

# Group Procurement Policy



DP WORLD

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## Introduction

DP World is a leading provider of smart logistics solutions, enabling the flow of trade across the globe. DP World ensures that stringent management and control measures are in place related to its procurement activities.

The main objective of this policy is to ensure that all procurement activities are conducted in a manner that meets the requirements of the DP World Group; provides the best value to the business; and are in accordance with industry best practices and local laws and regulations.

## Purpose

The purpose of this policy is to clearly define the DP World Group's procurement processes, roles and responsibilities and related activities. This is to ensure that all goods and services are procured in a transparent manner and in the best interests of the DP World Group.

## Scope

The scope of this policy is to provide guidelines upon which the DP World Group (including but not limited to Head Office (HO), Regional Offices (RO), Business Units (BU), Maritime, Logistics and Digital Technology Divisions (and BUs under their management) and DP World owned companies) shall conduct procurement activities. Group Companies that are not controlled by DP World (e.g. Joint Ventures) are highly encouraged to follow this policy.

This policy provides the basis upon which localised procurement policies and procedures shall be developed. It is the responsibility of the relevant RO/BU to ensure they are fully aware and compliant with local procurement laws and regulations.

## Policy

### 1. Procurement Categories

As per "Appendix A - Strategic Categories: Tender Value Threshold Table", procurement activities are categorised by the type and value of goods/services. The value thresholds determine who shall be responsible for conducting procurement processes and the applicable eSourcing Portal.

As per "Appendix B – Strategic Equipment: Tender Value Threshold Table", procurement activities are categorised as CAT 1, CAT 2 and CAT 3 based on the type and value of strategic equipment. The value thresholds determine who shall be responsible for conducting procurement processes and the applicable eSourcing Portal.

As per "Appendix C – Other Strategies Categories: Tender Value Threshold Table", procurement activities are categorised as "Other" for those categories that are not explicitly listed in Appendix A and B above. The value

thresholds determine who shall be responsible for conducting procurement processes and the applicable eSourcing Portal.

Group Procurement reserves the right to manage procurement activities that are within the authority of RO's/BU's based on authorised Executive Management direction and can also delegate procurement activities to the RO's/BU's that are within the authority of the Group Procurement.

Any such delegation shall be provided in writing (via email) from the SVP Group Procurement.

## **2. Tender Process Summary**

A typical tender process consists of the following procurement activities:

- Receipt of an approved 'Authority for Expenditure (AFE)';
- Defining a Tender Team (with associated roles and responsibilities, where applicable);
- Receipt of 'Scope of Works' documents;
- Creation of tender documents;
- Issuance of tender documents to shortlisted vendors;
- Management of the tender process (tender clarifications; changes in scope etc.);
- Defining Tender Opening Committees (where applicable);
- Evaluation of vendor proposals;
- Post tender clarifications and negotiations;
- Preparation of Award Recommendation;
- Tender Award and Contract Preparation; and
- Any related Post Award and Contract Management activities.

## **3. Vendor Management**

Vendors who are interested to provide goods/services to the DP World Group are required to register and complete the vendor pre-qualification process.

The vendor registration and pre-qualification processes consist of the following:

- (a) Vendor Self-Registration – this process requires vendors to complete the minimum company information to become a registered vendor; and
- (b) General Pre-qualification – this process requires registered vendors to complete the general pre-qualification process to become a pre-qualified vendor.

The vendor registration and pre-qualification processes are conducted locally by the relevant HO/RO/BU Procurement Departments. Segregation of duties shall be maintained in the vendor registration and pre-qualification processes (i.e. a nominated vendor profile reviewer and a vendor profile approver).

### 3.1. Vendor Self-Registration and General Pre-Qualification

The minimum criteria for vendor self-registration shall include but is not limited to:

- Company Information (Company Name, Address, Trade License/Tax/Company Registration Number);
- Primary Contact Person (main contact person name, telephone number and email address); and
- Company Documentation (Valid Trade License/Certificate of Incorporation/Business License, Tax/VAT Certificate).

The vendor self-registration process shall be conducted via the Oracle Fusion SCM Portal (or alternatively via the relevant eSourcing Portal).

The minimum criteria for general pre-qualification shall include but is not limited to:

- Business Information (core business activities, previous experience);
- Systems and Policies (i.e. HSE management systems, Risk management systems, if applicable);
- Financial Information (three years audited accounts or equivalent, if applicable);
- Additional Information (legal claims, compliance with Modern Slavery Act.);
- Agreement and acknowledgement (conflict of Interest, compliance with Vendor Code of Conduct); and
- Any other pre-qualification criteria as locally required.

Pre-qualified vendors shall be required to update their pre-qualification responses on an annual basis (where applicable), upon the expiry date of relevant company documentation, and/or as and when the vendor wishes to update their registration profile.

### 3.2. Project Specific Pre-Qualification

Project specific pre-qualification is a process that enables further evaluation and pre-qualification of vendors based on specific project criteria prior to publishing a tender opportunity. The project specific pre-qualification is an optional process that can be managed by issuing a Request for Information (RFI) via the Oracle Fusion SCM Portal (or alternatively via the relevant eSourcing Portal).

The minimum criteria for project specific pre-qualification shall include but is not limited to:

- Expression of Interest (to participate in the tender);
- Ability to deliver the required goods or services; and
- Compliance with key project requirements.

The Tender Team shall determine when a project specific pre-qualification is required based on the nature/complexity of the project (e.g. for specialised goods/services, remote geo-political locations etc.).

### 3.3. Vendor Performance Management

Vendor Performance Management is an extended evaluation process to measure, analyse, and manage the performance of a vendor to drive continuous improvement.

As a minimum, Vendor Performance Management shall be conducted for all strategic procurement activities based on the nature/complexity, value and business risk of the project.

The minimum criteria for Vendor Performance Assessments shall include but is not limited to:

- Timely Delivery;
- Quality;
- Cost Control;
- Fulfilling all contractual obligations; and
- Other value-added services (i.e. co-operative relationships with DP World).

