



Clyde & Co Sustainable Procurement Policy

October 2023

Document Ownership

Document Owner	Next Review Date
Global Head of Procurement	September 2024

Document Change Log

Revision Date	Author	Version	Summary of Changes
September 2023	Procurement	1.0	Initial Document
September 2023	Procurement	2.0	Revision
October 2023	Procurement	3.0	Revision

Review and Approval

Name	Position	Signature	Date	Version
Patrick Linighan	CSO	PL	October 2023	3.0

Contents

1	Introduction	1
2	Scope and review	1
3	Key responsibilities	1
4	Environmental risk	2
5	Use of natural resources	2
6	Biodiversity	2
7	Labour, human rights and community	2
8	Modern slavery	2
9	Business ethics	3
10	Supplier GHG obligations	3
11	Sustainable procurement practices	3
12	Commitments and operational objective	4

1 Introduction

At Clyde & Co, we recognize that our procurement of goods and services has the potential to impact the environment, society, and economy. As such, we are committed to sustainable procurement practices that uphold our values and contribute to a more sustainable future.

2 Scope and review

This policy applies to all procurement activities undertaken by Clyde & Co, including the acquisition of goods and services, the selection of suppliers, and the management of contracts. This policy sets out our approach to sustainable procurement, including our commitments and objectives to improve our sustainability performance. We will continuously review and improve our approach to ensure we are meeting our commitments and making a positive impact on the environment, society, and economy.

3 Key responsibilities

3.1 Hierarchy

Overall responsibility for this policy sits with Clyde's ESG Steering Committee. Responsibility for its execution and implementation rests with the Global Procurement Team.

3.2 Our employees are required to:

- 3.2.1 Always consider whether the purchase is necessary and explore options for reusing and sharing existing assets.
- 3.2.2 Give priority to sustainability and whole life costs when selecting suppliers and awarding contracts.
- 3.2.3 Undertake personal development to ensure you have the skills and knowledge to consider sustainability in your purchasing decisions.

3.3 Procurement team are required to:

- 3.3.1 Embed sustainable procurement within procurement procedures, practices and policies.
- 3.3.2 Focus specialist support on managing the procurement of goods and services that are high impact or high risk to the environment or society.
- 3.3.3 Produce guidance and deliver training to staff about the application of this policy to their procurement and purchasing activities, making information easily accessible and available to all.
- 3.3.4 Provide departments with category-specific advice on sustainability issues relating to procurement and purchasing.
- 3.3.5 Proactively engage with the supply chain to ensure we are open and transparent on what our sustainability expectations are and undertake ongoing supplier management.

3.4 Suppliers and Sub-Contractors are required to:

- 3.4.1 Comply with this policy and our Supplier Code of Conduct to the extent set out in their contract.
- 3.4.2 Provide data and information on key sustainability data and impacts of their products and services, and make commitments in line with Clyde & Co's commitment to reducing the impact of our supply chain throughout the term of their agreement.

4 Environmental risk

We recognize that our procurement activities have the potential to impact the environment. We will assess the environmental risks associated with our procurement activities and take steps to minimize our environmental impact and risk. This includes reducing greenhouse gas emissions, conserving energy, water, use of virgin material, and minimizing waste and pollution.

5 Use of natural resources

We will use natural resources responsibly and seek to minimize our consumption of non-renewable resources. We will seek out sustainable alternatives to non-renewable resources where feasible and take steps to reduce our overall consumption of natural resources.

6 Biodiversity

We recognize the importance of biodiversity and will take steps to protect and enhance it. We will consider the impact of our procurement activities on biodiversity and take steps to minimize any negative impact. We will also seek opportunities to support biodiversity through our procurement activities.

7 Labour, human rights and community

- 7.1 We are committed to upholding the rights of workers and promoting fair labour practices. We will ensure that our suppliers adhere to the same standards, including the prohibition of forced labour, child labour, and the prevention of discrimination in all its forms. We will ensure our suppliers that provide safe and healthy working conditions.
- 7.2 We recognize our role in supporting the communities in which we operate. We will seek opportunities to support community development through our activities. This includes engaging with suppliers that support communities and sourcing goods and services from local suppliers where feasible.

