

MURPHY

WORLD-CLASS INFRASTRUCTURE

CENTRAL PROCUREMENT SUPPLY CHAIN FOCUS



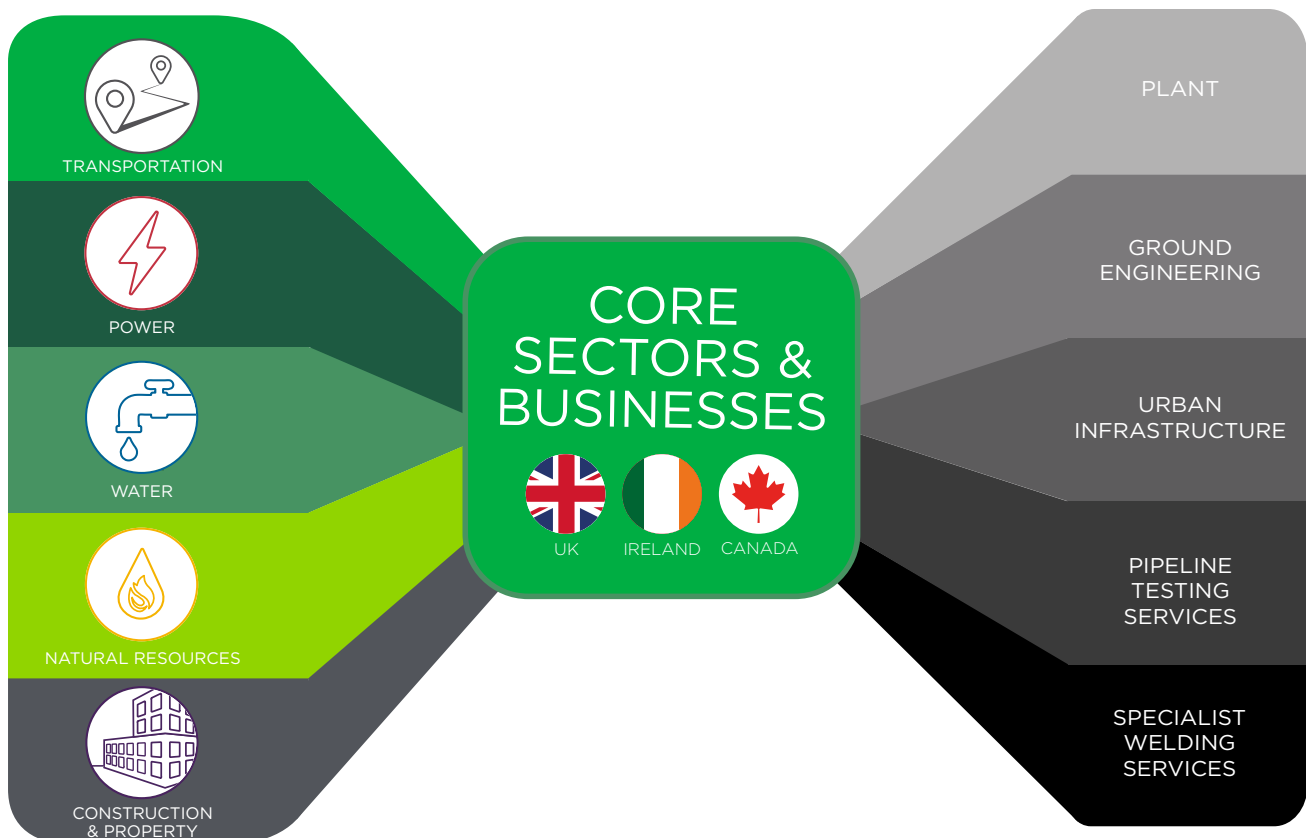
ABOUT US

J. Murphy & Sons Limited is a leading global, multi-disciplined engineering and construction company founded in 1951 that improves lives by delivering world-class infrastructure projects.

Operating in the United Kingdom, Ireland and Canada, Murphy provides better engineered solutions to infrastructure sectors including transportation; water; power; natural resources; and construction & property. Headquartered in London, Murphy also has a number of related businesses - Ground Engineering and Piling; Utility Connections; Murphy Plant; Highways & Streetworks; Murphy Process Engineering; Pipeline Testing Services; Specialist Welding Services; and Electrical Services. Murphy also specialise

in delivering pipelines; design; marine; structural steel; tunnelling; fabrication; bridges and piling; and invest heavily in our substantial holding of plant; equipment and facilities.

Murphy employs more than 3,500 engineers, professional managers and skilled operatives around the world. Together, we work as 'One Murphy' by directly delivering the people, plant and expertise needed to make projects a success.



There's more to Murphy...

CENTRAL PROCUREMENT

From major infrastructure projects to responding to emergencies, Murphy's range of services help keep the UK and Ireland moving, all whilst applying our unique 'One Murphy' approach. Simply put, this approach means Murphy provide the people, plant and expertise to combat any construction and logistical challenges on even the most difficult of sites.

