

## SUPPLIER/SUBCONTRACTOR USE POLICY STATEMENT

It has long been the policy of J Breheny Contractors Ltd to provide an effective, value added product to all its clients. Having a close relationship with key suppliers and sub-contractors is seen as essential if this policy is to be achieved. The Company has incorporated a number of procedures into its Quality Management System for the selection and engagement of suppliers and sub-contractors.

The Estimating Department maintains a Database of suppliers and sub-contractors, each of whom are given an approval rating which determines their use and suitability. Criteria for assessment include: -

- Completion of Quality, Health, Safety and Environment Questionnaires
- Submission of the Quality, Health, Safety and Environment Policies
- Proven record of performance by reliable deliveries, etc.
- Proven consistent high standards of quality
- High levels of service and backup, including the remedying of any defects
- Competitive price and non-adversarial attitude
- Excellent technical back-up and responses to requests for information, etc
- Good communications
- Profitable, financially sound and stable company
- Regular significant volumes of business.
- Site visit to assess/review workshops etc
- References from similar clients

All suppliers and subcontractors are assessed for capacity to perform and then entered onto our Database Approved Suppliers/ Subcontractors. New suppliers/subcontractors may be utilised for obtaining comparative prices but are not eligible for use until satisfactory completion of this assessment process, or with special permission from the QA Department.

The usual method of selection of suppliers and sub-contractors, for pricing of individual projects, is by a filtered search of the supplier database followed by a written enquiry that details the materials and/or works to be performed, together with all the relevant specifications, conditions, drawings and other project particulars. The submitted price and details are carefully considered by the Contracts Manager with final selection based on: -

- Competence and Quality of work/supply
- Ability to meet programme & environmental requirements
- Price

It is the policy of the Company that forms of sub-contract and conditions of supply are aligned to the terms and conditions as contained in the main contract.

This Policy is to be reviewed no later than 31<sup>st</sup> December 2012.



JNE Breheny  
Chairman and Chief Executive  
December 2011