

## Responsible Procurement Policy

Clipstone faces relatively low environmental and social risks in relation to its supply chains for development and asset management activities given that:

- our operations are solely in the UK
- we undertake a limited number of new build construction, development, and refurbishment activities
- our construction activities are not normally complex in nature
- we work with a limited number of suppliers, on a repeat basis.

However, supply chain impacts are increasingly under scrutiny. We recognise that we have an obligation to ensure that our supply chain and our procurement practises follow proper standards and seek to deliver social and environmental benefits.

### Responsible Development and Refurbishment

Where we undertake development or refurbishment of assets, we employ a professional and reputable firm to procure and manage the project.

Their supply chains are typically focused on sourcing from the UK and other European countries with strict social, ethical, and environmental standards and legislation. However, we place strict obligations on the contractor to comply with good practices and proper procurement procedures. Our approach to managing any potential risks is outlined in our responsible development requirements which govern a range of social and environmental impacts.

For larger projects where we enter into contracts with third parties, these responsible development requirements are embedded in our contracts and focus on two key areas:

- i. Labour standards, human rights, and health & safety
  - Ensure sufficient employee training with regards to H&S procedures, and to provide regular H&S performance reporting
  - Run construction sites with due consideration for the local area and where in sensitive areas such as adjoining residential areas according to the Considerate Constructors Scheme
  - Promote equal opportunities
  - Provide fair remuneration for site workers, in line with the Real Living Wage or with a plan in place to reach the Real Living Wage where staff would qualify as Contractors of Clipstone as defined by the Living Wage Foundation.
  - Uphold labour rights within supply chains including freedom of association and collective bargaining
  - Uphold human rights within supply chains
- ii. Minimisation of resource use and pollution risk
  - New build properties to target a minimum requirement of BREEAM Very Good

- Seek to minimise air and water pollution, and waste arising from the site, during construction activities
- Put in place processes to protect important species of flora / fauna on site and around site margins where identified as relevant.
- Operate a formal site waste management plan where required to in compliance with The Site Waste Management Plan regulations 2008
- Seek to use reclaimed, recycled, and locally sourced materials in preference to virgin materials, to minimise the use of raw materials
- Train on-site staff in the environmental management aspects identified in the contract
- Monitor sub-contractor performance on any relevant environmental management aspects identified in the contract

For larger projects we employ a project manager whose job it is to ensure that the contractor delivers the services specified in the contract, including our responsible development requirements. At each project management meeting, some of which will be attended by a Clipstone representative, the project manager will monitor how the contractor is performing on these responsible development requirements.

## Responsible Asset Management

Our standing portfolio has limited landlord management responsibilities which are generally limited to estate services and vacant properties, as the vast majority is comprised of properties on Full Repairing and Insuring (FRI) leases. For those situations where we retain management responsibilities, we outsource day-to-day property management to our managing agents. We expect our managing agents to promote our Responsible Procurement Policy when contracting out services on our behalf. The specific considerations for our managing agents in this respect include:

- Encouraging suppliers to provide their staff with wages that meet at least the Real Living Wage. We will monitor this on a periodic basis
- Reviewing whether the supplier has an Environmental Policy in place, environmental management, and risk management practices relevant to the services being provided