

Quality Policy and Practice

January 2020



QUALITY POLICY STATEMENT

VolkerHighways is a multi-disciplinary contractor operating across the United Kingdom. VolkerHighways undertakes public and private sector highways maintenance and civil engineering, street cleansing, street lighting, and hard and soft landscaping projects. Specialist divisions provide surfacing, specialist surfacing and traffic management. We also offer Smart City services, through VolkerSmart Technologies

In order to provide clear guidelines on how we manage quality throughout VolkerHighways, we have developed a Quality Management System (QMS) which is designed to meet the requirements of BS EN ISO 9001:2015 Quality Management Systems Requirements, and provides a framework for commitment to statute and other requirements, including the National Highway Sector Schemes 8, 12A, B and D, 16 and 30.

Through regular communication with our employees, clients and supply chain on quality issues, and by acting on their feedback, as well as the review of this policy and the implementation of the QMS at management review meetings, we are able to continuously improve what we do, which is to the benefit of everyone involved. To achieve this we shall ensure that company-wide annual objectives and targets are established, communicated, monitored and measured. The continual improvement of our processes and people is fundamental to our success.

It is our aim to supply quality products and services that exceed the requirements of our customers. In order to do this we intend to:

- Establish an environment that supports the production and delivery of high quality products and services
- Establish strong relationships with both customers and suppliers who will contribute to improving the quality of what is sold or purchased
- Provide all employees with the training and support needed to supply quality products and services to all customers
- Develop and build a QMS based upon employee involvement and the maintenance of the quality policy
- Give individual responsibilities and accountability for the QMS to employees
- Properly communicate the quality policy and objectives to all employees
- Actively encourage each employee to realise his or her potential
- Foster the idea of a team approach within the organisation based on increasing the company's competitiveness by way of improved quality and productivity

All employees and others working for VolkerHighways are required to comply with this policy, in particular, ensure they cooperate and carry out activities in a responsible manner. It is the responsibility of VolkerHighways' management and supervisory staff to ensure that this policy and its arrangements are implemented.

This policy will be reviewed annually and revised as often as may be deemed appropriate by VolkerHighways, and then brought to the attention of all employees. It is accessible to interested parties via the VolkerHighways website, reception areas or is available on request.

Alistair Thompson

Managing Director

January 2020

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INTRODUCTION

About VolkerHighways

We provide a performance and value driven delivery of a range of Highway Services to meet the needs of the client, local residents, businesses and communities. We work with our clients through integrated teams based on a foundation of honesty, openness and trust, to provide a range of high quality public realm solutions.

The drivers for continuous improvement in our ongoing performance are our people, supported by the management systems that we employ. Our systems processes and procedures support continuous monitoring of Key Performance Indicators (KPIs) providing a total quality approach to delivering services that are flexible, responsive and of a consistently high quality.

As part of one of the largest construction groups in Europe, VolkerWessels, we have access to the technical resources and innovations of companies working throughout the world. Together we share best practice and skills, harness talent, improve delivery to clients and support the continued growth of the group in the UK.

VolkerHighways' registered office is at Hertford Road, Hoddesdon, Hertfordshire, EN11 9BX.

What is a Quality Management System?

A Management System is a structured framework used to establish policy and objectives and to achieve those objectives. A Quality Management System (QMS) directs and controls an organisation with regard to quality. VolkerHighways QMS is made up of the following:

- A Quality Policy Statement (this document)
- A Quality Policy and Practice Manual (this document), which gives an overview of our approach to 'managing quality'. Every employee receives a copy of this manual and it is also available at all project sites and permanent offices
- A set of 'Processes'
- A set of 'Procedures'
- An organisational structure

Why does VolkerHighways need a QMS?

The QMS helps to ensure that our overall quality objectives, as set out in the Quality Policy, are implemented throughout the organisation and that employees, contractors and suppliers know their roles and responsibilities in helping the organisation to achieve them. To lead and operate an organisation successfully, it is necessary to direct and control it in a systematic and transparent manner. Success can result from implementing and maintaining a management system that is designed to continually improve performance while addressing the needs of all interested parties.

Regular monitoring and auditing of the QMS provides a basis for evaluating its effectiveness and making changes as appropriate, thereby leading to better performance by the organisation on a sustained basis.

BS EN ISO 9001:2015 specifies the requirements of a QMS. It is an International, European and British Standard. It follows the plan-do-check-act model and at its core is the process of continual improvement.

