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## PROCUREMENT POLICY AND PROCEDURES

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### Purpose

The purpose of this Procurement Policy is to establish a comprehensive and systematic framework for the acquisition of goods, services, and works at Trendie. This policy aims to ensure that all procurement activities are conducted in a manner that is transparent, equitable, and economically efficient while ensuring compliance with all relevant legal and regulatory requirements. By adhering to this policy, Trendie seeks to promote ethical conduct, sustainable practices, and risk management throughout the procurement process.

### Scope

This policy applies to all Trendie employees involved in any aspect of the procurement process, regardless of their role or department. It encompasses every phase of procurement, from the initial identification of needs through to the management and closure of contracts. This policy is applicable to the procurement of all goods, services, and works, including but not limited to office supplies, equipment, professional services, and construction works.

### Procurement Principles

- **Value for Money:**

Procurement decisions must be based on achieving the best overall value, taking into consideration the total cost of ownership, which includes price, quality, service, and delivery over the entire lifecycle of the product or service. This holistic approach ensures that Trendie maximises its financial resources effectively.

- **Transparency and Fairness:**

The procurement process shall be conducted in an open and transparent manner, ensuring that all potential suppliers are given an equal opportunity to compete. All procurement activities must be documented and be able to withstand scrutiny to uphold Trendie's reputation for fairness and integrity.

- **Ethical Conduct:**

All employees involved in procurement must adhere to the highest ethical standards. This includes avoiding conflicts of interest, maintaining confidentiality, and conducting activities in a manner that aligns with Trendie's core values and legal obligations. Gifts or inducements from suppliers are strictly prohibited to prevent any undue influence on procurement decisions.



- **Sustainability:**

Trendie is committed to sustainable procurement practices. Whenever feasible, preference should be given to suppliers who demonstrate a commitment to environmental sustainability, social responsibility, and ethical labour practices. This includes considering the environmental impact of products, such as energy efficiency, recyclability, and the reduction of waste.

- **Risk Management:**

Identifying, assessing, and managing risks associated with procurement activities is essential to mitigate potential adverse effects on Trendie. Risk assessments should be conducted at each stage of the procurement process, and strategies should be developed to minimise identified risks, including financial, legal, operational, and reputational risks.

## Procurement Procedures

- **Needs Identification and Planning:**

- **Assessment of Requirements:** Departments must conduct a thorough needs assessment to define the specifications, quality standards, and quantity of the required goods or services. This involves consultation with stakeholders and a review of existing inventory or resources to avoid unnecessary duplication.
- **Procurement Plan:** Develop a procurement plan that outlines the procurement method, timeline, and budget. This plan should be approved by the appropriate authority before proceeding to the next steps.

- **Supplier Selection:**

- **Market Research:** Conduct market research to identify potential suppliers capable of meeting Trendie's needs. This may include reviewing supplier qualifications, experience, financial stability, and past performance.
- **Competitive Bidding:** For procurements exceeding a certain value threshold, a competitive bidding process, such as issuing a Request for Proposal (RFP) or Request for Quotation (RFQ), is mandatory. The procurement team must ensure that the bidding process is open, fair, and non-discriminatory.



- **Evaluation and Selection:** Evaluate supplier proposals based on predefined criteria, including cost, quality, delivery, and after-sales support. A selection committee may be formed to review and score each proposal to ensure an unbiased decision.
- **Contracting:**
  - **Contract Drafting and Review:** Draft a comprehensive contract that clearly outlines the terms and conditions of the agreement, including pricing, delivery schedules, quality standards, warranties, and dispute resolution procedures. All contracts must be reviewed by the legal department before signing.
  - **Approval and Execution:** Obtain the necessary approvals from authorised personnel before executing the contract. The signed contract must be stored securely and be accessible for reference throughout the contract duration.
- **Order Management:**
  - **Purchase Order Issuance:** Issue a formal purchase order (PO) based on the terms agreed upon in the contract. The PO should include detailed information about the goods or services ordered, quantities, and delivery dates.
  - **Delivery and Inspection:** Upon delivery, inspect the goods or services to ensure they meet the specifications and quality standards outlined in the contract. Any discrepancies or defects must be reported to the supplier promptly for resolution.
- **Payment:**
  - **Invoice Verification:** Verify the supplier's invoice against the purchase order and delivery documentation to ensure accuracy. Only after the goods or services have been satisfactorily received and verified should payment be processed.
  - **Payment Terms:** Adhere to the payment terms specified in the contract, ensuring timely and accurate payments to maintain good supplier relationships.



- **Contract Management:**

- **Performance Monitoring:** Regularly monitor the supplier's performance to ensure compliance with the contract terms. This includes tracking delivery timelines, quality standards, and any service level agreements (SLAs).
- **Issue Resolution:** Address any issues or disputes with the supplier promptly and seek amicable resolutions. If necessary, refer to the dispute resolution mechanisms outlined in the contract.
- **Contract Closure:** At the end of the contract term, conduct a final review to ensure all obligations have been met and document the supplier's performance for future reference.

## Roles and Responsibilities

- **Procurement Team:** The procurement team is responsible for managing the end-to-end procurement process, including supplier selection, contracting, order management, and contract administration. They must ensure compliance with this policy and strive to achieve the best value for money in all procurement activities.
- **Department Heads:** Department heads are tasked with identifying procurement needs within their departments and working collaboratively with the procurement team to ensure these needs are met in an efficient and effective manner.
- **Employees:** All employees involved in procurement must adhere to this policy and conduct procurement activities ethically and in alignment with Trendie's standards and objectives.

## Compliance and Enforcement

Trendie is committed to upholding this Procurement Policy. Any breach of this policy may result in disciplinary action, including termination of employment. Employees are encouraged to report any suspected violations of this policy to their supervisor or the designated compliance officer.

## Review and Continuous Improvement

This policy will be reviewed annually to ensure it remains effective, relevant, and aligned with best practices and legal requirements. Updates or changes to the policy will be communicated to all employees involved in procurement activities. Trendie is dedicated to continuous improvement and encourages feedback to enhance the procurement process.