

Sustainable Procurement Policy

Approved by: Guy Wakeley

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Introduction

Reconomy is an international circular economy specialist that combines technology, skills and incredible people to build sustainability 'loops' that create circular opportunities for business. We do this through a tech enabled, people-powered approach that helps our customers better manage their resources, reduce waste, optimise their supply chains, and contribute in a meaningful way towards the circular economy.

It's not just about doing good; it's about doing good business for others as well as ourselves. That means combining ethical and sustainable practices, with sound future-proofed business strategies.

Scope

This policy applies to all third parties providing services to Reconomy and its legal entities. However, each entity is accountable for adhering to relevant laws and regulations governing their local business activities. Previous contracts and agreements with Reconomy will continue to apply and, as this is a global framework, it may be complemented with additional requirements based on local needs..

Strategic Context

Reconomy's Sustainability Strategy and Business Ethics Code of Conduct is core to the business and commits us to developing a sustainable procurement framework and Policy. This relates to the goods and services we procure, as well as our suppliers and service providers.

'Sustainable procurement means meeting both ours and our customers' needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation but also society and the economy, whilst minimising the damage to the environment'. (*Definition from the UK Sustainable Taskforce, Procuring the Future*)

Ensuring sustainability and business ethics are considered prior to and during procurement decisions will help us to ensure they are central to making informed purchasing decisions. Environmental, social, ethical and business values are fundamental to our sustainability strategy, and these are also the focus areas of sustainable procurement.

For Reconomy, our stakeholders include customers, employees, suppliers, charities, regulators and industry bodies. Procuring sustainably and responsibly aligns entirely with both our policies and our values. This Policy has been implemented into our Management System and will be reviewed by Senior Management and renewed on an annual basis.

Implementation

We have used the ISO20400 Sustainable Procurement framework and have taken a risk-based approach identifying areas of higher spend and operational risk. We have undertaken a Sustainable Procurement heat map of our operational suppliers and suppliers of goods and services.

The purpose of this Policy is to:

- Support the implementation of our Sustainability Strategy
- Endorse sustainability throughout our supply chain
- Ensure sustainable procurement practices are adopted and maintained across the business
- Meet and exceed our targets and key performance indicators KPIs

Procurement, Operations and Supply Chain Teams

Our teams are qualified and experienced in supply chain management, are aware of the principles of sustainable procurement and have regular update training. The procurement function is responsible for fostering open communication channels with suppliers and addressing any concerns or issues that may arise. The function is tasked with enforcing the Policy across all procurement activities, including supplier selection, contract negotiation, and ongoing performance evaluation.

Sustainability Leads have responsibility, across brands and locations for overseeing the implementation of the Sustainable Procurement Policy and ensuring alignment with regulatory requirements and Reconomy values.

Suppliers are expected to appoint a representative responsible for liaising with our organisation, facilitating communication, and ensuring adherence to contractual obligations and standards.

Supplier Selection

The following basic principles are followed when selecting suppliers:

- Financial checks
- Capability and capacity
- Compliance and legal checks
- Required accreditations

Reconomy Supply Chain

Reconomy has an extensive and international supply chain to offer a quality service to a diverse client base and we are uniquely positioned to influence resource management and sustainability.

We are committed to doing business ethically and with integrity. We will only work with and support suppliers who adopt the highest standards of:

- ethics
- human rights
- health, safety and wellbeing
- working arrangements
- equality and diversity
- environmental responsibility and protection
- data and information security
- service quality
- continuous improvement

Reconomy has clearly laid out the expectations of our suppliers and what they can expect from us in return in our **Supplier Sustainability Charter** and **Business Ethics Code of Conduct**. All suppliers are required to sign up to the charter and to develop improvement actions to ensure standards are met.

Reconomy commits to:

- Paying our suppliers and subcontractors on time and requesting that they pay their suppliers and subcontractors on time and in accordance with the contract conditions.
- Ensuring that we deal with all our suppliers and potential suppliers fairly and ethically and in accordance with our Supplier Sustainability Charter and Business Ethics Code of Conduct
- Ensuring that we are working with Suppliers who have high ethical standards and who actively work to improve their social and environmental impacts
- Promoting a two-way engagement process that encourages continuous improvement to Sustainable Issues

Human Rights and Working Conditions

Reconomy respects the human rights of all those involved in our operations, including our employees, suppliers, customers, and other stakeholders. We acknowledge our responsibility to prevent and mitigate any adverse human rights impacts associated with our business activities, and we are committed to conducting our operations with dignity, equality, and non-discrimination for all as our guiding values. We never tolerate Modern Slavery in any form – including human trafficking, forced labour, fraud, bribery or corruption, and commit to only ever working with suppliers who care about this as much as we do.

Health and Safety

The health and safety of our employees and stakeholders is our highest priority. We are committed to creating and maintaining a safe and healthy working environment for everyone. We continuously assess and mitigate risks, provide ongoing training and education, and comply with all relevant health and safety laws and regulations.



