

Green Procurement Policy

Version 2.1 | January 2022

1. Purpose

Green procurement is generally defined as purchasing a product that has a reduced negative impact or increased positive effect on human health and the environment, when compared with competing products that serve the same purpose. Minimising our environmental impact is a key objective of our business, therefore this policy is applied to all direct procurement by NewRiver. Service providers instructed by NewRiver are required to confirm their understanding of this policy and are encouraged to adopt its principles.

2. Policy Statement

General Principles

As far as possible, the environmental impacts of a product or service will be evaluated as part of any tender process, and NewRiver will encourage its suppliers to improve their environmental performance accordingly. In implementing this policy, NewRiver will strive to ensure that it does not put small to medium enterprises (SME) at an undue disadvantage in doing business with us.

As appropriate, we will establish sustainability performance agreements with our top service providers and monitor their progress. NewRiver's third-party property managers are required to be ISO14001 certified.

NewRiver is committed to its communities and will therefore conduct procurement activities to deliver community benefits, where there is an opportunity to do so.

Product Considerations

Through the adoption of this policy, NewRiver will endeavour to purchase products that have a reduced environmental impact, certified by the Global Ecolabelling Network ('GEN'). In assessing the impact of a product, the following characteristics will be considered and products offering optimum combinations will be selected:

- Pollutant releases
- Toxicity, especially the use of or release of persistent, bio-accumulative, and toxic (PBT) chemicals, carcinogens, and reproductive and developmental toxins
- Waste generation and minimised packaging which is accepted by local recycling collection services
- End-of-life considerations such as reusability and recyclability
- Circular economy principles
- Greenhouse gas emissions
- Energy and water efficiency
- Depletion of natural resources
- Impacts on biodiversity
- Environmental practices that manufacturers and suppliers have incorporated into their production processes or operations
- ISO 14024 type I compliant ecolabel or ISO 24025 type III ecolabel.

3. Minimum Standards by Product

Energy

All electricity purchased by NewRiver must be from renewable sources guaranteed by the Renewable Energy Guarantees of Origin (REGO) scheme. From April 2021 onwards, our gas will be procured on a carbon-offset tariff.

Lighting

In the interests of energy efficiency, all lighting installations must be of LED lamps. The lumen output of LEDs does not depreciate over time, unlike fluorescent and high-intensity discharge (HID) lamps, and their operating life is longer.

Timber and Timber-based Products

Timber and timber-based products must be legally and responsibly sourced in accordance with the UK Government's Timber Procurement Policy. Products should demonstrate one of the following:

- FSC certification
- PEFC certification
- SFI certification
- Another certification/assurance that is a nationally acceptable alternative to at least one of the above.

Paints and Varnishes

All paints and varnishes are to be compliant with EU Directive 2004/42/CE (Paints Directive). Paints and varnishes to be applied to wet areas should also come with manufacturer confirmation that products are fungal and algal resistant.

4. Guidance on Procuring Compliant Products

Key Recommendations

- Specify recycled materials (reclaimed and post-consumer materials).
- Take a 'whole life' approach to procurement, assessing options based on issues such as longevity, maintenance and replacement intervals.
- Seek regionally sourced materials i.e. sourced from local businesses or within a reasonable distance.
- Specify materials with low levels of harmful emissions i.e. Volatile Organic Compounds (VOC).
- Give preference to low embodied carbon materials (carbon emitted during resource extraction, transportation, manufacturing and fabrication of a product).

Key Items to Avoid

- Crude-oil derived materials.
- Materials manufactured outside of the EU, with long distance travelled.
- Virgin aggregates.

Where products and services are being evaluated by or on behalf of NewRiver and there are two or more products/services which offer different combinations of the Product Considerations, carbon emissions, energy and water efficiency, and waste generation should be prioritised in order to support NewRiver's key sustainability targets.

For detailed specifications to support decision-making where required, please refer to BREEAM Guidance Note 18 (GN18) or the UK Government Buying Standards (GBS).

5. Sustainability Targets

Our approach to Green Procurement is driven by our ambition to reduce the environmental impact of both our corporate activities and of the assets we manage. This Policy has an important role to play in supporting the achievement of our key environmental performance targets, including:

- 100% of the electricity we procure at our assets is from renewable sources by 2022.
- 100% of waste generated at our managed assets is diverted from landfill by 2022.
- 85% recycling rate achieved at our managed properties by 2025.

We have also been working year on year to reduce our requirement to print our Annual Report (ESG report is fully digital) and Results Materials. Since 2018, we have achieved an over 40% reduction in Annual Report printing and have eliminated the need to print our Results Materials. All of our Annual Reports are printed on recyclable and acid-free paper, approved by the FSC, via a carbon-neutral printing company. We have also moved to digital paper and magazine subscriptions.

6. Roles, Responsibilities & Contacts

The NewRiver Board holds ultimate accountability & oversight of NewRiver's approach to ESG, supported by the Executive Committee. The primary responsible party for this policy is Emma Mackenzie, Head of ESG at NewRiver. The parties responsible for implementing this policy include the procurement team, as well as asset managers who monitor our third-party property managers' compliance with this policy. They are responsible for ensuring that

products and materials for NewRiver's offices, and assets over which NewRiver has operational control, are procured according to this plan. If unsure, to confirm compliance with this policy, please contact NewRiver's Sustainability Manager, Fabienne Davies, or NewRiver's Head of ESG, Emma Mackenzie.