

Management of Supplier Policy v3

CG-P-77

This policy applies to all companies under Churchill Contract Services Group Holdings Ltd to include the following subsidiaries and trading names:

- Churchill Contract Services (CCS)
- Amulet (Churchill Security Solutions) (AMU)
- Churchill Environmental Services (CES)
- Churchill Contract Catering t/a Radish (RAD)
- Chequers Cleaning Services (CQCS)
- Chequers Electrical & Building Services (CEBS)

1. PURPOSE

It is fundamental to the success of the business and the services offered to our customers that procurement is suitably managed within all areas of the business. This ensures that we are delivering a service that not only offers value for money to our customers, but is also legally compliant, morally irreprehensible and sustainable.

2. SCOPE

This policy is applicable to all third-party companies who provide equipment, materials and services (such as training & consultancy) to any of the above listed trading companies of Churchill Contract Services Group Holdings Ltd.

3. DEFINITION

'HASWA'	The Health & Safety at Work Act
'Supplier'	a person or organisation that provides something needed such as a product or service
'Responsible/Competent Person'	Individuals who hold relevant qualifications, experience and training in order to carry out specified tasks
'Control of Substances Hazardous to Health (COSHH)'	COSHH stands for the Control of Substances Hazardous to Health Regulations. These Regulations require employers to control exposure to hazardous substances to prevent ill health
'Safe System of Work (SSoW)'	A formal procedure which results from systematic examination of a task in order to identify all the hazards. It defines safe methods to ensure that hazards are eliminated, or risks minimised
'Personal Protective Equipment (PPE)'	PPE is equipment that will protect the user against health or safety risks at work. It can include items such as safety helmets, gloves, eye protection, high-visibility clothing, safety footwear and safety harnesses. It also includes respiratory protective equipment (RPE)
'Bullying, Accident, Incident & Near Miss (BAIN) Form'	The report form completed as a result of an adverse occurrence taking place within a Churchill premises or as a result of Churchill
'DBS'	Disclosure Barring Service.
'HSE'	Health and Safety Executive.
'Understand'	<ul style="list-style-type: none"> • Perceive the intended meaning of. • Perceive the significance, explanation, or cause of.

'Ensure'

- Make certain that (something) will occur or be the case.
- Make certain of obtaining or providing (something).
- Make sure that (a problem) does not occur.

'Comply'

Meet the specified standards.

4. RESPONSIBILITIES

Directors

- To ensure this policy is suitable and applied to Churchill Group Company Operations and routinely reviewed as and when required;
- Responsible for the health and safety of the company's employees and others who may be affected by the Suppliers activities within their respective contract portfolio;
- To ensure that adequate resource is available to suitably manage the Supplier approval process;
- To ensure that adequate resource is available to suitably control all Supplier activities as necessary.

Operational Managers

- Responsible for ensuring that this Policy and associated guidance is implemented and adhered to in their respective business units;
- Ensuring that Periodic Monitoring is being carried out;
- Any concerns raised by their Supplier relating to the health and safety of themselves, a Churchill employee or member of public when on or delivering to a Churchill site, are suitably addressed.

Account Managers / Churchill Representative required to arrange use suppliers.

- Have the responsibility to guide and support the implementation of this Policy;
- Ensure any Supplier required has been approved;
- Ensure periodic monitoring is being undertaken;
- Seek guidance from their line manager or the HSEQ department if in doubt of any aspect relating to Supplier activities.

QHSE Department

- Ensuring that Periodic Monitoring is being carried out;
- Must ensure that a robust Supplier vetting process is in place;
- Have responsibility to support and guide the implementation of this Policy;
- Assist in providing suitable advice on any matters relating to any Supplier activities;

Suppliers

- Have a duty to supply a safe place of work to their employees. It is equally the Suppliers responsibility to obtain relevant health and safety related information from Churchill and the Client upon entry to site.
- Must ensure that the method used to supply goods/services does not compromise the health, safety or welfare of themselves or others.
- Ensure that sufficient Safe Systems of Work and Risk Assessments are undertaken, understood and followed by their employees;
- Ensure provision is made for their own first aid requirements (this includes trained/competent first aiders and equipment as required);
- Comply with the requirements of the relevant Churchill Policies and associated guidance;
- Ensure that this policy is communicated and understood by all relevant supplier employees;
- Ensure that all suppliers' employees are suitably trained and competent to undertake the required activity.

