



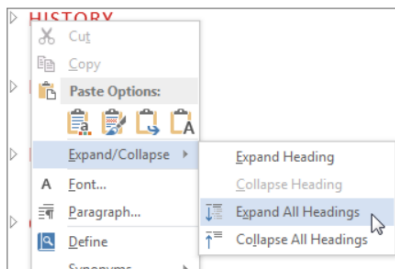


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- - “Our supply chain is much more than a group of individual sub-contractors and suppliers: it is a key part of our business, core to our own performance and reputation as a company.
 - We aim to build strong, long-term partnerships with these companies, based on shared values, to help us deliver excellence to our customers. Working in partnership means we **can**, together, constantly improve quality, efficiency, and safety.”
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Leo Quinn, Balfour Beatty, Group Chief Executive

Navigation

This document can be navigated quickly by using the hyperlinks contained within the contents pages or any sections [highlighted](#). Each section is collapsible/expandable; you will see a small triangle ▲ when you move your cursor over the heading of the section. Clicking the small triangle collapses or expands the section. A right click gives you more options to expand or collapse all headings (as below).



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ABBREVIATIONS/DEFINITIONS

JV	Joint Venture
BMS	Business Management System
Project	A contract or a framework incorporating a number of individual contracts with the same Employer; or a business stream level procurement requirement to service a number of smaller, similar individual projects (for example Balfour Beatty Ground Engineering)
Balfour Beatty	"Balfour Beatty", "we" or "our" means Balfour Beatty, for the purposes of these Conditions, the Balfour Beatty company that is the contractor referred to within the relevant subcontract, consultancy agreement or design agreement
Site Lead	Balfour Beatty employee who is appointed to lead a contract or a framework
the Supplier	The "Supplier", "you" or "your", for the purposes of these Conditions, is the supplier, subcontractor, consultant or designer referred to within the subcontract, consultancy agreement or design agreement
Sustainability	Balfour Beatty considers 'Sustainability' to incorporate both environmental and social aspects of sustainability.

AUDIT & ASSURANCE

Balfour Beatty (or its 3rd party representatives) reserves the right to undertake audits of its Supply Chain to demonstrate compliance with these Supplier Sustainability Conditions . These audits may be electronic or in person (reasonable notice will be provided) and you will be required to offer every assistance in the provision of supporting information.

These audit rights shall continue for 36 months after termination of any agreement.

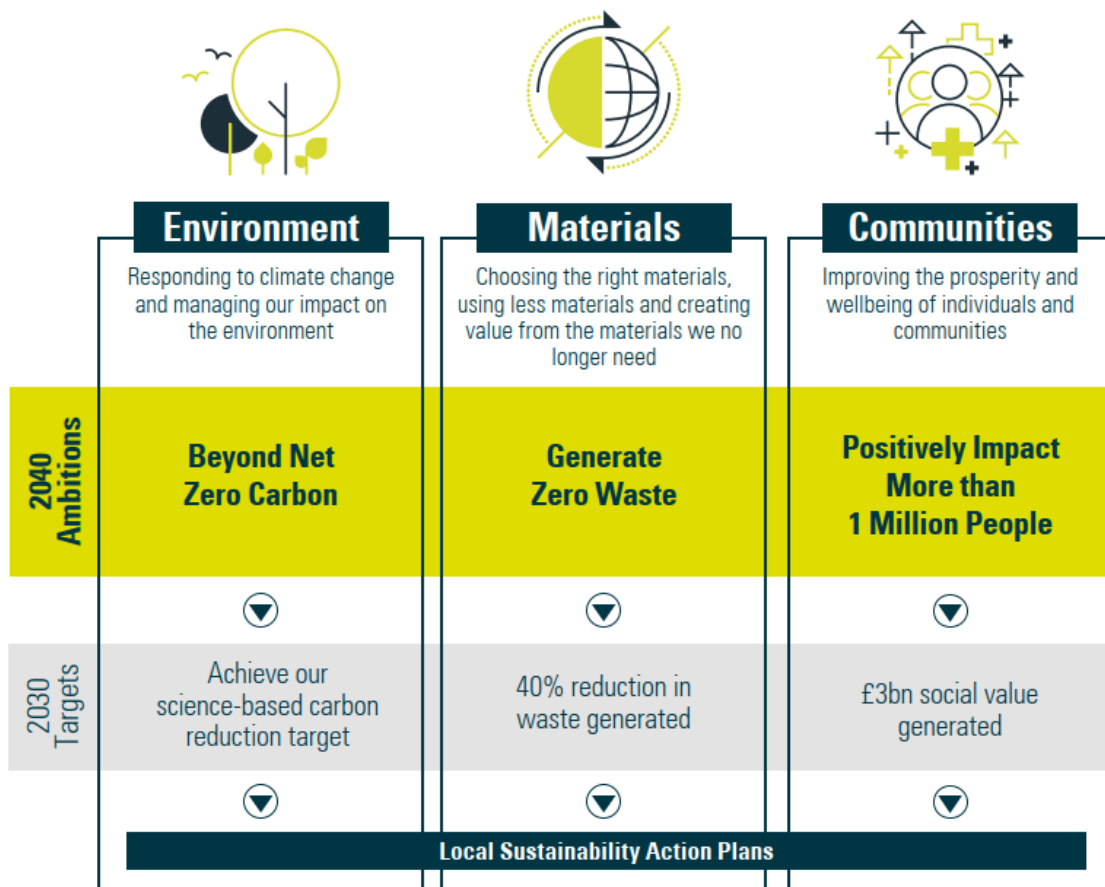
N.B. Everyone working on a Balfour Beatty site who is not directly employed by Balfour Beatty may be required to provide evidence of identification including confirmation of address, passport, a valid contract of employment and details of the bank account where their wages will be paid.