Whether using Murphy plant to manage logistics or using Murphy engineers to overcome design challenges, Murphy provide practical and innovative results, enabling the construction of a wider range of projects with better engineered solutions and efficiently managed logistics in the busiest areas of the country. These projects are uniquely challenging – and the One Murphy' approach mitigates risks, minimises delays and offers significant cost savings.

CENTRAL PROCUREMENT

The Central Procurement Team are responsible for facilitating the effective management and control of the procurement of goods and services for the whole Murphy Group. Our key framework agreements provide the foundation for the Murphy business to operate in a variety of sectors.

We establish a methodology for central needs, by which the supply chain are identified, evaluated, selected, approved, appointed and re-evaluated to ensure their ongoing capability to provide goods and/or services to specified value requirements.

Central Procurement must also ensure company policies, procedures and directives relating to procurement and supply chain issues are adhered to, and the associated risks are adequately identified and addressed. Our core values at Murphy allow us to focus on embedding these into our business culture and passing these on to our strategic partners.

Central Procurement also encompasses and provides support to Murphy Plant Limited, Specialist Business Units and Murphy Carey Joint Venture.



WHAT WE DO

We have helped to deliver a vast array of projects and frameworks with our supply chain to support the central needs of the business, by developing long term sustainable relationships with our supply chain partners.

The scope of some of our roles include: The procurement of framework supply chain partner agreements across our business from PPE, builders Merchants to Plant and Labour. We operate in a diverse array of direct and indirect categories.



In early 2020, Murphy were awarded The Ethical Procurement and Supply Accreditation for our or their on-going commitment to responsible procurement practices, this focuses on issues including corruption, fraud, bribery, exploitation, and human rights abuses in supply chains.

We also achieved the Chartered Institute of Procurement & Supply (CIPS) 'Procurement Excellence Programme' (PEP). PEP is a globally-recognised award that demonstrates how well a business is performing with their procurement and supply chain activities.

SUPPLY CHAIN FOCUS

Benefits of our Central Procurement Supply Chain

1. STRUCTURE AND REWARD

Our supply chain is split into 3 categories, approved, preferred and strategic partners. We review our structure regularly and make necessary changes based on the following:

- SHES (Health & Safety, Environmental, Sustainability)
- Work winning support
- Project performance
- Commercial approach and comparison against expected costs
- Production / delivery of performance to programme
- Design resource and management
- Commitment to supporting apprentices and trainees Murphy site KPIs
- Adoption of the Murphy core values & strategic drivers.

In order to be an approved contractor, you will have successfully completed the pre-qualification questionnaire (PQQ) process, or hold acceptable industry accreditations in line with our requirements. To ensure fairness, and that we are consistently engaging with safe and competent organisations, only approved contractors will form part of our supply chain.

Preferred partners will meet the requirements within the key areas noted above, and help us to secure new work. In return, we will commit to meeting our preferred partners every six months, or more frequently as required, and these meetings will be attended by the relationship

sponsor from both parties. Preferred contractors will be given the opportunity to be added to all of our tenders lists, in relation to their expertise and location catchment area.



We pro-actively develop close, long-term relationships with our strategic partners, in order to deliver joint value and success for our businesses. These partners consistently deliver the highest standards of performance both on-site and during the work winning process. They will exceed our minimum criteria, with regards to health and safety accreditations, financial stability, sustainability, quality and ethical standards. We will meet with our strategic partners on a quarterly basis, which will be attended by the relationship sponsor and a director, or equivalent senior manager, from both parties.

To support the continual improvement of our business, we are relying on the support of our preferred and strategic supply chain partners. We will reward these organisations with our full engagement, mutual commitment and a fair share of our workload.



SUPPLY CHAIN FOCUS

2. WORK WINNING COLLABORATION

We understand the importance of early supply chain engagement. Specialist expertise is key to optimising construction solutions, improving efficiency and increasing value for our clients. This also means our supply chain partners have the best possible chance of providing a competitive bid and securing a fair return.

To promote this, we are seeking greater collaboration from our supply chain at the work winning stage, where we have the biggest opportunity to influence a project and determine the most productive delivery strategy. This ensures that we are all “Fit to Start” when a project is mobilised. We recognise the commitment from our supply chain during this stage, and as a result, we will engage the same contractors once we have secured the works as outlined to the right:

- Prior to issuing tenders at work winning stage we will contact our strategic and preferred partners, and then approved subcontractors if required, to get a commitment to collaborate with us on the bid
- We will select a maximum of four contractors for each package at work winning stage and we will not seek any further tenders unless we receive less than four tender returns
- We will also not solicit any further tenders when we secure the project and instead seek to engage with the supply chain partners who supported us during the bid
- If we should receive any unsolicited bids post contract award, we will review these and discuss any relevant points transparently with our supply chain partners.



