



Procurement Policy Statement

PURPOSE

The Procurement Policy Statement aims to establish mandatory regulations and guiding principles for all procurement activities across AD Ports Group, while promoting ethical, transparent, and fair procurement practices, and supporting corporate social responsibility by integrating environmental, social, and governance (ESG) considerations into procurement processes.

SCOPE

This policy applies to all procurement activities conducted by AD Ports Group and its wholly- or majority-owned subsidiaries.

POLICY STATEMENT

AD Ports Group is committed to the following core principles in all procurement activities:

- **Compliance with laws and regulations:** All procurement activities shall be conducted in full compliance with applicable standards, regulations, and other requirements.
- **Ethical conduct:** All procurement activities shall be performed with integrity, fairness, and transparency, in accordance with the AD Ports Group Code of Business Conduct and relevant legal and regulatory obligations.
- **Governance and risk management:** Procurement processes shall incorporate robust controls to mitigate financial, operational, legal, and reputational risks, and to prevent fraud, corruption, or other misconduct.
- **Leadership, influence & customer focus:** Acknowledge customer service as a key driver for procurement activities, delivering value, and transcending the traditional role of a tactical service provider to that of a strategic business enabler.
- **Commercial discipline:** All procurement decisions shall be guided by sound commercial judgment, cost-effectiveness, and long-term value creation.
- **Sustainable procurement and supplier ESG due diligence:** Embedding sustainability and ESG principles across all procurement processes. This includes supporting fair labour practices and human rights throughout the supply chain; promoting local sourcing and socio-economic development in communities in which the Group operates, and encouraging suppliers with strong environmental performance, resource efficiency, and climate responsibility.
- **Confidentiality:** Strict confidentiality shall be maintained by all personnel involved in procurement activities.
- **Digital procurement:** Procurement activities shall be conducted via secure digital platforms wherever possible, to enhance efficiency, transparency, auditability, and sustainability.
- **Supplier engagement and fair treatment:** Treating all suppliers and contractors in a fair, respectful, and professional manner, fostering long-term, value-driven relationships.
- **Monitoring, reporting, and continuous improvement:** Procurement performance shall be consistently monitored and reported as appropriate to ensure continuous improvement.

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