Corrective Action

Non-compliance with these practices will result in corrective action, which could include termination of the business relationship.

1. Purpose

- 1.1. Balfour Beatty prides itself on being a responsible, sustainable business and is committed to protecting, and where appropriate enhancing the environment, in which we operate for our customers and communities.
- 1.2. These Conditions consider both environmental and social sustainability requirements, including specific environmental compliance requirements.
- 1.3. Balfour Beatty recognises the contribution of suppliers in supporting and delivering on these objectives. These Conditions are designed to promote a positive and responsible attitude towards environmental and social sustainability matters. They are not intended to be exhaustive but set the minimum standards acceptable to Balfour Beatty on projects, contracts or areas under its control.
- 1.4. These Conditions are aligned with Balfour Beatty’s sustainability strategy, Building New Futures which is available at <https://www.balfourbeatty.com/sustainability>.



- 1.5. It is supported by Balfour Beatty’s
 - Code of Ethics,

- Code of Ethics Supplier Standards
- Environment Policy,
- Sustainability Policy,
- Sustainable Procurement Policy,
- Social Value Policy,
- Supply Chain Health and Safety Conditions
- Quality Supplier Conditions, and
- Modern Slavery Statement 2023 – key points for supply chain partners

These are available at <https://www.balfourbeatty.com/how-we-work/supply-chain/important-documents-for-suppliers-and-subcontractors/>

- 1.6. The Supplier must understand the contents of these Conditions and the supporting policies and incorporate all appropriate measures to ensure compliance with the relevant requirements contained within in all engagements with Balfour Beatty.
- 1.7. Balfour Beatty expects that all Suppliers carry out their works and/or services f in compliance with all relevant law and regulations, and in accordance with any relevant codes of practice and guidance issued by environmental regulatory authorities.
- 1.8. Speak Up

If any Supplier or part of your supply chain has a serious concern about unethical behaviour involving any member of the Balfour Beatty group of companies or our supply chain, please speak up. We encourage you to raise any concerns or questions you have in confidence, and we value the information that you can provide. We will always support you for doing the right thing. We will not tolerate any retaliation or discrimination of any kind against anyone who has raised something in good faith.

Generally you should first discuss the matter with senior management within your own organization, who in turn should feel confident to raise it with Balfour Beatty senior management.

If you believe the matter cannot be handled appropriately in this way, you can contact our Speak Up helpline on 0800 028 0822 or www.balfourbeattyspeakup.com.

2. General Supplier Requirements

- 2.1 All Suppliers must have a written commitment to sustainability objectives including identification of an individual person or management team with ultimate responsibility for environmental and sustainability matters. An example would be one or more policy documents. The written commitment must broadly align to those of Balfour

Beatty and include a statement committing to compliance with all relevant environmental and sustainability legislation.

2.2 Balfour Beatty operates an environmental management system certified to ISO 14001 which provides a framework for managing and controlling the environmental impacts and risks of its activities. The Supplier, is required to either have their own ISO 14001 certified management system from a UKAS accredited certification body or to manage their activities on behalf of Balfour Beatty in accordance with our certified system and follow all direction from our employees to this end, as per below table.

Supplier Type	ISO 14001 Requirement
Subcontractor	Own ISO 14001 certification or work under Balfour Beatty's
Material Supplier	Own ISO 14001 certification required when doing greater than £1million of work per annum with Balfour Beatty.
Plant Provider	Own ISO 14001 certification or work under Balfour Beatty's.
Service Supplier	Not required

