

Sustainable Procurement Policy

Foreword

This policy is intended to provide an overview of the sustainable procurement objectives that Traditional Comfort aims to achieve. Those staff who conduct procurement activities will be encouraged to take into account the broad policy directions contained within this document when purchasing goods or services.

Objectives

The Sustainable Procurement Policy has been developed to:

- Reduce procurement impact on the environment;
- Contribute to the progress of the Traditional Comfort towards sustainability;
- Encourage suppliers and contractors to adopt cleaner technologies; and
- Produce products or provide services with lower environmental impacts;
- Help deliver compliance to statutory obligations;
- Improve efficiency;
- Demonstrate leadership to the community and other stakeholders

Scope

This policy will be part of the Procurement Policy. The policy is applicable to the procurement activities conducted by all employees / volunteers of the Traditional Comfort. Any deviations to this policy must be approved by the Managing Director or an officer delegated with such authority.

Reviews by Sustainable Team

Sustainable Team will review the sustainable procurement practice and suggest Head of Procurement to incorporate / changes necessary things.

SUSTAINABLE PROCUREMENT PROCEDURES

Wherever possible, all staff will pursue the following goals and adhere to the specified principles when purchasing products, material and services.

1. Preference to Environmentally preferable products
Traditional Comfort will give preference to environmentally preferable products when performance and price are comparable to conventional products
2. Acceptable Pricing differential
The Traditional Comfort will allow up to a 5% of price differential when making a procurement decision regarding an environmentally preferable product over a comparable conventional product.

3. General Sustainability Considerations

The following should be also considered in the procurement of all products and services:

- Use of resources - running costs are often overlooked when purchasing. This is a short-term view as often the running costs are the most expensive part of the life cycle. Products that are energy efficient should be favored. Care should also be taken to ensure that products using water are efficient and that minimums of raw materials are used.
- Biodegradability - many products may be suitable for composting and others will be biodegradable in the longer term. These aren't always obvious; for example, some plastics can be biodegradable. Consideration should be given when purchasing products as to whether these products can be biodegraded. If not consideration should be given to an alternate product.
- Locality - think about the transportation of the product. Is it really necessary to ship something from the other side of the world when a similar product is made locally? Sourcing from local suppliers means local investment and economic sustainability.
- Ethical sourcing - some products may exploit child labor and marginalized workers, thus violating human rights and economic/social equity. Whenever possible products that have been fairly traded should be purchased. Fair Trade labeling may help identify such products. Whenever possible, suppliers should be asked to disclose ethical information regarding production and labor outsourcing.
- Minimize unnecessary purchasing - Purchasing shall only be made once it has been determined that the product or service is necessary.
- Minimum waste - Purchase decisions shall be made in the context of the waste hierarchy to avoid, reduce, reuse and recycle. An example is sending information electronically instead of on paper. Reduce - using less in the first place and avoiding waste. Examples of this include purchasing in bulk to reduce packaging and the purchase of printing equipment that prints double sided. Reuse - using the same item more than once, and extending the useful life products and equipment before replacing an item. Aim to reuse or repair and existing product. Ensure that the new purchases are durable, have long service life and easy to maintain and upgrade. Recycle - purchasing products that contain recycled materials or those that have or can be remanufactured
- Waste management - Ensure that the product purchased does not have any "hidden" costs associated with its disposal.
- Minimum toxicity - purchase material and products that are free of toxic or polluting materials and chemicals. Purchase products and material that will not release toxic substances that can affect human health and pollute water, land or air at any stage of the lifecycle.
- Minimum habitat destruction - purchase paper and wood products obtained from recycled, plantation, salvages or renewable resources. Purchase green cleaning products that don't result in discharges of toxic chemicals to waterways
- Maximum water efficiency-purchase products that conserve water or use water in an efficient way

- Minimum greenhouse gas emissions - purchase energy efficient products and materials by checking that the energy rating and efficiency features are the best available for the cost over the lifetime of the product. Purchase renewable energy and reduce the consumption of fossil fuels. Purchase goods that have not been transported long distances.
- Minimum soil degradation - purchase products, material and services that will not degrade or pollute the soils, or result in erosion through their use.
- Packaging - ensure that the minimum packaging is used and that any that is used is reused, or if that is impossible, recycled by the distributor or manufacturer.

EXISTING CONTRACTS WITH VENDORS / SUPPLIERS / BUSINESS AGENTS

Existing contracts with vendors, suppliers and business agents of Royal Mountain Travel will be reviewed as and when such contracts / agreements are renewed. In case of ongoing contracts, a separate contract forming part of main contract will be entered into specifying specific provisions.

It is the policy of the Royal Mountain to continue business relationship with suppliers who are sustainable in terms of general consideration of this policy. In case of exception, Managing Director may review and approve the same specifying the reasons.

POLICY REVIEW

This policy is effective immediately after approval by MD and circulation to staff. The policy will be formally reviewed in 2 years to ensure its relevancy. The head of procurement department will be responsible for review and amendment of this Policy.