

Sustainable Procurement Policy

Scope

This policy covers all procurement activities undertaken by our business. It is applicable to all personnel employed by, or working on behalf of, Arcadia. It covers individuals working in the office, at home, and in other locations when travelling for business.

Responsibilities

The Directors are responsible for ensuring the principles of this policy are enacted throughout the business. They must review this policy when changes are required, at least annually, and update it as necessary. This policy was last updated in March 2024.

Managers are responsible for the day-to-day actions which enable the business to achieve the goals of this policy.

All employees are responsible for understanding this policy and completing their duties in compliance with it.

Overview

Arcadia is committed to being responsible and sustainable in every way we can. Communities, Ethics, Environment and Quality. CSR and Sustainability are terms used often and often misunderstood. They are also fast-moving concepts – subject to continuous change as global understanding of these areas improves and the bar is raised higher. Because of this, we do not claim to have all the answers. However, we do believe we have the right attitude and the very best intentions – and firmly commit our business always to change and improve whenever new ideas show us better ways of working. When our customers work with us we will ensure they can trust us to provide the best sustainable quality options, effective services and solutions – all safely delivered within the parameters of this policy above protecting both their brand reputation and ours, and also a real commitment that working together we can make a difference by choosing sustainable, ethical and re-usable products.

Policy Statement

It is the policy of Arcadia to practice a continuous improvement approach to understanding and taking appropriate responsibility for any adverse environmental, social, and economic impacts of its purchasing. In doing so, Arcadia shall consider impacts on a life-cycle basis and prioritize actions according to: alignment with the



Arcadia's values, magnitude of impact, and compliance with any applicable regulations.

Purpose

This Policy is adopted in order to align Arcadia's purchasing with its climate, social equity, risk reduction values and goals, and related policies. In doing so, Arcadia seeks to harness the influence of its purchasing to support markets for, and increase accessibility to, more sustainable goods and services.

Policy Implementation

In order to practice a continuous improvement approach to understanding and taking appropriate responsibility for reducing the adverse environmental, social, and economic impacts of its purchasing, this policy establishes the following implementation hierarchy:

1. **Core Strategies.** These establish overarching sustainable procurement strategies to implement over time. They provide value-aligned direction to take into account during project and program planning, and direction from which to build minimum requirements, best practices, and related implementation tools.
2. **Minimum Requirements.** These are the specific mandatory requirements for a particular good or service category. They are the actions that support sustainable procurement Core Strategies.
3. **Leadership Opportunities.** These are developed to identify opportunities for continuous improvement among stakeholders. They identify how to go beyond Minimum Requirements in a particular good or service category to further reduce adverse impacts.

All Arcadia employees shall review the Core Strategies and follow the Minimum Requirements when planning and designing projects.

Due Diligence on Supplier Environmental and Social Practices

We use a several tools to ensure review our suppliers' practices on environmental and social issues.

Our suppliers must sign our Code of Conduct which is a commitment to responsible environmental and social practices, for the protection of the environment and fair treatment of their workers.



All new suppliers must complete an onboarding questionnaire which outlines their credentials as socially and ethically responsible organisations. We ask for evidence of their actions before we progress our business relationship with them.

We use factory auditing to thoroughly examine the practices of our suppliers. We risk assess our supply chain and focus our auditing programme on the highest risk locations and industries. We work with factories to close corrective action plans and make improvements to their operations to the benefit of the environment and their employees.

Goals:

- 100% of suppliers to sign the Arcadia Code of Conduct in 2024
- 100% of new suppliers to complete the onboarding questionnaire in 2024
- 100% of supplier factories in high risk areas to be covered by an audit in 2024
- 100% of employees to be trained on Sustainable Procurement in 2024