- 2.3 All Suppliers must provide evidence of any relevant third party sustainability certification applicable to the work, services, goods or plant being provided e.g. ISO14001 certification, academic qualifications in the case of services, product certifications in the case of goods e.g. FSC, BES 6001 or emissions certificates, as an example, in the case of plant.
- 2.4 All Suppliers must have access to and provide evidence of suitable sustainability advice appropriate to scope of work, services, goods or plant being provided. This may include employees or consultants with suitable environmental qualifications (e.g. Practitioner Level of the Institute of Environmental Management and Assessment (PIEMA) or higher or other suitable equivalent) and / or other industry specific qualifications or experience that would demonstrate competency to advise on matters pertaining to key environmental and social considerations.
- 2.5 All Suppliers must demonstrate an understanding of the key environmental risks and opportunities relevant to their scope of work, services, goods or plant. They must engage with Balfour Beatty on these matters through either the provision of suitable management plans, risk assessments, method statements, procedures or processes or through the provision of sufficient information for Balfour Beatty to develop suitable management plans, risk assessments, method statements, procedures or processes to mitigate for any environmental risks and/or to achieve any opportunities prior to and through the delivery of the works.
- 2.6 All Suppliers must make their employees aware of all relevant sustainability arrangements relevant to the scope of work, services, goods or plant being provided in the form of training or any other suitable means.

- 2.7 All Suppliers must provide specific sustainability data in the format and frequency required as identified during the subcontractor pre-award meeting, contract award or performance management reviews.
- 2.8 All Suppliers must eliminate the use of hazardous chemicals covered by the Stockholm and OSPAR Conventions, and comply with [UK REACH](#).
- 2.9 In line with the [Green Claims Code](#), the Supplier is expected to be able to evidence and validate any sustainability claims.
- 2.10 The Supplier must comply with all relevant environmental consents, permits or regulatory standards pertinent to the works, services, goods or plant being provided. The Supplier must also advise Balfour Beatty of any environmental permitting or consenting requirements relevant to the works, services, goods or plant being provided in advance of the engagement.
- 2.11 The Supplier must inform Balfour Beatty;
 - Any regulatory action, including warning letters received in the last 3 years
 - Details of any ongoing investigations by environmental regulators into the activities of the supplier
 - Any regulatory action received during the delivery of works

3. General Construction Subcontractors Requirements

- 3.1 On contract award, and prior to commencing on site, the subcontractors representatives (including the site management team) will attend a start-up meeting where sustainability arrangements will be confirmed, in detail or equivalent.
- 3.2 The subcontractor must work in accordance with all requirements set out in relevant Balfour Beatty Project Management Plan and its subsection Appendix C the Sustainability Plan.
- 3.3 The subcontractor will establish a set of emergency arrangements for environmental incidents, which aligns with Balfour Beatty project specific arrangements. These arrangements will be briefed during induction and will be available in the project Sustainability Plan. The Supplier must ensure that everyone under their control is informed of the emergency procedures applicable to the site or facility.
- 3.4 The Supplier must detail their own environmental control measures (including any specific emergency arrangements) within the Method Statement / Work Package Plan, for their specific operation or activities. These arrangements must be tested on a regular basis and the subcontractor must ensure that everyone under their control participates in the tests / drills.

- 3.5 If the Supplier supplies or operates plant and equipment, adequately sized and stocked spill kits must be provided. Spill kits may include a variety of products and must be appropriate for the material they are required to contain / clean up. Spill kits used to absorb chemicals and hydrocarbons must be disposed of appropriately as hazardous waste. All employees of the subcontractor must be aware of what to do in the event of a spill.
- 3.6 The subcontractor has a duty to report all environmental incidents and near misses to Balfour Beatty in-line with Balfour Beatty incident reporting processes. These include, but not limited to, uncontrolled discharges to land or water, uncontrolled emissions to air, spills, waste incidents, uncontrolled / unplanned disturbance in the form of noise, dust, light or other external impact, non-native species / biosecurity and ecological incidents.
- 3.7 Subcontractor environmental incidents must be fully investigated and the report provided to Balfour Beatty in a timely manner. An initial investigation report must be provided within 24 hours of occurrence. A full investigation report must follow in a reasonable timescale and determine a root cause and describe corrective and preventative action. Any correspondence with any regulator relating to the contracted works being performed must be provided to Balfour Beatty.
- 3.8 Balfour Beatty takes its rules and standards very seriously, and any breach by the subcontractor or their employees will result in a relevant level of corrective action being taken. This corrective action could include a formal review of the subcontractor. All employees of the subcontractor need to be aware that following a breach of a sustainability rule, standard or legislation they may be subject to a suspension or permanent exclusion from site.

4. Water

- 4.1 The Supplier must not discharge or abstract water without regulatory permission, where it is required. This includes all discharges to surface and foul water drainage systems as well as discharges containing silt made to land or as water runoff from planned activities.
- 4.2 The Supplier must avoid carrying out any concrete washout activities on site. If this is not possible then concrete residues (e.g. from chutes) must be washed out in secure designated areas. All washout activities / locations must be approved in advance by Balfour Beatty. Water must be contained and never discharged straight to ground or allowed to leak.
- 4.3 The Supplier must take all reasonable steps to minimise water usage including:
- using products with lower embodied water;
 - reducing water use during construction;
 - enabling water efficiency in use; and

- co-operate and co-ordinate with others including contractors, the supply chain and consultants, engaged in connection with the works in furtherance of this clause

4.4 If works are required to meet BREEAM / CEEQUAL or other customer requirements, Suppliers of cement, bricks, concrete blocks, steel, rebar, cabling, glass, plaster, timber, PVC, asphalt and aggregates shall, if requested, quantify and provide details of embodied water (cradle to grave).