Our QMS has been designed to meet the requirements of ISO 9001, and revised where necessary to meet the requirements of BS EN 9001:2015 to ensure we maintain quality in what we do, which is:

- The provision of infrastructure, maintenance and construction services within the UK, in the public and private sectors
- Undertake projects with design responsibility (i.e. "Design & Build") and without design responsibility
- Work under (but not limited to) standard forms of contract, including joint ventures and term contracts

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INTRODUCTION (CONTINUED)

Why does VolkerHighways need a QMS? (Continued)

Organisations can decide to have an external body confirm that their QMS meets the requirements of ISO 9001. This is known as certification or registration. Registration assures users and customers that the organisation has a QMS in place that complies with ISO 9001, irrespective of the business and its work. To maintain compliance, standards are monitored by regular surveillance by the certification body. VolkerHighways are registered to ISO 9001. The British Standards Institute (BSI) is the registration body we use to confirm our QMS meets the requirements. They are accredited by the United Kingdom Accreditation Service (UKAS).

There are a number of benefits that we can gain in having our QMS externally verified, including:

- Confidence that the QMS meets recognised requirements and standards
- A means of driving continual improvement
- A fresh pair of eyes to review the QMS and the way that it functions
- The potential for recognition for our achievements from third parties, such as customers

Quality Management Principles

The VolkerHighways approach to quality management is founded upon the internationally and industry-wide recognised Quality Management Principles, which are:

- Customer Focus
- Leadership
- Engagement of People
- Process Approach
- Continual Improvement
- Evidence-based Decision Making
- Relationship Management

The Process Approach and use of Processes

A process is a set of interrelated or interacting activities which transforms inputs into outputs. BS EN ISO 9001 requires that we must identify the processes that are key to our QMS and how they apply across the company. VolkerHighways use of process incorporates the Plan-Do-Check-Act (PDCA) cycle and risk-based thinking.

Procedures

A procedure is defined as a specified way to carry out an activity or a process. VolkerHighways utilises several documented procedures which are agreed by VolkerWessels UK, and subsequently VolkerHighways, as the accepted way in which key activities are undertaken:

- Q01 *Control of Documented Information - Overview*
- H02 *Risk Assessment and Method Statements*
- Q03 *Audit*
- Q04 *Non Conformance and Corrective Action*
- Q07 *Management Review*
- Q08 *Measure and Test Equipment*
- Q11 *Tender Risk Classification & Tracking*
- Q18 *Objectives, Targets, Measures and Actions*
- Q19 *Determining Context of our Organisation*
- Q25-VH *Temporary Works*
- Q37 *ICP Work Issue and Control*

NOTE ON ACCESSING WORKSPACE

VolkerHighways Quality Policy and Practice, along with procedures and processes are available as printed documents, and electronically via the VolkerWessels UK Business Management System, Workspace.

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1.0 INFORMATION MANAGEMENT**1.1 CONTROL OF DOCUMENTS**

In order to maintain our QMS, there are a number of documents to which we must constantly refer and regulations that we must follow. These include:

- BS EN ISO 9001:2015
- Other information such as:
 - Contracts and drawings
 - The requirements of our clients and other interested parties
 - Industry standards
 - Statutory and regulatory requirements
 - Other VolkerHighways systems including policies, standing orders, directives, etc.

To avoid confusion and mistakes, it is important that we are careful about how we deal with these documents. Q01 *Control of Documented Information - Overview* has been established to:

- Approve documents as being suitable prior to use
- Review, update and re-approve documents as necessary
- Ensure that changes and the current revision status of documents is clearly indicated
- Ensure that documents are available where they are needed
- Ensure that documents remain legible, readily identifiable and retrievable
- Ensure that documents of external origin are identified and their distribution controlled
- Clearly mark documents that have been superseded or are obsolete and prevent their use

1.2 CONTROL OF RECORDS

Any document, file, notice, drawing, or any other piece of information preserving knowledge or information about facts or events, relating to the work that we carry out, is a record of what we have done. These records are essential parts of our QMS and are controlled and maintained to provide evidence of conformance to requirements, and effective operation of the QMS.

Q01-02 *Control of Records and Workspace on Projects* has been established to define the controls needed for the identification, storage, protection, retrieval, retention time and disposition of records that we keep on projects.

Q01-03 *Control of Records and Workspace in Offices and Departments* has been established to define the controls needed for the identification, storage, protection, retrieval, retention time and disposition of records that we keep in offices and departments.

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2.0 ORGANISATION AND ARRANGEMENTS

2.1 LEADERSHIP

The Senior Management Team (SMT) for VolkerHighways are led by the Managing Director (MD). The SMT direct and control the operations of VolkerHighways acting as Top Management (as defined in ISO 9001). VolkerHighways SMT are committed to providing quality services and products through effective quality management systems.

