

# PROPERTY

## SUSTAINABLE PROCUREMENT

### OUR OBJECTIVES

The management of our supply chain is central to the delivery of many of our other sustainability objectives; through the careful specification of goods and services and extensive engagement with our key suppliers, we build strong relationships and a better understanding of any support required to ensure the delivery of a sustainable and high-quality product; and through strict monitoring procedures, we ensure compliance with our requirements is met and delivery is to a high standard.

### RESPONSIBLE SOURCING

*Objective: To identify and expand our criteria for the responsible sourcing of materials, goods and services, to ensure that they meet our wider sustainability objectives.*

### SUPPLY CHAIN ENGAGEMENT

*Objective: To build meaningful relationships with our supply chain, enabling us to benefit from each other's experience and use our collective resources to deliver greater social value.*

### SUPPLY CHAIN MONITORING

*Objective: To ensure that our high standards are maintained through performance monitoring, review and continuous improvement.*



# PROPERTY

## SUSTAINABLE PROCUREMENT



### RESPONSIBLE SOURCING

Our objective is to identify and expand our criteria for the responsible sourcing of materials, goods and services, to ensure that they meet our wider sustainability objectives.

Across the Group, we procure from many suppliers, both directly and indirectly. To date, we have adopted an individualised approach to procurement, setting performance standards on a case-by-case basis. Going forward, we recognise the advantages of standardising specifications and formalising minimum standards across the business.

### MINIMUM SOURCING STANDARDS

*The materials, goods and services we procure form the most significant areas of spend for Quintan, and we have several mechanisms in place to ensure they are responsibly sourced.*

All of our Principal Contractors have in place environmental management systems certified to ISO 14001 and are audited on a regular basis to maintain their certification. More broadly, all consultants and suppliers are required to sign up to our Supplier Code of Conduct which sets out our expectations in relation to a wide range of ESG issues.

### MATERIAL SOURCING REQUIREMENTS

In relation to our construction activities, we have identified a number of requirements and preferences for the sourcing of materials.

As outlined in our Climate Change section, reducing the embodied emissions of our development is one of our priority areas and in support of the assessment process, an Environmental Product Declaration (EPD) is required for materials used in all key building elements.

In addition, all timber must be legally sourced and certified with a full chain of custody by either the Forestry Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC).

Additional material sourcing preferences are set out opposite:

- Materials that emit low levels of Volatile Organic Compounds (VOCs)
- Rapidly renewable materials and materials with recycled content
- Packaging that can be taken back and/or easily reused or recycled
- Other locally sourced materials.

### SUSTAINABILITY BRIEF FOR DEVELOPMENT

We have recently developed a Sustainability Brief for Development which applies across all future development at Wembley Park and sets out our policy, objectives, specific requirements and detailed guidance for how projects can demonstrate they are being designed and constructed in accordance with our sustainability policy and objectives.

For some objectives, we have identified target trajectories to provide our design teams with an indication of our future performance intentions. This approach is designed to encourage innovation and indicate our seriousness and expectations for continuous improvement.

The brief will be updated on a regular basis to ensure that it evolves along with our policy and in particular, the development of further targets and KPIs.

Beyond a brief for new development, we are also considering the introduction of a brief for our managing agents and a brief for acquisitions, however these are currently not a priority given the existing management arrangements we have in place and our limited acquisition activity.

### SUPPLY CHAIN ENGAGEMENT

Our objective is to build meaningful relationships with our supply chain, enabling us to benefit from each other's experience and use our collective resources to deliver greater social value.

We are committed to working with companies who uphold our values when it comes to the delivery of works, services and products.

### CONTRACTOR FRAMEWORK

*We have identified a select group of Principal Contractors with whom we have partnered with, who each share our vision for collaboration and allow us to improve the speed at which we can deliver our objectives.*

Our Contractor Framework was put in place to guarantee capacity in the market and to engender collaboration and innovation, whilst ensuring we complete construction at pace. However, this framework also helped to standardise the processes and controls used to select and award our significant construction contracts to our key contractors in a transparent and unbiased manner. Confirmation of the selected contractors is made publicly available on our website. We selected contractors who demonstrated the behaviours that we were keen to encourage, including the sharing of knowledge and solutions, and ensuring success for the whole, rather than the individual contractor.

This approach supports collaboration and the sharing of ideas and goals, setting challenges for each member to improve their performance against their peers and ultimately supports our approach to Sustainable Procurement.

The framework has allowed us to deliver more effectively across a wide range of topics, from logistics management, to health and safety and community engagement. It has also supported improved management of supply chain risks, particularly in relation to market saturation.

