PROCUREMENT & EXPENSES POLICY

1.0. OVERVIEW

This document lays down the directions and guidelines to be followed all employees of Glad Group, on matters relating to procurement and expenses of materials, equipment & services and supersedes the earlier Purchase Policies.

The Glad Group Procurement and Expense Policy governs the procurement of goods and services by Glad in an ethical, competitive, fair and transparent manner that meets the needs of the business whilst complying with Glad's taxation and other statutory obligations.

2.0. PURPOSE

This policy sets out the framework that has been established by Glad to guide the procurement of goods and services, including capital works, equipment purchases, credit card purchases and employee related expenses, using a strategic integrated approach that:

- Protects the security and safety of employees and stakeholders;
- Maximises the efficiency and commercial viability of each procurement;
- Provides for effective analysis of competitive procurement bids;
- Delivers "best value" and fit for purpose procurement solutions;
- Promotes sustainable environment, social and governance outcomes and open and effective competition;
- Minimises risk to Glad;
- Ensures the financial integrity and probity of all procurement activities including effective supplier engagement and management;
- Promotes the maintenance of accurate documentation, records and compliance with relevant tax law; and
- Establishes clear and concise agreed terms and conditions.

3.0. SCOPE

This policy applies to all Glad employees including the Advisory Group of all Glad Group entities. This policy applies to all forms of procurement of goods and/or services.

4.0. KEY PRINCIPLES

Procurement and expenses at Glad is undertaken in accordance with the five key principles listed below.

4.1. Probity

Procurement must be undertaken in an open, ethical and competitive manner enabling suppliers to be confident that their proposals will be assessed fairly and impartially against appropriate selection criteria. Glad's procurement processes provide for:

- Clear accountability and transparency;

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- The formation of working groups to ensure procedural openness and relevance to end users;
- Appropriate oversight and segregation of duties to avoid end to end control by any one employee; and
- Early identification and resolution of any real or perceived conflicts of interest.

Under the Glad Code of Conduct, employees must:

- Declare and avoid situations that involve conflict between their duties as a Glad employee and their private interests; and
- Obtain consent before accepting personal benefits such as entertainment or gifts.

Any actual, potential or perceived conflict of interest in relation to procurement activity must be reported using the Conflict-of-Interest Declaration Form.

Where a tender is in progress, no gifts or hospitality can be accepted by any employee from the suppliers involved in the tender. Modest hospitality (e.g., in-house lunch, coffee, tea) associated with meetings to discuss goods and/or services being acquired is acceptable, but restaurant lunches and dinners, the provision of alcohol, tickets to the theatre and/or sporting events are not. As a general principle, this type of hospitality should be valued at less than $250. If an employee or their manager are unsure, they should seek guidance from the Procurement Manager.

While it may be necessary, as part of the procurement process, to travel to inspect potential goods or services, the cost of such travel and associated accommodation must be borne by Glad.

4.2. Risk Management

The risks associated with procurement must be identified and managed in accordance with the Risk Management Policy.

Key procurement risk areas include:

- Conflicts of interest;
- Contractual limitation of liability including caps on supplier liability;
- Lack of clarity of expectations on scope, deliverables, schedule or roles and responsibilities;
- Missing or ambiguous scope items;
- To assess safety and environmental impacts
- Over commitment to any one supplier during allocation of portfolio wide contracts; and
- Additional financial exposure due to insufficient change management controls.

A tender strategy is to be signed off in accordance with the Limits of Authority (LOA) Policy. The tender strategy should include the key tender objectives, any relevant risks and a tender delivery timetable.

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To the extent that a purchase is technology related or relies on the provision of technology by a third party, this should be included in the risk assessment. The Cyber Security Third Party Risk Management Procedure should be consulted, and issues of cyber security should be discussed with the Technology Team.

4.3. Commercial Viability

Commercial viability is a key element in all procurement undertaken by Glad. Factors considered when determining commercial viability include but are not limited to fair market price, return on investment, fitness for purpose, specification and scope compliance, whole-of-life costs, timeliness of delivery, post-delivery support, effective warranty and conformity to law

Glad adopts a whole of company approach to procurement that leverages preferred supplier arrangements whilst efficiently matching demand with the most appropriate suppliers. This approach ensures:

- Procurement of efficient volumes using specifications that align with Glad's needs; and
- Effective management of resources, reducing costs and lead times.

