

PROCUREMENT POLICY AND SUPPLIER CODE OF CONDUCT



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Definitions

“Client” means the person to whom LSH is to provide services in accordance with the Agreement

“Laws” means all applicable laws, regulations, rules, directives, decrees and governmental orders.

“LSH” means Lambert Smith Hampton Group Limited, company no. **02521225** whose registered office is at 55 Wells Street, London W1T 3PT and any company which is in the same group of companies as that company.

“Responsible Person” means Lambert Smith Hampton Finance Director or Director of Risk Management and Compliance.

“RICS” means the Royal Institution of Chartered Surveyors.

“Service” means the service procured by LSH under the Supply Agreement.

“Supplier” means any person or entity that contracts with LSH for the purposes of supplying goods or Services to LSH. It includes all contractors, subcontractors and consultants.

“Supply Agreement” means the agreement between the Supplier and LSH for providing the goods or carrying out the Service, incorporating this Code of Conduct

1.0 PROCUREMENT POLICY

The Procurement Policy and Supplier Code of Conduct, in conjunction with the firm's Ethical Standards and Code of Conduct Policy, provide detail about the Lambert Smith Hampton ethos, our aspirations for how our business operates and the expectations we have of our suppliers. It is integral to our business strategy and success that we have a positive impact when dealing with our clients, suppliers, employees and wider society wherever we do business.

This Procurement Policy describes the firm's commitment to ensuring that all procurement activities carried out by the firm are conducted in an honest, competitive, fair and transparent manner and that incumbent suppliers are appropriately managed on an ongoing basis.

The LSH Procurement Team consider a variety of issues when evaluating potential suppliers over and above service delivery and cost, including: risk management, statutory and regulatory compliance, corporate social responsibility, diversity, sustainability and environmental credentials, and innovation.

We pledge to:

- ▶ Conduct our procurement activity with integrity at all times,
- ▶ Deliver value for money outcomes for the firm, in an ethical and sustainable way,
- ▶ Appropriately manage a range of supplier-related risks,
- ▶ Build relationships with preferred suppliers who understand our business needs,
- ▶ Ensure supplier diversity and effective supplier management approaches are employed,
- ▶ Identify and avoid or manage conflicts of interest within the supply chain,
- ▶ Seek out innovation and collaboration within our supplier base, and
- ▶ Protect the reputation and meet the regulatory requirements of the firm with regard to procurement activity and supplier engagement.

Lambert Smith Hampton is committed to working with our suppliers to ensure that the principles set out in our Procurement Policy and Standard are met by the firm, and that the Supplier Code of Conduct is adhered to by all of the firm's suppliers and throughout the supply chain.

2.0 SUPPLIER CODE OF CONDUCT

This Supplier Code of Conduct defines the standards of business conduct we expect when Lambert Smith Hampton partners with its suppliers.

In order to create and maintain a mutually beneficial relationship, compliance with this Code of Conduct is a condition of doing business with Lambert Smith Hampton. Failure of a Supplier to comply with this code may result in termination of the Supply Agreement.

This Code of Conduct is endorsed by the Directors of Lambert Smith Hampton and its implementation is overseen by the LSH Supplier Management Team. Working through our supplier management system, LSH will ensure the highest levels of procurement due diligence, as demanded by our own clients. All suppliers will be vetted, approved and required to comply with the LSH Supplier Code of Conduct as a condition of supplying LSH with goods or services.

In becoming an 'approved supplier' and providing goods or services to LSH you are deemed to have accepted the terms of this Code of Conduct.

Compliance

The Supplier acknowledges and agrees that it is solely responsible for full compliance with this Code of Conduct.

In the event that the Supplier becomes aware of any non-compliance with this Code of Conduct it shall immediately inform the LSH Supplier Manager.

Scope

This Code of Conduct applies to all Suppliers employed by Lambert Smith Hampton and any subsidiaries.

This Code of Conduct shall also apply to any party to whom a Supplier may sub-contract an element of the work being undertaken for or on behalf of Lambert Smith Hampton.

Review and update

This Code of Conduct will be reviewed and updated periodically. Suppliers must refer to www.lsh.co.uk to access the latest version of the Supplier Code of Conduct.

Acting with integrity

Acting with integrity is an essential part of Lambert Smith Hampton's conduct of its business. This means that not only do we adhere to the highest standards of ethical conduct within our business but expect equally high standards from the suppliers we work with.

Consequently all Suppliers must abide by the requirements of this Code of Conduct, act with integrity and be guided by our business values.

Honouring commitments

The delivery of high-quality services to our clients is of the utmost importance. Where we involve a Supplier in support of our service, we entrust the Supplier with upholding our reputation.

