



## Procurement Policy

A carefully controlled procurement process will add value to SPT's services by reducing risks and liabilities, and increasing SPT's competitive advantage. SPT must therefore have an effective process to achieve mutually beneficial relationships with reliable suppliers. This process should be based on trust and fair play, and must be conducted stringently, with due consideration given to the criticality and value of the products or services. There must be specific focus on each stage of the process, namely: pre-qualifying, qualifying, contracting, managing, evaluating and registering of suppliers.

Our policy **objectives** and means are as follows:

- 1. Alignment of suppliers with SPT's principles and policies**
  - a. Conduct business with good ethics whilst respecting internationally accepted human and labour rights.
  - b. Comply with all applicable laws, recognized standards and best professional practices.
  - c. Demonstrate strong practices in the reduction of safety, health and environmental risks.
  
- 2. Selection through sensible, transparent and fair process**
  - a. Pre-qualify and select potential suppliers based on their ability to meet SPT's technical and commercial needs.
  - b. Maintain proper records to show a clear, logical and traceable process.
  
- 3. Contract at favorable terms whilst minimizing risks and liabilities**
  - a. Identify the risks and liabilities associated with the procurement process.
  - b. Clearly and precisely state the terms and conditions to contain the risks and liabilities.
  
- 4. Achieve effective, consistent and reliable performance by suppliers:**
  - a. Maintain short and direct communication channels.
  - b. Coordinate, monitor and supervise as appropriate to the criticality of the product or service.
  - c. Perform audits, inspections or surveys when necessary.
  - d. Identify preferred suppliers for future cooperation and ventures, based on their proven abilities.

Managing Director SPT Offshore

Date: 2021-01-15

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Mark Riemers

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