

Our policy on **Sustainable and Ethical Trading**



Our policy on sustainable and ethical trading expands on commitments in our existing Corporate Responsibility Policy.

It ensures that we and our supply chain partners continually raise the bar in meeting the social, economic and environmental challenges we face together.

We expect our suppliers to adhere to these standards and are publishing a Sustainable and Ethical Supply Chain Charter to which we encourage our suppliers to become signatories.

This charter will represent a shared approach to doing business in an ethical and sustainable way.

All our Commercial and Procurement staff are trained in sustainable and ethical procurement to ensure the consistent application of these principles throughout our activities.

This policy is endorsed by our Executive Management Team. It is the responsibility of all our employees to ensure its implementation.

July 2013

We are committed to reviewing our policies to ensure they remain fit for purpose while reflecting the changing requirements of customers and stakeholders. The Director of Capital Delivery & Commercial has overall accountability for this policy and ensuring it is regularly reviewed.

Customer focus

- The customer is at the heart of everything we do and we expect our suppliers to adopt high standards in all activities that affect the customer, either directly or indirectly
- This means ensuring that all suppliers fully adhere to Health & Safety requirements, limit the environmental impact of their work and minimise disruption to the public
- We expect our suppliers to treat customers with the levels of respect and dignity with which we would wish to be treated ourselves. We expect our suppliers to be transparent, fair and open in all dealings with our customers, in keeping with our values.

Health and safety

- Health and safety is our number one priority and we expect our suppliers to share this objective
- Our Health and Safety Policy makes clear our commitment to work with our suppliers and contractors to achieve our vision of being a 'zero injuries' business. We are committed to minimising risks within the supply chain and expect our suppliers to comply with health and safety policy,

legislation and best practice when they are working on our sites

- We are committed to providing health and safety support and advice to our suppliers and expect them to demand the same high standards from their suppliers.

Environment

- Our relationship with the environment is a vital element of our business. Ensuring we act in a responsible, sustainable way is an essential part of how we work. Our Environment Policy states our commitment to meeting, or improving on, legal and regulatory environmental requirements and applicable codes of practice. Our Environmental Management System meets ISO 14001 standards and extends into our supply chain through our environmental audits of suppliers and development of improvement plans
- We encourage our suppliers to adopt similar standards to minimise impact on the environment, reduce energy consumption, minimise excessive secondary packaging and reduce waste to landfill. Our supplier selection process includes careful application of environmental criteria ensuring adherence to legal requirements and best practice
- We will actively work with our suppliers to reduce energy usage and incentivise innovation that seeks to reduce the environmental footprint of our extended supply chain.

from

Southern Water 

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Business ethics

- In our Corporate Responsibility Policy, we commit to uphold the values of honesty, partnership and fairness in our relationships with stakeholders. For our supply chain partners, this means we are committed to adhere to all legislative requirements relating to EU Utilities procurement legislation, data protection, financial rules and procedures, competition, bribery and corruption
- We believe in conducting business fairly and have stringent rules and processes to prevent conflicts of interest, inappropriate offers of inducements, gifts and hospitality and fraudulent or dishonest behaviour. We will work only with suppliers who share these values and have similar policies and procedures within their own organisations
- We reserve the right to audit our suppliers in the event of any concerns.

Ethical treatment of workers

- We expect all our suppliers to treat their employees with dignity, fairness and respect
- We recognise the Ethical Trading Initiative Base Code and the UN Global Compact as the internationally recognised minimum standards with regard to working hours, living wages, freedom of association and safety of employees. We expect our suppliers to meet these standards and to have the same expectations of these high standards from their suppliers
- We reserve the right to request an independent ethical audit of any supplier to review compliance with these standards and commit to working closely with suppliers to improve working conditions in the event that any non-compliance is discovered.