The Vendor Performance Management process is conducted locally by the relevant stakeholders who have been engaged in the procurement activity and/or recipients of the goods/services (e.g. local Procurement, End User Departments etc.).

Vendor Performance Management shall be conducted as a minimum, (i) upon receipt of goods/services, or (ii) upon completion of a project.

Vendor Performance Assessments shall be well documented and archived for audit trail purposes.

### 3.4. Dormant vendors

A vendor shall be considered as dormant if the vendor profile is incomplete based upon a historical vendor registration approval (or vendor profile migration from the legacy systems to Oracle Fusion SCM Portal) by the relevant HO/RO/BU.

A dormant vendor shall need to undertake the general prequalification process to be re-considered for pre-qualification.

### 3.5. Vendor suspension and removal from approved vendor list

All vendors shall ensure that they conduct business according to DP World's ethical, professional and legal standards as per the DP World Vendor Code of Conduct. DP World reserves the right to suspend or remove a vendor from the pre-approved vendor list for any breach to these standards.

Refer to the "Vendor Suspension and Removal from Approved Vendor List" policy available on the DP World Connexions Website which governs this process.

### 3.6. Vendor Endorsements

Statements supporting a vendor's product or services shall be considered as a third-party endorsement. DP World Group employees are not authorised to publicly endorse vendor's products or services or vendors in the name of, or on behalf of DP World.

Any exceptions for making third-party endorsements shall be subject to approvals and guidance from the Requesting Dept. HOD, Group Communications HOD, SVP Group Procurement, and any other relevant stakeholders where applicable.

## 4. Procurement of Goods and Services

### 4.1. eSourcing Mandate

Procurement activities shall be conducted via the applicable eSourcing Portal (Oracle Fusion SCM, BuyWorld or iSpec) in accordance to Appendix A, B and C.

Based on the value thresholds defined in Appendix A, B and C, procurement activity that is required to be conducted manually (outside of the applicable eSourcing Portal), shall be approved by the relevant Procurement Manager (or equivalent) from the HO, RO or BU.

To ensure transparency and an adequate audit trail, any approved manual procurement activities shall be well documented and archived.

Exceptions for conducting manual procurement activities shall be evaluated by the relevant Procurement Manager (or equivalent) based on but not limited to:

- Nature of goods/services;
- Type of vendor;
- Business urgency and/or emergency; and
- Price/Value.

### 4.2. Authority for Expenditure

Procurement activities shall only commence upon receipt of an approved AFE (or an approved CAPEX/OPEX budget).

Exceptions for commencing procurement activities in parallel to AFE approvals shall be evaluated by the relevant Procurement Manager (or equivalent) based on but not limited to:

- Urgent business requirements; and

- Obtaining quotations for budgetary purposes.

For any exceptions where procurement activities have commenced in parallel with the AFE approvals, the tender shall not be awarded until receipt of an approved AFE.

### 4.3. Tender Preparation

The relevant Procurement Manager (or equivalent) shall assign a Buyer/Contract Manager (or equivalent) to manage the tender process.

Typically, a tender shall be prepared with the following details, including but not limited to:

- Establishing a Tender Team of relevant stakeholders (e.g. End User, Engineering, Procurement, Legal or Finance Department);
- Receiving an approved Scope of Works from the End User Department;
- Selection of the applicable tender/contract template (e.g. FIDIC templates);
- Incorporation of project-specific requirements and seeking legal advice/input where required;
- Defining technical and commercial requirements/questionnaires;
- Selection and approval of the proposed vendor list;
- Defining an evaluation team to conduct technical and commercial evaluations;
- Prior to the publication of the tender, as a minimum, the relevant Procurement Manager (or equivalent) shall approve the tender (where applicable); and
- Self-Declaration of any Conflict of Interest (where applicable).

### 4.4. Tender Management

All tenders shall be published as sealed tenders (via the applicable eSourcing Portal). This ensures that no tender responses can be visible prior to the closing date and time and maintains the overall integrity of the tender process.

All tender-related communication between the relevant Tender Team and vendors shall take place via the applicable eSourcing Portal to ensure fairness, transparency and auditability.

It is the responsibility of the Buyer/Contract Manager (or equivalent) to ensure that invited vendors pro-actively participate in tenders.

The Buyer/Contract Manager (or equivalent) shall be responsible for managing all tender clarifications (via the applicable eSourcing Portal messaging facility). Where required, the Buyer/Contract Manager (or equivalent) shall liaise with relevant Tender Team to provide the necessary information to respond to vendor clarifications.

All invited vendors shall be treated equally and fairly and have equal access to all tender clarifications/responses (unless the nature of the clarification is specific to a certain vendors' circumstances, in which case one-to-one clarification will be provided).

Any changes to published tender requirements shall be effectively communicated to the invited vendors via the eSourcing Portal.

#### **4.5. Tender Closing Date Extensions**

All requests for tender closing date extensions shall be requested by vendors via the applicable eSourcing Portal with relevant justifications.

All requests for tender closing date extensions (either by the vendor(s) or by the Tender Team) shall be approved, as a minimum, by the relevant Procurement Manager (or equivalent).

#### **4.6. Changes to Invited Vendors in Published Tenders**

Any changes to the invited vendors in a published tender shall be formally requested by the relevant Buyer/Contract Manager (or equivalent) with relevant justifications.

All requests for adding and/or removing shortlisted vendors shall be approved, as a minimum, by the relevant Procurement Manager (or equivalent).

#### **4.7. Tender Submissions**

All tender submissions shall be received prior to the closing date and time.

Late tender submissions shall only be considered where the vendor has provided valid justifications for a late submission.

As a minimum, the relevant Procurement Manager (or equivalent) reserves the right to accept or reject a late response.

Any acceptance of late responses shall be approved as a minimum by the relevant Procurement Manager (or equivalent) (including other Tender Team members as required).