5. IMPLEMENTATION OF THE POLICY

5.1 Supplier Management

It is Churchill's policy to ensure all intended Suppliers adhere to the 'Supplier Approval Process'. This process ensures full vetting of the Supplier to check and confirm the supplying company operates in accordance to legislative requirements and to Churchill's required standards. Once approved, your company will join the list of 'approved' suppliers who will undergo routine monitoring to ensure their level of compliance to our policies & procedures remains.

Once approved, a Churchill representative is able to formally place an order to the Supplier for their services. This will allow the Supplier to be paid for the works required. Churchill purchasing systems will only approve payment of invoices once the approval requirements have been met and maintained.

Should QHSE not receive the information requested during the supplier approval process, then the supplier will remain a 'non approved supplier' therefore no formal order can be placed, or payment made.

Reasons for failure include but are not limited to the following;

- Insufficient Insurance Cover.
- Insufficient Training & Competencies (where applicable).
- Failure to agree to the Churchill Terms & Conditions.
- Failure to agree to the Churchill Supplier Requirements.
- Failure to provide sufficient information relating to Churchill's requirements under the Modern Slavery Act.
- Failure to return a signed copy of the Churchill Supplier 'Declaration'.

In the event of an unapproved supplier being required in an emergency, there may be scope for a 'one off' order to be placed. In order for this to happen, approval by both the applicable Operations Director and the HSEQ Director is required. Suitable vetting of the supplier required for the 'one off' work will still be required and the information to be provided to Churchill prior to any service being delivered is as follows;

- A Copy of an in date Public Liability Insurance Certificate - minimum insurance cover required is £5 million;
- A Copy of an in-date Employers Liability Insurance Certificate – minimum insurance cover required is £5 million;
- A Copy of an in date Professional Indemnity Insurance Certificate (where specialist advice is to be obtained) – minimum insurance cover required is £5 million;
- Evidence of the supplier's competencies (where applicable);
- Where a Premises or Client requirement requires Disclosure Barring Service (DBS) to be enforced, a copy of an in-date DBS certificate applicable to the relevant individual employee undertaking the service (training / consultancy). In addition to DBS requirements, suppliers may be required to undertake additional security/compliance vetting as per the client's request.

Under no circumstances is a supplier previously approved for 'one off' order, to be used for further secondary services without the 'Onboarding of a supplier' procedure being followed, and the necessary documentation completed.

Details of the insurance detail required is outlined in the document, Company Information Form provided to the new supplier for completion. All information requested must be provided to Churchill for review. It is a fundamental requirement for any supplier providing a service to Churchill to have an *indemnity to principal's* clause within their insurance policy.

All supplier insurance documentation provided will be logged on the Churchill Supplier Tracker and periodically monitored by Churchill's HSEQ department.

5.2 Training & Competence

It is the supplier's responsibility to ensure that any of their employees' providing a service to Churchill is suitably trained for the operations they are expected to undertake within their company in order for Churchill to receive the service they require.

Churchill have a moral obligation to ensure that all suppliers work safely, ethically and sustainably.

This may include but not be limited to the following subjects:

- Task and equipment specific instruction/demonstration.
- Confirmation of suitable category driving license applicable to any driving duties.

5.3 Suitable Staff Allocation

When supplying any service to a Churchill or Client premises, suppliers are required to suitably allocate employees to specific duties.

Churchill clients may operate their own Young Person's policies on their site. Where this is applicable their policy will work in conjunction Churchill's own Young Persons Policy and the conditions laid out are to be adhered to by any applicable supplier. Should the client operate additional age-related controls on site, these must also be adhered to.

As a matter of course and in line with HSE guidance, all persons under the age of 18 should have a Young Person Risk Assessment to ensure that they are not exposed to risk as a result of their lack of experience, their lack of maturity and/or being unaware of existing or potential risks.

Employers need to consider whether the work the young person will do;

- Is beyond their physical or psychological capacity;
- Involves harmful exposure to substances that are toxic, can cause cancer, can damage or harm an unborn child, or can chronically affect human health in any other way;
- Involves harmful exposure to radiation;
- Involves risk of accidents that cannot reasonably be recognised or avoided by young people due to their insufficient attention to safety or lack of experience or training;
- Has a risk to health from extreme cold, heat, noise or vibration.