Suppliers must ensure they understand the supply requirements they are committing to and honour them. Any concerns a Supplier has regarding their ability to honour a commitment should be raised with the contract Director, Supplier Manager or other person responsible for their engagement. They should be raised at the earliest opportunity.

Suppliers must ensure they have adequate arrangements to manage business continuity risks that may impact upon the goods and services they provide to Lambert Smith Hampton.

Respect and collaboration

Lambert Smith Hampton requires that all employees and Suppliers are treated with respect and encourages a collaborative approach within the business and to external business relationships.

Lambert Smith Hampton wishes to work with Suppliers who display ethical values and foster a collaborative and inclusive working environment where individuals are treated fairly, with dignity and respect. Harassment, intimidation, abuse, violence or any other offensive behaviour is unacceptable.

Labour practices

Suppliers must ensure their practices, and those of their supply chain, protect human rights and safeguard against any form of modern slavery, forced labour, child labour or human trafficking.

Suppliers must ensure that they have procedures in place for employee vetting including identity verification and right to work validation. In particular, we expect Suppliers to comply with the Modern Slavery Act 2015. Where appropriate, LSH will undertake additional ongoing monitoring for compliance with the Modern Slavery Act 2015, on a risk based approach.

Complaints

Suppliers must notify Lambert Smith Hampton of any complaint they become aware of in relation to any goods or services they provide in support of Lambert Smith Hampton. Any complaints must be handled in accordance with the Supplier's Complaints Handling Procedures, or in default in accordance with Lambert Smith Hampton complaints procedure, a copy of which is available on request from the Supplier Manager or the LSH employee that has engaged you.

3.0 HEALTH, SAFETY AND THE ENVIRONMENT

Health and safety

Lambert Smith Hampton is committed to ensuring that its business activities do not adversely impact the health, safety or wellbeing of their employees, suppliers, clients or wider stakeholders.

Suppliers must ensure they have adequate health and safety policies, arrangements and procedures in place to manage health, safety and wellbeing risks associated with their activities and any impact their activities may have on Lambert Smith Hampton employees, suppliers, clients or wider stakeholders.

Suppliers must comply with all relevant UK Health and Safety legislation, Regulations, Codes and Standards.

Sustainability and the environment

Lambert Smith Hampton is committed to sustainable business practices and, as such, has set an SBTi-aligned Net Zero target of reducing our Scope 1 & 2 emissions by 95% by 2030 and our Scope 3 emissions by 50% by the same year. Our suppliers are expected to support us in achieving such target and to take due consideration of sustainability and the environmental impacts in their supply of goods and services to Lambert Smith Hampton. This includes, but is not limited to, how products and services are delivered to and from our sites, the distance products and services travel to and from our sites, the environmental impact of the production and disposal of the goods provided, and the environmental impacts of the use of the products and services.

Depending on the nature of the goods or service being supplied to Lambert Smith Hampton, we will ask you to contribute data to our assessment of impact on the environment as part of our Net Zero accreditation. Such data might include:

Service suppliers:

- Scope 1 and 2 emissions
- Scope 3 (voluntary)
- Revenue

Product suppliers:

- Item supplied
- Total weight per unit
- Total number of units
- Unit price
- Carbon foot print of item/product/material supplied per unit
- Supplier location address
- Address of site location (where the goods are transported to)
- Distance that goods are transported (supplier location to LSH site)
- Transport mode

By confirming agreement to this Code of Conduct, you confirm that you will provide this data when requested.

4.0 COMPLIANT BUSINESS CONDUCT

Anti-bribery, corruption and money laundering/terrorist financing

Lambert Smith Hampton has a zero-tolerance policy to bribery, corruption, theft, money laundering, tax evasion, fraud or any other form of financial crime. We require Suppliers to have the same approach.

Suppliers must ensure they have adequate procedures in place to ensure compliance with these requirements by their employees (and any person acting on their behalf) in connection with the supply of goods and services to Lambert Smith Hampton.

Suppliers are required to comply with the UK Bribery Act 2010 irrespective of their country of origin.

In respect of suppliers providing services which fall under 'regulated work' as defined by the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended from time to time and the Proceeds of Crime Act 2002, Lambert Smith Hampton expects suppliers to undertake KYC and customer due diligence on all appropriate parties.

It is expected that suppliers will have conducted a risk assessment to identify the potential risks of bribery, fraud and money laundering/terrorist financing within their business and put in place suitable policies and procedures to mitigate risks identified.