5. Air Quality

5.1 Best practicable means must be used when planning and undertaking works to reduce or prevent emissions to air.

5.2 Water or other means of suppression / extraction must be used to prevent dust generation with due consideration as to the run-off of water.

5.3 Wagons must be sheeted when they are delivering or carrying dusty materials off-site or within site.

5.4 Non Road Mobile Machinery (NRMM) is defined as any mobile machine, item of transportable industrial equipment, or vehicle - with or without bodywork - that is:

- not intended for carrying passengers or goods on the road
- installed with a combustion engine - either an internal spark ignition (SI) petrol engine, or a compression ignition diesel engine

5.5 All NRMM rated between 37kW and 560kW must comply with the requirements outlined in ENV-RM-0011a Non-Road Mobile Machinery (NRMM) Emissions Regulations (available from <https://www.balfourbeatty.com/how-we-work/supply-chain/important-documents-for-suppliers-and-subcontractors/>) or a project specific standard if provided.

5.6 Where requirements cannot be met, equipment must be fitted with appropriate retrofit abatement technology that has been registered and endorsed by the Energy Saving Trust NRMM certification scheme. Where the supplier owns or hires equipment that is equipped with retrofit technology they must provide supporting information on the retrofit technology to the project lead.

5.7 Where NRMM does not meet emission standards and retrofit abatement solutions do not exist exemptions must be sought from the relevant regulator. Currently the Greater London Authority for work sites in Greater London or HS2 for any work sites supporting HS2. As further local authorities implement low emission zones there may be further regulators who may well operate their own rules for exemptions.

- 5.8 Where NRMM is delivered to project sites, it should be certified to the Emissions Compliance Verification (ECV) scheme, wherever possible. If not, the supplier must inform Balfour Beatty with information on the machinery type, machinery manufacturer, engine manufacturer year, plant ID code, engine EU type approval number, engine power in kW and the EU engine emission stage so that this can be logged on the NRMM database. Where NRMM is removed from site, project managers must be informed so that they can update the NRMM database.

6. Energy and Carbon

- 6.1 From Quarter 4 2023, where the supplier has contracts that collectively value £5 million or greater per annum with Balfour Beatty they must have an independently validated Science Based Target in place, or have submitted their Science Based Target Commitment letter, or setting form for SMEs, within 6 months of contract award.
- 6.2 The Supplier must take all reasonable steps to minimise energy usage including:
- reducing energy use during design, manufacture, delivery and construction
 - enabling operational energy efficiency improvements by e.g. providing instructions for using energy more efficiently and raising awareness among employees
 - developing a suitable management plan to monitor, manage, report and feedback on the performance for the above component(s), where possible in line with Certified Measurement and Verification Professional guidelines; and
 - cooperate and coordinate with others including contractors, other suppliers and consultants, engaged in connection with the project in furtherance of this clause
- 6.3 If works are required to meet BREEAM / CEEQUAL or other customer requirements, Suppliers of cement, bricks, concrete blocks, steel, rebar, cabling, glass, plaster, timber, PVC, asphalt and aggregates are expected to be able, on request, to quantify the embodied carbon (cradle to grave) of the materials and provide details.
- 6.4 Suppliers of fleet, plant and equipment must provide the following the Scope 1 and 2 GHG emissions in tCO₂e for activity undertaken for Balfour Beatty on an annual basis
- 6.5 If road transportation or haulage is the principal activity of the supplier's agreed works, the following must be provided on an annual basis
- km or miles of logistics movements undertaken on behalf of Balfour Beatty
 - the principle mode of transport.
- 6.6 The Supplier will be required to provide Balfour Beatty with all relevant documents relating to the embodied carbon of the products and services

provided, either in the form of a lifecycle assessment (LCA), Environmental Product Declaration (EPD) or carbon analysis and provide any relevant data so Balfour Beatty can assess the impact of the product or service. This will be determined in relation to the scale of the carbon impact of the product or service. Balfour Beatty would also expect to be kept updated on any carbon savings or losses associated with any changes in the manufacturing process of the product or service.

- 6.7 the Supplier is not permitted to use Hydrotreated Vegetable Oil (HVO) or Gas to Liquid (GTL) on Balfour Beatty's projects, due to indirect sustainability impacts. Our position statement and [FAQs](#) can be found on our website.

