



QUALITY MANAGEMENT SYSTEM

PROCUREMENT POLICY

At SC Group we depend on over 2,000 suppliers to support our business. Poor performance or unethical conduct by any of our suppliers could affect our reputation or our ability to operate effectively. That's why we aim to build relationships with preferred suppliers who share our values. Our contracts set out our expectation for all suppliers to comply with our Code of Conduct or equivalent standards on ethical business conduct, corporate gift policy, safety and environmental management policy.

Monitoring Supplier Standards

Our procurement team assess suppliers on a range of ethical, labour, safety, human rights and environmental standards during the selection process and as part of our ongoing assurance activities.

We conduct financial due diligence, including site visits if needed and supplier self-assessments, to ensure standards are consistent with our expectations. If we identify any potential concerns, additional screening is necessary before we can proceed.

We continue to engage with our suppliers at all stages of the project lifecycle from planning through to completion. This through-life approach supports our efforts to promote a more sustainable supply chain. We also encourage suppliers to reduce environmental impacts by implementing best practices.

Supporting Suppliers

To ensure lasting relationships with our suppliers, we aim to encourage innovation and flexibility, share best practices and pay suppliers promptly.

We foster skills and invest in innovation throughout our supply chain, and aim to ensure supplier intellectual property is protected. We work constructively with our suppliers.

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For innovation, we engage our suppliers through our technology and supply chain and engineering leads. Examples include:

Supacat Limited forms partnerships and collaborative programmes funded by industry and government institutions such as the UK Government centre of Defence Excellence and supports University initiatives.

We are committed to paying suppliers promptly and in accordance with agreed terms.

Policy approved by:



Signature

Date 20 January 2018

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