

**We've made a clear commitment to procure products and services from suppliers in a responsible and sustainable way. We demonstrated the strength of our commitment throughout 2007, taking steps to improve our processes in line with best practice and provide appropriate training for our employees. We worked in partnership with other utility providers to make responsible procurement a priority for our industry.**

### Ethical Procurement Policy

We strengthened our existing Ethical Procurement Policy in 2007, with the introduction of a new Labour Standards Risk Assessment model into our standard procurement processes. The model, developed in partnership with other utility organisations during 2006, was rolled out to procurement professionals through a series of 'Responsible Procurement' training events.

As stated in Our Social Commitments, by 2012 we will ensure that all our suppliers comply with the UN Global Compact principles or are meeting satisfactory progress towards 100% compliance. As a UK company, there are a number of employment related regulation and laws that we adhere to. This relates to our duty of care to employees and contractors, regarding discrimination, equal opportunities and child labour issues.

80 of approximately 2000 contracted suppliers have completed our Labour Standards Assessment. We sent all of our high risk suppliers our Ambition Alignment Questionnaire and around 40 were completed. These have been made available to the buyers responsible for these strategic relationships to feed into supplier meetings and other related activities.



Our procurement team was recognised at the CIPS Supply Management Awards 2007

We hosted a half day event for Chartered Institute of Purchasing & Supply (CIPS) members in September 2007, during which we outlined our approach to responsible procurement and discussed the sustainable procurement opportunities presented by the ongoing regeneration of East London. The event centred around EDF Energy's Capital Programme which was recognised as the 'Best Cross Functional Teamwork Project' at the CIPS Supply Management Awards 2007..

### Procurement training

We ran a responsible procurement training programme to refresh our procurement team's understanding of corporate responsibility issues and practices in the energy sector. The programme also gave team members the chance to discuss a range of relevant issues.

### Working in partnership

We maintained our support for a sector-wide approach to supply chain issues, participating in a corporate responsibility focus group facilitated by Achilles Information Ltd. The focus group was set up to share best practice, develop a consistent approach to corporate responsibility issues among utility organisations and to develop a practical corporate responsibility audit model for use by utility organisations. The focus group will continue to meet during 2008, with a pilot corporate responsibility audit methodology set to be trialled across 30 suppliers early in the year.