

Procurement policy

Working with our suppliers to support strategic growth



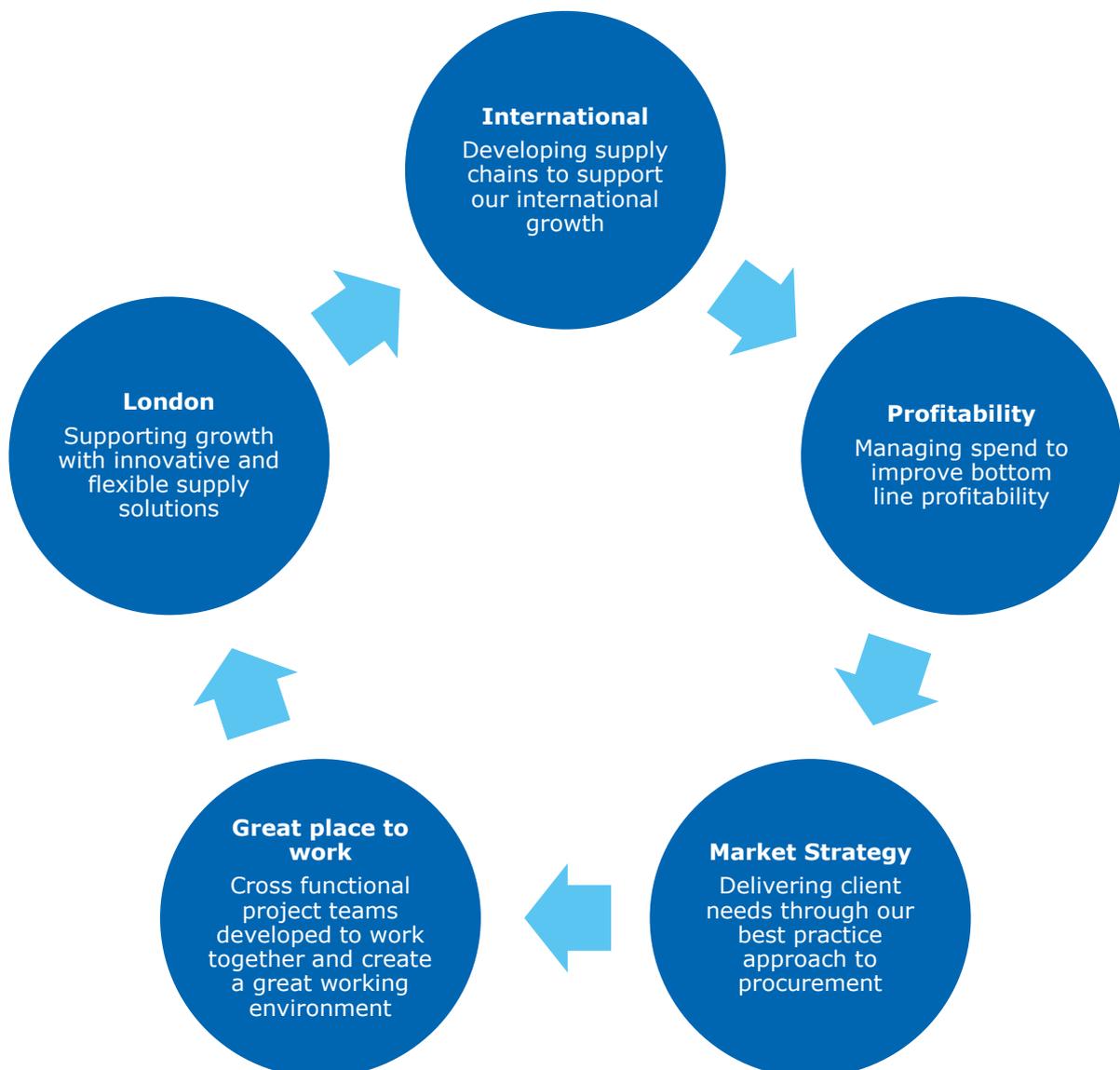
Mission Statement

The Procurement Department is the focal point for commercial relationships with Eversheds' supply chains, ensuring expenditure delivers benefits to the business and supports our strategic objectives.

