



Sustainable Procurement Plan & Procedure

ISOL8_SPP Ver 005

ISOL8 Healthcare Limited

22/10/2026

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Document Control Revision history

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1. Aims, Objectives and Scope

1.1. Overall Aim

ISOL8 Healthcare Ltd (ISOL8) is committed to ensuring that the goods and services it purchases:

- are manufactured, delivered, used and disposed of in an environmentally and socially responsible manner; and
- deliver long-term value for money for ISOL8 and the public sector clients it serves.

Sustainability is part of our corporate objectives. Our Net Zero commitment, Carbon Reduction Plan, Environmental Management Plan (ISOL8_EMP Ver 002) and this plan together form our sustainable development strategy, which we develop in consultation with key stakeholders.

We complete the Labour Standards Assessment and Modern Slavery Assessment Tool every 12 months and aim for a minimum score of 70% (green band). We are committed to Corporate Social Responsibility (CSR). Our aims are aligned with the principles of the United Nations Global Compact, the UN Universal Declaration of Human Rights and the 1998 International Labour Organisation Declaration on Fundamental Principles and Rights at Work, in accordance with national law and practice.

1.2. Key Sustainability Objectives

Buying more sustainably:

- offers potential whole-life cost savings;
- supports our commitment to good corporate citizenship;
- safeguards our reputation as a responsible company;
- contributes to the NHS reaching its target of net zero by 2045, and to our own commitment to Net Zero by 2040;
- protects the health of staff and the public at large;
- reduces emissions:
 - Scope 3 in particular. Scope 3 covers all indirect emissions throughout our supplier list and supply chain, and makes up over 90% of our footprint (70.4 of 77.3 tCO₂e in 2025).

The key objectives addressed by this policy are:

- reducing fossil fuel use to minimise climate change;
- reducing the use of virgin plastics and hazardous materials;
- reducing packaging and waste, and increasing recycled and recyclable content;
- improving public health and quality of life;
- increasing levels of employment, skills and equality in the UK;
- ensuring fair pay and working conditions throughout our supply chain;
- protecting biodiversity;
- complying with current (and anticipating future) legislation.

Measures and targets for these objectives are set out in our Environmental Management Plan (sections 1.4 and 9.1) and our Carbon Reduction Plan.

1.3. Scope

This policy applies to all purchasing activities within the company, including goods for resale, raw materials and packaging, logistics and other services.

In terms of emissions, sustainable procurement applies to Scope 3 in particular: all indirect emissions throughout our supplier list and supply chain.

2. Key Principles

2.1. Spend Analysis and Prioritisation

To support its spend analysis and work planning, ISOL8 assesses the following criteria at sub-category level:

- level of spend;
- level of contract renewal activity;
- key suppliers by type and location (multinational, national, SME, social enterprise / overseas, UK, regional, local);
- level of risk against each environmental objective;
- scope for improvement;
- level of influence.

This is used to prioritise sub-categories for sustainability improvement activities.

2.2. Demand Review

Before any proposed procurement, buyers review the overall requirement to minimise volume, scale, costs and environmental impact. Buyers establish that:

- there is a genuine operational need for the purchase;
- all cost-effective opportunities for products to be shared, upgraded, refurbished, leased or delivered as a service have been used;
- the product will be used efficiently, minimising waste;
- the remaining forecast is accurate.

2.3. Sustainability Review

Before any substantial procurement process, ISOL8 reviews the purchase against the environmental, social and governance (ESG) objectives below. Where relevant, ISOL8 identifies actions to reduce impacts using comprehensive specifications, evaluation criteria, supplier development and continuous improvement.

2.3.1. Environmental

UK and overseas suppliers are assessed to make sure they meet the requirements of our Environmental Management Plan (ISOL8_EMP Ver 002) and comply with environmental regulations. This includes reducing CO2 emissions to meet our own and our customers' requirements (for example the NHS and HSE), avoiding pollution, reducing water use, increasing recycling and minimising waste to landfill.