4.4. Sustainability

At Glad we are committed to being a sustainable business and aspire to be an overall positive contributor to our communities, people and the environment. We recognise that our performance is linked closely to that of our suppliers, and we aim to work in partnership with them in delivering value. We are committed to engaging with our suppliers to provide information and other relevant information to help them build their capabilities and to encourage innovation and the development of products and services that meet our aspirations, and increased transparency in supply chains.

Buyers will consider economic, social and environmental risks and impacts when procuring goods and services and seek to maximise the social benefits for Glad and the wider community, whilst avoiding unnecessary consumption and minimising the environmental impact of product use and manufacture.

For example, modern slavery. which means any activity, practice or conduct that would constitute an offence in relation to slavery, forced labour, involuntary servitude, debt bondage, human trafficking, and other slavery-like exploitation as prohibited under all applicable anti-slavery and human trafficking laws, statutes, regulations and codes, must be considered in the pre-qualification and selection process for all suppliers and in line with the Modern Slavery Act requirements. When considering the procurement of new goods or services or reviewing existing goods and services, it is the responsibility of Glad employees to first assess whether there is an actual need for the particular goods or services or whether there are more efficient and effective alternatives.

Glad aims to minimise demand for resources by reducing purchases, using resource efficient or carbon neutral products and services, and assessing the longevity and full life cycle of products. This approach should be applied to all sourcing engagements and where possible, included in the specifications.

Where the goods or services being procured impact on energy and water intensity and/or waste management and resource recovery, approval by the National Sustainability Manager and/or delegated person/s must be obtained to ensure alignment with Glad Group's carbon neutral commitment.

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4.5. Inclusive Procurement

Inclusive procurement leverages an organisation's buying power to deliver social value, above and beyond the value of the goods or services being procured. It builds diversity into the supply chain and creates job opportunities for under-represented groups, reinvigorating marginalised communities. Buyers are expected to consider social procurement options in their procurement decisions.

Inclusive procurement can be grouped into two broad approaches:

1. Indirect.

   Glad has committed to applying a positive incentive as part of the procurement pre-qualification and selection process for all Suppliers with the following diversity included in their workforce;

   - Disadvantaged youth employment schemes
   - Gender balance and equality
   - Long term unemployment
   - Mature age worker employment
   - Migrant workers
   - People with a disability
   - Reconciliation Action Plan & First Nations suppliers
   - Youth employment schemes
   - Work experience opportunity

2. Direct.

   Glad Group is committed to directly purchasing from social enterprises, Aboriginal and Torres Strait Islander owned businesses, Australian Disability Enterprises and female-owned businesses for certain procurement categories. Refer to Glad Group's Inclusive Procurement Strategy for more details.

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5.0. Procurement Process

5.1. Procurement Method and Values - General

Where there are no preferred supplier arrangements in place the procurement method and values adopted will depend on the total value, scale, scope and risks associated with the proposed procurement.

Total Value of Proposed Purchase	Procurement Method	Agreement Type/s	Purchase Type
Up to $500 *	No written quote required	Credit Card or Purchase Order ** Or the maximum credit card limit that applies to each credit card.*	Low Value Procurement Good & services of low risk. Rates being considered reasonable and consistent with normal market rates for items of a like nature.
Between $501 to $5,000	Minimum one formal quote required.	Purchase Order Or Services Agreement Or Master Supply Agreement	Small Value Procurement Rates being considered reasonable and consistent with normal market rates for items of a like nature.
Between $5,001 and $100,000	Three comparable formal quotes #	Purchase Order Or Services Agreement Or Master Supply Agreement	Medium Value Procurement Qualitative assessment needs to be conducted based on a written outline of specifications which has been provided to the suppliers.
$100,001 and above	Planned Procurement Engagement	Purchase Order Or Services Agreement Or Master Supply Agreement Or Consultant Deed Or Design & Construction Contract Or Construct Only Contract	Large Value Procurement A written brief or procurement strategy outlining the objectives, timetable and specifications for the purchase. A supplier prequalification survey and competitive tendering process shall be completed.

 # This requirement may be waived by approval from the Procurement Manager, Chief Operating Officer or Executive Director. Requests must be made in writing and include reasons. If granted, exemptions will apply for a single engagement (i.e., 1 contract) only, unless stated otherwise. All requests for an exemption will be recorded in the Procurement Policy Register maintained by the Procurement Manager. A copy of any exemption approval must be kept with the agreement and provided as evidence if audited.

