



RESPONSIBLE PROCUREMENT POLICY





RESPONSIBLE PROCUREMENT POLICY

1. BACKGROUND

Protecting and preserving our environment, air, water and land, supporting employees and contributing to the development of society as a whole and of its various communities—the Société des alcools du Québec (SAQ) has been working toward these objectives for several years now. Although its mandate is commercial by definition, the SAQ seeks to cultivate a sense of pride in Quebecers, by positioning itself as one of Quebec's top retailers in the area of sustainable development.

Sustainable development requires actions aimed at improving the environment and at supporting individuals and communities. It places the themes of partnership, preservation and prevention, among others, at the forefront. The SAQ wholly subscribes to these forward-looking principles, including through this Responsible Procurement Policy.

The SAQ's approach sets out concrete courses of action and solutions while leaving the door open to innovation and creativity. Its success depends on the cooperation of all concerned: it calls on the company's management team, employees, suppliers, partners and customers to act in ways that can make a difference.

2. SCOPE AND OBJECTIVES

2.1 SCOPE | This policy integrates environmental, social and economic principles into the SAQ's procurement practices. It serves as a guide to all employees and suppliers involved in the company's supply chain and focuses on:

- Alcoholic beverages and their containers;
- Goods and services bought for the SAQ's internal operation.

2.2 OBJECTIVES | The SAQ aims to achieve and maintain, under the best possible conditions, an appropriate selection of products and services that meet the needs of its customers and internal requisitionners while maintaining sound business relations with its suppliers.



RESPONSIBLE PROCUREMENT POLICY

The objective of this policy is to implement principles and measures aimed at ensuring that the products the company and its business partners sell and the goods and services it purchases are manufactured under conditions respectful of the environment and people (workers and communities). It requires the SAQ to promote responsible practices all along its supply chain.

3. IMPLEMENTATION

This policy is implemented by SAQ employees and applies to its customers and business partners. The SAQ intends to promote, develop and use selection criteria that will enable it to better integrate sustainable development into its procurement practices. These criteria will serve as a guide to suppliers when they present their products and services. For example, holding a recognized and credible certification can be a promotional tool and could prove a competitive advantage in terms of product selection.

The follow-up mechanisms will include information requests (e.g. reports, certificates, policies, data) relating to the various selection criteria. This approach will allow the SAQ to attract its internal requisitionners and customers' attention and to inform them about products and services that meet quality and sustainable development criteria. This information will also enable the SAQ to promote responsible products and services that have responsible practices.

The SAQ hopes to encourage a collaborative, dialogue-based approach with its employees and suppliers and will increase their awareness to the realities and market trends related to sustainable development. A number of partnerships have already been established with suppliers of wine, spirits, goods and services and with universities that specialize in research in this field.

The Responsible Procurement Policy must be taken into consideration in all calls for tenders, specifications and business proposals. It will be easily accessible to everyone through the SAQ website (www.saq.com).

4. PRINCIPES

4.1. ENVIRONMENTAL | Given the high priority that society as a whole now places on protecting the environment, the SAQ hopes to more effectively control and minimize the impact of its activities. It also intends to review its needs and consumption patterns with a view to making more responsible choices.

The SAQ is aware that the manufacturing of products requires the use of natural and energy resources that can impact the environment. However, by applying environmental management measures, it is possible to prevent and reduce these impacts.

Consequently, in dealing with its suppliers, the SAQ undertakes to champion and attach value to products and services that avoid waste and optimize the use of resources in their operations.

To attain this objective, the SAQ will encourage innovation and establish selection criteria that take into account suppliers' efforts, such as obtaining recognized and credible certification, achieving energy savings, cutting greenhouse gas emissions, using recycled and recyclable materials, reducing packaging (e.g. light glass for alcoholic beverages) and managing residual waste (the 4R-D principle: reduction, reuse, recycling, recovery and disposal).

4.2. SOCIAL | As a government corporation, the SAQ believes that it must not only set an example but also be able to innovate and demonstrate greater awareness of its physical and human environment.

The SAQ is aware that its suppliers can have a positive or negative social impact. It therefore intends to encourage suppliers to adopt practices that are sound from a human standpoint.



RESPONSIBLE PROCUREMENT POLICY

Through its code of ethics for employees and community involvement, the SAQ demonstrates its commitment to social responsibility. Via its calls for tenders, it intends to champion and attach value to products and services from suppliers that have implemented internal social programs, joined a recognized program or obtained certification such as the UN Global Compact¹, SA 8000², or OHSAS 18001³.

4.3. ECONOMIC | Having a commercial mandate, the SAQ must find a balance between responsible practices and economic effectiveness. This means, among other things, favouring and attaching value to suppliers that have responsible business practices respectful of persons and the environment and operations that contribute to the vibrancy and socio-economic good of their local community.

¹ <http://www.unglobalcompact.org/>

² <http://www.sa-intl.org/> or <http://www.saasaccreditation.org/>

³ <http://www.ohsas-18001-occupational-health-and-safety.com/>