



## **MAGNUM CONSTRUCTION SERVICES INC.**

### **SUBCONTRACTOR MANAGEMENT PLAN**

**Document Code:** MCS-OP-F05 | **Revision:** 1.0 | **Effective Date:** October 31, 2025

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#### **1. PURPOSE**

To define the process for selecting, qualifying, onboarding, managing, and evaluating subcontractors engaged by **Magnum Construction Services Inc.**

This plan ensures that all subcontracted work complies with contractual, regulatory, and internal Quality (ISO 9001), Safety (ISO 45001 / OSHA), and Environmental (ISO 14001) standards.

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#### **2. SCOPE**

Applies to all subcontractors performing construction, specialty, supply, and service activities for any Magnum Construction Services project, including:

- Trade contractors (concrete, masonry, MEP, steel, finishing).
  - Specialist service providers (testing, survey, scaffolding, equipment rental).
  - Temporary labor, logistics, and waste-management subcontractors.
  - Design-build and vendor-installation partners.
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#### **3. REFERENCES**

- MCS-QM-01 Corporate Quality Manual
  - MCS-HSE-Manual Health & Safety Procedures
  - MCS-QM-F11 Vendor Qualification & Supplier Evaluation Forms
  - MCS-HR-01 New-Hire Orientation Package
  - Contract Documents and Project Specifications
  - ISO 9001 / 45001 / 14001 Standards
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#### 4. RESPONSIBILITIES

| Role                                        | Responsibility                                                                                                               |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| <b>Procurement Manager</b>                  | Conducts subcontractor prequalification, maintains the Approved Subcontractor List (ASL), and coordinates contract issuance. |
| <b>Project Manager</b>                      | Oversees subcontractor performance, ensures scope alignment, and approves progress payments.                                 |
| <b>QA/QC Manager</b>                        | Verifies workmanship, materials, and testing compliance.                                                                     |
| <b>HSE Manager</b>                          | Ensures subcontractor HSE plans, training, and permits comply with site safety regulations.                                  |
| <b>Site Engineer / Construction Manager</b> | Directs daily coordination, monitors productivity, and enforces sequencing and logistics plans.                              |
| <b>Document Controller</b>                  | Maintains subcontractor files, records, and approvals within the QMS document-control system.                                |

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#### 5. SUBCONTRACTOR PREQUALIFICATION PROCESS

| Step | Action                                                                                                           | Responsible            | Record / Form         |
|------|------------------------------------------------------------------------------------------------------------------|------------------------|-----------------------|
| 1    | Issue Prequalification Form (MCS-QM-F11) and request supporting documents (licenses, insurance, certifications). | Procurement            | Prequalification File |
| 2    | Evaluate technical, financial, and safety capabilities.                                                          | Procurement / QA / HSE | Evaluation Checklist  |
| 3    | Conduct site visit / reference check (if required).                                                              | Project Team           | Evaluation Report     |
| 4    | Approve / Reject / Conditional Approval and update ASL.                                                          | Procurement Manager    | ASL Register          |
| 5    | Execute Subcontract Agreement including scope, deliverables, schedule, and terms.                                | Project Manager        | Signed Contract       |

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## 6. ONBOARDING AND ORIENTATION

Before mobilization, each subcontractor shall:

- Submit **HSE Plan, Personnel List, Equipment List, and Insurance Certificates.**
- Attend **Pre-Start Meeting** and **Site Induction** (refer MCS-HR-01).
- Receive copies of site-specific procedures, emergency plans, and permit systems.
- Assign a **Competent Supervisor** as primary contact.

No work shall commence until the subcontractor is formally **approved and inducted.**

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## 7. SITE MANAGEMENT AND COORDINATION

| Area                                   | Management Approach                                                                            |
|----------------------------------------|------------------------------------------------------------------------------------------------|
| <b>Scheduling &amp; Sequencing</b>     | Integrated with Master Schedule (Primavera P6); subcontractor look-ahead plans updated weekly. |
| <b>Work Permits &amp; Access</b>       | Controlled by Site Engineer / HSE per Permit-to-Work System.                                   |
| <b>Logistics &amp; Storage</b>         | Defined in Construction Phase Plan (MCS-OP-F02).                                               |
| <b>Supervision &amp; Communication</b> | Daily coordination meetings; weekly progress and safety meetings.                              |
| <b>Quality Control</b>                 | Work inspected per approved ITPs; NCRs issued for deviations.                                  |
| <b>Safety Control</b>                  | Toolbox Talks, PPE compliance checks, and joint HSE walkdowns.                                 |

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## 8. PERFORMANCE MONITORING & EVALUATION

| Criterion                                 | Weight (%) | Scoring (1-5) | Evidence / Remarks |
|-------------------------------------------|------------|---------------|--------------------|
| Quality of Work                           | 25         |               |                    |
| Safety Compliance (TRIR, Incident Record) | 20         |               |                    |
| Schedule Adherence / Productivity         | 15         |               |                    |
| Documentation / Certifications            | 10         |               |                    |
| Supervision & Communication               | 10         |               |                    |
| Environmental Compliance                  | 5          |               |                    |
| Workforce Competence / Training           | 5          |               |                    |
| Responsiveness & Support                  | 5          |               |                    |
| Value / Cost Control                      | 5          |               |                    |
| <b>TOTAL (Weighted Score)</b>             | <b>100</b> |               |                    |

### Rating Guide:

90-100 = Approved | 75-89 = Conditional | < 75 = Rejected / Monitor

Evaluations are performed monthly and at project closeout; results feed back into the **Approved Subcontractor List**.

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## 9. NON-CONFORMANCE & CORRECTIVE ACTION

- Subcontractor deviations or HSE violations are documented on an **NCR / CAR Form**.
  - The subcontractor must submit a **Corrective Action Plan** within 48 hours.
  - Repeat or serious non-conformance may lead to **work suspension or contract termination**.
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## 10. PAYMENT AND COMMERCIAL CONTROL

- Progress claims must align with verified quantities and QA/QC approvals.
- Retention and back-charges are applied per contract terms for non-performance or damage.
- Final payment is contingent upon submission of as-builts, warranties, and closeout documents.

## 11. DOCUMENTATION & RECORDS

| Record Type                               | Retention Period | Custodian        |
|-------------------------------------------|------------------|------------------|
| Prequalification Forms & ASL              | 10 years         | Procurement      |
| Subcontract Agreements & Change Orders    | 10 years         | Contracts Admin  |
| Safety & Induction Records                | 10 years         | HSE Manager      |
| QA/QC Reports & NCRs                      | 10 years         | QA/QC            |
| Monthly Evaluations & Performance Reports | 10 years         | Project Manager  |
| Closeout Documents & Warranties           | 10 years         | Document Control |

## 12. APPROVALS

| Reviewer            | Department Signature / Date Comments |
|---------------------|--------------------------------------|
| Procurement Manager | Supply Chain                         |
| Project Manager     | Operations                           |
| QA/QC Manager       | Quality                              |
| HSE Manager         | Safety                               |
| Executive Director  | Corporate                            |



| Reviewer            | Department Signature / Date | Comments |
|---------------------|-----------------------------|----------|
| Client / Consultant | External                    |          |

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### 13. RECORD RETENTION

All subcontractor management records shall be retained for a **minimum of 10 years** after project completion.

Both **digital and hard copies** must be archived within the **Magnum QMS Document Control System (SharePoint / ERP)** with version-control and audit traceability.