



# Purchasing Policy

(last reviewed Jan 2010)

**Objective: to combine purchasing standards with environmental ethics**

## Our purchasing plan

Unless specifically requested by our client, Host will only purchase food from suppliers or food manufacturers who meet stringent requirements in terms of food safety, health & safety and environmental performance.

They are subject to initial inspection and ongoing monitoring by independent auditors and expected to achieve the BRC Global Standard Food (Foundation level) or equivalent with fully operational HACCP systems. Once approved they become authorised as a nominated supplier for use by Host personnel at our catering operations. As a result we are confident the food we serve our customers in our catering contracts is wholesome, safe and fully traceable.

At Host our plan is to target a one stop shop supply chain with an option to use fresh local food suppliers in order to maximise economies of scale product range and reduction of harm to the environment in relation to carbon footprint and food miles travelled. By following this route we have found to date that the most effective permutation is to have a major supplier to provide the full range of dry, frozen, chilled and fresh foods, whilst also arranging a network of local fresh food suppliers for the meat, fish, salads, vegetables, fruit, dairy and bakery goods.

We have also invested in our own in-house e-procurement system (g-shop) which allows us to streamline and automate our procurement process both at national tender/negotiation and local catering operational level. G-shop also allows us to remove paper from our internal purchasing process, and this assists our environmental support projects.

Host operates an open book policy with regard to purchasing via g-shop, with clear information on our company earnings. We operate on a purchasing consortium basis of accumulating our group purchasing power, and using this to drive better supply deals and prices which are then passed onto our consortium customers. We are committed to negotiating the best possible price for the best possible quality for our clients. With some larger operations, we are able to achieve better prices through larger order values, and in this case any extra discounts or incentives that have been awarded are clearly identified to the specific client.

Through g-shop we are able to ensure that the prices we are being charged by our suppliers are regularly monitored and reviewed so they remain competitive within the market place.

Where suppliers increase their prices unnecessarily we seek alternatives. This will be done without compromising food quality and safety.

**Our clients always know how much profit we make from their operation, and we share additional money made through managerial efficiencies and increased turnover.**

a different taste