to carry out these policy requirements. The Director(s) are responsible for developing and providing sustainable procurement training to ESM employees and other applicable stakeholders and must ensure that all employees understand and adhere to our commitment to ethical and sustainable procurement practices.
- **Employees:** Every employee has a responsibility to uphold our values of ethics and sustainability, treating colleagues and stakeholders with respect and highlighting any areas of concern where there may be room for continued improvement. All employees are responsible for following the Core Strategies and Minimum Requirements when planning and designing projects, developing project and operations budgets, developing asset management plans, writing product and service specifications or standards, selecting materials, making purchasing or supplier decisions, and developing and managing ESM contracts and price agreements as applicable to their roles and responsibilities and/or to a specific project.

6. Definitions

- **Carbon-Based Fuels** - means coal, natural gas, renewable biomass, petroleum products, and any other product that contains carbon and emits carbon dioxide, methane, nitrous oxide, or other greenhouse gases when combusted, that are used for fuel, heating, cooling, or industrial processes, which processes shall include electricity generation.
- **Circular Economy** - economy that is restorative and regenerative by design, and which aims to keep products, components and materials at their highest utility and value at all times, distinguishing between technical and biological cycles
- **Embodied Carbon** - the greenhouse gas emissions arising from the manufacturing, transportation, installation, maintenance, and disposal of materials or products.
- **Key Performance Indicators (KPIs)** - critical quantifiable measures of progress toward an intended result.
- **Life Cycle** - Consecutive and interlinked stages of a goods or services system, from “cradle to grave”, e.g. from resource generation and raw material acquisition through production, use, and final disposal.
- **Life Cycle Costing** – a method for calculating the costs of goods or services throughout their life cycle. It includes total cost of ownership (TCO) and positive or negative externalities which can be monetized, both to the organization and to society.
- **Sustainable Procurement** - A process whereby organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a life cycle basis in terms of generating benefits not only to the organization, but also to society and the economy, while minimizing damage to the environment.

7. Raising Concerns & suggestions

7.1 Any employee or supplier who has questions or concerns regarding existing ESM policy or conduct as it relates to ethical or sustainable procurement should, in the first instance, be directed to our nominated sustainability representative, who will be actively and regularly identifiable, and whose responsibilities will be effectively communicated to all ESM employees.

7.2 Any suggestions for continued improvements in this area should be directed in the first instance towards our nominated sustainability representative, another responsible member of the management team, or else submitted via our suggestion box.

8.1 We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

8. Communication and Awareness of this Policy

Our supplier expectations, as well as our commitment to ethical and sustainable practises will be communicated to all employees, suppliers, contractors, business partners and clients at the outset of our business relationship with them and reinforced as appropriate thereafter, including during our annual supply chain reviews.

9. Conclusion

Our goal is not only to procure goods and services in ways that maximise efficiency and effectiveness while minimising social and environmental impacts and risks, but also to actively encourage and facilitate collaboration between other local small to medium sized enterprises. In conducting supply chain reviews at all levels of our operation at regular intervals and setting out clear supplier expectations, ESM aims to promote greater levels of resource conservation, ethical and sustainable procurement and participation in the Circular Economy model within the wider events industry as a whole.

10. Reporting

To track progress in meeting this policy's objectives, at a minimum the nominated sustainability representative shall conduct supply chain reviews and report their findings to the directors on an annual basis.

11. Monitoring & Review

This Ethical & Sustainable Procurement Policy will be reviewed annually and updated as necessary to ensure its continued relevance, effectiveness, monitor compliance and prompt continual improvement. This policy will be used to inform our practices and procedures to promote ethical and sustainable procurement practises.

Signed:



Name:

Robert Brackstone

Position:

Director

Date:

9th July 2024

Review Date:

July 2025