



# Procurement Sustainability Charter

PUR-00095

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## TVS Commitment

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TVS Supply Chain Solutions are committed to establishing and managing a sustainable supply chain that can efficiently and consistently provide the goods and services required, whilst working with our suppliers and sub-contractors to support and manage the impacts of the four pillars of sustainability:

### Four Pillars

1. Social
2. Economic
3. Culture
4. Environment

TVS commit to working with a supply chain that is fair and ethical, legally compliant and delivers best overall value whilst considering the environment and impacts on society.

Each member of our Purchasing team holds the Chartered Institute of Purchasing and Supply Ethical certification, which gives TVS the awarded Corporate Accreditation, demonstrating our commitment to ethical procurement and sustainable supply chains. Our Ethics accredited purchasing department delivers ethical procurement practices, including identification of sustainable procurement practices and processes and procedures aligned with CIPS ethical principles.

The team will continue to attend ongoing renewal training to ensure up to date laws/best practice are being identified and implemented.

Training in sustainability is provided to all employees through the induction process, and all employees must read and acknowledge that they have understood the TVS Sustainability charter – this acknowledgement forms part of our employees' permanent training records.

TVS's procurement policies, statements and terms and conditions are communicated to our supply chain during supplier selection, supplier on-boarding, placement of demands and re-affirmed through ongoing contract reviews.

Example documents are listed below:

- Sustainability Charter (PUR-00095)
- Terms and Conditions for the Purchase of Goods and Services (PUR-00017)
- Modern Slavery Statement (PUR-00020)
- Counterfeit Materials Policy (PUR-00021)
- Ethical Sourcing Policy (PUR-00084)
- TVS Supplier Agreement (PUR-00023)
- Mutual Confidentiality Agreement (PUR-00022)

## Four Pillars

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### 1. Social

#### TVS commitment:

TVS have several internal policies and procedures in place that cover our commitment to social responsibility and will work with our supply chain to ensure equality, diversity and accountability throughout the TVS Supply Chain, these include (but are not limited to): -

**Equality Policy** - TVS is committed to recognising and managing diversity. We are dedicated to providing equal opportunities in employment and to avoiding unlawful discrimination in employment and against customers. This Policy, written in accordance with the Equality Act 2010, applies to all the Company employees whether they are full time, part time or employed on fixed term contracts.

This Policy applies to all aspects of the employment process, including recruitment and selection, training, promotion, career development and selection for redundancy and forms part of the terms and conditions of employment.

**Equal Pay** – TVS will avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy.

**Living Wage** – TVS pays the National Living wage as a minimum to its employees along with any skills and shift allowances in accordance with their employment contract. This ensures both a motivated and engaged workforce as well as providing a good standard of living to its employees.

**Modern Slavery**- Our Modern Slavery review process specifies that where a supplier has an annual turnover of less than £36,000,000 or is a non-UK company (therefore is not required to have their own Modern Slavery Statement). TVS comply with this regulation through the above policies and checks conducted upon recruitment on new employees, and ongoing employee reviews.

**Ethical Policy**- TVS commit to working with and managing a supply chain that is treated fairly, free of corruption and bribery and operates in accordance with all laws and legislation.

**Counterfeit Policy**- TVS commit to having a supply chain that is free from counterfeit goods and has processes and procedures in place to identify and check for counterfeit products.

### Supplier commitment:

To ensure the supply chain is compliant with TVS policies, TVS expect our suppliers to commit to the following:

**Modern Slavery** - TVS expect that our suppliers comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force, including the Modern Slavery Act 2015, and have and maintain policies and procedures to ensure compliance

**Equality and Equal Pay**- Where our suppliers are UK based, we expect that our suppliers pay their employees at least the national living wage as appropriate and will recruit and manage all employees in accordance with the Equality Act 2010. All of our international suppliers will pay their employees any prevailing minimum wage applicable within their country of operations and will ensure that there is no discrimination in recruitment, compensation, access to training, promotion, termination or retirement based on ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

**Working Conditions**- TVS expect our suppliers to provide a safe and hygienic working environment, with the care, skill and diligence required in accordance with best practice and standards prevailing in the industry for similar services. All services will be provided in a safe manner and comply with all health and safety laws, regulations, and codes of practice.

**Bribery and Corruption** – TVS suppliers will comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption, including the Bribery Act 2010 (“Relevant Requirements”)

**Counterfeit Product**- TVS suppliers will ensure that all products and services provided to TVS do not contain any counterfeit materials and ensure that internal processes are in place to validate this.

**Communication**- Where our supplier identifies a breach or has any concerns that there is a potential breach about to occur against any of the above in their supply chain, TVS expects that our supplier informs TVS immediately.



## 2. Economic

### TVS commitment:

TVS's products and services are underpinned by a robust supply chain that can supply cost-effective compliant products. TVS commit to treating all suppliers in a fair and equal manner whilst also conducting economic risk analysis to ensure a sustainable supply route for the future.

