

Supply Chain & Procurement Policy

Purpose of this document:

This policy outlines the fundamental principles applicable to any procurement and supply chain management activity undertaken by Colas Ltd. It has been developed to promote responsible and consistent procurement that delivers sustainable and innovative solutions while encouraging collaborative relationships with our supply chain. This document should be read in conjunction with other Colas policies.

Mission statement:

The procurement & supply chain department's mission is to support Colas Ltd's business strategy by aiming to be our supply chain customers of choice while enhancing Colas Ltd's competitiveness, transitioning toward a net carbon zero footprint, and increasing customer satisfaction.

Procurement & supply chain purpose statement:

The Procurement and Supply chain department has three core areas of focus: Operational Procurement, Category Management, and Supply Chain Management. These areas aim to make responsible procurement in line with the ACT Group's strategy "Act and Commit Together," incorporating local economic, environmental, social responsibility, carbon emission, and duty of vigilance into our procurement process. This purpose statement helps all Colas Ltd stakeholders understand the parameters and requirements of any procurement activity and its contribution to the success of our business.

1. Become Supply chain customers of choice.

- Work with a Supply Chain providing a safe environment for workers.
- Conduct pre-qualification & risk assessments of potential suppliers.
- Invite only compliant/verified suppliers to participate in opportunities.
- Optimise timely and agreed payment terms.
- Ensure compliance with Bouygues Group's Supplier and Sub-Contractor (CSR) Charter.
- Attain highest environmental protection standards.
- Manage Supply Chain's financial health, performance, and timely payments.
- Develop trusted, collaborative relationships by sharing best practices and feedback.

2. Enhancing Colas Competitiveness

- Support Bid & Estimating departments in identifying contract opportunities and making bidding decisions.
- Simplify and digitalise procurement & supply chain processes for ease of stakeholders.
- Encourage professionalism and operational expertise in procurement categories.
- Engage international procurement network for synergies and benefits.
- Monitor agreements through Coupa catalogues for best value and standards.
- Source ethically and recognised products, services, subcontracts, plant & equipment for best overall value.

3. Transition to net carbon zero footprint

- Involve Supply Chain early to encourage sustainable solutions and best value considering environmental impact.
- Promote reduction of carbon footprint through responsible innovation and circular economy principles.

4. Enhancing customer's satisfaction

- Manage procurement-related risks and implement action plans.
- Align supply chain approach with customer expectations.
- Tackle modern slavery and eliminate these practices in our Supply Chain.
- Develop the local economy by using a diverse Supply Chain including SMEs, Social Value Enterprises,
- Work with Supply Chain that actively manage diversity and inclusion in their workforce.

Chief Executive Officer

F. Lahmamsi

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