7. Ecology and Archaeology

- 7.1 Where a works location has protected status as a site of archaeological interest or a natural habitat of ecological value, access to that location may need to be restricted and controlled. The Supplier must not commence work until all necessary permits have been received from the relevant regulatory authorities.
- 7.2 The Supplier is required to identify in their risk assessments any significant environmental risks posed to protected species, habitats, and cultural heritage / ancient monuments from their work activities, and to document the control measures they will deploy to eliminate / mitigate / control these risks.
- 7.3 The Supplier must stop work and report any unexpected wildlife or anything of potential archaeological interest discovered during the planning or completion of activities.
- 7.4 The supply chain is expected to follow the advice and recommendations of the Balfour Beatty environment team and of any specialist archaeologists / ecologists employed by Balfour Beatty.

8. Circular Economy

- 8.1 Balfour Beatty require the supplier to fully undertake their duty of care on third party waste carriers and waste facilities, by ensuring that all licences, permits and exemptions are up to date, and that facilities are operating legally and in compliance with waste 'Dute of Care' requirements. The Supplier must retain a documented record of all checks conducted and supply this to Balfour Beatty on request.
- 8.2 The Supplier and its supply chain must contribute to the project's waste management plan and identify potential waste streams that could arise during their works including the potential for the discovery of contaminated land (its

identification and management), along with estimated total quantities of each waste type that this will produce as well as the planned route of disposal.

- 8.3 The Supplier must comply with the site waste segregation strategy, including the avoidance of cross-contamination of segregated (non-mixed) skips.
- 8.4 Where the supplier makes their own arrangements for waste storage and disposal they must provide records of all transfers from the project and provide regular reports on the type and quantity of waste reused, recycled, otherwise recovered, or disposed of to landfill – with at least 98% of waste diverted from landfill.
- 8.5 The Supplier is to substitute the use of scarce minerals wherever possible.
- 8.6 The Supplier must follow the waste hierarchy and design, specify and procure materials, products and services with the greatest circular-economy benefits.
- 8.7 The Supplier must take all reasonable steps to minimise waste through their design proposals, materials supplied and operations on site.
- 8.8 The use of packaging must be minimised and where appropriate made from materials that can be reused, recycled, or recovered wherever feasible including the use of take back and collection services for their materials and associated packaging for subsequent reuse, recycling or recovery.
- 8.9 The supply chain must make available all relevant information associated with primary, secondary and tertiary packaging in accordance with the Packaging Waste Regulations and the Plastic Packaging Tax. Suppliers will be required to take back any packaging deemed excess or non-compliant, e.g ISPM15, at their own expense.
- 8.10 Suppliers must maximise the reused, recycled and / or secondary content within goods and materials supplied where possible. The percentage and mass of reused / recycled / secondary content must be reported to Balfour Beatty.
- 8.11 Suppliers of recycled aggregate must be in full compliance with the duty of care requirements of the Waste Management Regulations or the WRAP Quality Protocol. Delivery documentation description must state that the product was produced under a quality protocol.
- 8.12 Where possible the supplier must employ closed loop waste systems, which utilise the waste product from one process or product in another product or process. This can be part of the same construction project or can be through collaboration with other projects / organisations which use the waste as their raw material, ensuring all legal requirements are met.

- 8.13 Suppliers carrying out demolition and deconstruction subcontracts must carry out a pre-demolition audit and consider maximising the recovery of materials and resources; minimising demolition arisings through recycling and identifying reuse opportunities; the production / supply of construction materials from recovered demolition arisings; design modification to limit amount of demolition (such as façade retention and other existing structure reuse); and input into new design proposals to assist future demolition.

9. Ethical Sourcing

- 9.1 Suppliers should ensure their supply chain partners use for the provision of goods, services or labour to Balfour Beatty follow Balfour Beatty's Code of Ethics.
- 9.2 When sourcing goods, products and services, the supplier must consider the ethical records of the materials, labour, products and services themselves and of their supply chains (to ensure the most ethical companies are prioritised and the least ethical are not)
- 9.3 Suppliers should employ active due diligence of ethical sourcing, including environmental, social and economic considerations, and have in place an approach of continual improvement;
- 9.4 The Supplier must avoid supplying or using materials with a high environmental, social, health or reputational risk, or those that are likely to be limited due to forthcoming legislative requirements.
- 9.5 The Supplier should be able to demonstrate the sourcing country and province / state of key components of any materials supplied.
- 9.6 Due to evidence of human rights abuses in Xinjiang Province, China, Balfour Beatty requires that no materials are procured from this area. If no alternative supply chain is available, the supplier must inform the Procurement lead of the origin of the supply and outline their labour exploitation mitigation methods.

10. Supply Chain Development

- 10.1 The Supplier is expected to improve the sustainability knowledge amongst their teams and Balfour Beatty encourage them to become active members of the Supply Chain Sustainability School (or suitable industry alternative for non-construction sector suppliers) and work towards bronze, silver and gold level accreditation as a demonstration of competence.
- 10.2 The supply chain are expected to identify opportunities to improve sustainability outcomes and share with Balfour Beatty to improve the way we deliver our

projects and achieve the goals of our UK Sustainable Procurement Policy Statement.

