

Crest Nicholson's driving ambition is to be the market leader in the design and delivery of sustainable housing and mixed use communities. We recognise that our procurement activities have the potential to create significant environmental and social impacts.

We are committed to specifying sustainable materials and technologies, and to developing long term partnerships with suppliers, contractors and sub-contractors which promote social responsibility and environmental stewardship. In particular, we recognise the potential effects on Climate Change of our procurement policy.

It is our intention to continually engage with external organisations to improve our procurement processes.

Specifically, Crest Nicholson commits to:

- o Work towards the definition of sustainability performance standards for our suppliers and contractors and thereafter to regularly audit their performance against these standards.
- o Work towards the definition of social standards for health & safety, human rights and labour policies in respect of our suppliers and contractors
- o Using sustainability criteria including environmental & social impact, quality and price, in the selection of suppliers to assist in addressing our shared climate change impacts.
- o Setting progressive targets to improve the social, environmental and economic performance of our procurement activities in order to raise continuously the sustainability standards of our developments.
- o Reviewing procurement processes to identify potential areas to reduce waste.
- o Supporting our regional procurement and commercial teams to implement this Policy

When selecting suppliers and contractors Crest Nicholson will assess the sustainability of their products and services against social, environmental and economic criteria. Suppliers or contractors who do not meet the minimum standards set for health & safety, human rights and labour shall not be appointed.

Where economically sustainable and where the agreed social standards are met, Crest Nicholson will give preference to products which:

- o Have a lower environmental impact, specifically lower levels of embodied energy.
- o Are locally sourced, contain recycled content, or are reclaimed.
- o Are responsibly sourced through third party certification schemes including ISO 14001 or EMAS.



Stephen Stone, Chief Executive

April 2011

The Commercial Business Improvement Group will monitor the effectiveness of this Policy and will review and audit it regularly. This Policy is supported by our Sustainable Timber Policy.