#### **4.8. Tender Opening**

Tender responses shall only be opened via the applicable eSourcing Portal once the closing date and time has been reached.

The assigned Buyer/Contract Manager (or equivalent) is authorised to open tender responses. If applicable, an opening committee can be established to witness the opening of tender responses (e.g. an opening committee may be required where there is no dedicated Procurement Department that manages the procurement process).

Typically, the following tender opening procedures may be applicable:

- Opening Technical and Commercial responses at the same time (parallel opening); or

- Opening and Evaluating Technical responses prior to opening the Commercial responses (sequential opening).

#### 4.9. Tender Evaluation

The Buyer/Contract Manager (or equivalent) shall commence the evaluation of tender responses after the opening procedures have been completed.

Typically, tender responses may consist of the following details:

- Qualification Requirements – these responses contain relevant minimum qualification criteria that may be required as part of the tender (where applicable);
- Technical Requirements – these responses contain relevant technical criteria that may be required as part of the tender (where applicable) as per the configured technical questionnaire; and
- Commercial Requirements – these responses contain relevant price/cost details (including commercial conditions where applicable) as per the configured commercial questionnaire.

The Qualification Response shall be evaluated by the Buyer/Contract Manager (or equivalent) in collaboration with the Tender Team (where applicable).

The Technical Response shall be evaluated by the Tender Team in collaboration with the Buyer/Contract Manager (or equivalent) (where applicable).

The Commercial Response shall be evaluated by the Buyer/Contract Manager (or equivalent).

The Commercial Response may require collaboration with the Tender Team for technical expertise depending on the nature and complexity of the tender. Any such collaboration for commercial evaluation requires clear justification and approval as a minimum from the relevant Procurement Manager (or equivalent).

The Buyer/Contract Manager (or equivalent) may seek post tender clarifications during the evaluation process with the relevant vendor(s). Post tender clarifications can be conducted via the applicable eSourcing Portal or in face-to-face meetings. All post tender clarifications must be clearly documented for audit purposes.

During the tender evaluation process, segregation of duties will be maintained to ensure transparency and auditability of the process.

Typically, tenders are evaluated on the best combination and outcome of technical criteria (defined on a project-by-project basis) and the lowest price/total cost of ownership (TCO) for commercial requirements. As a minimum, the maximum technical and commercial scores shall be defined prior to tender publication (e.g. technical score 60%, commercial score 40%).

Detailed technical and commercial scoring breakdowns should be clearly documented during the tender evaluation phases to ensure fairness, transparency and auditability in the tender evaluation and subsequent award recommendation process.

#### 4.10. Technical Evaluation

The technical evaluation must be clearly documented for audit purposes. Technical evaluations can either be entered directly into the applicable eSourcing Portal or through an offline Technical Evaluation Report that must be uploaded into the applicable eSourcing Portal. The technical evaluation will form part of the overall final award recommendation.

#### 4.11. Commercial Evaluation

The commercial evaluation must be clearly documented for audit purposes. Commercial evaluations can either be entered directly into the applicable eSourcing Portal or through an offline Commercial Evaluation Report that must be uploaded into the applicable eSourcing Portal.

The commercial evaluation will form part of the overall final award recommendation.

It is also acceptable to summarise an evaluation report that contains both technical and commercial evaluations.

The Buyer/Contract Manager (or equivalent) shall only conduct commercial negotiations/clarifications with the technically accepted vendor(s).

Based on the nature and complexity of the tender the commercial evaluation may need to be conducted in collaboration with the relevant Tender Team to ensure alignment between technical and commercial-related matters. The disclosure of any vendor commercial responses to the relevant Tender Team stakeholders shall be approved as a minimum by the Procurement Manager (or equivalent).

Typically, tender negotiations can be conducted using the following procedures (including but not limited to):

- Face-to-face vendor negotiation meetings;
- Remote vendor negotiation meetings (e.g. conference calls);
- Multiple rounds of the tender; and/or
- 'Best and Final Offer Round' conducted via the applicable eSourcing Portal.

Irrespective of the type of negotiation procedure, the final commercial offer from the relevant vendor(s) must be reflected via the applicable eSourcing Portal.

#### 4.12. Ranking and Award Recommendation

Typically, the tender award strategy and final ranking of vendors shall be based on the following criteria (including but not limited to):

- The best technical evaluation only;
- The best combined technical and commercial evaluation; and
- The best commercial evaluation only.

The Buyer/Contract Manager (or equivalent) shall prepare an Award Recommendation report based on the awarding strategy. The Award Recommendation report will provide a summary of the overall tender evaluation and recommended vendor(s) for award.

The Award Recommendation shall be approved as a minimum by the relevant Procurement Manager (or equivalent).

A record of the Award Recommendation approvals shall be maintained either via the applicable eSourcing Portal or offline signed/dated approval documents (where applicable).

#### **4.13. Award Notification**

The Buyer/Contract Manager (or equivalent) shall notify the awarded vendor of the award decision via the applicable eSourcing Portal. An award notification shall be issued via a Letter of Intent (LOI); Letter of Award (LOA); Purchase Order (PO) or Contract.

The Procurement Department (or equivalent) reserves the right not to debrief any vendor on the award decision at its sole discretion (unless local laws and regulations stipulate a mandatory requirement to debrief a vendor).

#### **4.14. Contract Preparation**

The Buyer/Contract Manager (or equivalent) shall prepare the relevant contract documents based on the approved award decision.

All procurement purchases that require stringent terms and conditions above and beyond general PO terms and conditions must have a signed agreement/contract in place.

Contract documents shall be based upon DP World's standards and/or in accordance with the applicable local laws and regulations and industry standards (e.g. FIDIC). The Buyer/Contract Manager (or equivalent) may consult the Tender Team, Legal Department, Finance Department, or any other relevant stakeholder(s) to review contract documents (where applicable).

The final contract documents shall be signed by the awarded vendor's authorised representative(s) and the relevant authorised representative(s) of DP World.