2.2 RESPONSIBILITY FOR QUALITY MANAGEMENT

ISO 9001 uses the term 'top management' to identify a number of key responsibilities with regard to quality management. The roles that fall within VolkerHighways 'top management' are shown below.

- Managing Director
- Operations Director
- Commercial Director
- Pre-Construction Manager
- Lighting Business Manager
- Surfacing and Traffic Management Business Manager
- Senior HSEQS Manager
- Quality Manager
- VolkerWessels UK Corporate Responsibility Director

'Top management' responsibilities for quality include:

- Demonstrating leadership and engagement within the application of the QMS across the business
- Developing the Quality Policy, objectives and targets for VolkerHighways, and ensuring that the correct organisational structure and resources are in place to support these goals
- Promoting the policy, strategic direction, objectives and targets to employees to increase awareness, motivation and involvement
- Ensuring a risk & opportunity based thinking is applied appropriately to all activities and processes
- Ensuring that the goals and responsibilities for individual employees reflect our overall quality objectives
- Ensuring our business correctly focuses on the needs of our clients/customers, VolkerHighways and relevant interested parties and stakeholders
- Ensuring the QMS is implemented to meet the relevant requirements and needs of our clients/customers, VolkerHighways and relevant interested parties and stakeholders
- Reviewing the QMS periodically and as required in response to strategic business needs
- Identifying ways in which to improve the QMS and its application
- Monitoring and reporting on the development, performance and improvement of the QMS
- Ensuring the QMS meets the requirements of ISO 9001:2015

Different roles have varying levels of authority with regard to our QMS. These are explained as follows:

Managing Director

The Managing Director (MD) (who is also the Board of Directors' representative for quality management) holds overall responsibility for the operations of VolkerHighways, from developing long-term strategy for the business to overseeing its day to day activities. The MD is ultimately responsible for the company's QMS.

Operations Director / Lighting Business Manager / Surfacing and Traffic Management Business Manager

Reporting to the MD and responsible for:

- The safe delivery of all VolkerHighways contracts
- Overseeing and supporting the effective implementation of the QMS and liaising with clients to ensure their satisfaction
- Training, supporting and mentoring their direct staff to develop their knowledge / application of the QMS

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2.0 ORGANISATION AND ARRANGEMENTS (CONTINUED)

2.2 RESPONSIBILITY FOR QUALITY MANAGEMENT (CONTINUED)

Quality Management - HSEQS Team

For the purposes of clarification under ISO 9001, quality management is not outsourced. VolkerHighways has a Quality Manager who is directly employed. In addition to this, VW UK Corporate Responsibility provides strategic direction, performance management, occupational health, IMS management, technical services and compliance support to all of the VW UK companies.

QMS Management Representative

Senior HSEQS Manager

VolkerHighways Senior HSEQS Manager has the authority to take any action necessary to ensure that quality is maintained. Reporting to the MD, it is the responsibility of the Senior HSEQS Manager to:

- Ensure the effective use of the HSEQS department and its' resources
- Ensure the advisory service provided by the department is an effective and practical interpretation of applicable regulatory and company requirements
- Assist the MD in setting realistic goals for the continual improvement in quality management
- Develop the QMS to achieve the goals set
- Ensure that the goals set are periodically monitored to agreed standards
- Ensure that the company is audited against the standards detailed in the QMS
- Reporting on the performance of the QMS and opportunities to improve
- Ensuring the QMS complies with international standard ISO 9001:2015
- Ensuring that the QMS and its processes are delivering the intended outcomes

The Senior HSEQS Manager, is line manager for the Quality Manager, who in conjunction with other members of the VolkerHighways HSEQS team, provide on-site support on quality management.

Quality Manager

Reporting to the Senior HSEQS Manager, as part of the HSEQS team, is responsible for ensuring the effective implementation and development of the QMS for VolkerHighways. As a technical specialist they provide support, guidance and training. The Quality Manager will lead process rationalisation and introduce lean principles to promote efficiency and business improvement.

