

SpencerStuart

Sustainable Procurement Policy

At Spencer Stuart our purpose, shared values and standards of professional conduct provide the foundation for our collective success. Operating in a global marketplace we are seriously committed to the many communities in which we live and serve our clients. We recognize that what we buy, and the suppliers we choose in the process, impacts those and other communities.

Our Sustainable Procurement Policy represents an important component of our broader commitment to positive outcomes related to environmental, economic, and social issues. It prioritizes sustainability together with value, quality, and risk management in our procurement decisions, as we strive to best meet the needs of our colleagues and clients.

Scope of application

This policy applies to the Procurement Department as well as other employees directly involved in material supplier selection decisions for goods and services.

Objectives

Through this policy our Procurement Department and broader stakeholders involved in the purchasing of goods and services commit to:

General

- Comply with all applicable laws and regulations in the countries in which we do business
- Ensure that our suppliers commit to do the same through contracts and our [Supplier Code of Conduct](#)
- Beyond laws and regulations, align our firm to the principles of the [UN Global Compact](#)
- Conduct Needs vs. Wants assessments, in consideration of the impact(s) of our choices
- Promote and practice transparency in our interactions with, and related to, suppliers
- Establish preferred partnerships with suppliers committed to sustainability
- Request and review supplier sustainability policies and practices in RFP selection criteria
- Annually identify and take steps to mitigate key risks within our supply base with regards to sustainability and operational excellence

Environmental

- Measure and seek continuous improvement across our supply base with regards to:
 - Greenhouse gas emissions
 - Waste management and recycling
 - Conservation of non-renewable resources
- Prioritize suppliers with strong environmental objectives and practices
- Prioritize recycled, recyclable or otherwise sustainable products
- Ensure that our service providers minimize travel and other drivers of their carbon footprint when working on our behalf
- Take steps to avoid or discontinue business with suppliers known or found to be intentionally involved with violations of environmental laws and regulations
- Continually evaluate alternative products capable of meeting ongoing needs but with reduced environmental impacts

Economic and Social

- Beyond laws and regulations, align our firm to the principles of the [UN Universal Declaration of Human Rights](#)
- Prioritize and promote suppliers with strong commitments to diversity, equity and inclusion, through our Supplier Diversity Program
- Maintain zero tolerance for child labor, compulsory or slave labor, and human trafficking
- Take steps to avoid or discontinue business with suppliers known or found to be intentionally involved with violations of laws related to health, safety, discrimination, harassment, or other human rights issues
- Take steps to avoid or discontinue business with suppliers on sanctions lists in the countries in which we do business, or otherwise known or found to be intentionally involved in bribery, conflicts of interest, corruption, fraud, or money laundering

Targets

Spencer Stuart is committed to ensuring a consistently sustainable procurement process. To achieve this objective, we have set the following targets:

- By 2027, increase the number of suppliers with diverse and minority backgrounds to 12.5% as compared to 10% in 2023
- Train 100% of our procurement team on our current sustainable procurement practices and goals by 2026 and annually thereafter
- 30% of suppliers by spend to have SBTi-aligned carbon reduction targets by 2030

Responsibilities

The Director of Procurement is tasked with the responsibility of ensuring that this policy document is executed meaningfully, and all risk areas are assessed and addressed.

The responsibility to uphold this policy lies with the Procurement Department as well as other employees directly involved in material supplier selection decisions for goods and services.

Review

To ensure the effectiveness of this policy in promoting our ambitions to be sustainable, this document is reviewed annually to analyze the extent to which it has been enforced and the extent of its impact. This review is conducted by the senior management team.