11. Supplier Diversity

- 11.1 If requested by the Project, the Supplier is required to provide details to Balfour Beatty of attributable spend with local suppliers and subcontractors ('Local' is considered to be within a 30 mile radius of the project unless otherwise defined).
- 11.2 the Supplier is encouraged to seek to engage with Small and Medium Enterprises and voluntary, community, and social enterprise (VCSE) organisations.
- 11.3 the Supplier must openly advertise any remaining supply chain opportunities (i.e. where no contractual arrangements have been agreed by the date of the main contract award).
- 11.4 The Supplier shall have in place an up to date Diversity & Inclusion Policy which reflects and compliments the relevant statutory provisions relating to diversity and equality law in relation to race, sex, gender reassignment, age, disability, sexual orientation, religion or belief, pregnancy, maternity or otherwise and which includes details of their approach to monitoring, recruitment, bullying and harassment and training.

12. Payment

- 12.1 The Supplier must pay their suppliers on time and in accordance with the contract conditions. Balfour Beatty has demonstrated their commitment to payment on time by signing up to the Prompt Payment Code and will publish our performance. Balfour Beatty expect its suppliers to commit to the principles of this code as a minimum and would encourage them to publish their performance.

13. Developing Talent

- 13.1 The Supplier is encouraged to have programmes and policies in place to promote local employment, including graduate programmes, apprenticeships and use of local labour, in particular for those economically inactive and disadvantaged groups or individuals as well as any attributable outcomes achieved. Certain projects delivered by Balfour Beatty will require The Supplier to share details of these programmes and project specific commitments.
- 13.2 The Supplier is encouraged to sign up to the 5% Club as a demonstration of commitment to work toward having a minimum 5% of their UK workforce enrolled on formalised apprentice, sponsored student and / or graduate development schemes within five years. <http://www.5percentclub.org.uk/>.

14. Labour Standards & Modern Slavery

14.1.1 From 2024 all Suppliers to Balfour Beatty irrespective of size or turnover will be expected to publish a modern slavery statement that, as a minimum, meets the requirements of the [Home Office's statutory guidance](#). In addition, Balfour Beatty have prepared a **template** that can be used.

14.2 In performing its obligations under the agreement, the Supplier shall ensure that they and their supply chain:

- Comply with all applicable laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015, United Nations Global Compact, the ETI Base Code and the International Labour Organization, International Labour Standards
- Employ personnel directly wherever possible and, when it is necessary to engage recruitment agencies, ensure that these agencies operate legally and ethically in line with the Employment Agencies Act 1973. The use of umbrella companies for the purposes of paying workers must be compliant with the Freelancer & Contractor Services Association (FCSA) standards and codes of practice.
- Carry out regular due diligence on their own operations and supply chains. They should provide regular training on these requirements for their employees and establish an effective, confidential grievance / whistleblowing mechanism.

14.3 Suppliers remain responsible for all labour practices even if the work is subcontracted, and must require their onward supply chain adhere to these policies.

14.4 Balfour Beatty In instances where labour is provided via subcontractors or recruitment agencies, the supplier may be requested to evidence the following information:

- Document Verification: Detailed processes on how you verify applicant documentation, including the authenticity and ownership of documents, validation of right-to-work dates, photo comparison, consistency of dates of birth, reasons for different names on different documents, and confirmation of the applicant's possession of their legal documents.
- Employment Contracts: Evidence that all staff, including temporary workers, are under a written contract of employment, and they have not been subjected to any direct or indirect fees to secure work.
- Wage Verification: Proof that all staff, inclusive of temporary workers, receive at least the legal minimum wage.
- No Unlawful Deductions: Confirmation that employees are not having wages deducted for accommodation, food, or repayment of any supposed debt.
- Rights Information: Details on how workers are informed about their statutory rights including, but not limited to, sick pay, holiday pay, and any other entitled benefits.

- Working Hours: Outline of how working hours are monitored and how compliance with UK's Working Time Regulations 1998 is ensured.

Supply chain partners are required to notify Balfour Beatty as soon as they become aware of any potential or actual instance of Modern Slavery or Labour Exploitation taking place in their business or supply chain.

If the person is in immediate danger or is under 18 then call 999 as a matter of urgency

15. If you have any suspicions about any other potential labour exploitation, please report them to Balfour Beatty's Speak Up helpline online at www.balfourbeattyspeakup.com or on **0800 028 0822** with the specific details of the case. We commit to taking the issues raised seriously, and concerns can be reported anonymously if preferred.

If you are unsure whether your concern should be reported through Speak Up, you may contact Ethics@balfourbeatty.com for guidance.

Community Engagement

- 15.1 the Supplier is required to engage positively with the local community and support Balfour Beatty to minimise disruption to local people by actively supporting the commitments detailed in the 'Sustainability Delivery Plan' or through their own social value action plan and providing suitable evidence.