Corporate Responsibility Director

The Corporate Responsibility (CR) Director is responsible for the implementation and development of sustainable business practices throughout VW UK shared services and business units, to maintain compliance to corporate, legal, and stakeholder requirements. Reporting to the VW UK CEO, the responsibilities of the CR Director include:

- Oversight of health, safety, environment, quality and sustainability activities and staff across VW UK business units
- Oversight of corporate governance and risk management
- Development of CR strategy through a strategic view of the business environment
- CR management reporting and communications within VW UK and to VolkerWessels
- Management of the integrated management system, its related systems and applicable memberships, affiliations and registration schemes
- Provision of occupational health services to VW UK and its business units
- Commitment to the growth and development of employees, including the delivery of training services and external course provision
- Development of sustainable business practices including the selection and integration of tools and techniques
- Understanding the role of government, business, NGOs, society, global and local issues and how they interact with each other and their impact on VW UK
- Development of systems and protocols, including IT platforms, to support the needs of the business
- Lead officer for major incidents and provision of legal support services

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2.0 ORGANISATION AND ARRANGEMENTS (CONTINUED)

2.2 RESPONSIBILITY FOR QUALITY MANAGEMENT (CONTINUED)

Integrated Management Systems Managers

Reporting to the CR Director, the Integrated Management Systems (IMS) Managers are responsible for:

- The coordination of activities related to the implementation, development and maintenance of the QMS
- Control, publishing and maintenance of the IMS within Workspace

Contracts Management / Site Supervision

It is the responsibility of Contract / Site Management to:

- Oversee and support the effective implementation of the QMS and liaising with clients to ensure their satisfaction
- Train, support and mentor their direct staff to develop their knowledge / application of the QMS
- Be familiar with and observe all relevant standards, specifications and guidance applicable to construction and related industries
- Implement the company's procedures for dealing with subcontractors and ensure that proper cooperation and coordination takes place between the various parties who may share the workplace / site
- Provide an overall quality plan for each project, and ensuring that the QMS is implemented throughout our activities
- Ensure employees, self-employed, temporarily employed, trainees and non-employed persons have received adequate training and information about the activity they are required to undertake, particularly by ensuring induction is provided for those attending a location for the first time
- Ensure employees are aware of the company's Quality Policy and that they have understood its requirements
- Liaise with others as applicable and support initiatives for quality management
- Report all complaints to the Quality Manager, carry out investigations, make recommendations to prevent recurrence and ensure this information is effectively communicated
- Ensure that work inspections are carried out, including maintenance of appropriate inspection records
- Implement the advice given by the company's Quality Manager
- Attend quality management training arranged by the company

Site Foremen / Gangers / Supervisors

It is the responsibility of Supervisors, Foremen and Gangers to:

- Ensure operatives are suitable, competent, trained and authorised to carry out the work
- Encourage the workforce to work in an efficient and tidy manner
- Be familiar with and observe all relevant provisions applicable on site and take immediate action in respect of advice given by the company's Quality Manager
- Cooperate and liaise where appropriate with other contractors' site supervision

All employees, subcontractors and any other persons working on our behalf

It is their responsibility to:

- Understand the parts of the QMS applicable to them and co-operate with management / supervision in its implementation
- Follow the instructions given regarding methods of work for particular tasks
- Keep equipment in good order, use the correct equipment for the task, and report any defects in plant and equipment or any shortcoming in construction methodology to their manager / supervisor
- Be instrumental in creating workplaces with a positive culture that support the production and delivery of high quality products and services with zero defects

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2.0 ORGANISATION AND ARRANGEMENTS (CONTINUED)

