

Happy Energy Solutions Ltd.
Sustainable Procurement Policy
30th January 2025

Statement of Intent

The environment is one of Happy Energy Solutions Ltd.'s (HESL) principal concerns and our relationship with our suppliers and local communities demonstrate this. We are committed to understanding and managing the environmental and social impacts of our operations, including the procurement of goods and services.

Ensuring sustainability is embedded across every function of our business, including procurement, is essential to our goal of making a sustainable contribution to society. This sustainable procurement policy explains how we will integrate environmental and social considerations into procurement practices. We recognise that improving our procurement performance is an ongoing process and that our suppliers, both large and small, are important partners in our journey to becoming more sustainable.

Aim

We are committed to ensuring the goods and services we purchase are manufactured, delivered, used and disposed of in an environmentally and socially responsible manner.

We are also committed to reviewing contract management processes and supply chain risk to ensure that sustainable principles are embedded within every aspect of the procurement journey.

Objectives

- To minimise our environmental impact and deliver community benefits through better selection of products and services.
- To foster innovation in our supply chain in order to increase the availability and effectiveness of sustainable behaviour in procurement.
- To encourage our suppliers and contractors to adopt practices that minimise their environmental impact and deliver community benefits, in relation to their own operations, and throughout the supply chains in which they operate.

Targets

The UK Government has identified sustainability as a key priority in order to ensure that future generations are able to enjoy their natural and built environment. To achieve this goal, our purchasing decisions will give preference to any product, service, supplier or contractor which can support our corporate sustainability strategy and further enable this organisation to:

- reduce carbon emissions
- increase energy efficiency
- improve biodiversity and the natural environment
- reduce levels of waste sent for disposal and continually improve recycling figures
- reduce water consumption.

Supplier Code of Conduct

1. As the contracting organisation, we expect our suppliers and contractors to ensure their practices are supportive of our approach. We would like to procure goods and services that have been produced or are delivered with minimum impact on the environment and with regard for social issues such as employment conditions and welfare.
2. As a result, we reserve the right to refuse partnerships with organisations that do not achieve, or are unable to provide evidence of an action plan of, the following minimum standards for their operations, employees and supply chain; these are in accordance with International Labour Organization (ILO) conventions and other public sector commitments.
3. Furthermore, HESL expect that for all raw materials that the supplier possess a Chain of Custody for the raw materials e.g. Forestry Stewardship Council (FSC) (timber), ASI Chain of Custody (CoC) Standard (aluminium), The Copper Mark etc.

Working Conditions

- Freedom of Association and Collective Bargaining (C87 and C98) — As far as any relevant laws allow, all employees are free to form or join a Union, which pertains to the protection of the terms and conditions of the employment of employees, such as wages, hours of work, working conditions and grievance procedures.
- Elimination of All Forms of Forced and Compulsory Labour (C29 and C105) — Forced, bonded or compulsory labour is not used and employees are free to leave their employment after reasonable notice. Employees are not required to lodge deposits of money or identity papers with their employer.
- Elimination of Discrimination in Respect of Employment and Occupation (C100 and C111) — Discrimination based on factors non-relevant to the terms of employment is prohibited. Examples of non-relevant attributes include race, religion, gender, sexual orientation, disability, ethnicity, height, weight and age.
- Effective Abolition of Child Labour (C138 and C182) — Work undertaken by people of 16 years or under without consideration for their personal development, safety, education or health is prohibited.

Supplier Diversity

Within our sustainable procurement policy, we encourage a diverse range of suppliers to tender to provide services, materials or expertise and our aim is to give equal opportunities to all suppliers.

Environment

Processes are in place to actively improve the efficiency with which finite resources, including fossil fuels and water, are used, while minimising pollution.

Our Working Principles

We will ensure all procurement decisions and actions are considered and determined by a team of in-house specialists, to ensure the most sustainable outcomes are achieved.

Appropriate environmental and social requirements will be integrated into all procurement activities. These include pre-qualification, specification and evaluation stage. We will evaluate the environmental and social impacts of a particular product or service over its whole-life cycle. When we do this, we will use appropriate supplier sustainability performance assessment criteria and weightings.

We will also encourage and influence our suppliers to improve their sustainability practice and will inform and educate potential suppliers on our corporate sustainability objectives.

While this sustainable procurement policy applies to all our suppliers, we will strive to ensure that it does not place unnecessary requirements on small to medium enterprises (SMEs), ensuring that they are not put at a disadvantage in doing business with us and addressing any barriers to entry.

Our Accountability

All our business premises and relevant members of staff have shared responsibility for integrating the provisions of this policy into their procurement decision-making.

Our Supply Chain Manager has the overall accountability for developing a coordinated and integrated approach to implementing this sustainable procurement policy across the whole of the organisation.

We will review this policy and associated procedures on an annual basis and involve our suppliers in this process.

We will verify, using Internal Audit, our performance against this policy whenever possible.

We will monitor and report, where appropriate, on the environmental and social outcomes achieved from the application of this sustainable procurement policy.

This Sustainable Procurement Policy will be regularly reviewed and updated as necessary. The management team endorses this policy and is fully committed to their implementation.

This Sustainable Procurement Policy has been approved & authorised by:

Signed by: Adrian Wright

Position: Chief Operating Officer

Date: 30th January 2025

Signed:



Review: 29th January 2026