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Multiple orders, each within quotation limits, which collectively amount to a substantial figure or contract, are not permissible. This is considered to be "order splitting". Employees shall forecast their needs for given services and goods and plan accordingly. Should repeat orders be required that amount to a substantial figure, a competitive tendering and contracting process is required.

Capital expenditure projects with a value of $200K and above, must first go to the Advisory Board for approval.

1.1 Procurement Method and Values - Essential Services

Total Value of Proposed Purchase	Procurement Method	Agreement Type	Purchase Type and Risk Assessment
Up to $20,000	Minimum one formal itemised quotation.	Purchase Order	<u>Essential Works</u> Any works using a Supplier with a signed & executed Services Agreement. The quote should include a breakdown of labour and materials to align with the agreed schedule of rates and materials mark-up in the executed Services Agreement. NOTE: Where works are proposed to be undertaken by a contractor with whom no agreement exists, table 5.1 must be followed.

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6.0. AGREEMENT TYPES

Agreement	Application
Credit Card	Credit cards are a low-cost and efficient means of purchasing. Examples of appropriate credit card use include the purchase of: ▪ Low value / low risk materials & consumables; ▪ Travel related expenses; ▪ Entertainment expenses (coffee meetings etc.); ▪ Subscriptions; ▪ Conference registration fees; ▪ Event management fees; ▪ Supply of goods & services where immediate payment required; ▪ Purchases over the internet. Excludes any labour which requires consultancy advice
Purchase Order *(Maximum of 12 months)*	Supply of Goods, Basic / Standard Project or Services ▪ Capital works which costs less than $100,000 and are low risk, non-technical or for the supply of goods. ▪ Any capital works greater than $100,000 and are low risk, non-technical or for the supply of goods with Glad legal approval.
Services Agreement	Services Agreement more than 12 months, and up to a maximum of 5 years with an option period of up to 2 years.
Consultant Deed	Supply of technical services relating to the design of construction works (e.g., Architects, Engineers etc.) which cost more than $100,000
Master Supply Agreement	Project Management, Recruitment Agency and Information Technology Services more than 12 months, and up to a maximum of 5 years with an option period of up to 2 years.
Design & Construction Contract *Formal Instrument of Agreement* *Amended: AS4902 (design and construct) for NT, QLD, VIC and NSW*	Design and Construction of works which cost more than $100,000 to $1 million. Services include technical design services. If you are undertaking significant and complex works in excess of $1 million, then a contract specifically created for that work is required. AS4902 (Design and Construct) can be used as a base. If you are building a new building, then a contract which is specifically created and tailored for that work is required.

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Agreement	Application
Construct Only Contract *Formal Instrument of Agreement* *Amended: AS4000 (construct only) for NT, QLD, VIC and NSW*	Construction of works only which cost more than $100,000. This contract does not impose any technical design responsibility or design risk on the contractor.

In the case of a Services Agreement, Consultant Deed, Design & Construction Contract or Construct Only Contract, the terms & conditions in these agreements have precedence over our electronic purchase order terms & conditions. Clearly reference the above agreement/s within the electronic purchase order and refrain from sending the purchase order terms & conditions to the supplier.

For capital works projects, the Limits of Authority (LOA) Policy budget approval is to be approved prior to raising a purchase order. The approved purchase order number should be included in the Design & Construction Contract or Construct Only Contract prior to sending to the supplier and Glad legal for final execution.

Wherever Glad's standard terms & conditions are amended, including any change to limitation of liability or indemnity clauses, legal advice should be obtained and in consultation with business units' approval. Low or small value procurement online purchases (such as Information Technology Licence Agreements) with a value of up to $10,000 are excluded.

Glad agreements are to be used as a preference however should a supplier agreement be necessary; it must not be signed without Glad's legal team providing advice and approval including who is authorised to sign the agreement.

7.0. CORPORATE CREDIT CARDS

Corporate credit cards may be used for one-off or infrequent transactions up to the employee's approved corporate card limit, and low value recurring transactions. Where a Corporate Credit Card is used, employees must ensure that they comply with the requirements of the Travel, Entertainment & Corporate Card Policy.

8.0. NON-ORDER PAYMENTS & ONE TIME SUPPLIERS

8.1. Non-Order Payments

Non-order payments should only be used in instances where a corporate credit card or purchase order is not practical. The payment could include a One Time Supplier or regular services limited to utilities (electricity, water, phone), council rates, land tax, insurances payment/claims and any other statutory fees.