2.2 RESPONSIBILITY FOR QUALITY MANAGEMENT (CONTINUED)

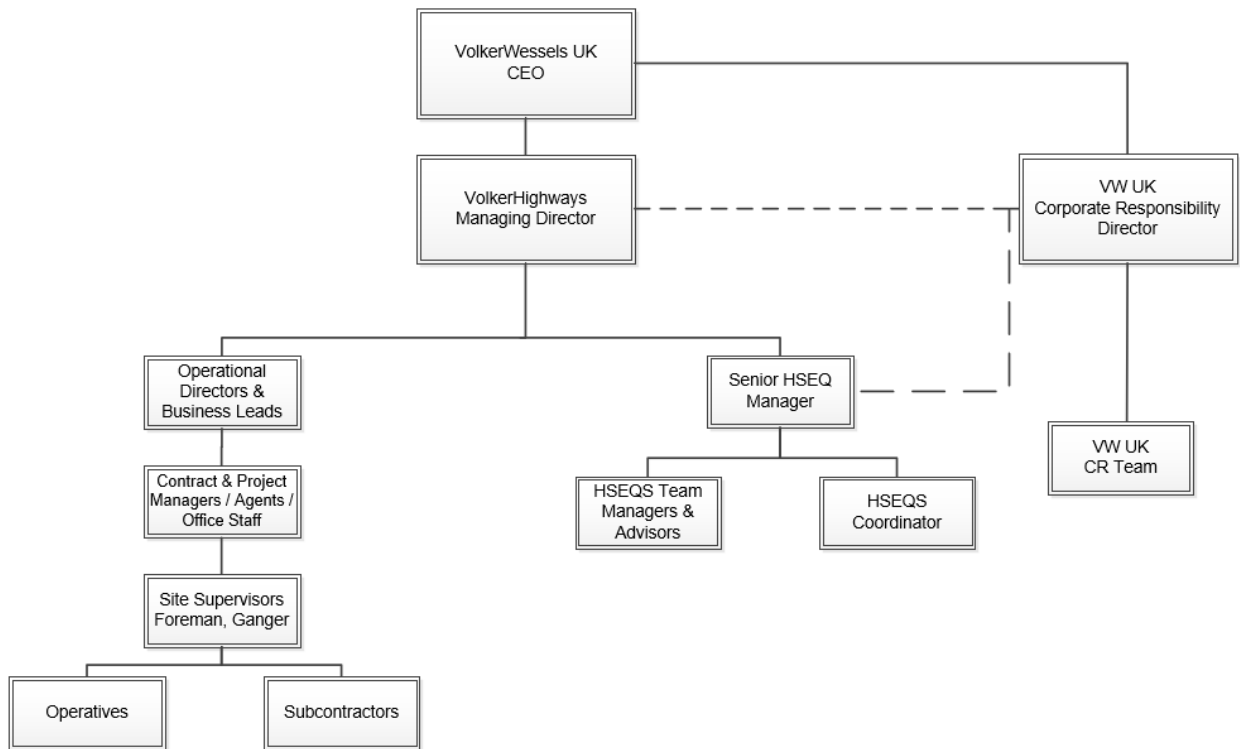
Shared Services Departmental Heads

It is their responsibility to:

- Establish the processes and procedures for their areas of responsibility and incorporate them within the QMS, in accordance with the Q01 *Control of Documented Information - Overview*
- Ensure departmental staff are aware of, and implement, the parts of the QMS applicable to them
- Be instrumental in creating workplaces with a positive culture that support the production and delivery of high quality products and services with zero defects

2.3 ORGANISATION AND STRUCTURE

The company is managed by the board of directors, with the structure for quality management as detailed below:



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2.0 ORGANISATION AND ARRANGEMENTS (CONTINUED)

2.4 INTERESTED PARTIES

BS EN ISO 9001:2015 requires the Interested Parties relevant to an organisation to be determined; Interested Parties include people or organisations that can affect, be affected by, or perceive themselves to be affected by a decision or activity of VolkerHighways / VolkerWessels UK. VolkerHighways understands the importance of meeting the requirements of its Interested Parties. Interested Parties (including their needs and expectations) that are affected by the VH QMS include:

Interested Parties	Needs and Expectations
<ul style="list-style-type: none"> VH Employees & other VW UK business unit employees 	<ul style="list-style-type: none"> Quality of work / life, Job Security, challenge, personal and professional development, career opportunities.
<ul style="list-style-type: none"> Shareholders (e.g. VW NL) 	<ul style="list-style-type: none"> Sustainable growth and profitability.
<ul style="list-style-type: none"> Sub-contractors 	<ul style="list-style-type: none"> Surety of work, paid on time, collaborative working, respectable working environment, desire to work with a responsible organisation.
<ul style="list-style-type: none"> Clients 	<ul style="list-style-type: none"> High level of service delivery, on time and on budget, in line with client expectations.
<ul style="list-style-type: none"> Customers 	<ul style="list-style-type: none"> High level of service delivery, on time and on budget, in line with requirements and expectations.
<ul style="list-style-type: none"> Suppliers 	<ul style="list-style-type: none"> Information of what is required and when, payment terms are met.
<ul style="list-style-type: none"> Competitors (Joint Ventures) 	<ul style="list-style-type: none"> Clear communication of requirements (contractual and of QMS), compliance to agreed QMS, objectives and terms.
<ul style="list-style-type: none"> Industry bodies e.g. Highways Term Maintenance Association (HTMA) 	<ul style="list-style-type: none"> Sharing knowledge, source and share best practice, influence positive changes in the industry

The below interested parties may affect VH QMS but may not be affected by VH QMS directly.