All tier 1 suppliers go through our onboarding process, which includes an evaluation of their environmental performance and identifies any risks that could lead to a breach of our environmental requirements. Suppliers receive our supplier environmental code of conduct. Where requirements are not met, we help them improve and meet targets ahead of procurement projects.

Ongoing performance and risks are assessed through supplier audits, which form part of our EN ISO 13485 quality management system, through visits abroad by our Director of Overseas Operations, and within the UK by our Director of Operations.

Materials and packaging. When specifying and sourcing products we give preference to:

- recycled polypropylene and recycled paper, which cut the carbon impact of these materials by 80% and 38% respectively;
- bio-sourced or recycled polymers in place of virgin plastics in non-critical components, where safety and clinical performance allow;
- for our blood collection range, recycled or bio-sourced plastics and lighter, recyclable packaging, following our feasibility study (due 2027) and packaging review (due 2030);
- fully recyclable cardboard for all outer and inner cartons, and minimal packaging;
- more units per case, to reduce cardboard and transport movements;
- raw materials and fabric sourced within 150 miles of the manufacturing sites;
- manufacturing sites that use renewable energy, such as the solar panels that meet more than 50% of the energy needs of our FLUIDSAFE surgical mask production;
- efficient, automated production: over 90% of our device production is fully automated, and we are working with our manufacturing plant on energy efficiency and renewable energy for the blood collection production lines.

Logistics. Our logistics framework prioritises partners who can show active carbon reduction, energy-efficient routing and transparent environmental reporting:

- international shipping uses direct routes only and mega-containers on ultra-large container vessels, with containers loaded by the carton rather than per pallet;
- palletised deliveries to NHS customers go exclusively through the United Pallet Network (UPN), a certified carbon-neutral delivery platform;
- our UK company vehicle fleet is 100% electric.

Our CO2 emissions across our organisation and supply chain are monitored through our Carbon Study, which calculates emissions per product line and includes methods and plans to offset and reduce them. We are extending these carbon footprint assessments across our core device ranges, starting with our blood collection range in 2027. Our Carbon Reduction Plan is reported every year in line with UK Government guidance and forms part of all procurement exercises.

In the event of environmental breaches, we follow our control of non-conformities procedure (section 3).

2.3.2. Social

ISOL8 is committed to embedding social value in our procurement process. Our supplier code of conduct (Supplier code of conduct Ver 002) sets out the requirements placed on suppliers (and on our own organisation) and includes the following principles.

Applicable to all suppliers and their sub-contractors:

- Child labour must not exist anywhere in the supply chain.
- Identity cards must not be retained by the employers of workers within our supply chain.
- Workers must not be required to pay recruitment fees or provide 'security deposits' to their employer.
- Workers must not have any kind of financial fine or withholding of wages, including for misconduct or poor production.
- All workers must be provided with written contracts setting out their working hours and rates of pay.
- Where workers are given accommodation, living conditions must be adequate and meet local legal requirements, and workers must be free to leave at will.
- Workers must be legally allowed to resign (in line with the notice requirements of their contract) without restriction or penalty.
- Workers must be paid their legal pay entitlements on time.
- Workers' movement must not be restricted.
- Workers must not be subject to emotional, physical or sexual abuse or violence of any kind.
- Workers must not be contractually obliged, coerced or threatened into working overtime.
- Workers must be given appropriate safety equipment and a safe, comfortable and controlled working environment.
- Working hours, sick pay and holiday entitlements must be in line with national legislation.
- Working hours must be in line with ILO standards.
- All workers must be covered by the human rights legislation of the country where the supplier is located, or where the employee is located in the case of foreign workers.
- Workers must be able to raise grievances about working conditions through a formal process without risk of losing their job or any other penalty.
- Workers must not be discriminated against on the basis of race, religion or gender.
- Employers must follow the International Labour Standards on wages.

Applicable to suppliers in the UK, Ireland and the EU:

- Men and women in the same employment performing equal work must receive equal pay.
- All workers must be protected by the Human Rights Act 1998 in the UK or the equivalent in Ireland and the EU. Employers must not breach their workers' human rights under any conditions.