Business Ethics

Upholding the highest standards of business ethics, integrity, and transparency in our operations. We take a zero-tolerance approach to bribery and corruption, encourage the reporting of bribery offences and other forms of corruption, and prohibit retaliatory actions against any person who raises a concern in good faith. We further commit to provide clear and fair procurement methods and develop long-term relationships.

Environment

Operating sustainably and responsibly, and to continuously improve our environmental performance. We comply with all relevant environmental laws and regulations and take proactive steps to environmental protection. We require our suppliers to share our commitment to environmental protection and to implement sustainable practices in their operations and to collaborate with Reconomy to ensure transparency and traceability of the impact of the services provided.

Data and Information Security

Protecting the confidentiality, integrity, and availability of all stakeholders' personal data and records, and all valuable Reconomy information assets, such as analysis reports, financial data, and contracts, among others. We comply with our legal obligations in respect of data privacy and information security, implementing security measures and collecting, storing and processing data and information to minimise risk.

Service Quality

Reconomy delivers reliable, efficient, and innovative solutions that meet or exceed customer requirements and enable the transition to a circular economy. We are committed to collaborating with suppliers, establishing clear and effective communication channels and recognise excellent supplier performance to develop long-term relationships.

Continuous Improvement and Innovation

We are dedicated to consulting with, listening to, and acting on our suppliers' suggestions for continuous improvement. By fostering open and collaborative communication, we actively support the development of innovative sector practices through good practice forums, helping suppliers and subcontractors enhance their sustainability policies and practice. Our commitment to delivering solutions that meet or exceed customer requirements drives us to be not only reliable but also easy to do business with. Through this approach, we create an environment that encourages mutual growth and shared success.

Reconomy Goods and Services

Sustainability will be considered, as follows, when procuring goods and services across Reconomy.

- Using sustainability criteria, where appropriate, when awarding contracts and selecting suppliers
- Requesting suppliers and potential suppliers submit prices for alternative more sustainable solutions
- Ensuring that any alternatives are given due cost benefit consideration prior to award

Reconomy Sustainable Procurement Guidance has been communicated and is designed to support our functions and operations in making more sustainable decisions.

Monitoring and evaluation

Reconomy will monitor our suppliers' compliance with the requirements outlined in the Supplier Sustainability Charter through regular assessment, site visits, and business reviews. .

If you, as a valued supplier, are unable to fulfil any of the expectations we have listed, please notify our Procurement in writing before or promptly upon the occurrence, detailing which specific expectations you are unable to meet and the reason for it.

Developing a sustainable procurement network is a collaborative effort, and we are committed to working closely with our suppliers to improve performance. We encourage our suppliers to engage with us on sustainability issues, to provide feedback on our performance, and to share their sustainability initiatives and best practices.

Review Mechanism

This Policy is to reviewed annually to ensure it:

- remains relevant and effective.
- meets policy performance against relevant objectives and targets.
- takes account of the results from audits, site visits and document reviews.

The Procurement, Sustainability and management system teams will lead the review process, presenting findings and recommended updates to Senior Management for approval. Adjustments will be communicated to all employees and stakeholders to maintain transparency and continuous improvement.

Setting Sustainable Procurement Priorities

Four key sustainability factors have been identified as focus areas to implement this policy (environment, social, ethical and business value) and ensure we work towards our sustainable procurement aims. We will ensure our supply chain supports this Sustainable Procurement Policy and we work together towards specific measurable outcomes.

Key Sustainable Procurement Targets

Strategic Aim	Objective	Target	Responsible	Goal year
Developing our supply chain	Implement the Sustainable Procurement Policy	Full integration of sustainability across procurement	Group Sustainability and Procurement	2028
Developing our supply chain	Monitor the percentage of our supply chain that are SMEs and measure spend	80% of supply chain to be SME	Group Sustainability and Procurement	2030
Developing our supply chain	Identify and increase the number of voluntary, community and social enterprises in our supply chain	2% of preferred suppliers to be VCSE	Group Sustainability and Procurement	2028

We would also like to work with Suppliers and Subcontractors to improve the sustainability knowledge amongst their teams. They are also required to pass on our sustainability and business ethics requirements to their supply chain and have plans in place to deliver, manage and report this information effectively, with support from ourselves.

In due course we would like our suppliers to consider the use of local (50-mile radius) suppliers, and consider SMEs (Small, Medium size enterprises) or VCSE (voluntary, community, social enterprise) companies who support and develop skills and talent from a variety of sources such as apprenticeships or disadvantaged groups.



Our suppliers and subcontractors are also required to ensure that they adhere to our Modern Slavery and Business Ethics Code of Conduct.

Signature:



Name: Guy Wakeley
Position: Chief Executive Officer
Date: 22nd October 2025