Buyers are discouraged from making non-order payments without prior Limits of Authority (LOA) approval. Glad is not obliged to pay Suppliers where an electronic purchase order has not been raised.

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Where a non-order purchase is used, the supplier must be registered in our finance system, a manual invoice entry must be processed immediately after the receipt of invoice and by approval using the Limits of Authority Table.

8.2. One Time Supplier

A One Time Supplier may be used when a supplier is not registered in our finance system as a one-off engagement for the purchase of goods only. One-time suppliers are not acceptable for any services that attracts any form of labour. Second use for any One Time Supplier is prohibited. Should the business need to use the same One Time Supplier again, the buyer should submit the supplier registration form to procurement for approval.

Where a One-Time supplier is used, a manual invoice entry must be processed immediately after the receipt of invoice and by approval using the Limits of Authority Table.

9.0. PREFERRED SUPPLIER AGREEMENT

Glad has a list of Preferred Suppliers for the provision of certain goods and services. Where Glad has established a preferred supplier agreement those suppliers must be used.

Buyers may procure goods and/or services from an existing preferred supplier with one formal itemised quotation with approval under the Limits of Authority Table.

Where there is a requirement for goods and/or services to be procured from an alternative supplier, the purchaser shall provide reasons for the decision (e.g., a substantially cheaper quote, geographical location (limited practical options), specialised niche service, proprietary, improved standard of equipment or details of better service). The use of an alternate supplier must be approved by the Procurement Manager.

9.1. Establishment of a new Preferred Supplier

When an employee identifies a need for the establishment of a new preferred supplier, they should contact the Procurement Manager, requesting consideration to establish such an agreement and to seek confirmation that a preferred supplier arrangement does not already exist for the specific goods and services required.

The method of selection for a new preferred supplier shall be through either Request for Tender/Bid or quotations.

A recommendation for a preferred supplier shall include the following:

a. A schedule of rates by roles or a fixed project rate by value of project, a material register or a fixed mark-up on materials;

b. Terms of trade, preferably including 45 days for payment of a single consolidated invoice and where appropriate, the ability to receive orders and send invoices in electronic format;

c. Value for money provisions such as the ability to return faulty goods or services, appropriate warranty terms and the provision of adequate service or repair backup; and

d. Standard Glad terms and conditions with agreed key performance indicators and service levels.

e. Pre-screening against environmental, social and governance criteria.

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A minimum of three preferred suppliers are required, where practicable, for the provision of any good or service.

9.2. Approval of a New Preferred Supplier

Approval of a new preferred supplier involves the submission of a preferred supplier recommendation to the Procurement Manager, including an overview of the process of selecting the successful supplier, establishing payment terms, strategic vetting, the negotiation of the contract and the process for purchasing of goods/services. The recommendation will be referred to the Governance Committee for review and approval.

The preferred supplier selection criteria must have regard to the key procurement principles set out at section 4 of this policy and should include cost, quality & safety, delivery & reliability, service & location, social responsibility, convenience/simplicity, risk and agility.

9.3. Preferred Supplier Term

To ensure fairness, transparency and probity, where a preferred supplier is established, the agreement shall be subject to renewal every three years.

10.0. QUANTITY SURVEYOR'S CERTIFICATION

In cases where it is not possible to obtain three quotations for development and/or capital project works, the appointment of a quantity surveyor should be considered.

The quantity surveyor's duties may include:

a. Accurately measuring the goods or services to be supplied;

b. Estimating labour & material costs;

c. Managing project timelines from the earliest stages of feasibility through design, development and construction and into the operational phase to underpin the long-term success of any proposed project; and

d. Providing professional assistance in the preparation of commercial estimates or the submission of tenders, preparing bills and schedules of quantities of materials, as well as the labour and service costs that are needed to construct and equip a building.

Where it is likely that there will be a recurring need for a quantity surveyor, employees shall consider the merits of establishing a panel of suitable quantity surveyors as preferred suppliers.

If a quantity surveyor is used for a project, it must be identified in the project submission and approved by Limits of Authority Table. A copy of the cost engineering report should be kept with the project and provided as evidence if a project is audited.

