

Social Value in WSP

As a responsible business with a clear purpose, we create social value to make a positive difference to the communities around us, our teams and our projects.

An essential part of ESG, social value (SV) enables us to contribute to the UN's Sustainable Development Goals (SDGs) by creating meaningful opportunities for people, tackling poverty and reducing inequality. Creating social value is the right thing to do and is valued highly by our people, our investors and our Clients. This is why it sits at the heart of our UK Strategy 2022-24, *Together We Grow*, and why we have committed to generating £120m in additional social value in that timeframe.

Importance of Social Value in the Supply Chain

A diverse supply base to WSP contributes to the generation of local Social Value, through the support it offers in employment, local economic spend, and opportunities for participation in WSP's local, regional and national business. The benefits are detailed below.

- For Public Sector Clients, a diverse local supply chain to WSP facilitates the achievement of their obligations under the 2012 Social Value Act.
- For Private Sector Clients, a diverse local supply chain to WSP facilitates the generation of Social Value in the communities they operate in.
- For our suppliers, it provides confidence in working with a buyer that recognises the importance of Social Value in the local community and supporting them in their own business planning.
- For our wider stakeholders, investors and staff, it will provide confidence that our commitment to Social Value is consistent with WSP Guiding Principles and meets national legislation.
- For WSP, a diverse local supply chain will allow us to meet our Social Value commitments and KPIs that are important to our Clients, as well as our wider stakeholders. It is one component of our corporate responsibility.

Our Social Value Supply Chain Charter will reflect the WSP Social Value policy objectives.

We will generate SV through our service delivery and corporate initiatives, centred on the following objectives.

- Deliver £120m in additional social value between 2022 and 2024.
- Collaborate at UK and local levels in pushing best practice and policy to enhance SV creation, for example through the National Social Value Taskforce.
- Measure the social value we generate using recognised frameworks and externally validated figures such as the National TOMs.
- Work with the Social Value Portal, amongst others, to align measurements to SDGs.
- Support Clients who wish us to use alternative measurement tools on their projects.
- Support our supply chain with their delivery of social value, as set out in our Social Value Supply Chain Charter.
- Report on our progress in delivering social value as part of our regular UK ESG updates.

We will comply with the current legislative requirements, and implement any changes that arise, whether for Private or Public Sector, Local or Central Government Clients.

Our Commitment to Support Our Supply Chain to Deliver Social Value

WSP's procurement approach incorporates decision criteria to deliver Social Value with our supply chain. The buying decisions we take will be consistent with the values we demand internally, as represented in our organisational policies.

We commit to continually deliver Social Value through our supply chain and the services we deliver, through the following nationally recognised x6 themes.

- **Jobs:** the promotion of local skills and employment.
- **Growth:** supporting the growth of regional local business.
- **Social:** healthier, safer and more resilient communities.
- **Environment:** protecting and improving our environment.
- **Innovation:** promoting social innovation*.
- **Inclusion:** promoting a diverse and inclusive supply chain.

With specific reference to the supply chain, our commitments will include:

- only using suppliers that sign up to our Code of Conduct
- only using suppliers that sign up to our commitments on the Modern Slavery Act 2015
- paying SMEs supporting public sector contracts on 30-day payment terms

In addition, and as appropriate, WSP's supply chain commitments may include delivery, as part of our public and private sector contracts.

- Working with local micro, small and medium enterprises (SMEs) and Voluntary, Community and Social Enterprises (VCSEs)
- Working with ethnic minority owned businesses, working with women owned businesses, and working with LGBTQ+ and Disability owned businesses.
- The provision of training and expert advice for SMEs to support their growth and development.
- Inclusion of sustainable procurement commitments into Contracts.

*In the context of supply chain this focusses on the use of innovation or innovative measures to support responsible business, for example, the use of co-design together with our Future Ready insights, to deliver outcomes that focus on future-proofing the local community.

We will review and update this policy on an annual basis, or more frequently if this is necessary.

This Charter was approved by Mark Naysmith, Chief Executive Officer, UK & EMEA on 21 November 2022

Issue Date *November 2022* Review Date *November 2023*