Supplier's employees are only to be allocated to complete tasks where their experience and qualifications deem them competent to do so. Evidence of these qualifications are required to be made readily available upon request by Churchill Management or Client Representative.

5.4 Accreditation & Qualification

Where a Supplier has been requested to supply any service or goods (not including operational activities) to Churchill, they are to do so based on their experience, qualifications and applicable accreditation requirements. Evidence of such qualification and/or accreditation may be required to be evidenced prior to the service being delivered.

5.5 Drug, Alcohol and Substance Misuse

Churchill operates a robust ZERO tolerance **Drug, Alcohol and Misuse Policy**. For a Supplier to supply any service or goods to Churchill managed sites or offices, the following must be adhered to;

- Suppliers must not report or try to report for work when unfit* due to alcohol or drugs (whether illegal or not) or to substance abuse.
- Suppliers must not be in possession of alcohol or illegal drugs** within the workplace or where representing the Churchill business.
- Suppliers must not supply others with illegal drugs** in the workplace.
- Suppliers must not supply others with alcohol in the workplace, except in the course of work duties. For example, serving customers drinks at the bar.
- Suppliers must not consume alcohol or illegal drugs or abuse any substance whilst at work.

*Whether an employee is fit for work is a matter for the reasonable opinion of management.

**Illegal drugs include but are not limited to heroin, cannabis/marijuana, cocaine, ecstasy and amphetamines.

In addition, employees, workers or Suppliers must – ensure they are aware of the side effects of any prescription drugs;

- Suppliers must advise their line manager or a member of the management team immediately of any side effects of prescription drugs, which may affect performance or the health and safety of themselves or others. For example, drowsiness.

Please note that Churchill reserves the right to undertake random testing as required on suppliers.

5.6 Modern Slavery Act

As part of the provisions under the Modern Slavery Act, Churchill requires each supplier with an annual turnover of £36 million or over, to operate a Modern Slavery Policy or adhere to Churchill's own Policy. Churchill will provide any new supplier with a copy of the Modern Slavery Code of Conduct and relating Sub-contractor & Supplier Questionnaire. Both documents are required to be completed and returned to the QHSE department. These documents and additional details will be issued via email from the QHSE department.

Failure to comply by any elements of the Churchill Policy and/or Code of Conduct requirements may result in removal from the site and removed and prohibited from future use from the Churchill Approved Suppliers List.

5.7 Social Media Use

Churchill operates a comprehensive Social Media Policy across the business which is applicable to all employees and persons or Suppliers supplying a service or goods to Churchill. A key section of this policy outlines its fundamental requirements to each employee and Supplier, these are outlined below;

- Suppliers must not create or transmit material that might be defamatory or incur liability for the company.
- Suppliers must post messages, status updates or links to material or content that is inappropriate, this includes but is not limited to; pornography, racial or religious slurs, gender-specific comments, information encouraging criminal skills or terrorism, or materials relating to cults, gambling and illegal drugs.
- This definition of inappropriate content or material also covers any text, images or other media that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law.
- Suppliers must not use social media for any illegal or criminal activities.
- Suppliers must not send offensive or harassing material to others via social media.
- Suppliers must not broadcast unsolicited views on social, political, religious or other non-business-related matters.
- Suppliers must not send or post messages or material that could damage the Churchill Group's image or reputation.
- Suppliers must not interact with the Churchill Group's competitors in any ways that could be interpreted as being offensive, disrespectful or rude. (Communication with direct competitors should be kept to a minimum.)
- Suppliers must not discuss colleagues, competitors, customers or suppliers without their approval.
- Suppliers must not post, upload, forward or link to spam, junk email or chain emails and messages.
- Suppliers must not personally 'connect' or 'link' with Clients or Members of the public on client sites i.e. Students.