TVS implement the following to ensure sustainability for TVS, its clients and suppliers:

- Formal tendering process that does not discriminate – fair competition
- Credit Risk reporting
- Commodity Indices tracking
- Mutually agreed payment terms
- Onsite/ remote audits- which cover quality, supply chain, environmental and process ,
- Collaborative working with the supplier to enhance working practices-driving efficiencies and compliance.
- Supplier agreements that establish a way of working and quality expectation
- Performance reviews against a standard set criteria
- Regular supplier relationship management - both parties encouraged to identify areas of risk, increased efficiencies and innovation.

### Supplier commitment:

To enable early identification of any economic impacts /risks in the supply chain and to drive supply chain resilience, TVS expect our suppliers to work to the following:

**Response to tender opportunities**-Suppliers will respond to tenders in a timely manner and in full compliance with the tender requirements or where not compliant-clearly state what has or has not been included as part of the offer.

**Risk analysis**- Our suppliers will identify and communicate any supply risks that may impact TVS at the earliest opportunity - and where possible propose a solution to mitigate that risk. It is expected that our suppliers proactively review the market and its supply chain to ensure minimal disruption to the TVS service requirements.

**Financial Stability-** Where there is any change to an organisation's structure, change in ownership or change in financial status; this is to be communicated to TVS immediately.

**Supply Chain-** Our supplier will establish and manage its own supply chain in a fair and equitable manner, ensuring all commercial, environmental and availability risks are addressed. Providing country of origin data and any supporting documentation required to enable risk analysis and the movement of goods to be conducted compliantly.

**Supplier review-** Suppliers will attend regular reviews as scheduled by TVS and will work collaboratively to resolve any ongoing issues with corrective actions established and implemented.

## **3. Culture**

### **TVS commitment:**

TVS encourage a culture of information sharing, continuous improvement, personal development and team goal setting.

This is underpinned by the implementation of:

- Departmental and personal objective setting
- Regular 1-2-1 reviews
- Core briefings
- Professional training
- Membership funding
- Onsite/offsite team workshops
- Employee surveys
- Colleague forums
- Social committees/Health and wellbeing steering group
- Reward and recognition initiatives

### Supplier commitment:

To align our supply chain with the TVS culture, best practice from our suppliers would be demonstrated as follows:

**Goal Setting/objectives:** Personal and team objective goal settings within their organisation to enhance employee commitment to service and development.

**Training-** Commitment to keeping training up to date and provide opportunities for personal development promoting employee investment and enhancing employee motivation.

**Continuous improvement/idea sharing-** Use of continuous improvement workshops (where applicable), create an environment for employees to idea share and implement employee wellbeing initiatives. (TVS willing to participate to enhance working practices).

**Employee feedback-** Use of surveys & forums.

## 4. Environment

### TVS commitment:

The Operational Board of TVSSCS has committed to a sustainability programme that will enable TVS to become a carbon neutral organisation.

TVS SCS has committed to playing its part by making short and long-term changes to its operations. This, along with strategic partnership working with all team members doing what they can to create & encourage change, will ensure the ongoing sustainability of the Company whilst contributing to the global issue of carbon reduction

TVS commit to focus in the following areas:

- CO2- Target of carbon neutral through reduction initiatives and 'off-setting'.
- Creating a circular economy
- Introduction of Science based targets (SBTi)
- Technologies and Working Practices- Investment in improvements
- Engage with partners to reduce carbon emissions throughout the supply chain
- Work closely with clients to achieve their sustainability plans

### Supplier commitment:

TVS expect that our suppliers work closely with us to eliminate the waste and environmental impact from our supply chain activities and therefore encourage the following:

**Sustainability plan**- Our suppliers, where possible, will have a focused sustainability plan available for review by TVS.

**Reduction of carbon footprint**- Suppliers will identify opportunities for carbon reduction that could be adopted within the supply chain, with a transition to a commitment against Science Base Targets (SBTi) and will work with TVS to implement any viable initiatives that have been identified. Areas of focus will include but not limited to manufacturing methods, materials, packaging, recycling, freight (method /frequency) and disposal.

**Investment in technologies/process improvements** –TVS expect our suppliers to be reviewing their internal processes and infrastructure to eliminate waste/materials.

**Sharing of data**- Our suppliers will collaboratively share ideas, highlight areas of concern/opportunity and provide any relevant data as requested by TVS to identify these areas.

### Supplier compliance validation

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As part of our TVS standard audit process and onsite visits schedule, suppliers will be asked to demonstrate their commitment to TVS's sustainability charter and demonstrate internal processes/matrix's that evidence this.

Regular supplier review meetings will provide a collaborative environment to establish compliance to this charter and identify any opportunities' /restrictions.

Periodic updated government body certification documents will be requested by TVS, ensuring that our records remain up to date.

Where made available by the supplier, a copy of the supplier's sustainability strategy will be obtained and validated.