8 Modern slavery

We will not tolerate any form of modern slavery in our supply chain. This includes engaging with suppliers to ensure they have appropriate policies and procedures in place to prevent and address modern slavery. We will assess the risk of modern slavery and take steps to address any identified risks, including considering Modern Slavery in supplier selection and annual supplier compliance testing. We publish our Modern Slavery statement on our website, and expect suppliers to do the same, complying to a statement as onerous as our own.

9 Business ethics

We are committed to conducting our procurement activities in an ethical and transparent manner. We will not engage in bribery or corruption, and we will ensure that our suppliers adhere to the same standards. We will also consider the social and ethical implications of our procurement decisions.

10 Supplier GHG obligations

We will seek, wherever possible, to encourage and then oblige suppliers over time to:

- (a) publicly commit to setting a science-based net-zero goal (including near-term and long-term science-based targets) for reducing greenhouse gas emissions in line with the Science Based Targets Initiative.
- (b) commit to setting a net-zero goal, ideally in line with our own near-term and long-term commitments, and have it validated by SBTi.
- (c) annually calculate its greenhouse gas emissions following the latest version of the WRI's GHG Protocol.
- (d) annually report its greenhouse gas emissions.
- (e) demonstrate year-on-year reduction of GHG emissions in line with its targets.

11 Sustainable procurement practices

We will strive to incorporate sustainable procurement practices into all aspects of our procurement processes. This includes:

11.1 Compliance standards

Procurement agreements will comply with current environmental legislation, with suppliers encouraged to bring forward proposals to meet or go beyond our goals wherever possible.

11.2 Assessment of relevant sustainable procurement risks

We will assess the relevant sustainable procurement risks associated with our procurement activities. This includes the environmental, social, and economic risks associated with the goods and services we procure, as well as the risks associated with our suppliers. We will use this assessment to inform our procurement decisions and identify proactive opportunities to improve our sustainability performance.

11.3 Supplier selection and evaluation

We will prioritise suppliers who have a strong commitment to sustainability and who share our values. We will evaluate suppliers based on their sustainability performance, including their environmental impact, labour practices, and social responsibility. To enable this in practice – for all formal procurement exercises in categories which have a high or medium Sustainable Procurement impact, sustainable procurement considerations must count for a minimum of 25% of the tender scoring.

11.4 Sustainable products and services

We will prioritize products that are environmentally friendly, energy-efficient, and have a reduced carbon footprint. We will also prioritize products that are manufactured using sustainable practices, made from renewable or recyclable materials, minimise waste and avoid single-use items and products.

11.5 Supplier engagement and supply chain management

We will collaborate with our suppliers to promote sustainability throughout the entire supply chain. This includes collaborating with suppliers to reduce waste, minimize emissions, and improve labour conditions. Sustainable procurement will be included as a core consideration in all Supplier Relationship Management programmes

11.6 Objective setting – see below.

11.7 Reporting and transparency

We will regularly report on our sustainable procurement practices, including our progress towards our sustainability goals. We will also be transparent with our stakeholders about our procurement practices.

11.8 Continuous improvement

We will continuously monitor and evaluate our sustainable procurement practices to identify areas for improvement and set new objectives to ensure ongoing progress towards our sustainability goals.

12 Commitments and operational objective

We are committed to continuously improving our sustainable procurement performance. We will set annual objectives and targets to improve our sustainability performance, and we will regularly review and report on our progress. This includes:

- 12.1 Setting targets to ensure we meet our commitment under the Science Based Targets Initiative (SBTi) to reduce our GHG emissions.
- 12.2 Setting other relevant targets as appropriate, for example:
 - (a) Percentage of procurement exercises where Sustainable Procurement as a formally weighted decision criteria.
 - (b) Percentage of suppliers who have been through enhanced supplier due diligence.
 - (c) Percentage of suppliers who have signed up the Clyde & Co's Supplier Code of Conduct.
 - (d) Percentage of suppliers where a formal supplier relationship management process, covering Sustainable Procurement is in place.
- 12.3 These objectives will be reviewed and updated annually to ensure that they are consistent with our commitment to sustainable procurement.

490

Partners

2,400

Lawyers

5,500

Total staff

3,200

Legal professionals

60+

Offices worldwide*

www.clydeco.com

*includes associated offices

Clyde & Co LLP accepts no responsibility for loss occasioned to any person acting or refraining from acting as a result of material contained in this summary. No part of this summary may be used, reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, reading or otherwise without the prior permission of Clyde & Co LLP.

© Clyde & Co LLP 2023