OUR COMMITMENT

We will regularly review our supply chain charter with our preferred and strategic partners and make appropriate changes as necessary to ensure it remains fit for purpose

SUPPLY CHAIN FOCUS

Benefits of our Central Procurement Supply Chain

3. RELATIONSHIP MANAGEMENT

We will organise regular meetings with our preferred and strategic partners to share details of our business plan and forward strategy, and discuss our pipeline of opportunities including upcoming tenders.

We use the meetings to provide constructive feedback on tenders submitted and project performance. We will also endeavour to better understand any changes in our partner's capability, capacity and business plans.

These meetings will also allow our partners to provide open and honest feedback to Murphy, which we will use to improve our own performance.



4. SUPPLY CHAIN PERFORMANCE

We will monitor supply chain performance on a job-by-job basis, including using our site Key Performance Indicators (KPIs).

These cover all aspects of delivery including safety, people, time, quality and cost. With this information we can follow up and address any performance issues and recognise good performance. We will use these KPIs to inform our procurement decisions moving forward and ensure our best performing partners are rewarded for their support and high performance. We openly share with our supply chain details of their KPIs so they have visibility of how they are performing across our sites.



SUPPLY CHAIN FOCUS

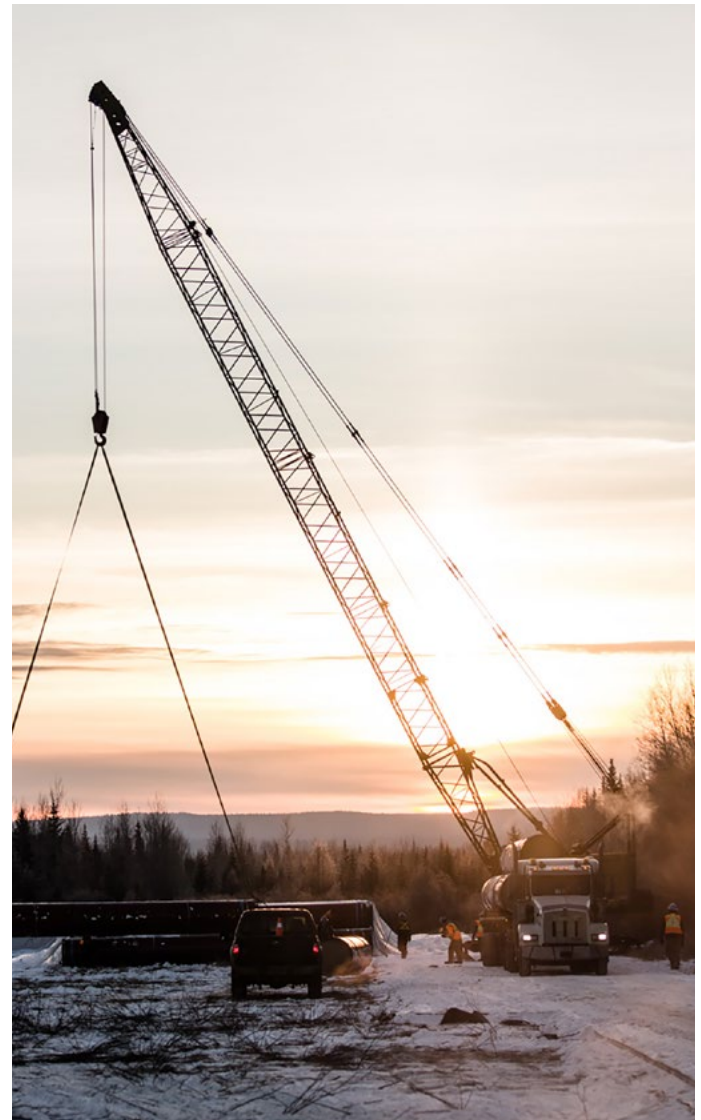
5. LOCAL AND SME SUPPLY CHAINS

We promote both local and SME supply chains, with a focus on our customers' growing requirement for us to deliver 'social value'.

6. STRATEGIC DRIVERS AND VALUES

We have core values and strategic drivers, which are embedded in our business and culture.

We expect our strategic and preferred partners to buy into these shared values and engage with our cultural development programme, including attending training events as appropriate.



SUPPLY CHAIN FOCUS

Benefits of our Central Procurement Supply Chain

7. DELIVERING CONTINUOUS IMPROVEMENT WITHIN OUR SUPPLY CHAIN

To ensure we remain competitive and continue to secure works by providing our clients with best value, we regularly benchmark our supply chain offering against the market and transparently share these results with our supply chain partners.

To support our continual improvement we will introduce like-minded contractors that meet our criteria, and share our vision and values. This ensures we have a strong supply chain, helping us achieve our goals and in return have our support to achieve theirs.