5.8 Conduct

Certain breaches may result in a supplier being removed from the Churchill Approved Supplier List and prohibited from future use. This is inclusive but not limited to the following breaches;

- Failure to follow specific instructions or specifications.
- Failure to adhere to Health, Safety and Environmental Regulations.
- Smoking in any buildings or grounds of the facility, other than in a designated smoking area.
- Unauthorized use of materials or equipment belonging to Churchill (or its client).
- Unsafe practices or acts; violation of safety rules.
- Violating any environmental law, regulation or procedure.
- Obscene or abusive language; racial, gender or ethnic slurs.
- Deliberately damaging, defacing or misusing property belonging to Churchill (or its client).
- Removing property from the premises belonging to Churchill (or its client).
- Gambling, bookmaking or selling lotteries on the site.
- Acts of physical violence, threatening violence, harassing or intimidating any person.
- Immoral or indecent conduct; sexual harassment.
- Reporting to work when ability is impaired by the use of non-prescription drugs or intoxicants.
- Using a mobile phone or electronic device while driving a car or operating a piece of machinery.

6. ARRANGEMENTS

6.1 Security

Where a Churchill client site has specific on-site security arrangements such as:

- Signing in & out procedures;
- Specific Access / Egress routes;
- Client / Site Confidentiality requirements;
- Requirement to wear / carry identification;

Any Supplier supplying a goods or service to a Churchill managed site must ensure that the local arrangements are always adhered to.

6.2 Entry to Site

Any vehicles that are used within the site premises, must only be parked in designated areas as permitted by the client. Vehicle must not be left unattended with the engine running whilst not in use. The ignition key must also be removed. Unless advised otherwise suppliers are not permitted to park in any area of the site / premises except as required for the purposes of delivering goods or services. Where permission to park has been granted within the site/premises, only recognised routes of access shall be used.

6.3 Uniform and Identification

Company uniform and identification is always required to be worn/available throughout the duration of the visit on the site premises. Where it has been previously agreed with the instructing Churchill representative or it forms part of the contract requirement, any requirement for a Supplier to wear Churchill Uniform and/or identification is to be adhered to as necessary. This arrangement is to be made prior to arriving on site.

6.4 Use of PPE

The use of PPE, where identified as a Client, Churchill or Supplier requirement following risk assessment, must be adhered to at all times. Failure to abide to control measures stipulated by risk assessment such as the use of PPE may result in the supplier being removed from site and ultimately from the Churchill Approved Supplier list.

6.5 Use of Signage

Should a supplier have reason to display and remove any safety signage to warn others of the possible risk of danger etc. then they must conform to The Health and Safety (Safety Signs and Signals) Regulations and relevant European and British Standards.

6.6 Electricity Use

All electrical equipment used on client and Churchill premises must be used in a safe and controlled manner in accordance with current Electricity at Work Regulations and as stipulated in the task risk assessment at all times.

All portable appliances used on the site must be subject to regular inspections in line with the testing regime stipulated by a suitable risk assessment. The instructing Churchill representative may request to see recorded evidence of such testing as and when required.

The excessive use of electricity is discouraged on Client and Churchill premises. Please ensure electrical equipment is switched off in between and after its required use.

6.7 Plant & Equipment

It is an expectation of Churchill to ensure that all supplier owned and/or hired plant and equipment required to be used or to deliver products to site are suitably maintained and inspected as per the manufacturer's guidelines and legislative requirements. All necessary inspection records and documentation carried out as required by The Provision and Use of Equipment Regulations (PUWER) are required to be in date and readily available at all times. All plant & equipment must only be operated by a competent person. All competent persons must ensure that no unauthorised persons operate any plant & equipment. Equipment must be maintained in a safe working condition as specified in the manufacturer's guidelines. The equipment should be fit for purpose in terms of its design specifications, overall weight and the residual workplace hazards.

6.8 Lifting Equipment & Accessories

Lifting equipment includes any equipment used at work for lifting or lowering loads, including attachments used for anchoring, fixing or supporting it. All items of lifting equipment and lifting accessories brought to site by a supplier or any equipment already existing at premises for suppliers to use to deliver products are required to comply with the requirements for '*Lifting Operations and Lifting Equipment Regulations (LOLER)*'. Subject to utilising existing lifting equipment or accessories at a client premises the supplier has a duty of care to request all thorough examination certificates from the customer relevant to the equipment or accessories they are required to use. All certificates should be requested within a reasonable time frame prior to the delivery.