Based on the nature and complexity of the tender, any substantial deviations from DP World's standard contract conditions/templates, as a minimum shall be approved by the Procurement Manager (or equivalent) prior to the signing of the contract (and where applicable seeking local RO/BU Legal advice).

DP World reserves the right not to enter an agreement/contract with the awarded vendor(s) if it is no longer in the interests of DP World. In such circumstances, the Procurement Manager (or equivalent) shall approve further negotiations to be conducted with alternative vendor(s) shortlisted from the original tender process and/or publishing a new tender to additional shortlisted vendors.

Accordingly, a revised award recommendation shall be prepared, and the associated approvals shall be obtained.

#### 4.15. Contract/Purchase Order Signing Authority

Tenders that are managed by the RO/BU, the following guidelines shall be adhered to for drafting, reviewing, signing and issuing LOI's/LOA's/Contracts/PO's:

- Only authorised personnel (e.g. having a legal Power of Attorney or obtaining a Board Resolution granting authority) can sign a LOI/LOA/Contract in accordance with the applicable DP World policies and procedures. Evidence of authority to sign on behalf of the relevant RO/BU, may be requested on a case-by-case basis;
- Prior to any LOI/LOA/Contract being signed, evidence may be requested from the RO/BU that the goods/services have been procured in accordance with the DP World AFE Policy & Procedures, Group Procurement Policy and any other relevant Group Policy and Procedures.

Tenders that are managed by the Group Procurement Department (on behalf of the relevant RO/BU), the following guidelines shall be adhered to for drafting, reviewing, signing and issuing LOI's/LOA's/Contracts/PO's:

- (i) The relevant Contracts Manager shall draft the LOI/LOA/Contract;
- (ii) The SVP Group Procurement shall approve the final draft LOI/LOA/Contract;
- (iii) The relevant Contracts Manager shall issue the final draft LOI/LOA/Contract to the relevant RO/BU for printing and signing;
- ((iii)) The relevant authorised personnel from the RO/BU shall sign the LOI/LOA/Contract and issue the original signed paper copy to the vendor for signing;
- (v) The relevant RO/BU shall send the final signed copy of the LOI/LOA/Contract back to the relevant Contracts Manager.

#### 4.16. Contract Archive

The Buyer/Contract Manager (or equivalent) shall ensure that all signed original agreements/contracts are archived for audit purposes.

Where applicable, electronic scanned copies of all signed original agreements/contracts shall be maintained to ensure ease of retrieval (e.g. local shared drive, applicable eSourcing Portal etc.).

The Procurement Department (or equivalent) shall ensure that, as a minimum, the following contract information is maintained via an up-to-date contracts log (including but not limited to):

- Contract title/reference;
- Contract type (e.g. consultancy agreement, construction contract, service level agreement etc.);
- Contract description;
- Contract commencement and expiry date (where applicable, a contract renewal reminder prior to the expiry date);
- Contract value;

- Vendor name;
- Copies of the signed agreements/contracts.

#### 4.17. Contract Management

The Buyer/Contract Manager (or equivalent) shall ensure that any changes to the terms and conditions of a signed contract are approved as a minimum by the relevant Procurement Manager (or equivalent).

The Buyer/Contract Manager (or equivalent) may be required to support the relevant End User Dept. stakeholders with the following contract management activities (including but not limited to):

- Drafting and issuing official notifications;
- Reviewing any applicable bonds and/or securities;
- Reviewing vendor payments to ensure they are in accordance with the contract terms and conditions;
- Any other contract changes.

#### 4.18. Vendor Payments

Vendor payments shall be based on the agreed terms of the PO or agreement/contract.

Typically, a three-way matching process involves comparing the following against the invoice:

- The description, quantity, cost and terms of DP World's PO;
- The description and quantity of goods/services as per the goods receipt note/report;
- The description, quantity, cost, terms and calculations on the vendor invoice.

Based on the nature and complexity of the project, vendor payments may require additional reviews and approvals from the relevant End User Dept. stakeholders. Such reviews and approvals may vary based on the HO/RO's/BU's stakeholder responsibilities and approval hierarchies.

A full audit trail shall be maintained of the payment process (e.g. receipt of invoice, review of deliverables against invoice and relevant approvals to issue payments).

#### 4.19. Contract Templates

Contract templates shall be reviewed and updated as and when required to ensure the templates remain fit for purpose.

As a minimum, contract templates shall be reviewed once every 2 years.

Any updates to contract templates shall be reviewed by the relevant stakeholders (e.g. Legal, Finance, End User Departments etc.) where applicable, and approved as a minimum by the relevant Procurement Manager (or equivalent).

## 5. Procurement of Strategic Equipment

The tendering process as defined in this policy is applicable to the purchase or lease of all strategic equipment as per Appendix B.

### 5.1. Strategic Equipment – General Guidance

For strategic equipment procurement activities, the following general guidelines shall apply (where applicable):