Suppliers must agree to this code of conduct. They must also meet our Anti-Slavery and Human Trafficking Policy (ISOL_MSPv2) and Whistleblowing Policy (ISOL8_WBRv1).

Supply chain mapping and a risk assessment are carried out for our tiered suppliers during procurement exercises, considering GSI country risks, industry risks and supply chain

complexity, through our Modern Slavery Initial Risk Assessment Procedure (Modern Slavery Initial Risk Assessment Template V1).

At onboarding and every year, suppliers complete a labour standards and modern slavery assessment questionnaire (SQ-MSA Issue 1) to identify modern slavery risks and the ILO's 11 indicators of forced labour. On-site assessments of medium and high-risk suppliers, including interviews with workers, are held every year with a focus on identifying risk indicators.

ISOL8 works with NGOs and unions when reviewing key policies on the social aspects of procurement, and makes sure that both our own staff and our suppliers receive training to ensure compliance and improvement.

If social breaches are identified, we follow our control of non-conformities procedure (section 3) and our Modern Slavery & Forced Labour Remediation Policy & Process (ISOL8_MSP_RP ver 001).

2.3.3. Governance

ISOL8 is committed to good governance in our own business and among our suppliers and other stakeholders in the procurement process. Through 'governance stewardship' we encourage suppliers and stakeholders to improve their governance. Honesty, transparency and integrity are expected at shareholder and leadership level and within corporate culture. Before entering contracts, ISOL8 checks that suppliers and stakeholders have no criminal or financial convictions, such as for tax avoidance. Where they are identified, the following are not tolerated:

- bribery and corruption at any level;
- non-compliance with local and international laws;
- data protection and cyber-security failures;
- corporate tax avoidance and other VAT or tax issues.

Governance issues are investigated and dealt with as non-conformities in the same way as social and environmental non-conformities (section 3).

2.4. Whole Life Costing (Intermediate & Advanced)

Where relevant, ISOL8 evaluates procurement on long-term value for money, using whole life costing to assess:

- purchase, installation, transportation and commissioning costs;
- operating costs, including labour, maintenance, re-processing, energy, water and consumables;
- management costs, including staff training, insurance, health and safety and environmental costs;
- disposal costs.

This approach is used for all capital investments, waste contracts and comparisons of consumables with reusable alternatives. For key cost categories, such as energy, price escalation indices are used to reflect cost increases over time.

ISOL8 will review the feasibility of extending this approach to include costs and benefits for public bodies (our clients) and external social and environmental costs.

2.5. Mandatory Minimum Standards

ISOL8 will explore adopting minimum social and environmental standards for products and services, using the UK Government Buying Standards and NHS requirements as a guide. Where there is no significant increase in cost or supply risk, these will be adopted as ISOL8's Mandatory Minimum Standards.

2.6. Innovation & Supplier Development

Sustainability is a key part of ISOL8's commitment to innovation.

ISOL8 prioritises key suppliers with the highest spend and sustainability impact for targeted supplier development. This has senior management support and focuses on continuous improvement and the tangible delivery of sustainability benefits throughout the supply chain. Current examples include the planned move to recycled polypropylene and recycled paper, the feasibility study into recycled or bio-sourced plastics for our blood collection sets, and renewable energy and efficiency improvements at manufacturing sites.

ISOL8 will work with these suppliers to explore service-based contracts for products. This encourages suppliers to take responsibility for the whole life management of products, using gain share and incentives to reduce whole life costs and environmental impacts.

ISOL8 encourages suppliers to propose innovations that improve the sustainability of their tender responses and reflects this in tender evaluation criteria. Suppliers are expected to recognise ISOL8's commitment to sustainability and to offer innovative, cost-effective sustainable solutions.

2.7. Training and Implementation

All ISOL8 directors attend sustainable procurement awareness training. Procurement teams take part in a one-day specialist sustainable procurement training event, including the use of sustainable procurement toolkits, and in annual refreshers. All other staff indirectly involved in procurement receive sustainability awareness training (see also EMP section 8).

Sustainable procurement training is built into the induction, job descriptions, objectives and recruitment criteria of all relevant staff, and into source planning and contract management.