Vision

To create and manage best in class, diverse and innovative supply chains leading the way to developing sustainable relationships.

How do procurement assist in achieving the firm's strategy?



Policy

In any business the impact of the supply chain can be substantial in both positive and negative ways. At Eversheds we recognise that we need to work with our supply chains to enable us to provide best in class service to our clients. We source services and products from small local companies to large multinationals. However, we expect them all to deliver a service in line with our strategic objectives.

The Procurement Department facilitates the purchase of goods and services that meet the current and future needs of the Eversheds business and its clients, considering cost, service delivery, quality, risk management, diversity, corporate responsibility, sustainability and environmental impacts.

The Procurement Department must be contacted prior to any engagement with third party suppliers, whereby they will assess their involvement on the basis of spend and risk to Eversheds. As a general rule, a spend in excess of £25,000 will require Procurement involvement. Below the £25,000 threshold, the self help guide issued by the Procurement Department must be referred to in order to ensure that all necessary factors are considered in the process.

The Procurement Department will work with companies who have quality principles in line with, or complementing our own. Suppliers will also have a structured and rigorous approach to quality to ensure their product or service meets Eversheds' expectations.

Contract and relationship management are critical in ensuring the realisation of benefits and continuous improvement in service delivery and commercial arrangements. The Procurement Department will therefore be involved in contract review meetings and validation of benefits on an ongoing basis.

Mutual respect, team working and accountability will be demonstrated in all of our relationships. We will work in a straightforward manner always striving for continuous improvement and try to ensure our suppliers share these values.

We will also display, in our behaviours and activities, a high regard for corporate responsibility, recognising appropriate management of social, environmental and ethical risks.

We will ensure that all suppliers add value through streamlined operational processes, market expertise and innovative solutions to ensure that we obtain the most commercially advantageous terms for the business.

Utilising excellent supply market knowledge we will seek best in class and value for money services at diminished risk to the business and creating commercial advantage for Eversheds.

We endeavour to create and develop relationships with suppliers that take account of the supply market they operate in and reflect the strategic importance of the goods or services provided. Working collaboratively with our preferred suppliers is one of our objectives using our combined expertise in delivering optimised supply chain performance.

We will ensure that we manage and continually monitor the risks associated with our supply chains from inception through ongoing relationship management.

Through the implementation of effective systems, processes and procedures the business will be able to engage suppliers in a mutually beneficial manner making Eversheds a customer of choice. We will look to continuously improve our supply chain by harnessing technological advances to manage current and future requirements.

Supplier diversity

At Eversheds we value diversity and recognise that it is key to achieving an efficient and flexible supply chain. Diversity is welcomed with equal opportunities for all businesses regardless of ethnic origin, gender, disability, age, sexuality and faith.

We will engage small, medium and large businesses to support our objectives for competitive and innovative supply solutions.

Through comprehensive and thorough supplier vetting and selection processes, we will endeavour to provide opportunities to a diverse range of suppliers that will develop their skills and expertise to meet potential needs of Eversheds and other organisations. To help us with this initiative we are actively working with organisations such as Minority Supplier Development UK (MSDUK), WEConnect Europe and Supply London.

Our aim is to create sustainable relationships with a diverse supply base and work with suppliers compatible in their approach to diversity and inclusivity.

We will work with our suppliers to develop their understanding of Eversheds' approach to diversity and appoint the most appropriate suppliers developing our supply base to reflect our principles.

Environmental procurement

Our procurement process will support the Eversheds Environmental and Sustainability Policy and reflect our commitment by ensuring that our suppliers have the same environmental principles as ours and are actively reducing their environmental impact.