- Global Engineering Department shall establish a minimum 1 year consolidated global forecast of new and replacement CAT 1 and CAT 2 equipment and submit this forecast to Group Procurement no later than quarter 1 of each year;
- Group Procurement Strategic Equipment Team, in collaboration with the Global Engineering Department, shall ensure that all CAT 1 and CAT 2 specifications are kept up to date with any new DP World requirements, latest innovations and changes in market conditions;
- Group Procurement Strategic Equipment Team shall ensure that a competitive procurement process is conducted for all CAT 1 and CAT 2 strategic equipment (unless 'Exceptions to Competitive Tendering' apply as detailed in this policy);
- Group Procurement Strategic Equipment Team shall conduct market research to identify any new vendors (where applicable and appropriate) that can be pre-qualified and considered for future CAT 1 and CAT 2 tender invitations;
- RO's/BU's shall obtain approval from Group Procurement Strategic Equipment Team prior to initiating any repeat orders of CAT 1 and CAT 2 equipment. Typically, repeat orders can be defined as CAT 1 or CAT 2 equipment that have been tendered and awarded in the last 6 months and the repeat order has no change in scope from the RO/BU and the price from the vendor is the same or has decreased. Any repeat orders that have changes in scope or price increase shall be reviewed and approved by the Group Procurement Strategic Equipment Team;
- RO's/BU's shall collaborate with the Group Procurement Strategic Equipment Team to agree on the procurement strategy for any lease contracts/agreements of CAT 1 and CAT 2 equipment. Typically, leasing of CAT 1 or CAT 2 equipment shall be managed by the RO/BU. The RO/BU shall ensure that any lease contracts/agreements are established as per the Group Procurement Policy, engage local equipment agents, utilise local terms and conditions and KPIs to monitor performance. All CAT 1 and CAT 2 leased strategic equipment shall comply with DP World's standard specification requirements;
- RO's/BU's shall collaborate with the Group Procurement Strategic Equipment Team to agree on the procurement strategy for any CAT 1 retrofit contracts/agreements (e.g. drives replacement, boom extension or crane heightening). Typically, CAT 1 retrofits shall be managed by the RO/BU. The RO/BU shall ensure that any retrofit contracts/agreements are established as per the Group Procurement Policy. All CAT 1 strategic equipment retrofit contracts/agreements shall comply with DP World's standard specification requirements.

## 6. Record Keeping

The Buyer/Contract Manager (or equivalent) must ensure that as a minimum the following approvals are well documented and archived for audit purposes:












































- Vendor Selection and Tender Publication;
- Award Recommendation; and
- Contract Execution.





































Typically, all online records and hard copy documents shall be retained for a minimum of 15 years (unless local laws and regulations require a higher retention period). An audit trail must be available of the offline/hard copy documents.

## 7. Procurement Process Responsibilities

The relevant stakeholders involved in a procurement process shall have designated roles and responsibilities to ensure compliance with this policy. The below Responsible, Accountable, Consulted, Informed (RACI) matrix provides guidelines on the key activities and responsibilities of relevant stakeholders within a typical procurement process. This RACI matrix may vary based on the HO/RO's/BU's stakeholder responsibilities and approval hierarchies.

Where possible, ROs/BUs should assign procurement responsibility to a defined employee either as a specific role or as part of an existing role.

Activity	Procurement Department [1]	End User Department [1]	Legal Department [1]	Finance Department [1]
Ensure an approved AFE is in place	 	 		 
Create Scope of Work documents	 	 		
Agree and approve the vendor list for tender invitation	 	 		
Create and submit tender documents for publication approval	 	 		 
Issue tenders	 	 		 
Manage tender process (clarifications, changes in Scope of Works, extension of time etc.)	 	 		 
Conduct tender response opening procedures	 	 		 
Conduct technical evaluation	 	 		

Activity	Procurement Department [1]	End User Department [1]	Legal Department [1]	Finance Department [1]
Conduct commercial evaluation	 	 		 
Create and submit award recommendation for approval	 	 		 
Create, submit for approval/signing and issue LOI/LOA/PO/Contract	 	 		 
Contract administration management activities (e.g. obtain, review and approve insurances, bonds/securities, payments)	 	 	 	 
Conduct vendor performance assessment				 
   	R= Responsible; A = Accountable; C= Consulted; I= Informed			
[1] The stakeholder departments may vary in HO/RO's/BU's depending on the organisation structure.				

## 8. Conflict of Interest

All personnel involved in a tender process must ensure that an annual conflict of interest declaration is signed in accordance with the Group People Department 'Conflict of Interest' policy or local RO/BU equivalent policies. All RO's/BU's must ensure that they have a conflict of interest policy in place and as a minimum all procurement personnel must complete an annual conflict of interest declaration.

All personnel involved in a tender process must act in the sole interests of DP World. If it is deemed that a conflict of interest exists within a specific procurement-related activity, the relevant personnel must declare the conflict of interest to their relevant Line Manager (or equivalent) for further action.

The following activities shall not be performed by any stakeholder with a conflict of interest, without approval as a minimum from their relevant Line Manager (or equivalent):

- Development of tender documents;
- Development of vendor lists;
- Evaluation of tender submissions;
- Any tender-related communication with invited vendors;
- Involvement in any tender-related decision-making processes; and
- Visibility of the overall tender process (even if the granted user access is 'view only').

The following criteria (including but not limited to) typically determines whether a conflict of interest exists:

- Where a stakeholder, either directly or indirectly, has a significant financial interest in a vendor;
- Where a stakeholder in the last three years has been employed by a vendor;
- Where a stakeholder is the relative (as defined in the Group People Department 'Conflict of Interest' policy) of a vendor; and
- Where any other types of conflict of interest exists as defined in the People Department 'Conflict of Interest' policy.

## **9. Vendor Collusion**

If an employee at any time discovers or suspects illegal collusion between vendors and/or a DP World employee or representative, the situation shall be reported to the relevant Procurement Manager (or equivalent) or via the DP World Whistleblowing Hotline (refer to DP World Whistleblowing policy).

## **10. Anti-Bribery and Corruption**

Employees shall ensure that they comply with Anti-Bribery and Corruption laws which prohibit the giving or receiving of bribes and other related practices. It is the responsibility of all employees to ensure awareness and strict compliance with the Anti-Bribery and Corruption (ABC) policy, and to complete the Group ABC training requirements.

(Refer to Connexions website for details on the ABC policy).

Where fraud is suspected, the employee shall contact the DP World Whistleblowing Hotline (refer to DP World Whistleblowing policy).

## **11. Competitive Tendering/Quotations Processes**

Procurement-related activities shall be conducted based on a competitive tendering/quotations process.

A competitive tendering/quotations process implies having an adequate number of bidders (typically no less than three); ensuring all vendors have access to the same tender information; and ensuring all vendors are treated equally, fairly and in a transparent manner.