8. FAIR AND PROMPT PAYMENT TERMS

At Murphy, we understand the importance of fair and prompt payment terms for our supply chain partners, and within our transportation business we predominantly operate market-leading monthly payment terms on all our subcontract packages.

We are able to do this by leveraging the strength of our market-leading balance sheet in tender negotiations, to secure the best possible payment terms from our clients. This allows us to share these benefits with our supply chain partners and support their business cash flow.



SUPPLY CHAIN FOCUS

Murphy Plant is one of the largest providers of plant, transport and equipment in the UK.

We have a broad range of equipment including specialist assets for ground engineering, pipeline testing, tunnelling, rail and more. We adopt a 'One Murphy' approach in supporting Murphy projects with our vehicle fleets, including one of the UK's newest and most comprehensive crawler crane fleets. Murphy Plant delivers a plant hire service that is simple, safe, efficient and reliable.

WHAT WE DO

We manage and maintain more than £100 million worth of plant, transport and specialist equipment and our work spans multiple industries. Our inventory includes over 15,000 assets including that range from small tools to piling rigs.

We invest heavily in our fleets, which helps keep our assets up to date and improves efficiency. Many key Murphy projects have benefitted from the new and innovative equipment we have invested in. For example, the 'T-Vac' vacuum excavator was vital in helping excavate congested underground sites in the ongoing Crossrail project.

MURPHY SPECIALIST BUSINESS

GROUND ENGINEERING

We offer in-house pile design, value engineering and bespoke technical solutions throughout the UK and Ireland.

The Ground Engineering at Murphy know that every project features its own unique challenges and we aim to combat these by applying our 'One Murphy' approach. Our impressive in-house capabilities allow us to easily collaborate with our clients and to provide a turnkey piling and ground engineering solution.

URBAN INFRASTRUCTURE

The Urban Infrastructure team completes projects that involve hard landscaping, utilities and drainage upgrades, the construction of new roads, the installation of street furniture and other public realm work. We also have a proven track record delivering challenging basement formation projects, involving piling, bulk excavation, earthworks and more.

ELECTRICAL SERVICES

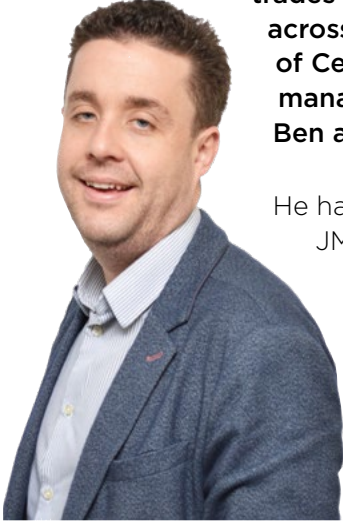
Murphy Electrical is a multi-disciplined team who design, contract and manage all aspects of electrical projects. We have the capacity to carry out works throughout the UK.

We are a driven and dynamic team comprised of project managers, engineers and supervisors who are experienced in delivering electrical, control and instrumentation works. Operating in high-risk environments, we understand the importance of safety. Our 'Never Harm' value is embedded into our culture and the way we work.



MEET THE TEAM

BEN McCLUSKEY



Ben has been a part of the Murphy team for 4 years with experience in a wide variety of trades and packages, encompassing both Subcontract and Materials procurement across a range of construction related sectors. In 2018, Ben was promoted to Head of Central Procurement. This role encompasses systems, supplier relationship management, category management and the overall group procurement strategy. Ben also has responsibility for SBU, MPL and MCJV.

He has a strong presence within the discipline and is actively involved and promotes JMS and the construction sectors as a whole within the Chartered Institute of Procurement & Supply community. This is in various forms including the CIPS Construction Leaders Forum, CIPS Examiner, Procurious network and internal mentor and lead for JMS staff working towards Chartership.

Ben McCluskey
Head of Central Procurement



Tom Ashman
Senior buyer MCJV

Murphy Plant Limited



Chris Merricks
Supply chain manager MP



Emma Wilson
Assistant buyer MPL



Lauren Jones
Senior buyer MPL

MEET THE TEAM



Naveen Arain
Procurement manager SBU
/bulks/waste



Suki Sinclair
Assistant buyer waste



Adam Titmuss
Senior buyer bulks/SBU



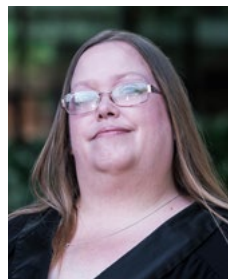
Anna Maria Circiog
Assistant buyer SBU/central



James Conboye
Senior Category buyer
central procurement



Natalie Ovenden
Graduate buyer



Ailsa Pollard
Buyer central procurement



Victoria Dean
Procurement analyst
central procurement



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