We will work with suppliers who comply with relevant UK, European and International legal requirements which relate to the environment. We will apply best practice in initiating protocols before legislation becomes obligatory.

Our suppliers will be proactively managing their own impact on the environment. They will also be proactive in helping Eversheds achieve its targets to reduce waste, energy consumption and travel.

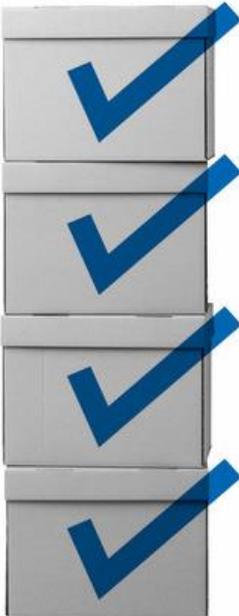
We will look to suppliers to proactively suggest sustainable and environmentally friendly improvements/innovations relating to the supply of their goods and services.

To support Eversheds' strategy of carbon reduction we will work with suppliers who are seeking ways to reduce the amount they produce and we will encourage suppliers to provide Eversheds with carbon data relating to the supply of their goods and services.

We will look to work with suppliers who source from sustainable or renewable sources, whose products are recyclable or recycled or where disposal does not cause any long lasting environmental damage.

We will look to procure renewable energy where possible and encourage our suppliers to do the same.

We will encourage our suppliers and contractors to continually improve their own environmental performance to ensure that goods and services support our environmental sustainability policy.



Ethical procurement

This policy applies to all Eversheds employees involved in procuring goods and services.

Wherever supplier engagement is required, we will do so in a fair and ethical manner to ensure our behaviour has a positive impact on the Eversheds brand.

We will ensure we are free from criticism relating to potential relationships with suppliers through employing the following measures:

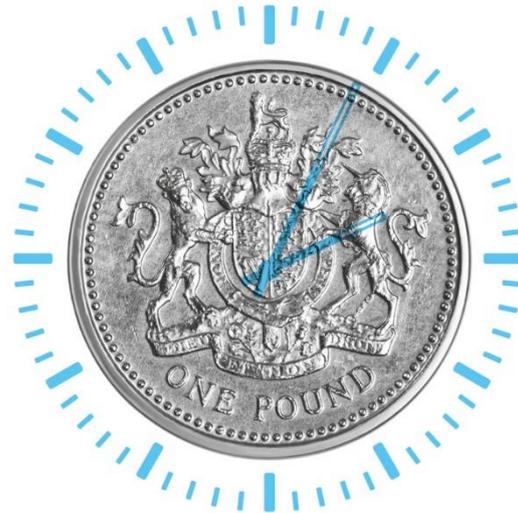
- the acceptance of gifts or hospitality of any nature during a competitive tender process is strictly prohibited
- the acceptance of gifts or hospitality outside of the tender process is only permitted where approved by a line manager. Approval will only be given for items of a nominal nature. Attendance at hospitality events will generally not be permitted
- no gifts or hospitality are to be accepted from those suppliers with whom we do not have an existing relationship
- discounted goods or services are not to be accepted unless offered to all Eversheds employees.

Employees must ensure that whenever undertaking any procurement related activity they will not place Eversheds in a position of financial or reputational risk.

We will only work with suppliers that have similar ethical procurement practices to ours. Where appropriate, if a supplier does not meet our requirements we will work with them to develop an acceptable approach.

In particular, we will work proactively to ensure that our supply base complies with the following principles:

- all policies and procedures will conform to International Labour Organisation (ILO) standards
- wages and benefits paid will be at least national legal standards for the relevant country, or industry benchmark standards
- working hours must comply with local regulations and industry benchmark standards
- all working conditions are to conform to at least the minimum health and safety regulations in the relevant country
- no child or forced labour will be utilised
- there shall be no discrimination in the recruitment of employees or contractors
- all forms of physical or verbal abuse including harassment shall be prohibited.



Engagement process

