

## CLP Group

### Responsible Procurement Policy Statement

#### Introduction

The CLP Group [Value Framework](#) sets out both the values that guide the way we do business, and the commitments we make to those holding a stake in our business, including all those from whom we procure goods and services (our Suppliers). These values include our Policy Statements on Occupational Safety and Health and Environmental matters, and the Code of Conduct which governs the behaviour of our staff and contractors at our premises. Part of our commitment is to encourage our Suppliers to be guided by such principles in conducting their own businesses.

The CLP Group [Procurement Values and Principles](#) explains in further detail how the Value Framework applies to our procurement activity and describes how the Procurement Values and Principles apply to our relationships with our Suppliers.

Based on these values, this Policy Statement summarizes the expectations that we in the CLP Group have of the Suppliers that we select through our procurement process and of their suppliers and subcontractors. We believe that demonstrating our own commitment to continuous improvement and encouraging others to use best practice will bring benefits throughout the supply chain, helping to build good corporate citizenship.

#### Policy Statement

##### 1. Legal Compliance

- Our Suppliers and their suppliers and subcontractors must comply with the laws and regulations of their own country and exported products must comply with laws in force in destination countries.

##### 2. Respect for People

- We expect our Suppliers and their suppliers and subcontractors to provide a safe working environment for their employees, to make safety an integral part of work activities and to strive for continuous improvement in their safety standards and performance, with the goal of zero injuries at all work locations.

- We expect our Suppliers and their suppliers and subcontractors to implement good employment practices and treat employees fairly, to respect the rights of employees, provide a work environment free of discrimination, and for there to be no use of forced labour or child labour.

### 3. Ethics and Business Conduct

- We expect our Suppliers and their suppliers and subcontractors to follow transparent business processes and high standards of business conduct.
- We expect decisions throughout the supply chain to be made without conflict of interest and for safeguards against the giving or receiving of bribes to be maintained.

### 4. Responsible Environmental Stewardship

- We expect our Suppliers and their suppliers and subcontractors to be committed to the efficient use of resources, to use fuel and water conservatively, to dispose of waste and manage all key environmental impacts in a responsible manner.
- We expect our Suppliers and their suppliers and subcontractors to consider the impact of their business activities on the environment and to monitor environmental performance with the aim of continuous improvement over time.

### Policy Implementation

- We expect our Suppliers to demonstrate their commitment to meeting these expectations and where applicable to have processes in place to review performance. Over time this commitment will form an increasingly important part of our procurement selection process.
- We value long-term mutually beneficial relationships with our Suppliers. We regularly review the contract performance of our key Suppliers and such reviews will take this policy statement into account. Where gaps are identified, we will encourage our Suppliers to formulate and implement enhancement plans.
- We will be glad to respond to feedback about our supply chain raised by Suppliers or other stakeholders.