11.0. DIRECT NEGOTIATIONS

Direct negotiations are exclusive negotiations between Glad and a Supplier without first undergoing a conventional competitive process. There are significant risks associated with direct negotiation. Buyers engaging in direct negotiations must present a Procurement Brief to the Procurement Manager which addresses in detail the justification and suitability of direct negotiations. The Procurement Brief will be referred to the Governance Committee for review and approval.

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This must include a comprehensive analysis of the market, risks and all relevant factors sufficient to demonstrate that a competitive process need not be conducted. Direct negotiations may be used where there is a proprietary system or no other supplier in the industry (held under patent, trademark or copyright).

All direct negotiations (whether approved or not) shall be recorded in the Procurement Policy Register maintained by the Procurement Manager. If a direct negotiation is used, a copy of the approved Procurement Brief should be kept with the agreement and provided as evidence half yearly internal audited.

12.0. CONTRACT AMENDMENTS

12.1. Contract Variation

After a contract is established, it may become necessary to make changes. These changes can be minor administrative changes, or they can be material changes that affect the scope, price and/or deliverables.

Details of the variation along with a copy of a written quotation are to be provided on the Request to Vary or Extend an Agreement pro forma. No change to the precedent documents can be made without the prior approval of Glad Legal or an external law firm. Where a variation is being sought, approval by the appropriate manager using the Limits of Authority Table of the revised total value is required.

The manager approving the contract variation is required to verify that the contract can be legally varied. Once relevant approvals have been granted, a formal contract variation can be issued to the Supplier for signature. In the case of a capital works project a separate purchase is to be raised, approved by Limits of Authority Table and sent to the Supplier.

All relevant documents evidencing any decisions and/or approvals should be retained and provided as evidence if audited.

12.2. Contract Extension

Any option to extend the end date of a contract must be approved by the appropriate manager using the Limits of Authority Table based on the revised value even if a forecast budget is still available.

Approval documentation outlining the contract extension must state the following:

- Verification that the contract can be legally extended and the relevant clause including for what period(s) and for how many times;
- The number of any previous extensions and their duration;
- The need to continue the supply of goods and/ or services (including whether there is an opportunity to re-engineer the relevant business process);
- The current supplier's performance, including any surveys if available; and
- Any consequential cost implications/arrangements.

Details of the contract extension along with the relevant documentation shall be provided on the Request to Vary or Extend an Agreement pro forma. A contract cannot be extended such that the

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total tenure of the contract would be more than the original contract period plus up to two optional years or as stated in the agreement.

13.0. Emergency Procurement

An emergency procurement, in which the procurement process is not followed, remains subject to approval by a manager with the appropriate Limits of Authority Table (verbal or written). If practicable, having regard to the severity and urgency of the incident, the key principles of procurement at section 4 of this policy should still be considered.

Circumstances in which an emergency procurement may be appropriate include:

- Protect life;
- Protect the interruption of essential services in the event of a major incident;
- Prevent major environmental impact;
- Prevent substantial economic loss; or
- Protect Glad from significant reputational damage.

2. Approval and Acceptance of Quotations/Tenders

All recommendations for approval of quotations/tenders within Limits of Authority Table must demonstrate:

- That all requirements of the Glad procurement principles and this policy have been met and each quotation or tender has been evaluated fairly and objectively according to the quantitative and qualitative selection criteria;
- Expenditure is justified against the anticipated benefits;
- For large value procurement, all suppliers have completed the Supplier Prequalification Survey and a Company and Individual Credit Check; and
- The proposed procurement method is appropriate given the level of risk, is timely, avoids creating unnecessary costs for suppliers and delivers the best value for money relative to risk, quality, price, performance and availability.

All quotations and fee proposals are to be provided in pdf. format or via a tender return schedule original RFQ/RFP/RFI document provided by Glad.

Employees must not give any indication to potential suppliers of the likely outcome of the process until approval has been received.

All successful and unsuccessful suppliers must be notified within four weeks of a recommendation being approved and formalised via a letter of intent. Where an unsuccessful supplier seeks additional feedback, guidance must be sought from the Procurement Manager if required.

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14.0. CONTROLLED PRACTICES

Certain kinds of purchases have prescribed controls, as follows:

- Staff recruitment, employment advertising and use of recruitment agencies shall be undertaken by the People & Culture Team.
- Information Technology related purchases shall be directed to IT or must be approved by the Manager IT & Innovation. This includes hardware, software, peripherals, mobile devices and any other equipment that may connect to Glad's network or connect to equipment that is connected to the network.
- Legal services procurement shall be approved by Delegation of Authority Policy.
- Acquisition of goods and services via an Operating Lease Agreement shall comply with the conditions of this Policy and are subject to review and approval by Finance Team.
- With respect to some types of activities, Glad requires that the service be provided in-house, e.g., payroll.
- Any Large Value Procurement shall be pursued via the Procurement Manager.