All items must undergo statutory inspections, therefore lifting equipment and lifting accessories must be inspected every 12 months for non-person lifting equipment. All equipment and accessories are required to be suitably maintained and in good working order. Suppliers must be able to produce, on request, current certificates along with any other reports, be able to demonstrate traceability and examination schemes or equipment registers as required for inspection by Churchill or other 3rd parties. Moreover, the Suppliers should be able to demonstrate their process for taking equipment and accessories out of service and for quarantine. All lifting equipment and accessories should be in line with product supply directives and CE marked.

6.9 Manual Handling

The Supplier shall take suitable steps to control the risks to the health and safety of its personnel from manual handling activities. This will include the preparation of manual handling risk assessments where required, and the workforce must be consulted and involved with this process to provide first-hand experience.

The Supplier shall:

- Avoid the need for hazardous manual handling as far as is reasonably practicable; use handling aids or carry out the task in a different way that does not require manual handling.
- Assess the risk of injury from any hazardous manual handling that cannot be avoided; draw up risk assessments, update them as necessary and communicate them to employees.
- Reduce the risk of injury from hazardous manual handling as far as possible; provide training in handling techniques and the use of handling aids.

6.10 Welfare and Emergency Arrangements

Churchill operate in conjunction with the client and share welfare arrangements (i.e. washing and sanitary facilities). Where such an arrangement exists, suppliers are expected to maintain the facilities in a clean, tidy and safe condition.

Should any of the above arrangements not be explained fully during a site induction, it is the Suppliers responsibility to ensure that they liaise with the instructing Churchill representative to fully understand the local arrangements.

6.11 Delivery, Unloading and Hoisting Materials

The supplier is responsible for the delivery, unloading, hoisting and storage of their own materials unless previously agreed otherwise. At no time should these works impede or make dangerous, normal access and egress to areas outside the vicinity of the works.

Suitable and sufficient risk assessments and method statements are required to be produced and verified for the unloading of materials to site.

6.12 Smoking

Smoking is not permitted in any of Churchill or our clients' premises. Suppliers wishing to smoke must ensure they use sign posted, designated smoking areas or that smoking is conducted well away from client premises in accordance with the local policy.

Any supplier refusing to abide by the local smoking policy requirements may be removed from site and prevented from further future access. Repeated offences by the supplier will be interpreted as poor supervisory control and could result in the removal of said Suppliers from the Churchill approved Supplier list.

6.13 Environmental Responsibility

Churchill recognises that it has a moral and legal duty to protect, and where possible enhance its environment through our business activities. We expect all approved suppliers to operate in line with our Environmental and Energy Management Policies which have been communicated as part of the onboarding process, these contain our key objectives for suppliers to contribute to and communicate throughout the employees on site.

6.14 Confidentiality

As a Supplier working on behalf of Churchill you may, from time to time, witness or have access to sensitive information within our offices or client sites. All suppliers are under strict instruction not to disclose any information obtained at any office or site location where you are working on behalf of or are representing Churchill. We encourage all of our clients to ensure that confidential material is either stored or destroyed in the correct manner, making sure that information at the sites where we perform our duties remains confidential.

You will also comply fully with the General Data Protection Regulations, ensuring that you adhere to the data protection principles. You must, when working with any personal information regarding Churchill clients, staff or any other persons whom you may interact with during work activities, ensure that this data is confidential and is not used for personal gain.

Under no circumstances will you approach any Churchill client and disclose or discuss any of the following;

- Contractual costs or agreements
- Any incidents you have been involved in or have witnessed.
- Personal details about your business or the Churchill business.
- Tout for business or suggest working for the client directly.
- Payment issues or concerns.
- Personal thoughts or opinions.

Suppliers must not release any PR statements unless agreed by the Senior Churchill Management Team.