ISOL8 will appoint a Sustainability Champion to promote and support sustainable procurement practices, and will review the feasibility of an incentive scheme to encourage buyers to improve their sustainable procurement performance.

2.8. Communication & Reporting

To communicate this policy to suppliers, ISOL8 includes a copy of this Sustainable Procurement Plan (with any associated or referenced policies) as an appendix to all supplier procurement invitations. The policy is also sent to all key suppliers, who are invited to comment.

This policy is also distributed to all non-procurement staff involved in contracting activities.

ISOL8 recognises the suppliers whose products and services offer the greatest sustainability improvements, and reports the social, environmental and financial benefits achieved through each procurement process.

The ISOL8 Board of Directors reports quarterly on the impact and effectiveness of this policy and on progress against key targets.

3. Non-conformities & Corrective Action

Where non-conformities are identified in our procurement process or supply chain, the following procedure is followed to limit the impact and put the issue right, so that we meet our commitment to sustainable procurement.

3.1. Identification of Non-conformities

ESG non-conformities may be identified through audits, supplier visits, supplier reviews or reports from outside organisations. Once identified, they follow the procedure below.

Note: modern slavery breaches follow the Modern Slavery & Forced Labour Remediation Policy & Process (ISOL8_MSP_RP ver 001). All other non-conformities follow the process below.

The first response to any sustainable procurement non-conformity is to limit the impact. If the issue can be resolved immediately, it is, to prevent further damage.

The non-conformity must then be controlled through appropriate corrective action to eliminate it. The results of the investigation, the root cause analysis and the corrective and, where applicable, preventive actions are recorded on the Non-Conformity Form (QP11A).

Actions may be verified to make sure they addressed the non-conformity and its root cause. Verification takes place after enough time has passed for the actions to be implemented and built into the QMS process.

If a non-conformity is found with a product or product batch, the affected product is isolated in a designated area and clearly labelled with the non-conformity number from the Non-Conformity Form.

3.2. Risk Assessment

A risk assessment is carried out for each non-conformity to decide whether further investigation is needed and the timeframe for corrective and preventive actions (CAPA). The criteria are the impact of the non-conformity on human safety, regulatory compliance and business practices.

Non-conformity	Cat	Description
CRITICAL	CRIT	A systemic issue, based on objective evidence, involving the absence of or a significant failure to implement or maintain the requirements of applicable standards, which requires immediate action (e.g. human trafficking, human harm, hazardous waste dumping). Immediate action required (supplier suspended until conclusion).
MAJOR	MAJ	A systemic issue, based on objective evidence, involving the absence of or a significant failure to implement or maintain the requirements of applicable standards, which raises significant doubt about the supplier's ability to perform. Action required within 30 days.

Non-conformity	Cat	Description
MINOR	MIN	Gaps in the implementation of a requirement. Action required within 60 days.
OPPORTUNITY FOR IMPROVEMENT	OFI	An actionable item that is not serious enough to be classed as a non-conformity, but whose correction can improve the effectiveness of the process. Action required within 90 days.

3.2.1. Investigation

If a non-conformity is confirmed and a CAPA is raised, an investigation is carried out to understand the issue and identify the root cause and corrective actions.

If the investigation concludes that a supplier or other external party is responsible, they are notified and this is recorded on the Non-Conformity Form. The third party carries out further investigation, and ISOL8 cooperates and assists where required.

3.2.2. Root Cause Analysis

The root cause must be established to show that the corrective and preventive actions are appropriate. The Sustainable Procurement Manager reviews each issue raised and completes or reviews the Non-Conformity Form to identify the root cause and the level of action required. Repeated non-conformities of the same kind, or significant deviation from procedures, require immediate action and resolution.

When assessing data to determine the root cause, we make sure that:

- cause-and-effect conclusions are reached systematically and supported by documented evidence;
- significant or underlying causes are evaluated, together with their relationship to the problem;
- the root causes, not the symptoms, are identified;
- more than one possible root cause is checked.