Section 2: Material Specific Requirements

16. All suppliers

- 16.1 Where it is identified that a material is required which is contrary to the requirements set out in this document and no suitable alternative is available, then a Concession must be sought from the project lead or sustainability lead.

- 16.2 Failure to seek approval may result in the material or product being removed, disposed of and replaced, with the full cost borne by the supplier. Retrospective approval will only be considered in exceptional circumstances.
- 16.3 Where products or materials are sourced directly from countries with a high-risk of modern slavery (see 16.4), the Supplier is required to conduct thorough supply chain labour audits at regular intervals. This could be carried out either independently or via reputable third-party auditors. It is the Suppliers responsibility to monitor performance against set standards and provide Balfour Beatty with the following evidence when requested:
- Audit Summaries: A summary of audits or other inspections conducted by you or third parties to evaluate labour standards in your supply chain within high-risk countries.
 - Audit Evidence: Samples of evidence, such as audit excerpts or declarations, to confirm that the audits have taken place.
 - Corrective Actions: Evidence of remedial action taken to address any identified issues during audits.
 - Audit Templates: Copies of audit templates highlighting the areas reviewed. At the very minimum, audits should validate that your supply chain:
 - Adheres to all applicable laws, statutes, regulations, and codes. This includes, but is not limited to, the United Nations Global Compact and the International Labour Organisation's International Labour Standards.
 - Ensures that employment is voluntary, with workers free to leave upon giving reasonable notice. Forced, bonded, or involuntary prison labour should not be employed.
 - Upholds the principle of equal opportunities, allowing individuals and groups to live free from discrimination and oppression.
 - Enforces working hours that are in accordance with national laws or industry benchmarks.
 - Prohibits all forms of employee abuse or intimidation, and has effective disciplinary, grievance, and appeal procedures in place.
 - Implements measures to safeguard the health and safety of its workforce and the general public.
 - Pays wages and benefits that meet or exceed relevant industry benchmarks or national legal minimums.
- 16.4 Countries at high-risk of Modern Slavery are classified as those that, according to the [Trafficking in Persons Report 2022](#), are 'non-compliant and are not making significant efforts to comply with the minimum standards against human trafficking'.
- 16.5 Additional information can be found on Trafficking in Persons Report 2022 and the Walk Free Foundations Global Slavery Index 2023 It is the suppliers responsibility to stay updated with the current list of high-risk countries and ensure compliance with all the stated requirements.

17. Suppliers of Timber Based Products (including timber packaging)

- 17.1 the Supplier shall procure 100% of timber products, including packaging around items we purchase, from legal, recognised responsible sources preferably Forest Stewardship Council ('FSC'), or Programme for the Endorsement of Forest Certification ('PEFC') in line with our procedure for Responsible Timber Procurement.
- 17.2 In addition a copy of the relevant current Chain of Custody (COC) certificate number relating to the material supplied must be provided on the invoice and delivery documentation and subsequent invoice to satisfy Balfour Beatty policies and applicable projects BREEAM / CEEQUAL / equivalent audits and assessments.
- 17.3 For reused or reclaimed timber brought to site, including recycled timber pallets, but not specifically purchased, a statement or other guarantee that the timber is reused or reclaimed must be provided on delivery.
- 17.4 Failure to comply with these requirements will result in the delivery being rejected or returned (at your companies expense), as non-compliant.
- 17.5 All timber packaging supplied from outside the UK from other EU countries or Switzerland must be bark-free or kiln-dried and marked 'KD' to meet the EU Protected Zone requirements set out in the EU Plant Health Directive, or must be ISPM15 compliant. All wood packaging from Portugal must either be ISPM15 compliant or otherwise marked to show that it was manufactured in another EU member state. Wood packaging from outside the EU or Switzerland must be ISPM15 compliant.
- 17.6 Countries at high risk of modern slavery related to timber include but are not limited to Brazil, North Korea, South Korea, Peru, Papua New Guinea, and Solomon Islands.

18. Suppliers of Steel Products or Components

- 18.1 Suppliers of all steel products should seek to ensure the best value for money by recognising relevant wider social and environment benefits where appropriate.
- 18.2 Steel products should be accredited to BRE Standard BES 6001. Evidence of certification may be required by the project.

- 18.3 Carbon steel reinforcement (for use in concrete), or reinforcement concrete containing reinforcement bar, must be accredited to BRE Standard BES 6001, or CARES SCS accredited to BS 8902 approved.

19. Suppliers of Aggregates, Concrete and Cement products

- 19.1 the Supplier should optimise the concrete specifications to meet the performance requirements while reducing the carbon content as far as possible, such as maximising the use of cement replacement products in concrete mixes.
- 19.2 the Supplier shall source locally to the project / site location, to reduce 'materials miles' where possible.
- 19.3 Countries at high risk of modern slavery related to bricks include, but are not limited to Afghanistan, China, Cambodia, India, Myanmar, Nepal, North Korea, South Korea, and Pakistan.

