



# Procurement

## Policy

## Introduction

Keller recognises the positive impact that effective procurement has on the efficiency and ethical nature of business operations, delivering customer service, commercial and competitive advantage and managing risk.

## Policy objectives

Our Procurement Policy and its delivery is key in enabling Keller to deliver high standards of customer service and to become and remain industry leaders whilst using resources most efficiently, safely and responsibly.

The Procurement Policy is key to the delivery of our vision for procurement – that of working with colleagues and suppliers to deliver the best value for Keller.

## Delivering our objectives

Through collaboration with core, strategic and key suppliers and contractors in our supply chain we will deliver competitively tested, best value procurement of goods and services.

We always seek to take a comprehensive view of best value which is made up of factors such as commercial and service quality, innovation, long term benefits, risk management, the health and safety of all involved and ease of trade.

We will comply with all legislative requirements in all of the countries that we operate.

We hold ourselves accountable to high standards of ethics and expect those same high standards of all of those we work with in the supply chain. Our Supply Chain Code of Business Conduct sets out our expectations for all our suppliers.

Honesty, openness, respect and fairness will be displayed in all of our relationships and we will work with those who share and exhibit these values.

We have the highest regard for sustainability and strive for innovative, sustainable procurement solutions when working with our supply chain partners.

Our goal is to staff our Procurement function with people who exhibit a balanced set of skills, behaviours and capabilities to deliver this policy. We carry out continuous training and development of our people to support this delivery.

We intend to constantly provide the best choice of goods, services and solutions by driving performance, compliance, innovation and total value throughout our end to end supply chain.

## Procurement Principles

We will seek to embed the following ways of working to ensure that we manage procurement effectively throughout our businesses and through our supply chain:

- a) We will develop procurement functions throughout our business to set up appropriate processes, delegated authorities and approval limits.
- b) We will consider the following criteria for all of our purchases:
  - Quality: the quality of the goods should correspond with business requirements.
  - Timeliness: purchases should be made sufficiently in advance in order to avoid interruptions of on-going business operations.
  - Cost effectiveness: it is important to purchase economically reasonable quantities (e.g. the order quantity has to be proportionate to the shipping and purchasing charges, unnecessary capital costs have to be avoided) at the best possible price and reasonable payment terms.
  - Competitive environment: it is important to maintain a competitive environment. In order to have an overview of market pricing developments, a broad base of sound and reliable suppliers should be maintained and regularly invited to submit quotations.
  - All purchases should be documented so that the decision-making process can easily be understood and traced back. Therefore, all purchasing requisitions, offers and orders should

to be made in writing.

- c) We will observe the principle of segregation of duties. Purchasing, checking the quantity and quality of delivered goods and services, verifying invoices and making payments should be carried out by different people. Where this is not possible for organisational reasons, alternative control mechanisms must be implemented.
- d) Where practicable, we will implement procurement databases within our businesses showing the development of procurement volumes and prices by the most significant categories and articles and monitor, review and exchange information across our Group to identify trends, potential synergies and further potential for improvements.
- e) All procurement of information technology systems must be in accordance with the IT Procurement Standard.
- f) Procurement savings and other KPIs should be defined and measured.
- g) Suppliers should be informed of Keller's Supply Chain Code of Business Conduct. Supplier contracts should reference our suppliers' understanding and commitment to compliance with our Supply Chain Code of Business Conduct.

### Scope

This policy applies to all legal entities which Keller Group plc wholly owns, has a majority stake in or overall operational control of.

### Governance

The Keller Executive Committee of the Keller Group plc Board provides oversight of this policy.

### Responsibilities

This policy applies to all individuals who are employed by, or carry out work on behalf of, any Keller group company including contractors, temporary staff and agency workers.

### Supporting information

Code of Business Conduct  
Supply Chain Code of Business Conduct  
IT Procurement Standard

### Document change history

Policy status	FINAL
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