



Managing supply chain risk



The Tarmac's approach to procurement is aligned to the principles of the ISO 20400 Sustainable Procurement - guidelines. We actively manage risk as part of our procurement processes, ensuring that we do not become too dependent upon individual suppliers and vice versa.

Our major contracts are awarded following a rigorous competitive tendering process and decision criteria include value, quality assurance and sustainability indicators.

We assess supply chain risk at a commodity level against fifteen different sustainability aspects such as, health and safety, people, communities, labour practises, environment, climate change and governance to form a commodity 'heat map'.

Using a heat map approach means we are able to identify the risk profile of a supplier and understand and leverage areas where improvements can be made. By managing risk and opportunity at a commodity level, we are able to obtain a greater insight into our supply chain and to integrate improvements into commodity strategy plans and procurement decisions.

It is a highly complex challenge and one we have taken significant steps to improve in recent years.

Now, we are further increasing our scrutiny of issues such as human rights, ensuring we meet ever changing stakeholder requirements and legislative demands, as well as our own standards for our supply chain.

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Our supply chain risks

	Safety	Health	Labour Practices	Equality & Development	Social Value	Energy & CO2	Environmental Stewardship	Resources Efficiency	Circular Economy	Water	Economic Growth	Governance & Ethics
Commodity												
Building Components	■	■	■	□	□	□	■	■	■	□	□	■
Mobile Equipment Assets & Parts	■	□	□	□	□	■	□	□	□	□	□	□
Fixed Equipment Assets & Parts	■	■	■	□	□	□	□	□	□	□	□	□
Transport & Logistics	■	■	■	■	■	■	■	■	□	□	□	□
Contractors & Services	■	■	■	■	■	□	□	□	□	□	■	■
Other	□	□	□	□	□	□	□	□	□	□	□	□