



Conundrum Holdings Pty Ltd Purchasing Policy

Conundrum Holdings Pty Ltd strives to ensure that all purchases are made ethically to directly support the interests of the company and are portrayed with integrity and honesty.

To ensure the responsible financial and ethical management of Conundrum Holdings Pty Ltd, principles that are used in making purchasing decisions include:

- The ability of the purchase to meet its anticipated requirements throughout the items lifetime;
- The value for money of the purchase when compared to other, similar products;
- The suppliers ability to ensure correct and efficient delivery and, when necessary, service; and
- The opportunity to support suppliers in turn, ensuring open and effective competition.
- Considerations to the environment and the impact of the purchase in relation to environmental issues such as ongoing energy efficiencies or emissions.

The company's implemented policies, procedures, and processes are used to reflect an environment that ensures Conundrum Holdings Pty Ltd is in the best possible position to obtain the products and services required within a timely and cost effective manner to effectively run the business, while also ensuring that appropriate business processes are followed.

Conundrum Holdings Pty Ltd maintains fair and honest relationships with its suppliers and purchasers. The company ensures that it is not influenced by the actions or recommendations of any external party, and is not prejudiced or biased by accepting gratuities or benefits.

Conundrum Holdings Pty Ltd relies on its employees to undertake their duties with impartiality, honesty and sincerity to ensure that the ethical requirements of the company are maintained.

The following provisions apply to all purchases on behalf of Conundrum Holdings Pty Ltd:

- Employees are not to accept gratuities and/or benefits from suppliers (either pre or post purchasing).
- Purchases can only be made through suppliers that are 'Active' in SAP, and when possible, hold Associate Membership with the Construction Material Processors Association.
- Purchase Orders (PO) can only be raised by employees that have been designated a SAP log-on.
- A PO must be raised before placing any order via any means (such a verbally or by email) for the supply of goods/services to Conundrum Holdings. It must be entered directly into SAP with all fields completed as requested.
- The organisation of all capital purchases should involve the Purchasing Manager and must be confirmed to have been included in the authorised Capital Budget. If a purchase is not identified in the Capital Budget, the Managing Directors approval must be gained before a PO can be raised.
- For miscellaneous purchases less than \$200, employees are encouraged to use a company credit card. Evidence of which must be promptly provided to Head Office, through the presentation of a Tax Invoice with Allocation Code and Work Site (Profit Centre and Asset ID where applicable) recorded.
- For individual items exceeding \$3,000, quotes must be obtained from three different preferred suppliers before a PO is raised (this includes fuel purchases). Evidence of which must be recorded in SAP by raising an Activity and linking it to the successful supplier's PO.
- POs exceeding \$10,000 require the Managing Director's approval (excluding fuel and explosives).



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- No suppliers are to be allowed to complete work on site without the relevant PO being provided upon arrival, recorded on the *Register for Visitors* [CH 4.iii.1445] and authorised at the Dispatch window.
- No payment to a supplier can be made unless a PO has been raised, it is quoted on the Tax Invoice (excluding utilities) and there is sufficient evidence that the goods/services nominated on the PO have been received.

Ron Kerr

Managing Director