By openly discussing forthcoming projects and the sub-contractor supply chains being considered by each contractor, we are able to collectively make decisions, in some cases, opening up the supply chain to additional entities to reduce concentration risk.

Our Contractor Forum is a space for all of our contractors to meet with us to discuss a wide range of topics, from challenges in the market, innovations we might consider, feedback around performance of new technologies and approaches and other lessons learned.

When we made the decision to change our approach to metering and future smart tech capability, early interface with our contractors and their knowledge sharing allowed us to develop a better approach; the early adopters of our new metering strategy provided feedback to our design and construction teams across other projects, allowing us to more quickly identify and correct issues for future buildings.



# PROPERTY

## SUSTAINABLE PROCUREMENT



### SUPPLY CHAIN MONITORING

Our objective is to ensure that our high standards are maintained through performance monitoring, review and continuous improvement.

We monitor our supply chain performance and adherence to our requirements in a number of ways. Ongoing checks are carried out throughout the life of the relationship with each supplier, with additional measures in place to manage our higher-risk relationships.

### SUPPLIER PORTAL

*To support our Procurement Policy, in 2015 we worked with sustainability software providers Greenstone to develop and implement a cloud-based system which provides a mechanism for implementing the controls required to deliver our procurement objectives.*

Across the business, SupplierPortal is used as a database for corporate governance enquiries with respect to all our suppliers, and for the storage of all supporting documentation; this prevents contracts from being awarded to suppliers outside of the agreed framework, effectively preventing the occurrence of a significant bribery or corruption event. Where our annual spend with a supplier of services, works and/or products is greater than £10k, or our spend with a consultant is greater than £100k, the supplier is invited to register online, respond to several questionnaires which we deem to be critical in understanding their approach to ESG issues, and provide the required supporting documentation. This is then checked for compliance and if satisfactory, their registration is confirmed. Once a supplier has progressed successfully through SupplierPortal, they are deemed to be a preferred supplier, which indicates that all corporate governance checks have been completed and are in order. In addition to a standard form of engagement (where applicable), SupplierPortal includes questionnaires on a variety of topics. Our questions have been carefully crafted to ascertain compliance, but also to signal our interest in various topics and provide our suppliers with an indication of what we might ask them for in the future. Various insights into our supply chain approach to key issues covered by our Sustainability Policy can be found on the following pages.

### SUPPLIER QUESTIONNAIRES

Our questions have been carefully crafted to ascertain compliance, but also to signal our interest in various topics and provide our suppliers with an indication of what we might ask them for in the future. Our questions cover the following key topics:

- Environmental Policy
- Health & Safety
- Labour
- Anti-bribery & Corruption
- Information Security
- Commercial Information
- GDPR Adherence

**Total approved suppliers – LTD Companies**

**314**

**Total approved suppliers – LTD Companies**

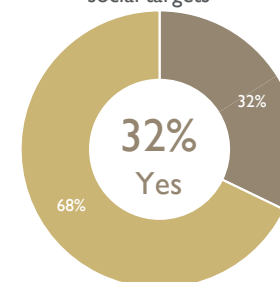
**314**

### HOW OUR SUPPLIERS PERFORM ON KEY SUSTAINABILITY ISSUES

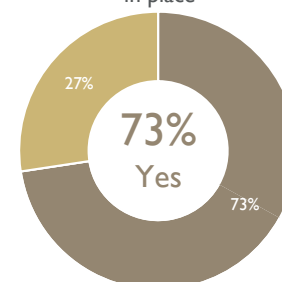
The following graphs provide a snapshot of the sustainability actions of the suppliers with whom we currently engage.

KEY  
■ Yes  
■ No

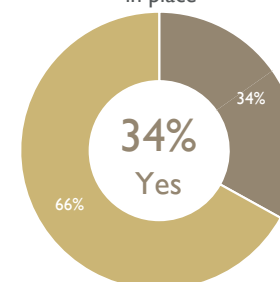
Set environmental and/ or social targets



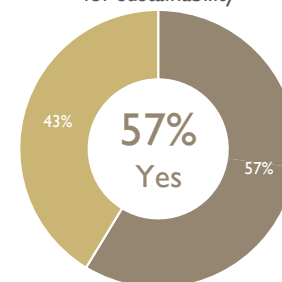
Have a Sustainability/ CSR Policy in place



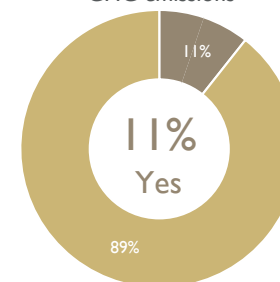
Sustainable Procurement Policy in place



Have an Executive responsible for sustainability



Public disclosure their GHG emissions



# PROPERTY

## SUSTAINABLE PROCUREMENT



### HOW OUR SUPPLIERS PERFORM ON OTHER KEY GOVERNANCE ISSUES

In addition to understanding the actions of our supply chain on specific sustainability issues, we also seek to understand what policies, procedures and other mechanisms they have in place against a wide range of governance and compliance issues.