Causes or contributing factors may include:

- lack of training of staff or the management team;
- inadequate or missing procedures or documentation;
- non-compliance with procedures, labour standards, the Environmental Management Plan, etc.;
- inadequate process control;
- inadequate working conditions;
- inadequate resources;
- process variability.

The output of the root cause analysis is a clear statement of the most fundamental cause of the non-conformity. The first stage of the investigation is complete when the root cause has been determined and the corrective actions and target completion dates have been agreed.

3.2.3. Corrective Action

The Sustainable Procurement Manager decides on the actions needed to address the non-conformity and agrees them with the Director of Operations. Actions are considered against the following criteria:

- all causes are addressed;
- the severity of the non-conformity is reduced once the actions are implemented;
- any harmful effect of implementing the actions;
- the consequences of implementing or not implementing the actions;
- the resources required;
- the timescale for implementation;
- any training requirements;
- the impact on regulatory compliance.

The possible outcomes, recorded on the Non-Conformity Form, are:

- No further action needed (provided there are no safety issues and regulatory requirements are met):
 - continue monitoring;
 - acceptance under concession.
- Correction: initial correction may be needed to address an immediate risk or safety issue, even before the investigation is complete and the root cause is known. Further or different corrective actions may be needed afterwards.
- Corrective action: this addresses a systematic problem.
- Preventive action: this applies only where a potential non-conformity is found, not after a non-conformity has occurred.

Where a correction must be carried out by the supplier, the supplier is told what corrective action is required and the timeframe, and is given training and help where necessary to carry it out and put preventive measures in place.

3.2.4. Effectiveness Check

Once corrective and preventive actions have been carried out, an effectiveness check confirms that the requirements are met. This is usually an on-site or virtual audit, or checks with government departments or police. The review may consider:

- Has the problem been fully identified?
- Has the extent of the problem been identified (range of affected devices, patient outcome, process, production lines, operator)?
- Have the root causes and contributing factors been identified and addressed?
- Have the improvement actions been defined, planned, documented, verified and implemented?

Once the effectiveness checks are signed off, the CAPA is closed and its status changed to 'closed' in the CAPA log.

The results are discussed at a management meeting and judged successful or unsuccessful. A successful supplier enters a monitoring programme to ensure ongoing conformance; the schedule for ongoing checks is decided at the management review. If a supplier is unsuccessful, ISOL8 ends the partnership and replaces them with an alternative supplier.

4. Roles, Responsibilities and Stakeholders

Role	Responsibilities
Sustainable Procurement Strategy owner	Responsible for devising and driving improvements in sustainable procurement. Ultimately responsible for outcomes. Reports to the Board and monitors and audits progress and outcomes.
Purchasing Manager / Sustainable Procurement Manager	Implements the strategy. Responsible for the non-conformity procedure and CAPA process. Decides to suspend or end relationships with suppliers that do not meet the standards set out in this policy, and reports to the relevant authorities where necessary.
Director of Overseas Operations	Implements the strategy on the ground: engaging with and assessing suppliers, spot checks on suppliers, data collection and reporting. Whistleblowing on any serious issue, such as a breach of human rights or environmental laws and regulations.
Director of Operations	Approves this plan; agrees corrective actions; assesses UK suppliers and logistics partners; owns the Environmental Management Plan (ISOL8_EMP Ver 002).
Suppliers	Provide accurate information on materials, transport, employment and working conditions. Secure and maintain accreditations that demonstrate compliance with international regulations and recognised standards, such as ISO 14001, and follow the ISO 20400 sustainable procurement guidance.

5. Policy Development

This policy is updated after any new Government initiative or following the outcome of any non-conformity identified under section 3.

It is reviewed every year at the managers' review meeting, and reviewed again six months after that meeting as part of our ongoing monitoring of the strategy.

6. Signature

For any queries about this policy, please contact:

Fergal Whitehead, Director of Operations

Office address: Unit 4 Joyce House, Barrack Square, Ballincollig, Co. Cork, P31 HW35, Ireland

Signed:



Fergal Whitehead

Position:

Director of Operations

Date:

22/10/2026

Review Date:

22/10/2027