Interested Parties	Needs and Expectations
<ul style="list-style-type: none"> Government agencies 	<ul style="list-style-type: none"> Compliance to applicable requirements.
<ul style="list-style-type: none"> Regulatory bodies 	<ul style="list-style-type: none"> Compliance to all regulatory and statutory requirements.
<ul style="list-style-type: none"> Local community 	<ul style="list-style-type: none"> Considerate construction company when working within local communities, social responsibility.
<ul style="list-style-type: none"> General Public 	<ul style="list-style-type: none"> Minimal disruption to their everyday lives, enhancing the infrastructure and communities.

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2.0 ORGANISATION AND ARRANGEMENTS (CONTINUED)**2.5 QUALITY OBJECTIVES, CONTINUOUS IMPROVEMENT & KPIS**

VolkerHighways is committed to continuous improvement. To ensure that we are achieving the best results possible using our QMS, we need to measure our performance against our stated objectives as per VW procedure Q18 *Objectives, Targets, Measures and Actions*. VolkerHighways has established a number of Key Performance Indicators (KPIs) that help us to measure our performance.

The results of these KPIs help us to identify areas that need attention, and by changing our processes to deal with these areas we continually improve the effectiveness of the QMS.

Objectives are established in agreement with 'top management'. These objectives set targets which interact with the contractual KPIs noted above, as well as other requirements according to the current needs of the organisation.

2.6 INTERNAL COMMUNICATION

VolkerHighways is committed to involving all of its employees in the management of quality. The Directors ensure that our policy, procedures and objectives are communicated to employees in a range of ways, including individual meetings, team briefings, memos, notice boards, and are included within the VolkerHighways' Monthly HSEQ Report which is stored on workspace. We welcome and act upon employee feedback in order to maintain continuous improvement.

2.7 MANAGEMENT REVIEW

At least once a year, VolkerHighways holds a management review of its QMS, as detailed within Q07 *Management Review*.

Minutes of the review are issued to appropriate parties, and any changes that are required as a result of the review are incorporated into the management system. Management system changes are communicated through the 'Record of Revisions', emailed to all employees on a monthly basis.

Review includes consideration of external and internal issues that are relevant to VolkerHighways business purpose and strategic direction. Further, identification and review of issues that could affect the business's ability to achieve the intended results of its quality management system including those other management control systems operating within the scope of the QMS.

The continued appropriateness of the QMS is reviewed regularly against the size and scope of the business, its markets, legislative change, and client and stakeholder requirements. Any intended changes, modifications, extension of scope are agreed with senior management and the VolkerWessels UK Corporate Governance and IMS team.

QMS issues are discussed at HSEQS team meetings and Operations meetings, also attended by senior staff, and addresses issues including:

- The suitability and appropriateness of the current Quality Policy
- Whether objectives need to be updated or new ones developed
- The adequacy and effectiveness of current processes and resources (personnel, equipment, etc.)
- Instances of where our processes and procedures have not been effective
- Whether or not we are delivering projects correctly and with client satisfaction
- The results of audits (internal and external) of our QMS
- New or revised initiatives for the improvement of our QMS
- Anticipated or actual changes to statutory and regulatory requirements and how they affect our QMS
- Any other changes, such as new product development, that may mean our QMS needs to be revised

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2.0 ORGANISATION AND ARRANGEMENTS (CONTINUED)**2.8 ORGANISATIONAL KNOWLEDGE**

VolkerHighways captures best practice from across the business by use of an accessible data centre within Workspace. Information is gathered from various sources, including project and business forums, working groups and industry best practices and alerts.

Project and Operational knowledge is captured via workspace during key points of the contract as well as via regular meetings and engagements.

Best Practice Knowledge is captured corporately via Best Practice documents. These have a set template to record the knowledge in a concise and consistent way, including use of photographs.

Draft templates are reviewed and edited where necessary before placement within the Best Practice Folder within Workspace.

Staff are offered training to understand how to use and access the IMS correctly for their job role as required.

Project tender documentation and tender handover meeting ensure knowledge transfer from the bid team to the operational team. These are recorded in the Tender handover meeting minutes.

HSEQS Planning meetings ensure that relevant information and support is in place prior to the commencement of works onsite.

QMF-02 *Post Project Review and Closeout* captures learnings from each contract following project completion.

Trend analysis and information is shared via the HSEQS leads meetings and Operational meetings, toolbox talks and alerts.

3.0 RESOURCE MANAGEMENT

It is important that VolkerHighways provides the correct resources to achieve the quality objectives it has set.

3.1 VOLKERHIGHWAYS EMPLOYEES

We take care that the Directors and Departmental Managers allocate responsibilities to those who have the appropriate education, training, skills and experience, which is outlined in job descriptions where identified as appropriate for the role concerned.

