

ENVIRONMENTAL PROCUREMENT POLICY

Revised Edition
October 2004

A guide for
employees and
suppliers

Copies of this document are available from:

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In addition they can be downloaded at

<http://www.gaskandhawley.com>

Gask and Hawley is committed to making the local environment a better place now, and in the future.

An objective within the Company's Corporate Plan is to 'Enjoy a High Quality Environment'. A priority within this is 'To do what we can as an organisation to enhance our local environment now and for the future generations'. This includes a commitment for the company to introduce environmentally friendly procurement practices.

As an organisation, the company recognises that its procurement decisions can have an impact on the environment and sustainable development, both locally and globally. Many of the goods and services we buy can cause damage to the environment or public health through the use of raw materials, the manufacture of goods and their distribution, use and disposal.

This booklet sets out G&H Print Services Limited Environmental Procurement Policy and outlines a number of actions the company has undertaken or will undertake to encourage employees and suppliers to incorporate environmental issues into their procurement practices.

The Environmental Procurement Policy is only the first step towards reducing the environmental impact of the company's procurement decisions. As this booklet sets out, we will produce clear, simplified guidance and implement a training programme to enable employees and suppliers make more informed choices. A separate management team will be responsible for monitoring and reviewing the policy.

Earl Hawley
Managing Director

Revised edition October 2004 Statement On Recycled Paper

(Approved May 2004)
Paper/printed matter supplied

All 'internal usage' paper and printed matter, which is ordered, should be changed from virgin paper to 100% recycled paper from post consumer waste with immediate effect.

In considering what is technologically possible, suppliers should primarily consider if recycled paper could be used. All printed documents should contain a sentence declaring the recycled content of the paper used.

Reduction of non-essential printed matter

Where possible, printing and photocopying should be double sided to save paper.

Achieving environmental sustainability

To achieve G&H Print Services Limited's objectives relating to environmental sustainability, the company recognises that it should take a positive lead, by carrying out its procurement activities in an environmentally responsible manner. The company will therefore work with its employees wherever possible and practical to:

- ♣ Reduce the number of goods and services procured by cutting down on waste and repairing or reusing existing goods,

- ♣ Use the least environmentally damaging goods and services,
- ♣ Provide value for money by taking into account the whole life costs of goods and services,
- ♣ Include environmental specifications in all contract documentation and ensure criteria are used in the award of contracts,
- ♣ Raise awareness on environmental issues relating to procurement by providing relevant information and training for specifiers and end users.

The company will also work with its suppliers wherever possible and practical to green the supply chain by

- ♣ Promoting environmental awareness amongst suppliers and ensuring they are aware of the company's Environmental Policy,
- ♣ Encouraging suppliers to introduce more environmentally friendly processes and goods (which can be verified) at competitive prices,
- ♣ Assessing the environmental credentials of major suppliers and their goods.

Reduce the number of goods and services procured by cutting down on waste and repairing or reusing existing goods

The best environmental option is to procure and use less. This will conserve resources, reduce pollution as well as significantly reducing the amount of waste produced.

Before buying goods employees should consider whether consumption could be reduced by reusing or repairing existing materials and goods. Employees should also investigate whether alternatives procedures can be put into place, which will remove the need to buy goods and services. For example can goods be shared, borrowed or loaned rather than purchased?

Use the least environmentally damaging goods and services

Procurement decisions should be based on environmental criteria along with other major factors such as value for money, quality and whole life costs.

Employees should assess whether goods and services:

- ♣ Are durable, reusable, refillable, or recyclable
- ♣ Contain reused, recycled or renewable raw materials
- ♣ Are energy and resource efficient
- ♣ Use minimum packaging and encourage waste reduction
- ♣ Are non (or minimum) polluting

- ♣ Are locally produced
- ♣ Are free from ozone depleting substances, solvents, volatile organic compounds and other substances damaging to health and the environment
- ♣ Are certified sustainable sources e.g. FSC approved
- ♣ Cause minimal damage to the environment in their production, distribution, use and disposal, and
- ♣ Are on the most competitive terms having regard to Best Value

Provide value for money by taking into account the whole life costs of goods and services

Employees should take into account all aspects of costs including running and disposal costs as well as the initial price. The main elements to take into account when considering Whole Life Costs are:

- ♣ *Direct running costs* – e.g. resources used over the life time of the product or services such as energy, water;
- ♣ *Indirect costs* – e.g. loading on cooling plant arising from energy inefficient equipment, maintenance costs, training;
- ♣ *Administration costs* – e.g. COSHH overheads from buying hazardous products requiring additional controls and special handling and disposal;
- ♣ *Spending to save* – e.g. investing in higher levels of insulation to save heating and reduce bills;
- ♣ *Recyclability* – e.g. creating markets for our own waste by buying recycled products, to promote the development of long term markets for localised recycling activities;
- ♣ *Cost of disposal* – e.g. paying a premium at the outset to reduce waste by choosing a product which is more durable, re-useable and recyclable and does not contain hazardous substances requiring disposal in a special way. Consideration should be given to current and impending EU and UK waste regulation.

