

New Sustainability Subcontract Clauses and Terms & Conditions

What is Sustainable Procurement

As MWHT progresses further to achieve its vision of being a 'leading, trusted sustainable solution provider in the UK Water Industry' and with our new Sustainability Routemap, we are embedding sustainable procurement measures into our processes.

Sustainable procurement (as defined in ISO 20400 standard) refers to procurement activities that aim to maximise positive environmental, social, and economic impacts throughout the entire life cycle of goods and services, while minimising any negative impacts.

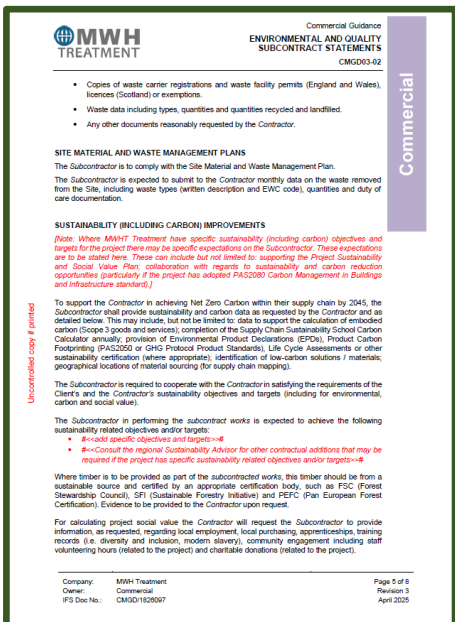
By incorporating sustainability into our subcontract clauses, and the Terms and Conditions this demonstrates to our supply chain our expectations and the increasing requirements from our clients. It helps steer how we can collaborate to become more sustainable across the whole value chain.



Sustainability and Environment Sub-contract Clauses

This guidance has been updated with revised environmental subcontract clauses and new 'Water Quality' clauses for clean water sites. In addition, we have developed new Sustainability Clauses covering:

- Data requirements to support MWHT achieving Net Zero, calculating embodied carbon (of materials and services), identifying low carbon solutions/materials and material sourcing.
- Sustainability related objectives and targets for the project.
- Data for calculating project social value.
- Requirement for calculating annual business carbon emissions.



Please review all your standard sub-contract templates and replace with the new statements included in the document [CMGD03-02 Environmental and Quality Subcontract Statements](#). Future audits will be undertaken to ensure that this has been completed.

New Sustainability Subcontract Clauses and Terms & Conditions

New Terms & Conditions Sustainability Clause

For material and product suppliers, not covered by a sub-contract a new clause has been incorporated into the Terms and Conditions. This new clause covers the following:

Provision of sustainability and carbon data requested by MWHT which includes -

- Calculation of embodied carbon (Scope 3 goods and services)
- Completion of the Supply Chain Sustainability School Carbon Calculator annually
- Provision of Environmental Product Declarations (EPDs), Product Carbon Foot printing (PAS2050 or GHG Protocol Product Standards), Life Cycle Assessments or other sustainability certification (where appropriate)
- Identification of low-carbon solutions / materials
- Geographical locations of material sourcing (for supply chain mapping)

Sustainable Procurement Training for completion

Modules for completion are:

- Sustainable Procurement: An Introduction (15 mins)
- Introduction to Climate Change and Carbon (45 mins)
- Sourcing Sustainable Plant for your construction Projects (15 mins)
- Circular Economy (45 mins)
- Introduction to Social Value (45 mins)

To increase awareness and understanding on key sustainability areas relevant for procurement and commercial activities – an MWHT Sustainable Procurement Learning Pathway has been established on the [Supply Chain Sustainability School](#). We have an RSK target for FY2026 for at least 80% of our employees undertaking procurement/commercial activities to undertake the training. If you have been contacted, please complete the training as requested.

Further development – CBA / TBA for Subcontracts, Products & Materials

Our Sustainability Working Group is currently finalising a dedicated sustainability section for inclusion in the Cost/Technical Benefit Analysis, applicable to all tenders. This addition is intended to ensure that sustainability requirements and best practices are consistently considered when reviewing supplier submissions. Further updates to follow, and as part of the rollout our Sustainability and Environmental Team will be on hand to support the integration and adoption of these enhancements.