15.0. COMPLAINTS HANDLING AND DISPUTE RESOLUTION

Any complaints regarding Glad's procurement practices should be submitted in writing to the Head of Risk & Compliance. All complaints will be investigated, and the complainant will be provided with a response.

If an employee does not feel able to use these reporting channels, they may raise the matter directly with the Whistle-Blower Officer under the Whistle-Blower Policy.

16.0. PAYMENT METHODS

Before payment is approved, employees must ensure that goods have been delivered/received and that they meet expectations as set out in the agreements. When signing for receipt of goods the receiver shall annotate the packing slip and carrier's receipt with a suitable comment such as "subject to check" or "subject to inspection" where deemed to be required.

Glad is committed to paying our suppliers within 45 calendar days from the date of a valid invoice being received. Invoice payments under the Security of Payment Act & Building Industry Fairness (Security of Payment) Act (Qld) may vary and be paid upon request and approval from the Procurement Analyst.

All invoices are to be sent for payment within 7 days of date of issue. Any deviation to the contract arrangements should be reported to the Procurement team as part of the contract review process.

17.0. DANGEROUS GOODS

The purchase, delivery, storage, distribution and use of dangerous goods should be controlled as prescribed in the Work, Health and Safety Procedures.

18.0. FIXED ASSET EQUIPMENT REGISTER

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For all development or capital works projects, a fixed asset equipment register must be completed at the end of each project as follows:

- Projects over $1 million - A quantity surveyor is to be engaged to prepare the fixed asset register; and
- Projects under $1 million - The fixed asset register is to be prepared by the project manager.

Once a project is closed and copy of the fixed asset register is to be supplied to Finance and uploaded into our fixed asset equipment register by a member of the Finance team.

19.0. POLICY EXEMPTIONS

Unless otherwise stated in this policy, exemptions to this policy must be approved by the Procurement Manager, Chief Operating Officer & Executive Director. Exemptions to this policy may only be sought for a maximum of 12 months under exceptional circumstances based on business necessity and merit (such as instances of genuine commercial or confidential matters) or cases of extreme urgency.

All requests for an exemption to this policy (whether approved or not) shall be recorded in the Procurement Policy Register maintained by the Procurement Manager. A copy of the approved exemption documentation should be kept with the agreement and provided as evidence if audited.

20.0. TENDER BOX

An electronic tender box for large value procurement refers to a secure, online repository to which suppliers responding to a bid to submit their tenders electronically. Glad electronic tender box email addresses are:

Procurement: purchasing@gladgroup.com.au

Any requirement for hard copy documents or for electronic lodgement will be specified in the tender documentation. When an external consultant or project manager is used, the tender submission shall be submitted electronically to the consultant or project managers and copied Glad's electronic tender boxes.

21.0. SUPPLIER MANAGEMENT

All new and renewed contracts are to contain a supplier governance framework to ensure that we extract the most value from the relationship. This framework should include monitoring compliance with:

- Statutory Requirements;
- The energy efficiency principles and sustainability KPIs;
- The Supplier Code of Conduct;
- Contract terms and conditions;
- Other reporting requirements include specific key performance indicators and summary of results of annual IT penetration and vulnerability testing (for relevant contracts); and

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- Supplier action plan commitments, where required.

Supplier performance should also be regularly assessed including:

- Work, Health, Safety and human rights performance;
- Quality of services and goods provided;

Monthly, quarterly and/or annual performance assessments including achievement of key performance indicators;

- Timeliness of service delivery;
- Cost;
- Issue resolution;
- Relationship management; and
- Other goods & services relevant factors.

Any supplier performance issues must be identified and addressed immediately. Any proposal to terminate a contract or implement disciplinary provisions (e.g., Non-conformance or Breach notices) must first be approved by the Procurement Manager or their delegate. All Non-compliance or Breach notices shall be recorded in the dispute register.

22.0. ROLES AND RESPONSIBILITIES

The Procurement Manager is responsible for establishing a framework to support regular review, compliance monitoring, communication and reinforcement of this policy.

Employees are responsible for the purchase of goods and services in compliance with this policy.