20. Suppliers of Dimensional Stone

- 20.1 Responsible sourcing of natural stone / primary aggregate products must be evidenced through compliance with a recognised responsible sourcing scheme (e.g Ethical Stone Register, BES 6001 or SA8000), certified by a third party. Companies using the Ethical Stone Register should ensure UK and EU sourced stone meets Verification Level as an organisation, as a minimum. Stone originating from outside the UK and EU should be at Verification Level per stone type supplied, as a minimum.
- 20.2 Stone suppliers should be active members in either the Ethical Trading Initiative (ETI Stone Group), (TFT's) Responsible Stone Programme, or be signatories to the Stone Federation GB's Responsible Sourcing Pledge.
- 20.3 Products supplied must be able to show a clear chain of custody from source to point of use. EU sourced stone will have the appropriate UKCA marking and certification provided with each delivery.
- 20.4 All commercially exploited (UK) primary aggregate shall include the current HMRC aggregate levy charged at the appropriate rate where applicable.

21. Suppliers of Topsoil

- 21.1 Topsoil can be either natural or manufactured. the Supplier must only supply natural topsoil. If there are exceptional circumstances where the supplier proposes to supply manufactured topsoil, prior agreement must be obtained from

Balfour Beatty Site Lead and Environmental Advisor to ensure that Balfour Beatty operates within legal requirements.

21.1.1 Natural Topsoil – Natural topsoil can come from the development of greenfield sites and sometimes undisturbed and uncontaminated areas of brownfield sites.

21.1.2 Manufactured Topsoil – Manufactured topsoil can be produced by mixing appropriate mineral and organic materials to create a rooting medium which provides the same function as natural topsoil. Manufactured topsoil can include components such as natural topsoil, sand, overburden, green compost, treated biosolids, fertiliser and lime.

21.2 the Supplier must state the type of topsoil being supplied on delivery tickets and invoices.

21.3 Some or all of the components that go into manufactured topsoil are often classified as a waste material and as such the resulting manufactured topsoil is considered a waste and must only be used with the appropriate regulatory permissions in place. Even if manufactured topsoil containing a waste has been tested and conforms to BS3882:2015 Specification for Topsoil, it is still classed as a waste.

22. Plant and Equipment – Specified Generator Regulations

22.1 Balfour Beatty encourages the use of the most efficient generators and encourages the use of renewable energy:

22.1.1 Hydrogen power units, supplied by green or low carbon hydrogen, should be considered in place of diesel generators.

22.1.2 Diesel generators should be sized appropriately to reduce emissions by lowering fuel usage.

22.1.3 Generators should be sized according to average forecasted electrical load using demand management systems, such as EcoNet, which prevent demand from exceeding maximum supply capacity.

22.1.4 Where possible, generators should be paired with battery storage units or a source of renewable generation, such that generators can be switched off during periods of low demand.

22.1.5 When sizing generators lean, or synchronous pairs should be considered to avoid high idle rates during period of low demand

22.2 the Supplier must ensure that any obligated generators under the Specified Generator Regulations that they supply have an appropriate environmental permit in place and that emission limit values (ELVs) are met prior to operation.

22.3 Obligated generators may be:

- an individual generator with a rated thermal input of between 1MWth and less than 50 MWth

- multiple generators being operated on the same site (known as a specified generator group) which in total have a rated thermal input of between 1MWth and less than 50MWth

22.4 the Supplier must consult the latest regulatory guidance to establish whether an environmental permit is required and what type.

22.5 the Supplier must:

- Notify Balfour Beatty of any obligateded generators in operation on site within 24 hours of delivery; and
- Provide a copy of the environmental permit to the Site Lead / Facility Manager / Environmental & Sustainability Lead within 24 hours of the generator's delivery; and
- Notify Balfour Beatty within 24 hours where ELVs are not met

23. Suppliers of Solar Photovoltaic Products

23.1 All Suppliers must review all supply chain partners throughout their supply chain to ensure they do not have any substantiated claims of human rights violations.

23.2 There is a free guidance document that was launched in September 2023 to ["Address modern slavery risks in solar PV supply chains"](#). Suppliers of these products must work collaboratively with Balfour Beatty to undertake good practice due diligence of the solar PV chain prior to placing any orders for Goods.

24. Suppliers of Volatile Organic Compounds (VOC) Products (Paints, Sealants, Adhesive etc.)

24.1 the Supplier, as far as is reasonably practicable, shall substitute unhealthy material for a healthier alternative, such as water-based finishes.

25. Asbestos

25.1 Suspected asbestos waste must be disposed of as hazardous / special waste unless asbestos testing has been carried out to prove it is non-hazardous, this includes asbestos in soils.

25.2 Disposal of asbestos must be carried out by a registered waste carrier to a specified disposal facility and a consignment note issued.