

	Sustainable Procurement	AGA/POL/2003
		Issue: 3
		Date: April 2016
		Sheet: 1 of 6

Sustainable Procurement

We, Air & Ground Aviation Limited, will embed the principles of sustainability within our procurement activities to ensure that only Value for Money products and services within pre-determined specifications or customer requirements are selected and provided. In all supply chain activity, a balanced consideration of social, ethical, environmental and economic impacts will be undertaken throughout the procurement process. We recognise the impact of our procurement activities in furthering sustainable development and in reducing environmental impacts such as Climate Change.

Our strategy focuses on the tangible elements of our supply chain and supports our wider sustainability aspirations by working closely with our supply chain suppliers and logistics providers.

Our Values

Accountability
Communications
Integrity
Teamwork
Responsiveness
Respect

To meet the stringent requirements for aerospace products, there is the unquestionable need to maintain the quality and traceability to ensure that flight safety is never compromised by the components and products we supply. The design and manufacturing specifications will always be to the current standard and as such, manufacturers will be expected to have complied with all current UK, EU and US statutory regulations and legislation. We carry out surveillance on goods received as part of our Counterfeit Goods policy and controls. Configuration changes, where appropriate, are managed and fully documented.

Commitment.

We are committed to integrating sustainability, environmental and social issues into our procurement process through the balanced consideration of social, environmental and economic impacts.

To meet our customer expectations and requirements for service and supply of materials, and to avoid unnecessary direct and indirect waste across the supply chain, we look for manageable processes and targets for our activity that will provide our customers with realistic and achievable measures. We have identified On Time in Full (OTIF) and On Time Quality Delivery (OTQD) as the main benchmarks for the best demonstrated practices to operations and sales. Meeting these benchmarks will ultimately generate reduction of costs.

Our Quality (AS9120 incorporating ISO 9001-2008) and Environment (ISO 14001) Management Plans have been prepared to meet the requirements of these Standards and the content is also in the spirit of the Flexible Framework relating to:

People
 Policy, Strategy and Communications
 Procurement Policy
 Engaging Suppliers
 Measurement and Results.

	Sustainable Procurement	AGA/POL/2003
		Issue: 3
		Date: April 2016
		Sheet: 2 of 6

We source components, materials and services on a worldwide basis and therefore recognise that our supply chain activities have a broad impact and that our responsibilities extend beyond our own operations and into those of our suppliers. We also recognise that there are local and national differences in standards in relation to many aspects of a supplier's business, however, there are a number of minimum standards that must be achieved by all and are set out in this policy and are reflected in specific clauses of our Terms and Conditions of Purchase and Terms and Conditions of Sale.

We expect our suppliers to conduct their relationship with us and any of our clients, partners and other suppliers on a fair and ethical basis and in compliance with our core principles of sustainability and ethical behaviour. These principles apply to both suppliers' activities and, where appropriate, to their downstream supply chain. As part of our supplier approval process we carry out desk top audits or facility visits. Using a checklist, we ask suppliers to confirm if they have environmental accreditations and their approach to socio-economic factors and influences.

Human rights

Respect for human rights by manufacturers and Suppliers is the cornerstone of our values. Our pre-screening of customer requirements, supported by our import and export controls will be applied to ensure that we fully avoid association with equipment that is used in the violation of these rights, such as instruments of torture, or the manufacture, transfer or diversion of armaments to oppressive regimes

Compliance with applicable international, national, state and local laws.

We recognise that local customs, traditions and practices may differ, but expect as a minimum that suppliers comply with local, national and international laws, including (but not limited to) all environmental, health and safety, and labour laws. We expect suppliers to support conventions on labour standards

Forced or compulsory labour

Our suppliers must not use forced, bonded or compulsory labour and employees must be free to leave their employment after reasonable notice. Employees must not be required to lodge deposits, money or papers with their employer.

Fairtrade

We will always give preference to Fairtrade, or equivalent, and ethically sourced and produced goods and services.

