

SUPPLY CHAIN & PROCUREMENT POLICY

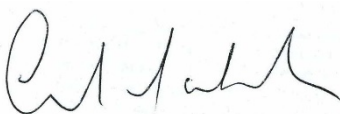
The Malcolm Group and subsidiary companies, including W H Malcolm Ltd, are a Logistics and Construction business based in the UK. The scope of this document covers all UK operations. This policy sets out how we assess our risks and opportunities associated with procurement and sourcing at corporate and project level.

This policy encompasses our approach to our supply chain and ethical procurement and should be read in conjunction with our Sustainability & Corporate Responsibility Policy, Modern Slavery Act Statement and our Prevention of Bribery Policy.

Our Supply Chain & Procurement Policy has been developed to promote procurement of more sustainable solutions, products and materials as well as the development of sustainable business relationships.

Below are some of our supply chain and procurement principles and goals:

- We ensure that all relationships with suppliers and subcontractors are fair and honest.
- We will minimise the amount of repetition and duplication within our own prequalification process.
- We will assess suppliers and subcontractors to ensure that they meet the requirements of our safety, quality and environmental standards.
- We will only use suppliers who comply with all UK employment legislation including the Modern Slavery Act.
- We will take steps to ensure that we engage with SME's and are fully aware of our responsibilities to support the local economy.
- We will support local labour by working with local subcontractors and suppliers, where feasible.
- We will continue to adhere to fair payment, paying suppliers within the terms of our agreement.
- We will continue to foster collaboration with our supply chain partners to identify best practice and innovative solutions.
- Provide training and support to ensure that subcontractors have the necessary Environmental and Health & Safety knowledge, experience and competence for their role.
- We will ensure that we work with suppliers who respect our Prevention of Bribery Policy and ensure that we operate within this guideline, in an open and transparent way.
- We will integrate our requirements through our procedures, and provide ongoing training and guidance to our commercial teams.
- If we have concerns about a chosen supplier's procurement practices, we will work with them to agree a remediation plan.
- We will give preference to procuring products which are able to demonstrate compliance with a recognised responsible sourcing scheme.
- We will (where we have control) promote, specify and procure materials and products that can be reused or recovered at their end of use.
- We require all timber and wood based products be certified as legal and sustainably sourced. All suppliers must evidence Chain of Custody certificates to Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC) standards.
- We will continue our annual fleet replacement programme, where our older machines are renewed, thus reducing our vehicle fleet's carbon dioxide emissions by encouraging the uptake of less polluting vehicles.
- At all times we will consider the energy efficiency of plant, equipment and materials.



A B Malcolm
Chief Executive