Where less than three vendor responses are received in a competitive tendering/quotations process, as a minimum the Procurement Manager (or equivalent) shall approve the tender/quotation opening procedure.

## 11.1. Exceptions to Competitive Tendering/Quotations Processes

Exceptions to competitive tendering/quotations process shall be considered based on the following criteria (including but not limited to):

- Specialised goods or services that are only available via a single source vendor;
- Emergency situations – a serious situation requiring immediate action to prevent critical-negative impact on the business;
- Low value and low risk purchases that do not justify the time, effort and cost of conducting a competitive tendering/quotations process (however prices must be in line with reasonable market rates);
- The nature of the purchase/transaction is highly critical to the business and requires the highest levels of confidentiality (based on executive management directions/justifications/approvals); and
- Other circumstances approved as a minimum by the relevant Procurement Manager (or equivalent).

Based on the above exceptions to conduct competitive tendering/quotations processes, the single source justification process shall be adhered to.

## 11.2. Single Source Justification Process

Any single source procurement activities shall be discussed with the relevant Procurement Manager (or equivalent) prior to the completion of the single source justification form by the End User. Upon obtaining approval from the relevant Procurement Manager (or equivalent), the End User shall submit the single source justification form and any other supporting documentation for approval to the relevant stakeholders.

Typically, the single source justification form shall be completed and approved before receiving any quotation(s) or engaging a vendor. However, where this is not possible due to:

- an emergency situation or exceptional circumstance, which requires immediate action; and/or
- receiving a clear direction from DP World Executive Management to undertake immediate action;

therefore, the single source justification form must be completed as soon as possible after receiving any quotation(s) or engaging the vendor. In such cases the single source justification form shall include (but not limited to):

- how the situation arose; and
- the efforts that were made to mitigate any related risks to DP World.

The End User Dept. HOD and Procurement Manager (or equivalent) as a minimum, shall approve any single source justification form.

## Related Standards, Policies and Processes

The following policies shall be read, understood and considered in conjunction with this Group Procurement Policy:

- DP World AFE Policy & Procedures;
- DP World Anti-Bribery Policies;
- Modern Slavery and Human Trafficking Statement;
- Group Human Rights Policy and Statement;
- Group/RO/BU People Department 'Conflict of Interest' Policy;
- DP World Global Whistleblowing Policy;
- Vendor Suspension and Removal from Approved Vendor List Policy; and
- Group Planning & Project Management Policy.

## Definitions and Terms

In this Policy the following definitions apply, unless the context requires otherwise:

AFE	Authority for Expenditure
BU	Business Unit
Buyer/Contract Manager (or equivalent)	based on the value thresholds defined in Appendix A, B and C, the Procurement Manager shall assign a Buyer/Contract Manager to execute procurement activities within their authorised spend limit
CAPEX	Capital Expenditures
Dept	Department
HO	Head Office
HOD	Head of Department
LOA	Letter of Award
LOI	Letter of Intent
PO	Purchase Order
Procurement Manager (or equivalent)	based on the value thresholds defined in Appendix A, B and C, the Procurement Manager is responsible for managing procurement activities within their authorised spend limit. For avoidance of doubt, for the Head Office/DP World FZE procurement processes, the Procurement Manager (or equivalent) is represented by SVP Group Procurement.
OPEX	Operating Expenses
RFI	Request for Information
RO	Regional Office
TCO	Total Cost of Ownership
Tender Team	the members of the tender projects in the eSourcing Portal
SVP Group Procurement	Senior Vice President of Procurement at DP World Head Office
AGV's	Automated Guided Vehicles
ASC	Automated Stacking Crane

ECH	Empty Container Handler
MHC	Mobile Harbour Crane
QC	Quay Crane
RMG	Rail Mounted Gantry Crane
RS	Reach Stacker
RTG	Rubber Tyre Gantry Crane
TR	Terminal Trailer
TT	Terminal Tractor

## History

Version Number	Review Date	Summary of Changes
2.0	January 2016	Version 2.0 superseded the previous version of the policy
3.0	January 2020	<p>Version 3.0 superseded version 2.0 based on historical lessons learnt; relevant feedback from Regional Office(s)/Business Unit(s)/Head Office Departments; Group Internal Audit Findings; and Government Audit Findings.</p> <p>The following major enhancements have been made to the updated 'Group Procurement Policy':</p> <ul style="list-style-type: none"> <li>• Updates to the Procurement Threshold Spend Tables (e.g. clearer definitions of procurement categories; changes to the relevant category thresholds where required; and introduction of Appendix C 'Other Strategic Categories' to cover non-core procurement spend within the wider Group);</li> <li>• Updates to the overall process for Procurement of Goods/Services (e.g. changes to tender-related scoring; tender evaluation; single source justification process; contract management activities; and vendor payments);</li> <li>• Inclusion of Contract/Purchase Order Signing Authorities (e.g. to ensure that only authorised personnel can sign contractual commitments on behalf of the company);</li> <li>• Inclusion of Procurement Process Responsibilities (e.g. RACI matrix); and</li> </ul>

		Updates to the Conflict of Interest process (e.g. alignment with the Group People Department - Conflict of Interest Policies & Procedures).
4.0	July 2023	<p>Version 4.0 superseded version 3.0 based on historical lessons learnt; relevant feedback from Regional Office(s)/Business Unit(s)/Head Office Departments; Group Internal Audit Findings; and Government Audit Findings.</p> <p>The following major enhancements have been made to the updated 'Group Procurement Policy':</p> <ul style="list-style-type: none"> <li>• Updates to titles of Appendix A, B and C;</li> <li>• Updates on conducting a Request for Information (RFI) for project specific pre-qualification;</li> <li>• Updates to conducting sealed tender processes;</li> <li>• Updates to frequency of completing Vendor Performance Assessments;</li> <li>• Updates to the process for vendor endorsement related matters;</li> <li>• Updates to frequency for reviewing contract templates;</li> <li>• Updates to procurement of Strategic Equipment – guidelines included for repeat orders and lease contracts/agreements;</li> <li>• Updates to procurement of Strategic Equipment – lease contracts/agreements and equipment retrofit;</li> <li>• Updates to the guidelines of the single source justification process;</li> <li>• Updates to Appendix A – guidelines included for responsibility authority to manage CAPEX/OPEX;</li> <li>• Updates to Appendix A – inclusion of footnote [3] for RO/BU tender management responsibilities;</li> <li>• Updates to Appendix B – inclusion of footnote [4] for RO/BU tender management responsibilities; and</li> <li>• Updates to Appendix C – inclusion of footnote [3] for RO/BU tender management responsibilities.</li> </ul>

This Policy has been developed by Group Procurement and is subject to annual review.