Child labour

We refuse to accept the use of child labour in the supply chain. No one should be employed who is below the legal minimum age for employment. Children (below the age of 18) must not be employed for any hazardous work or work that is inconsistent with their personal development

Equality and diversity

We expect that our suppliers operate within the meaning and scope of the Equality Act 2010 or other relevant or equivalent legislation and shall not unlawfully discriminate either directly or indirectly on the grounds of age, disability, gender (including re-assignment), sex or sexual orientation, marital status (including civil partnerships), pregnancy and maternity, race, or religion or belief.

We will not engage in unlawful discrimination of any kind in working relations and we expect diversity to be promoted and Suppliers to take reasonable efforts to reflect and flow down equality and diversity to their

	Sustainable Procurement	AGA/POL/2003
		Issue: 3
		Date: April 2016
		Sheet: 3 of 6

subcontractors. Suppliers should not discriminate in hiring, compensation, access to training, promotion, and termination of employment or retirement.

Slavery and human trafficking statement

As a UK-based company we do not have or operate any non-UK manufacturing subsidiaries. The potential for slavery and human trafficking in our chosen industry is minimal and considered low risk due to the high level of skills required in the manufacture and meeting complex compliance of aerospace components; this assists us in monitoring of counterfeit goods. As our suppliers are located in the EU or the USA, we believe our supplier approval process, current procedures and the ability to rely on regulatory oversight to ensure that the appropriate legislation will be enforced. Given this low risk profile, no specific training is provided or undertaken by our staff in relation to these matters; we do carry out training on diversity and equal opportunities

Timber products.

Our aspiration is to procure 100% of timber products, including paper and card, through our supply chain from recognised responsible sources such as FSC and PEFC certified companies.

Employee wellbeing and development

We permit staff to have flexible working conditions to promote work/life balance and provide training and personal development of team members. We encourage staff to have membership of work-related governing bodies. We expect suppliers to have the same considerations.

Conflict Diamonds.

We refuse to trade or accept products where tooling or manufacturing process involves the use and/or application of Conflict Diamonds. We will ask Suppliers to warrant, certify and covenant.

Disciplinary practices

We expect that Supplier employees are treated with respect and dignity. Physical or verbal abuse or other harassment and any threats or other forms of intimidation are prohibited

Health and Safety

A healthy and safe working environment must be provided for all employees, in accordance with international standards and laws. We use external providers for training and awareness; this is maintained by regular updates, including a monthly newsletter. All applicable policies, procedures and guidelines must be adhered to and these documents are available to members of staff through an Intranet based system. New members of staff have a full induction programme that includes bespoke health and safety awareness.

Suppliers who work on our premises, or on our behalf, must confirm by a documented risk assessment process that they understand their obligations, they have the management processes and controls in place, and where applicable, agree to be fully responsible for any liability resulting from their actions, including the transport or disposal of hazardous materials or electronic equipment

Confidentiality and intellectual property

We require our suppliers, contractors and their team members to maintain confidentiality with regard to all information they have access to, in accordance with applicable laws. We also expect them to protect all intellectual property belonging to our customers, other suppliers and individuals.

	Sustainable Procurement	AGA/POL/2003
		Issue: 3
		Date: April 2016
		Sheet: 4 of 6

Bribery and corruption

We do not tolerate, permit or engage in bribery or unethical behaviour in any aspect of our business, anywhere in the world. As with our other core principles, we do not do business with anyone who does not comply with our standards of ethical behaviour. We operate under an ethical and anti-bribery policy to comply with UK legislation (The Bribery Act 2010). We undertake to maintain a professional conduct throughout all stages of the business process and product procurement. Where any customer or supplier believes this conduct has been breached, they should not hesitate to contact a Director to express any concerns that they may have. All enquires will be dealt with independently and a response will be made. As part of our professional conduct we do not accept gifts or company hospitality from customer or suppliers.

Flow down

The presentation and flow down of technical and engineering data to our customer and/or the operational user of the end use on the rate of occurrence of safety-relevant events and remedial action, if any, needed to preserve safety.

