

Sustainable Procurement Policy

Parramatta Light Rail Stage 1
Infrastructure Contract

Purpose

CPB Contractors Pty Ltd/Downer EDI Pty Ltd Joint Venture (the JV) recognise and support the commitments of the TfNSW Sustainable Procurement Policy. For the JV, procurement is undertaken to generate economic, environmental and social benefits beyond the goods and services required. We will strive to achieve value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, with a neutral or positive impact to the environment. This includes issues such as: organization governance; human rights; environmental impact; consumer rights; community support; fair and ethical operation.

Policy Statement

We will strive to deliver new benchmarks for sustainability in the transport infrastructure sector. At all times we will involve all employees, subcontractors, suppliers and consultants to:

- Reduce our projects' contribution to climate change and work with our local and regional supply chain to develop innovative solutions, enhance sustainable practices and materials.
- Ensure a balanced consideration of the whole of life environment, social and economic costs and benefits during decision-making, rather than just initial cost.
- Set frameworks that will deliver value for money and minimise adverse impacts with the application of appropriate risk management techniques throughout the life cycle of the project.
- Collaborate, train, support and empower our employees, contractors and suppliers to develop positive partnerships that will assist meeting our objectives.
- Implement strategies to avoid unnecessary consumption, manage demand and reduce waste
- Non-financial prequalification criterion shall be greater than 20% in total and incorporate sustainability
- Increase industry sustainability awareness and knowledge through the delivery of sustainability training to high impact suppliers;
- Require suppliers to have socially responsible practices including compliance with legislative obligations to employees.

The set of principles described in this policy will be enacted during Procurement in line with the projects Supply Chain Engagement Strategy and ISO 20400 as a driver for innovation to deliver sustainable project solutions.

David Jackson Parramatta Connect Project Director

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Supply Chain Engagement Strategy

To ensure sustainability requirements are achieved Parramatta Connect has generated a Supply Chain Engagement Strategy following *ISO 20400 Sustainable procurement - Guidance*. Project staff involved in procurement will proactively engage potential suppliers of high impact packages to explain sustainability requirements and expectations in line with the below Strategy.

Build on existing process

- Address the procurement process and how each process step can incorporate sustainability.
- Engage with those who are responsible for the actual procurement.
- Outline Client and industry expectations and requirements.
- Agree how to integrate sustainability into existing procurement processes.

Planning

- Identify key packages of works based on environmental, social and economic impact potential.
- Assess and prioritize the most relevant and significant sustainability risks (including opportunities) for each procurement activity and identify areas of influence within key packages.
- Consider all the costs that will be incurred during the lifetime of the goods or services.
- Consider what alternative options might exist to deliver the same outcome.
- Determine the capability of the supply market to support the Project sustainability Requirements.

Intergration

- Define sustainable procurement criteria and pregualification questionnaire content.
- Choose the types of requirements physical or descriptive, performance and/or functional.
- Define minimum and optional requirements.
- Define the evaluation method use to demonstrate that sustainability requirements are met.
- Define evaluation weighting categories ensure a weighting of >20% for (non-financial) criterion.

Selecting Suppliers

- Assess the capacity of supplier to contribute to the Project's requirements and expectations.
- Prequalification of suppliers score supplier prequalification questionnaire responses.
- Opportunities Work with suppliers to identify any emerging or new sustainability opportunities.
- Managing Preferred Tenders outline evaluation criteria, evaluation methodology and benefits.
- Awarding the contract Outstanding sustainability requirements should be resolved during negotiation.

Contract Management

- Managing the supplier relationship Encourage and reward success.
- Implementing the contract Both good and poor sustainability performance shall be actively managed in line with the contract management plan
- Managing performance Monitor sustainability performance against set sustainability requirements
- Encouraging supplier-customer joint initiatives, particularly in relation to innovation.

Review

- Sustainability risks (including opportunities) that occurred and how these were managed;
- Achievement of sustainability objectives and targets contained in the contract;
- Overview of sustainability performance Provide feedback of both positive and/or negative key learnings to supplier
- · Analysis of key success criteria
- Share both positive and/or negative key learnings beyond project boundaries to parent organisations



The above engagement strategy has been developed to support the Sustainable Procurement Policy and is to be used by the procurement and commercial team throughout the delivery of the project. If a supplier with lesser sustainability performance is selected, agreements will be made on how the supplier could progress to increased sustainability performance in the future. This will be monitored in the contract phase.

The engagement strategy has been developed as a driver for innovation to deliver sustainable project solutions through fostering an open and collaborative relationships between suppliers, subcontractors and project staff.

Each new sourcing strategy should draw on lessons from the previous one. This enables new thinking to be incorporated into the process alongside a review of priorities and objectives to promote continual improvement and drive more sustainable outcomes. Lessons learned from individual contract review should be summarised periodically in order to review the performance of the sustainable procurement strategy. It is best practice to publish lessons learned in detail and in such a way that other organisations can learn from them.