We are committed to offering training opportunities for all employees, and training needs are identified at annual Personal Development Reviews. Training can be undertaken either through a formal or informal approach, after which it is evaluated and recorded by the relevant team, who also retain copies of certificates and cards that have been gained.

3.2 EXTERNAL RESOURCES

We use a number of external resources to help us with our work, including subcontractors, suppliers and consultants. When selecting external resources, we use our Business Management System, Workspace to store information regarding each organisation.

To ensure that they comply with our requirements, all external resources must adhere to our project-specific Site Management Plans (SMPs), which cover issues such as health, safety, environment and quality management, along with client, corporate and project-specific objectives.

3.3 THE WORKING ENVIRONMENT

VolkerHighways is committed to providing a safe and suitable working environment. We take care to ensure that we provide appropriate resources, such as buildings, equipment, transport and supporting services, and that they are maintained in a condition that enables our employees to work safely and to meet VolkerHighways' and our clients' objectives.

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4.0 CONTRACT DELIVERY

4.1 INITIAL CAPABILITY ASSESSMENT

VolkerHighways selects contracts that we know we have the resources to deliver, to meet client requirements, and that fit into our overall business plan. This means that we consider issues such as the type and size of project, geographical location, the nature of the client and their needs, and available resources.

4.2 RISK AND OPPORTUNITIES MANAGEMENT

VolkerHighways utilises quality risk management towards the identification, assessment, and prioritisation of risk as the effect of uncertainty, whether positive or negative, on our delivery performance objectives. This taken with a coordinated and efficient application of resources and processes seek to:

- Achieve intended performance results
- Prevent, or reduce undesired effects
- Maximise the realisation of positive opportunities
- Achieve improvement

4.3 QUALITY PLANNING

Within all stages of our business activity we incorporate appropriate quality planning techniques to ensure we:

- Fully understand the project objectives and client requirements against the service we provide
- Have in place the necessary management, and process control mechanisms and procedures to assure successful delivery
- Undertake appropriate verification, validation, monitoring, measurement, inspection and test activities to ensure delivery standards are achieved and maintained
- Ensure we have the records needed to provide evidence that the service and resulting product delivery accurately meet requirements

QMF-01-VH *Quality Planning Meeting* is used to ensure that quality arrangements are in place for the project prior to commencement on site.

4.4 PRICING CONTRACT REQUIREMENTS

Tendering processes ensure that we, and our supply chain, clearly understand and can meet the contract requirements.

If the tender is successful, the requirements to deliver the contract are transferred to the operational teams. The contract team will, with the assistance of the Procurement Department, use our procurement processes to ensure that we follow the correct procedures for procurement throughout the contract.

An important function of these processes is to show that we keep clear records of how we select suppliers and why and how we procure goods and services to ensure that quality is monitored throughout.

4.5 DELIVERING THE CONTRACT

During construction, there are a number of processes that must be adhered to. These include development of the SMP, which summarises the actions that must be applied in order to meet client requirements for the contract.

It is also important that we keep close control of any products and equipment used during the contract, both those that VolkerHighways has procured and those that may have been supplied or specified by the client. For example, we need to keep records to show that we have inspected goods and made sure they meet our requirements before accepting delivery, keep notes of anything we have returned and why, clearly mark any goods that are not to be used, and continue to monitor goods or equipment throughout the contract to ensure safekeeping and that they remain in a fit state. We must also protect any works that are fully or part-finished while other activities are going on around them to prevent damage.

Exact requirements will be agreed with the client and be recorded in the SMP. Company Q04 *Non-Conformance and Corrective Action* details how we manage non-conforming product.

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4.0 CONTRACT DELIVERY (CONTINUED)**4.5 DELIVERING THE CONTRACT (CONTINUED)**

By following our SMP, we ensure that both VolkerHighways and our clients' requirements are met.

Our ultimate aim is, of course, to achieve client satisfaction. Throughout the contract we ensure that we regularly liaise with our client to agree and record what is required, revising our approach as appropriate to meet new needs, and follow all established processes, procedures and guidelines to deliver the works to our client's satisfaction and in line with industry, legal and other requirements.

4.6 CLIENT RELATED PROCESSES

Requirements specified by the client are determined, and particular consideration is given to:

- Availability of product collection, delivery and support
- Obligations related to product and service including statutory and legal requirements

In order to establish and maintain client satisfaction, it is ensured that each commitment to supply either product or service in relation to the project is formally reviewed and controlled.