Gifts and hospitality

Lambert Smith Hampton operates strict procedures in relation to gifts and hospitality given or received and maintains a "Gift Register". Lavish cash, cash-equivalent, travel or inappropriate gifts and hospitality are prohibited.

Suppliers must not offer any gifts or hospitality to employees of Lambert Smith Hampton that could be interpreted as an inducement or reward to influence an action.

Facilitation of Tax Evasion

Suppliers must not engage in any activity, practice or conduct which would constitute either:

- a. a UK tax evasion offence within the meaning of section 45(4) of the CFA 2017 ("UK Tax Evasion Offence");
- b. a foreign tax evasion offence within the meaning of section 46(5) of the CFA 2017 ("Foreign Tax Evasion Offence");
- or
- c. a facilitation of the UK Tax Evasion Offence within the meaning of section 45(5) of the CFA 2017; or
- d. a facilitation of the Foreign Tax Evasion Offence within the meaning of section 46(6) of the CFA 2017;
- or
- e. Failure to prevent a Facilitation Offence within the meaning of sections 45 or 46 of the CFA 2017.

You must have and shall maintain in place such policies and procedures as are both reasonable to prevent the facilitation of tax evasion by another person (including employees of the Supplier Group Companies, and Authorised Sub Contractor and any Associated Persons as defined within the Criminal Finances Act 2017) and to ensure compliance with this section of this Code of Conduct.

Conflicts of interest

Lambert Smith Hampton requires Suppliers to declare any real or perceived conflicts of interest. Such conflicts may include being engaged in parallel by competitors of Lambert Smith Hampton or by clients who may be competitors of Lambert Smith Hampton's own client.

Lambert Smith Hampton accepts that potential conflicts can arise and we require Suppliers to have adequate procedures in place to prevent these having an adverse impact on any of the parties involved. These procedures must include Information Barriers preventing any unauthorised transfer of knowledge or data. They must work in practice and not merely in theory.

Conflicts of interest, real or perceived, must be declared in writing to the Contract Director, Supplier Manager, or other responsible person before entering into a contract with Lambert Smith Hampton. If conflicts arise during the contract they must be declared immediately they come to light. Proposals for their management must be set out in detail including the way in which any information barrier will be implemented. Proceeding with the supply of goods or services to Lambert Smith Hampton will be subject to agreement of these proposals. In the event that an insoluble conflict of interest arises, Lambert Smith Hampton will be entitled to terminate the Supply Agreement.

5.0 PROTECTION OF BUSINESS ASSETS AND DATA

Reputation

Lambert Smith Hampton places a high value on its reputation. As an RICS Registered Firm we are also required to safeguard our client's data. Should the supplier become aware of any issue that may impact on that reputation they must report it immediately to the Contract Director, Supplier Manager, or other responsible person.

Protection of business assets

Suppliers must take due care to protect the business assets of Lambert Smith Hampton. This includes intellectual property which shall only be used in accordance with the express permissions given.

Confidentiality

Suppliers must keep all information in connection with the goods and services provided or created confidential and in accordance with the requirements of their Supply Agreement.

Information must not be disclosed to any third party without the express permission of Lambert Smith Hampton unless required by law.

In the event that the Supplier receives a request to disclose information relating to its contract with Lambert Smith Hampton it shall immediately inform the Contract Director, Supplier Manager, or other responsible person. No information shall be disclosed without the written authority of the Contract Director, Supplier Manager, or other responsible person, unless required by law (see below).

When appropriate and where requested, the Supplier agrees to sign a Non-Disclosure Agreement, the form of which will be agreed between the parties.

Privacy and data protection

Suppliers must take due care with respect to privacy and the management of any personal data processed in connection with the goods and services being supplied to Lambert Smith Hampton. Suppliers must comply with all applicable privacy and data protection law/regulations and in particular the General Data Protection Regulations and Data Protection Act.

Where suppliers process personal data provided by LSH to third parties, the Supplier warrants that all such processing is undertaken in accordance with data protection laws.

Legal requests for Data

Upon receipt of any request for data to be supplied for legal reasons the supplier shall immediately draw the request to the attention of the Contract Director, Supplier Manager, or other responsible person.

6.0 MEDIA AND COMMUNICATIONS

Marketing information

Suppliers must not use any imagery or information relating to Lambert Smith Hampton projects for marketing purposes without the express permission of Lambert Smith Hampton.

Communications

Suppliers must not comment on Lambert Smith Hampton projects or activities in any form of media or provide comment/information to other enquiring organisations without the express permission of Lambert Smith Hampton unless required by law. Any such legal requests should be drawn to the attention of Lambert Smith Hampton immediately. All media enquiries must be directed to the Group Marketing Director of Lambert Smith Hampton.

