



Procurement Policy

For sustainable, fair and ethical procurement
8 August 2024



Guiding principles

This policy sets out the requirements when conducting procurement on behalf of the Tonkin + Taylor Group of Companies (“TTG”).

As stated in our Code of Conduct we are committed to sustainable, fair and ethical procurement and ensuring the values of our Suppliers are aligned with ours. We will ensure that Suppliers are selected in an ethical manner and for justifiable purposes. These Suppliers will be reputable, competent and qualified for the purpose for which they are engaged.

Scope

This policy applies to all company employees, Contractors, Consultants and Suppliers engaged by any of our companies.

Definitions

Procurement being the acquisition (sourcing and/or purchase) of goods, services and works, through engaging external parties either for our own use or for Client projects.

Suppliers being the parties as defined in our Code of Conduct who are participating in or conducting procurement activity on behalf of any of our companies.

What is the business commitment

Social, sustainable and ethical procurement

As part of our Purpose “together we create and sustain a better world” and strategy of “being sustainable is embedded in everything we do”, our procurement decisions are a key lever to support more sustainable outcomes. This includes our approach to the Supply Chains we are part of and the broader impact of our procurement decisions and activities on our environment and communities in our work with clients and in our own operations.

Practical steps we will undertake include:

- Strategies to avoid unnecessary consumption and manage demand.
- Minimisation of adverse environmental impacts of goods and services over the whole of life of those goods and services.
- Suppliers’ social responsibility practices including compliance with legislative obligations to employees.
- Value for money over the whole-of-life of the goods and services.

- A growing commitment to Social Procurement and achieving Broader Outcomes through Supplier Diversity. Emphasis will be on how we support the outcomes for Indigenous communities across TTG and how indigenous communities in turn support TTG in achieving our goals. They include Māori, Moriori, Pacific Peoples, First Nations, Aboriginal and Torres Strait Islander. Ongoing initiatives such as engaging with Supplier Diversity organisations Amotai: Supplier Diversity Aotearoa in New Zealand and Supply Nation in Australia. Appropriate training, systems, targets and measures will be developed, and progress and consistency actively managed.
- To the full extent applicable and practical all TTG office locations will achieve a Greenstar rating (or local country equivalent) of 5 or better.

Our expectations of suppliers

New Suppliers (unless on the current Supplier Exemption List) must acknowledge their acceptance of the **TTG Code of Conduct** in writing and act in accordance with the principles.

Suppliers are required to:

- Display professionalism and excellence.
- Comply with the law.
- Prioritise health, safety and wellbeing.
- Embrace diversity and inclusion and actively work to address any form of discrimination.
- Reject any violation of people’s rights and freedoms, including modern slavery practices such as forced labour, child labour and human trafficking.
- Positively impact the environment and the communities we touch.
- Respect privacy and confidentiality.
- Avoid and declare any conflicts of interest.
- Be committed to fair and ethical supply.
- Compete, communicate and operate in a fair honest and lawful manner.
- Not tolerate corruption.
- Use property and systems in an appropriate manner.
- Protect our intellectual property and the rights of others.
- Engage with the appropriate people at TTG.
- Keep accurate records.

- Meet any other requirements specific to the engagement including where appropriate value for money considerations.

Our expectations of the individual

All employees and directors of TTG entities are responsible for understanding and meeting the policy requirements. Procurement and supply guidance, training and communication will be progressively made available. The Supply Chain & Property Director should be contacted if further clarity is needed.

Purchasing

- Purchasing of goods, services and works should follow the **Procurement Checklist** available on Connect.
- All staff undertaking procurement should complete the **Procurement learning module** "Doing the right thing: Sourcing Goods, Services and Works", outlining good practices for the four stages of procurement – Plan, Source, Contract and Manage.

Supplier Selection and Management

- The selection and management of suppliers should follow the processes outlined in the **Procurement Checklist**.
- All Suppliers must complete **Supplier PreQual assessment** before being engaged unless on the current **Supplier Exemption list**.
- It is the responsibility of the TTG employee recommending the use of a Supplier and the Delegated Financial Authority approver to ensure the applicable processes have occurred.

Supplier Agreements/Contracts

- All supplier engagements must have the appropriate form of contract in place before goods, services or works are provided. This includes goods, services or works being provided to TTG entities for client projects delivery.
- Supply Contracts must be established following guidance notes from ICT (**Forming Contracts with Suppliers**).
- All Supply Contracts must be signed on behalf of the TTG entity using the appropriate **Delegated Financial Authority** for the total commitment.
- All Supply Agreements and Supply Contracts must be documented and once executed

stored as outlined in the **Procurement Checklist**.

What happens if there is a breach

Non-compliance with this policy, can substantially harm TTG's reputation. We could be excluded from participating in public procurement or potentially be excluded by clients. We could also be subject to legal proceedings or investigation and sanctions by regulators.

A breach of this policy, our relevant policies and procedures, or applicable laws may also, after investigation, be considered as misconduct or serious misconduct and result in appropriate action which may include disciplinary action, dismissal (or immediate termination of your engagement with us if you are a Supplier) and/ or reporting to appropriate authorities.

Monitoring of compliance to this policy will be conducted on a regular basis.

Where to go for support on this policy

Please reach out to the Supply Chain & Property Director, Supply Chain Specialist or email supplychain@tonkintaylor.co.nz

Related documents

- Code of Conduct
- Procurement Checklist
- Group Delegated Financial Authority Policy
- Health, Safety & Wellbeing Policy
- Purposeful Decisions Principles
- Group Company Vehicle Policy
- Travel Policy
- Anti-corruption Policy
- Gifts and Hospitality Policy
- Sustainability Policy
- Sustainable Procurement Guidelines
- Integrated Management System Policy
- Forming Contracts with Suppliers
- Modern Slavery Statement
- Diversity, Equity, Inclusion & Belonging (DEIB) Policy

The information provided in this policy is current. Please be aware that policies are subject to change and reviewed periodically