- Prior to purchasing, employees shall:
  a. Assess whether a preferred supplier agreement is in place;
  b. Obtain additional information required for decision-making and/or for providing a specification to a Supplier;
  c. Obtain additional information with regard to the conditions of the contract, confirmation of price and availability of goods/services;
  d. Undertake a quantitative and qualitative review prior to selection of the Supplier;
  e. Ensure application of probity, transparency and fairness.
- By approving the purchase order, non-order payment or contract, the approver is certifying that the transaction complies with all relevant policies and procedures, and that the employee has carried out duties in compliance with policy;
- The employee shall justify the decision based on evaluation criteria such as value for money, availability, urgency, quality and service;
- Where a decision is made to purchase goods or services from a Supplier other than a preferred supplier, the employee must be able to provide upon request documentation supporting the decision;

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- Hard copy information shall be scanned and stored in the document management system;
- Employees shall conform to the conditions of this policy and undertake an appropriate method of procurement for each business transaction;
- The purchase of goods and services shall be done within the scope of the Limits of Authority Policy;
- Employees shall incorporate market testing and contracting reviews for expensive items as part of their normal business planning and operational activities;
- Employees shall ensure that all purchases comply with relevant Work, Health and Safety (WHS) requirements as outlined in the Work, Health and Safety Policy;
- The employee shall confirm that sufficient funds exist of have been forecast to pay for the goods and services being purchased;
- Before placing orders of medium or high value (>$20,000) and especially where some pre-payment is required, employees shall take steps to obtain a guarantee or warranty from the supplier covering the following issues/contingencies:
    a. Faulty goods/services;
    b. Terms for late or non-delivery;
    c. Loss or damage in transit;
    d. Failure to meet contractual obligations;
    e. Failure to meet specifications;
    f. Insurance coverage until installed.

23.0. DOCUMENTATION REQUIREMENTS

Procurement practices are open to substantial internal and external scrutiny. Records relating to procurement processes can be examined through internal or external audit processes. Employees are responsible for maintaining accurate records that demonstrate the rationale for selection and rejection of Suppliers and quotations/tenders and subsequent approval of quotations.

Records for each individual purchase must be retained, including a copy of the procurement strategy, invitation to bid, tender or quotation, a list of invited suppliers or a copy of the final supplier selection process., responses to bids, tenders or quotations, a copy of the evaluation process and copies of the recommendation and approval template for bids or tenders.

Evidence of any changes to the agreement terms & conditions along with internal legal approval, delivery or goods receiving notes, a copy of the final invoice and all relevant correspondence between Glad and the Supplier must also be retained. In accordance with the Glad Data Retention and Destruction Standard, the retention period is 6 years.

All purchases must be covered by an official purchase order unless a non-order payment invoice is in place, a corporate credit card is used, or an exemption has been approved. All records agreements are to be stored in the document management system.

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24.0. CONSEQUENCES OF NON-COMPLIANCE

Contravention of this policy is considered a serious matter. Breaches of this policy may result in disciplinary action being taken. This disciplinary action may include requirement to reimburse the expense, loss of corporate credit card privileges, performance counselling, disciplinary measures up to and including termination of employment.

Significant breaches of this policy will be reported by the General Manager, Risk, Compliance and Safety to the Glad Governance Committee and employees may be subject to criminal prosecution and/or civil liability.

If employees believe that their own actions have, or may have, contravened the policy they should advise their manager immediately.

25.0. DONATIONS

The following are to be directed to the National Sustainability Manager;

- Donation or sponsors of Australia registered charities; and
- Gifts, donations, or contributions to other community organisation.

Donations and community contributions may only be charged to a Glad corporate credit card by the National Sustainability Manager.

26.0. FURTHER INFORMATION

For further information regarding procurement related activities and existing preferred supplier arrangement, please refer to the procurement page on the intranet.

If you require additional information about this policy and/or you have any questions issues or concerns or suggestions for improvement to this policy, please contact the policy owner or any member of the Procurement Manager at purchasing@gladgroup.com.au

27.0. RELATED POLICIES PROCEDURES AND GUIDELINES

- Code of Conduct
- Risk Management Policy
- Supplier Code of Conduct
- Travel, Entertainment & Corporate Card Policy
- Delegation of Authority Policy
- Limits of Authority Table Policy
- Work, Health and Safety Procedures
- Whistle-Blower Policy

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