This review is conducted prior to the commitment to supply and shall ensure that:

- The requirements are adequately defined, documented and planned
- Where the client provides no written statement of requirement, the order requirements are confirmed before acceptance
- The requirements comply with the enquiry and any differing requirements are satisfactorily resolved
- VolkerHighways has the ability to meet the defined requirements

The results of the review and subsequent follow-up actions are recorded. Where product or service requirements are changed, and agreed with the client or their representative the documentation is amended, and all relevant personnel made aware of the changed requirements.

4.7 CHANGE MANAGEMENT

All projects are required to implement, manage and maintain an effective change control process, which addresses the various elements of change control including:

- Identification of change
- Reacting to change
- Evaluation of change
- Response to change in formal documentation
- Authorisation
- Implementation of change by designers and constructors
- Recording and reporting of all changes
- Monitoring actual costs of change

All projects utilise Workspace to ensure that the latest information related to change to delivery requirement is always available to relevant project personnel. Workspace also be used to manage the effective notification of any changes to service requirement, performance specification, or delivery requirement, together with identification of any impact arising out of change.

5.0 MEASUREMENT, ANALYSIS AND IMPROVEMENT

VolkerHighways uses a number of measurement techniques to help us analyse and improve our performance.

By looking at how we do things and the results we achieve, we are able to revise our systems, such as our QMS, where required.

Contractual KPIs and QMF-76 *Client Satisfaction Report* are examples of how we gain feedback on how we are performing and what our clients think of us.

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5.0 MEASUREMENT, ANALYSIS AND IMPROVEMENT (CONTINUED)**5.1 CLIENT SATISFACTION**

On a regular basis we seek feedback from our clients via QMF-76 *Client Satisfaction Report* to ensure continuing satisfaction, and to discuss opportunities for further work.

5.2 AUDIT

VolkerHighways' internal auditors perform periodic checks on our QMS in accordance with Q03 *Audit* to determine effectiveness and company-wide conformance to the system.

From time to time we are also audited by external bodies (third parties), such as clients, trade organisations BSI and Achilles. These audits will demonstrate conformance to our QMS, current performance, our ability to meet their requirements and where appropriate conformance to standards such as ISO 9001.

5.3 CONTROL OF NON-CONFORMANCE

BS EN ISO 9000:2015 defines 'non-conformity' as 'non-fulfilment of a requirement', where 'requirement' is a 'need or expectation that is stated, generally implied or obligatory'.

Non-conformance potentially arises through any of the following:

- At internal audit, a failure to comply with VolkerHighways' systems and requirements
- Failure of a product / service upon testing / inspection to comply with specification requirements
- Complaint from a customer / client in respect of the product / service provided by VolkerHighways
- Third party complaint

When such instances are identified, they are dealt with in accordance with Q04 *Non Conformance and Corrective Action*.

5.4 CORRECTIVE ACTION

Corrective action is the action taken to eliminate the cause of an identified non-conformity. It is the action taken to deal with the root-cause of the situation.

Q04 *Non Conformance and Corrective Action*, defines how non-conformances, including complaints from the client, are reviewed in order to determine the required action. This review will also include:

- Identifying if the QMS or contract documentation need to be reviewed; and if corrective action is required, the Quality Manager is informed and will help agree how the revision is to be applied
- If our service is found to be non-conforming, we may discuss this with the client to see if the task needs to be re-worked, or whether an alternative approach or concession can be agreed; and
- Any changes made are communicated to all employees and the new arrangements monitored for effectiveness.

5.5 PERFORMANCE EVALUATION

VolkerHighways monitors contract trends via data collected from various sources, including KPIs, site inspections, internal reviews, non-conformances, audits, client satisfaction surveys, feedback on our supply chain, etc. The data is analysed to discover how effectively the business, its divisional units and individual projects are performing. Further, to identify where there are any weaknesses, or opportunities for improvement in our management processes and QMS.

Performance trends are reported monthly and regularly presented to the senior management team (top management) for review.

5.6 ANALYSIS OF DATA

The results that we collect from KPIs, non-conformances, audits, client satisfaction surveys, feedback on our supply chain, etc. are analysed to discover how effectively we are performing and where there are weaknesses in our QMS. In this way we can identify opportunities for improvement.

5.7 CONTINUAL IMPROVEMENT

Continual improvement of our QMS is achieved by using the data we collect, as described above, as well as through employee feedback and management reviews, to revise and improve our systems and processes.

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6.0 IMS AUTHORISATION**Document owner approval:****Jason Convey**, Senior HSEQS Manager - 22.01.2020**Approval for IMS:****Patrick Morgan**, IMS Standards Manager - 22.01.2020