Approved by: Group Chairman and CEO  
Department: Group Procurement  
Revision Number: 4.0  
Revision Date: July 2023

**ALL QUERIES IN RELATION TO THIS  
POLICY SHOULD BE DIRECTED TO  
SVP GROUP PROCUREMENT AT**

<mailto:groupprocurement@dpworld.com>

## Annex A – Strategic Categories: Tender Value Threshold Table

This tender value threshold matrix is applicable for all Strategic CAPEX spend only. Any typical OPEX spend that forms part of the below procurement categories shall be fully managed by the RO/BU.

Responsibility	Head Office	Regional Office/ Business Unit <sup>[1]</sup>	eSourcing Portal
Type of Category			
<b>Civil Projects:</b> Feasibility Studies Construction Consultancy Master Planning Construction Works (infrastructure, buildings) Site Supervision Mechanical, Electrical, Plumbing (MEP) Other Civil Projects	<p style="text-align: center;"><b>Above 10M USD</b> (aggregate limit per project/requirement)</p> <p style="text-align: center;">Fully managed by Group Procurement (in collaboration with GPPMD and RO/BU stakeholders)</p>	<p style="text-align: center;"><b>Up to 10M USD</b> (aggregate limit per project/requirement)</p> <p style="text-align: center;">Fully managed by RO/BU <sup>[3]</sup> (Where applicable, in collaboration with GPPMD and Group Procurement)</p>	eSourcing Portal <sup>[2]</sup>
<b>Technology:</b> Infrastructure Hardware/Software Systems/Application Subscriptions Mobile Applications IT Consultancy Services Other Technology	<p style="text-align: center;"><b>Above 100K USD</b> (aggregate limit per project/requirement)</p> <p style="text-align: center;">Fully managed by Group Procurement (in collaboration with Group Technology and RO/BU stakeholders)</p>	<p style="text-align: center;"><b>Up to 100K USD</b> (aggregate limit per project/requirement)</p> <p style="text-align: center;">Fully managed by RO/BU <sup>[3]</sup> (Where applicable, in collaboration with Group Technology and Group Procurement)</p>	eSourcing Portal <sup>[2]</sup>
<b>Security:</b> CCTVs Detection Systems (X-Ray scanners) Access Control Systems Command & Control Centers Other Security	<p style="text-align: center;"><b>Above 100K USD</b> (aggregate limit per project/requirement)</p> <p style="text-align: center;">Fully managed by Group Procurement (in collaboration with Group Security and RO/BU stakeholders)</p>	<p style="text-align: center;"><b>Up to 100K USD</b> (aggregate limit per project/requirement)</p> <p style="text-align: center;">Fully managed by RO/BU <sup>[3]</sup> (Where applicable, in collaboration with Group Security and Group Procurement)</p>	eSourcing Portal <sup>[2]</sup>
<b>Professional Services:</b> General Legal Services Human Resources/Recruitment Marketing/Media/Brand Consultancy Event Management Financial Advisory Services Government/Public Relations Consultancy General Consultancy Other Professional Services	<p style="text-align: center;"><b>Above 250K USD</b> (aggregate limit per project/requirement)</p> <p style="text-align: center;">Fully managed by Group Procurement (in collaboration with RO/BU stakeholders)</p>	<p style="text-align: center;"><b>Up to 250K USD</b> (aggregate limit per project/requirement)</p> <p style="text-align: center;">Fully managed by RO/BU <sup>[3]</sup> (Where applicable, in collaboration with Group Procurement)</p>	eSourcing Portal <sup>[2]</sup>
<b>Spare parts:</b> Tyres Wire Ropes Filters Sensors Invertor Parts Programmable Logic Controller (PLC) Parts Brakes Lubricants Tools and plant Others Spare Parts	<p style="text-align: center;"><b>ALL VALUES – only where spare parts are purchased as part of CAT 1/ CAT 2 Strategic Equipment tender process</b></p> <p style="text-align: center;">Fully managed by Group Procurement (in collaboration with RO/BU stakeholders)</p>	<p style="text-align: center;"><b>Based on local value thresholds / procedures</b></p> <p style="text-align: center;">Fully managed by RO/BU <sup>[3]</sup></p>	eSourcing Portal/ERP <sup>[2]</sup>

Notes:

<sup>[1]</sup> Head Office reserves the right to manage procurement activities within the authority of RO's/BU's based on any Group Executive Management direction; and delegate procurement activities to the RO's/BU's that are within the authority of the Head Office.

- [1] For Framework Agreements or Rate Card Contracts the RO's/BU's shall make all efforts to forecast the cumulative value (based on historical consumption/future demand) to determine the responsible authority for managing such procurement activity.
- [2] eSourcing Portals may be subject to change based on Group Executive Management direction and/or Group IT policies and procedures.
- [3] It is the responsibility of the RO and BU to mutually agree on their roles and responsibilities when conducting local tendering activities. As an example, local tender value thresholds can be defined between the RO and BU.

## Annex B – Strategic Equipment - Tender Value Threshold Table

This tender value threshold matrix is applicable for purchases of strategic equipment (new and used equipment).