7. PROCEDURES

7.1 Internal Procedures

7.1.1 Supplier Selection

During the selection of a Supplier to be used by Churchill, the following aspects will be factored into the selection process:

- **Location:** The location of the supplier in relation to the deliverable site should be practical for the Supplier (where possible). This will contribute in ensuring minimal Co2 emissions and reduction of our Environmental Impacts in line with our *Environmental & Sustainability Policy*;
- **Specialism:** The Supplier chosen to supply goods or services, will be on the basis that they are completed within the suppliers' capabilities and training competencies;
- **Cost:** Where a specific job is to be quoted for by the Supplier, more than one quote is to be received by Churchill to ensure the quote is in line with the industry standard. In making a selection of a Supplier to provide goods or services to Churchill, it is recognised that the lowest quote received is not necessarily the supplier chosen to provide the goods/service. Other deciding factors in the selection will include;
 - Supplier expertise, professionalism and competency (Training / Consultancy).
 - Product lead time.
 - Working relationship that may later benefit the company.
 - Potential for reduced costs or rebate after a set period of time.
 - Client preference.

7.1.2 Churchill Offices

Where a trainer/consultant is required to work at one of our regional office locations, the following steps are to be followed:

- All suppliers must ensure that they are all signed in to the building
- Works must not be started until the office regional administrator or representative (supplier contact) have been notified that the supplier is in the building
- The 'Office arrangements' document and 'Key Contact' information must be reviewed and understood by the supplier. These documents detail the local emergency arrangements and emergency contact details. No supplier can commence work until this has been completed.

7.2 Incident Reporting

Suppliers must report any accidents or incidents that take place during delivery of goods or services on Churchill managed premises. The Supplier is required to complete an accident report form in line with their company processes and provide it to the Churchill QHSE department within 24 hours of the accident or incident taking place. This reporting requirement is also applicable to near miss incidents.

Management of Supplier Policy v3

CG-P-77

In the event of an Accident/Incident being a 'RIDDOR' reportable incident, it is required to be reported to the Health and Safety Executive (HSE) as per the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR). The Supplier is required to notify the Churchill QHSE department at the earliest opportunity and within 24 hours of the incident taking place. The QHSE department will then proceed with an investigation as necessary.

Should the QHSE department be required to investigate any incident (including RIDDOR reportable incidents), the supplier must assist with the investigation to the best of their ability and where known, provide all details of the incident as accurately as possible.

HSEQ Contact details are via email at HSEQ.Reporting@churchillservices.com

Not all Policies listed in this document are issued to suppliers during the initial supplier approval. However these policies are available upon request via the Churchill QHSE department via HSEQ.Reporting@Churchillservices.com

8. DECLARATION

As part of our Supplier Management Policy, we issue all suppliers with a link to our key policies via email, this email will contain a link to a series of documents for suppliers to read and adhere to when providing goods and non-operational services to Churchill.

All documents that are required are per the approval process must be returned to the QHSE department to be logged within the supplier management system.

On the following page is an example of our supplier declaration. This document will be issued to suppliers and is required to be signed, dated and returned to the QHSE department (including any documentation stated as being required to be returned) to confirm that you have read and understood the contents of all documentation issued to you.

9. ASSOCIATED DOCUMENTS

Documents to be complied with, relating to this policy include:

- CG-P-01 Drugs, Alcohol & Misuse Policy.
- CG-P-03 Confidentiality Policy.
- CG-PF-41 Supplier Approval Process.
- CG-F-38 BAIN Report.
- CG-F-49a Company Information Form.
- CG-F-49b Churchill Terms & Conditions.
- CG-P-69 Modern Slavery Policy.
- CG-P-71 Electronic & Social Media Policy.
- CG-P-70 Young Persons Policy.

10. APPLICABLE LEGISLATION

The main legislation applicable to this Policy includes:

- Health and Safety at Work Act 1974.
- The Management of Health and Safety at Work Regulations.
- Control of Substances Hazardous to Health (COSHH) regulations.
- Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR).
- Electricity at Work Regulations.
- Manual Handling Operations Regulations.
- Personal Protective Equipment Regulations.
- Lifting Operations and Lifting Equipment Regulations (LOLER)

Management of Supplier Policy v3

CG-P-77

- The Regulatory Reform (Fire Safety) Order.
- Health and Safety (First Aid) Regulations.
- Environmental Protection Act.
- Modern Slavery Act.
- Corporate Criminal Offences Act.

This policy will be formally reviewed annually and updated as required.

Signed on behalf of Churchill Contract Services Group Holdings Ltd

A handwritten signature in black ink, appearing to read "J.M. Briggs".

J.M. Briggs, Group Managing Director

Date: December 2020

Review date: December 2021