



VITAL ENERGI UTILITIES LIMITED SUSTAINABLE PROCUREMENT POLICY SIGNED STATEMENT

"Vital Energi's vision is to innovate simple and reliable energy solutions that actively contribute to the sustainability agenda and provide security of supply"

A critical element of substantiating this vision is ensuring a holistic and sustainable procurement process is implemented throughout the organisation to mitigate the wide-ranging potential impacts inherent in purchasing decisions.

SUSTAINABLE PROCUREMENT: In conjunction with Vital Energi's 'Environment & Sustainability', 'Energy', and 'Slavery & Human Trafficking' Policy Statements and commitments thereof, it is important that products and services used in operations are procured in a sustainable and ethical manner.

Vital Energi supports a sustainable procurement environment by acknowledging that environmental impact should be considered part of this process.

Plainly, different purchasing decisions necessitate the trade-off and compromise between certain procurement criteria; however, below are examples of aspects considered part of a balanced approach.

Governance

- Legislation
- Accreditation
- Expectation

Monetary

- Cost
- Quality
- Value

Environmental

- Life Cycle Impacts
- Carbon Costs
- Mileage

Other

- Service Capabilities
- Availability
- Practicality

EXAMPLES: of how Vital Energi has achieved good practices of sustainable procurement include...

- Using Go Green Ltd as our waste management broker on operational sites. Go Green's business model utilises local waste management facilities across the U.K. to reduce the 'waste miles' and other environmental impacts associated with the transfer of waste.
- Considering life cycle analysis in District Heating procurement decisions, we regularly purchase materials with a shelf life of 30+ years.
- Electrification of the vehicle fleet throughout the lease cycle to reduce direct CO2 emissions, taking into advances in technology available and appropriate business travel.
- Procuring goods and services locally, reducing transportation impacts, and improving local economies.

CONTROL OF SUPPLY CHAIN: Vital Energi uses the SafeContractor System, which enables the procurement of goods and services based on certain assurance criteria. Environmental credentials can be evaluated, with sustainable decision-making facilitated by geographical references, allowing suitable local contractors to undertake work, thus supporting commitments within Policy Statements relating to Environmental prosperity and sustainability.

COLLABORATIVE APPROACH: In line with the above, it is essential to Vital Energi that the motives and efforts to promote sustainable procurement are shared throughout the supply chain. SafeSupplier will, as and when available, aim to develop supply chain relationships to improve our combined capability in delivering sustainable outcomes, environmental protection and carbon reporting, helping Vital on its Journey to Net-Zero by 2035.

AWARENESS: Vital Energi ensures the necessary and appropriate level of awareness and adherence to this policy by our staff and those who work on our behalf through embedding sustainable procurement within our operating procedures and embedding project sustainable procurement requirements, responsibilities, objectives and targets within our project operational plans.

CONTINUAL IMPROVEMENT: Vital Energi is wholly committed to ensuring the continual improvement of sustainable performance throughout the business. We, therefore, commit to setting and reviewing environmental targets, including procurement factors, periodically, in line with our vision, EMS/EnMS scope and determination to remain a market leader in sustainable energy solutions.

Gary Fielding

Chairman

Date: February 2023

Ian Whitelock

Chief Executive Officer

Date: February 2023

The original signed copy of this document is retained by the SHEQ Department
Date Reviewed: 17th February 2023.