This helps us to understand our level of risk exposure and where an organisation does not have the full suite of desirable policies in place, to identify this and manage the risks that may pose accordingly.

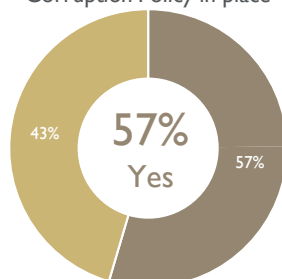
The following graphs provide a snapshot of the governance actions of the suppliers with whom we currently engage.

#### KEY

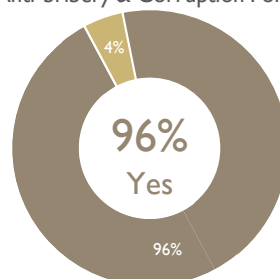
■ Yes  
■ No

#### ANTI-BRIBERY & CORRUPTION

Have an Anti-bribery & Corruption Policy in place

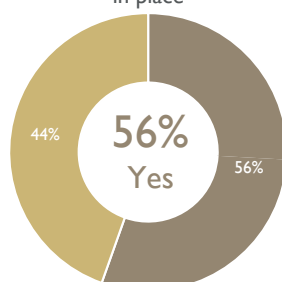


Have agreed to abide by Quintain's Anti-bribery & Corruption Policy

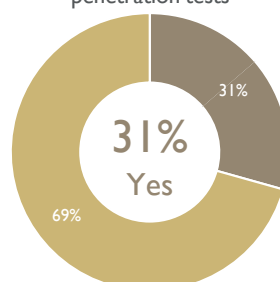


#### IT SECURITY

Have an IT Security Policy in place

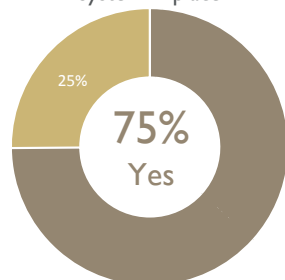


Carry out external penetration tests

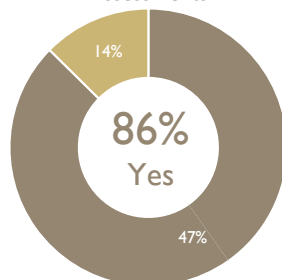


#### HEALTH & SAFETY

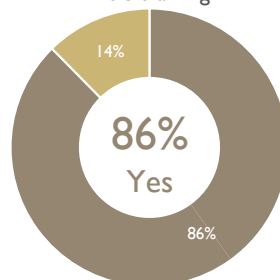
Have a H&S Management System in place



Carry out H&S Risk Assessments

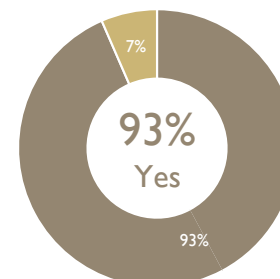


Provide employees with H&S training

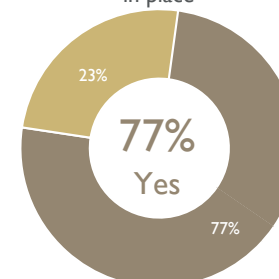


#### LABOUR

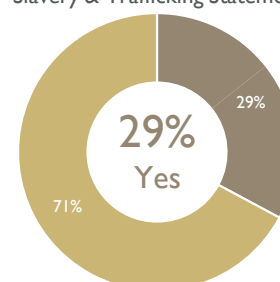
Pay the Local Living Wage



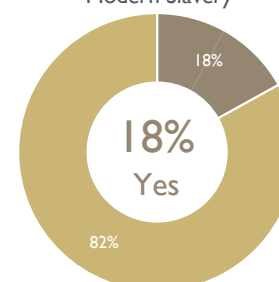
Have an Equal Opportunities Policy in place



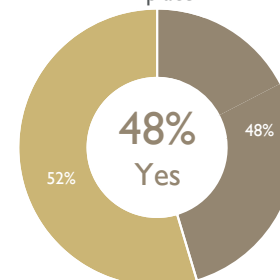
Are required to publish a Modern Slavery & Trafficking Statement



Are required to report on Modern Slavery



Have a Modern Slavery policy in place



Carry out Modern Slavery due diligence within their supply chain