### Definitions

#### CAT 1:

- Critical-Specialised Strategic Equipment for managing terminal operations
- High value/high risk equipment
- Typically requires customised specifications based on the terminal requirements
- Limited International-Principal vendors only

#### CAT 2:

- Container related equipment that compliments CAT 1 equipment
- Medium-High value/risk equipment
- Typically requires standardised specifications based on the terminal requirements

#### CAT 3:

- General equipment for managing daily terminal activities
- Low-Medium value/risk equipment
- Typically, off-the-shelf specifications based on the nature of the equipment
- Localised vendors within the domestic market

Responsibility	Head Office	Regional Office/ Business Unit <sup>[1]</sup>	eSourcing Portal
Type of Equipment			
<b>CAT 1:</b> Quay Cranes (Spreaders included) (QC) RMG's (Spreaders included) RTG's (Spreaders included) ASC's (Spreaders included) MHC (Spreaders included) Straddle / Shuttle Carriers (Spreaders included) AGV's	<b>ALL VALUES</b>  Tender fully managed by Group Procurement Strategic Equipment Department (in collaboration with RO/BU stakeholders)	<b>Not Applicable</b>  (RO/BU are not authorised to purchase CAT 1 equipment)	iSpec <sup>[3]</sup>
<b>CAT 2:</b> Reach Stackers (RS) Empty Container Handlers (ECH) Terminal Tractor (All Types) (TT) Terminal Trailer (All Types) (TR) Trans lifters Ship loaders / conveyers Spreaders Forklifts 30 Tons and above	<b>Above 500K USD</b> (aggregate limit per project/requirement)  Tender managed by Group Procurement Strategic Equipment Department (in collaboration with RO/BU stakeholders)	<b>Up to 500K USD</b> (aggregate limit per project/requirement)  Project created in iSPEC by Group Procurement Strategic Equipment Department.  Tender managed by RO/BU as per DP World specifications <sup>[4]</sup> (in collaboration with Group Procurement Strategic Equipment Department)  Final Award Recommendation shall be approved jointly between RO/BU and Group Procurement Strategic Equipment Department.	iSpec <sup>[3]</sup>
<b>CAT 3:</b> Baggage trailers Passenger Gangways Internal Vehicles Forklifts below 30 Tons Man cages Over Height Frames All other equipment not specifically listed in Cat 1 and Cat 2.	<b>Not Applicable</b>	<b>Based on local value thresholds / procedures</b>  Fully managed by RO/BU <sup>[4]</sup>	eSourcing Portal <sup>[3]</sup>
<b>Other:</b> Third-Party Inspection Services <sup>[2]</sup>	<b>Not Applicable</b>	<b>Based on local value thresholds / procedures</b>  Fully managed by RO/BU <sup>[4]</sup>	eSourcing Portal <sup>[3]</sup>
<b>Other:</b> CAT 1 & CAT 2 lease equipment	<b>Not Applicable</b>	<b>Based on local value thresholds / procedures</b>  Tender managed by RO/BU as per DP World specifications <sup>[4]</sup> (in collaboration with Group Procurement Strategic Equipment Department)	eSourcing Portal <sup>[3]</sup>
<b>Other:</b> CAT 1 Equipment Retrofit: <ul style="list-style-type: none"><li>• Drive replacement</li><li>• Crane raising</li><li>• Boom extensions</li></ul>	<b>Not Applicable</b>	<b>Based on local value thresholds / procedures</b>  Tender managed by RO/BU as per DP World specifications <sup>[4]</sup>	eSourcing Portal <sup>[3]</sup>

		(in collaboration with Group Procurement Strategic Equipment Department)	
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Notes:

[1] Head Office reserves the right to manage procurement activities within the authority of RO's/BU's based on any Group Executive Management direction;

[2] Third Party Inspection Services can be awarded directly via Single Source Justification to World Crane Services (WCS). All other Third-Party Inspection Services shall be awarded based on a competitive tendering process conducted via the relevant eSourcing Portal;

[3] eSourcing Portals may be subject to change based on Group Executive Management direction and/or Group IT policies and procedures.

[4] It is the responsibility of the RO and BU to mutually agree on their roles and responsibilities when conducting local tendering activities. As an example, local tender value thresholds can be defined between the RO and BU.

## Annex C – ‘Other’ Strategic Categories: Tender Value Threshold Table

This tender value threshold matrix is applicable for other categories that are not explicitly listed in Appendix A and B above.

It is the responsibility of the relevant RO/BU to ensure that the appropriate procurement category and value threshold is selected to determine the applicable authority for managing the procurement activity.

For avoidance of doubt, any clarifications regarding procurement categories, thresholds and applicable authorities shall be addressed to Group Procurement.

Responsibility	Head Office	Regional Office/ Business Unit <sup>[1]</sup>	eSourcing Portal
<b>Other Categories</b> Any other category not explicitly listed in Appendix A and B	<b>Above 250K USD</b> (aggregate limit per project/requirement)  Fully managed by Group Procurement (in collaboration with RO/BU stakeholders)	<b>Up to 250K USD</b> (aggregate limit per project/requirement)  Fully managed by RO/BU <sup>[3]</sup> (in collaboration with Group Procurement)	ERP/eSourcing Portal <sup>[2]</sup>
Notes: <sup>[1]</sup> Head Office reserves the right to manage procurement activities within the authority of RO's/BU's based on any Group Executive Management direction; and delegate procurement activities to the RO's/BU's that are within the authority of the Head Office. <sup>[1]</sup> For Framework Agreements or Rate Card Contracts the RO's/BU's shall make all efforts to forecast the cumulative value (based on historical consumption/future demand) to determine the responsible authority for managing such procurement activity. <sup>[2]</sup> eSourcing Portals may be subject to change based on Group Executive Management direction and/or Group IT policies and procedures. <sup>[3]</sup> It is the responsibility of the RO and BU to mutually agree on their roles and responsibilities when conducting local tendering activities. As an example, local tender value thresholds can be defined between the RO and BU.			