Life Cycles

In conjunction with the manufacturer, we will consider a basic life cycle analysis of the product to minimise the adverse effects on the environment resulting directly or indirectly from products life cycles, including repair programmes. This analysis will include failure modes and effects analysis (FMEA) or failure mode, effects and criticality analysis (FMECA) has been can be conducted on either the required component or a functional level for fit, form and function.

Human factors

We accept the limits of acceptable behaviour, typical human factors-related events (slips, errors, mistakes) as opposed to wilful deviations from policies and procedures (violations, "work-arounds", intentional disregard of SOPs).

Configuration Management.

Changes to component specifications or material condition are fully documented and the change approved by the customer to avoid spurious use of materials.

Safety Standards.

For all Goods which by law must bear a "CE" mark, we will provide a declaration of conformity, through the manufacturer.

Safety Management Plan

Where called up as part of a contract or formal agreement, we will provide a Safety Management Plan (SMP). This SMP will fully detail our approach for managing health and safety and the effect on the environment in our processes, procedures and the deliverables required.

We will never compromise on safety

	Sustainable Procurement	AGA/POL/2003
		Issue: 3
		Date: April 2016
		Sheet: 5 of 6

Environmental Impacts

Waste Management.

Apart from the standard business administration recycling products (paper, cardboard, plastic, etc.), our waste streams do not have a steady state and will depend greatly on the project Post Consumer or Post Life activity we are involved with at the time. Our focus will be on the extraordinary waste streams and we will achieve this by monitoring waste production, continued staff education and awareness of what waste means the types of waste, exactly what the waste it is made/derived from and the financial benefits. Our aspiration is to reduce our waste that goes to landfill or incineration to zero by 2020; our slogan "Zero by Zero".

Our Quality Manager has the dual role of Waste Champion and will take a key role to determine:

Before it is collected, disposed of or recovered to identify the controls that apply to the movement of the waste.

Complete waste documents and records

Identify suitably authorised waste management options.

We are continuing to put processes in place to understand our environmental impacts and risks. We are working to reduce these impacts and promote environmentally-friendly policies. Areas covered include:

- Recycling
- Waste and disposal
- Improved efficiency for using finite or scarce resources such as energy, water and raw materials
- Protecting biodiversity by maximising the use of recycled products and products derived from reclaimed materials
- We will seek confirmation from Suppliers that none of the Goods to be supplied contain an ozone depleting substance officially proposed for listing on the list of chemicals and derivatives banned under the Montreal Protocol as well as other relevant factors impacting climate change.
- Environmental impacts such as noise, water and ground pollution.

Electricity: Around 90% of the consumption of electricity is to light, heat and power to our offices and warehouse and as such, is our largest contributor to our overall carbon footprint.

Business travel: The business travel we undertake, including journeys by road, rail and air and from staying in hotels all consume fossil fuels, contributing to our carbon footprint.

Communications. Where possible we use electronic means of communication including video conferencing (Skype), webinars and e-mails.


	Sustainable Procurement	AGA/POL/2003
		Issue: 3
		Date: April 2016
		Sheet: 6 of 6

Packaging. We look to suppliers to provide packaging that has recycled content, or can be reused a number of times, or is recyclable. We use an estimated 1300 kgs of packaging per annum. Unless directed otherwise by our customer, we pack to a primary commercial standard and over pack for shipping by courier.

The majority of the components and PPS to be procured will be proprietary items with an established performance based on design, operational experience and inspection records, and knowledge by modelling of all known factors of the deterioration mechanisms (qualitative and quantitative analyses) . Where the rate at which deterioration will occur under normal operating conditions, the respective item may be given a shelf or in use (fitted) life. Service history should show that past malfunctions or failures have not resulted in hazards and there are no unresolved problems. Reporting activity for failures via Quality Alerts will have a direct impact on reducing incidents especially where such failures of the component were out of normal operating parameters.

Continual Improvement

We will endeavour to continually improve our sustainable procurement performance by reviewing all relevant policies and guidance; we will always look to best practise in our operations and training. The effectiveness of this approach will be measured and audited during our AS9120 and ISO 14001 annual audits.



Mr M. Powell
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