After considering these aspects it may mean value for money is provided by investing in a more expensive product or service initially, to reduce costs in the long run.

Include environmental specifications in all contract documentation and ensure environmental criteria are used in the award of contracts

All procurement of goods and services should be carried out in accordance with EU and UK legislation, Standing Orders, Financial Regulations and other procedures determined by the company. Environmental requirements can be incorporated into contracts as long as they:

- ♣ Are appropriate and relevant to the product or service,
- ♣ Are included within the tender,
- ♣ Apply equally to all potential suppliers or contractors,
- ♣ Are not anti competitive,
- ♣ Do not specify brand products,
- ♣ Do not refer to non-commercial matters, and
- ♣ Use a recognised European Standard

Environmental concerns in contract arrangements can either be addressed at the specification stage of the buying process, such as specifying the content of recycled materials or specifying certain substances cannot be used or by building environmental factors into the assessment process.

It is important to build into the specifications the need for goods and services to comply with the company's Environmental Policy. Criteria already established under official Eco labelling schemes can be used to improve specification for products and services.

The following general statements will be included in the Standard Terms and Conditions of all new contracts:

The contractor shall use reasonable endeavours where appropriate to ensure that services or product (as the case may be) are provided or supplied in accordance with the company's policies to promote the protection of the environment. Copies of any relevant documents setting out the company's policies in this regard shall be provided to the contractor upon request. Any other environmental requirements specific to the contract can be written into the specifications.

The company will establish criteria by which the environmental impact can be taken into account during tender evaluation and this will be clearly identified in tender documentation. The weight given to the environmental impact of the tender will be dependent on the company's perception of the risk associated with that purchase.

The company will continually review its contract specifications and assessment to ensure they comply with environmental legislation and reflect best practice.

Raise awareness on environmental issues relating to procurement by providing relevant information and training for specifiers and end users

The environmental procurement policy is available throughout the company.

To ensure budget holders and individual employees take full account of the Environmental Procurement Policy the company will develop and implement a training programme to raise awareness and to explain the procedures for implementing environmentally friendly procurement. Priority will be given to budget holders.

The company will also establish and maintain detailed policies and guidance for goods and services, which have a significant environmental impact by virtue of the nature and quantity purchased. The principles of environmental procurement will be incorporated into the Purchasing Code of Practice and will be available on the Gask and Hawley Internet site. This will provide detailed guidance to help employees buy or specify products and services, which cause the least environmental damage.

The guidance contained within the Procurement documentation will be updated regularly to provide information on best practice on a range of products and services and to take into account other policies and procedures adopted by the company.

The company will continue to work with suppliers to include and increase the use of environmental logos in their catalogues. This will help buyers make more informed choices.

Promoting environmental awareness amongst suppliers and ensuring they are aware of the company's Environmental Policy

It is recognised that there is a need to create greater environmental awareness in the supply chain. This booklet will be made available to all existing and potential suppliers and is one way in which awareness will be raised. In addition, whenever the company invite tenders for new contracts a copy of the Environmental Procurement Policy will form part of the tender documentation.

In future the company intends to hold seminars/workshops to outline the company's environmental objectives and to demonstrate how taking into account the 'environment' can provide a long-term competitive advantage. Suppliers who initiate and promote good environmental practice and provide a good service will be recognised.

The company also intends to highlight opportunities for suppliers to improve their environmental performance through disseminating best practice and directing suppliers to further sources of information and funding.

Encouraging suppliers to introduce more environmentally friendly processes and goods (which can be verified) at competitive prices

The company's intention is to increasingly develop specifications that are environmentally friendly. These enhanced specifications should encourage manufacturers and suppliers to develop environmentally preferable goods and services, at competitive prices.

The following general statement will be included in the Standard Terms and Conditions of all new contracts to ensure suppliers and contractors comply with the company's Environmental Policy.

The contractor shall use reasonable endeavours where appropriate to ensure that Services or Product (as the case may be) are provided or supplied in accordance with the company's policies to promote the protection of the Environment. Copies of any relevant documents setting out the company's policies in this regard shall be provided to the contractor upon request.

Assessing the environment credentials of major suppliers and their goods

Ultimately the company would like its supply base to be 100% environmentally committed. Suppliers and contractors will increasingly be asked questions relating to their environmental performance.

The company intends to compile and maintain an approved list of suppliers. This will include carrying out an assessment of suppliers to ensure they meet certain criteria. This will include assessing their commitment to environmental management along with issues such as financial stability, technical capability, compliance with legislation and equality.