

PROCUREMENT POLICY

This Procurement Policy (**Policy**) sets out the principles under which procurement will occur with respect to ARA Group Limited ABN 47 074 886 561 and its related corporate entities (collectively **ARA Group**) in Australia and New Zealand, with the objectives of:

- (a) optimising procurement efforts to drive cost savings;
- (b) aligning procurement activities with business plans;
- (c) ensuring ethical, social and environmental considerations in procurement;
- (d) developing mutually beneficial supplier relationships; and
- (e) satisfying customer requirements regarding purchasing.

1 Procurement considerations

ARA Group procures goods, software, contract resources and services that are needed for conducting business activities from suppliers, either for internal purposes or to add value to them, and thereafter supplied to customers as ARA Group goods or services. This is done after ARA Group ensures that it is otherwise unable to source such goods or services internally within its own businesses.

ARA Group seeks to procure all goods and services from third parties in a manner that at all times adheres to ethical, economic, and environmental principles. ARA Group aims to realise the potential of its supply chains by driving positive social outcomes.

ARA Group works with suppliers to identify, mitigate and manage risks and encourages both existing and potential suppliers to collaborate with ARA Group in applying best practices, high ethical standards, and continuously improving such practices and standards.

2 Co-existence with, and selection of, suppliers

ARA Group strives to establish co-existing relationships with suppliers as good business partners by building long term relationships based on trust, mutual improvement, and continuous effort.

Suppliers are evaluated and selected comprehensively based on criteria such as:

- (a) credibility;
- (b) technology;
- (c) quality, price and delivery of procured items; and
- (d) engagement with corporate social responsibility.

In evaluating suppliers, ARA Group treats supplier candidates fairly, sincerely, and offers the same reasonable opportunities equally, as appropriate in the circumstances.

3 Corporate Social Responsibility

ARA Group proudly promotes corporate social responsibility activities with its suppliers based on the “Ten Principles of the UN Global Compact”. Further information as to this undertaking is contained in ARA Group’s Corporate Social Responsibility Policy.

4 Aboriginal and Torres Strait Islander businesses

In accordance with ARA Group’s Corporate Social Responsibility Policy, where possible, ARA Group seeks to procure goods and services from suppliers which are Aboriginal and Torres Strait Islander owned, managed and controlled.

5 Corporate social responsibility

This Policy is to be read and applied in conjunction with ARA Group’s Corporate Social Responsibility Policy.



Edward Federman
Chief Executive Officer

12 December 2023

Date