7.0 AUTHORITY TO COMMIT EXPENDITURE

Delegated authorities

Suppliers must note that Lambert Smith Hampton has strict procedures with respect to the authority to commit expenditure. Only certain individuals and levels of seniority are authorised to make such commitments. Suppliers should refer to the Contract Director or Supplier Manager should they have any concerns regarding the legitimacy of the instructions they have received.

8.0 LEGAL COMPLIANCE AND TERMS OF ENGAGEMENT

Legal compliance and insurances

Suppliers must comply with all laws and regulations applicable to the goods or services they supply to Lambert Smith Hampton. We expect Suppliers to not only abide by all applicable laws but also by the spirit of those laws.

Suppliers must hold all relevant insurances and be willing to evidence the same, including professional indemnity insurance for suppliers providing professional services, Public Liability Insurance, Employers Liability Insurance and Product Liability insurance where appropriate. Suppliers must ensure they are compliant with all applicable tax regulations.

Interaction with agreed terms and conditions

Compliance with this Code of Conduct is a condition of working for Lambert Smith Hampton.

This Code of Conduct does not dilute the Supplier's legal obligations, nor does it override the terms of the Supply Agreement in place with Lambert Smith Hampton.

Where Lambert Smith Hampton has entered into a Supply Agreement with a Supplier, the relationship will be governed by the agreed contractual terms and conditions. In addition, the Supplier must comply with the requirements of this Code of Conduct to the extent that such requirements are not already expressly agreed in the Supply Agreement.

Where there is any conflict between this Code of Conduct and the Supply Agreement the terms of the Supply Agreement will prevail.

Should the supplier sub-contract any element of work being undertaken for or on behalf of Lambert Smith Hampton, the Supplier must ensure that the sub-contractor is bound by this Code of Conduct.

Lambert Smith Hampton reserves the right to terminate the business relationship with any Supplier who fails to meet the standards set out in this Code of Conduct.

9.0 AUDIT AND REPORTING

Audit

Lambert Smith Hampton reserves the right to audit and review Suppliers with respect to compliance with this Code of Conduct and in respect to answers provided to the Supplier Questionnaire, which is to be completed as part of our approved supplier onboarding process.

Reporting of suspected malpractice

Lambert Smith Hampton encourages transparency within its supply chain. Suppliers must raise any concerns regarding compliance with this Code of Conduct or any suspected malpractice in connection with the goods and services they provide for or on behalf of Lambert Smith Hampton.

Suppliers should encourage such reporting of malpractice within their own organisation and should have in place a "Whistle Blowing Policy".

Lambert Smith Hampton adopts a broad definition of malpractice including: non-compliance with this Code of Conduct; unethical practices; inappropriate business conduct; failure to comply with applicable law; poor labour practices; bribery; corruption; fraud; tax evasion; environmental damage; a failure to protect health and safety; or any other action or omission that does not align to the highest standards of ethical business conduct.

Suppliers can raise concerns and reports should be made in writing to the Contract Director, Supplier Manager, or responsible person.

Suppliers must co-operate with any investigation that Lambert Smith Hampton may instigate in connection with reported or suspected malpractice.

10.0 EMPLOYMENT STANDARDS, EQUALITY AND DIVERSITY

We expect all Suppliers to:

Provide clean, safe and healthy working conditions for their employees, agents and contractors, including by implementing a health and safety policy;

Ensure fair treatment, equality of opportunity and diversity in the workplace in terms of recruitment, progression, remuneration and conditions of work, irrespective of gender, race, colour, language, disability, political opinion, age, religion, or national or social origin;

Ensure that workers are treated with respect and dignity and take proactive and reasonable steps to prevent sexual harassment in the workplace. Not to tolerate any degrading treatment towards workers, such as mental or sexual harassment, discriminatory gestures, language or physical contact that is sexual, coercive, threatening, abusive or exploitative;

Allow consultative work-place structures and associations which provide employees with an opportunity to present their views to management

Not to employ or use any form of child, forced, bonded or compulsory labour, and shall strictly prohibit any form of slavery or human trafficking in their operations and supply chain. Suppliers shall at all times have a written policy in relation to such matters and shall ensure the policy's effective implementation within their organisations. We expect Suppliers to comply with the Modern Slavery Act 2015.

Ensure that workers have the opportunity, and feel free, to raise concerns about any employment standards, practices or working conditions without fear of retaliation in any form.

Lambert Smith Hampton reserves the right to audit supplier compliance with the Modern Slavery Act 2015, in accordance with our own Modern Slavery Policies.