

# Healius Limited

## Procurement Policy

### 1 Introduction

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#### 1.1 Who does this Policy apply to?

This Policy applies to all employees, contractors and temporary staff (**Staff Members**) of Healius Limited and its related bodies corporate (together, the **Healius Group**); and suppliers of goods or services to the Healius Group, and their employees (**Suppliers**).

#### 1.2 What does this Policy cover?

Healius Group is committed to ensuring Procurement Activities are conducted commercially, ethically, and sustainably to generate optimum value for money outcomes with a whole-of-life focus.

**Procurement Activities** include:

- pre-contract activities such as planning, needs identification and analysis, and sourcing
- post-contract activities such as contract management, supply chain management and disposal
- general activities related to procurement such as any supplier or market engagement, corporate governance, supplier relationship management, risk management and regulatory compliance.

This Policy should be read in conjunction with the Healius Group's:

- Delegations of Authority
- Gifts and Entertainment Policy;
- Anti-bribery and anti-fraud Policy
- Code of Conduct
- Environment Policy
- WHS Policy

## 2 Policy

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### 2.1 Value for money

Healius Group is committed to obtaining the best overall outcome in terms of value for money, performance and whole-of-life-costs. We do this whilst keeping relevant stakeholders informed or consulted at all stages of the procurement process. We leverage the full purchasing power of Healius Group for commonly supplied goods and services where sensible to do so. Value for money is demonstrated through competitive process and/or rigorous benchmarking while procurement benefits are tracked centrally.

### 2.2 Managing procurement risk

Healius Group aims to ensure that all procurement is conducted within a framework in compliance with group procedures, tools and templates, based on a risk-based approach. Transactions are to be covered by appropriate terms and conditions.

Conflicts of interests are considered and managed appropriately in every procurement activity.

### 2.3 Sustainability

Procurement where possible should have the most positive environmental, social and economic impacts over the entire lifecycle of a good or service (i.e. from raw material acquisition or generation from natural resources to final disposal) following a risk-based approach.

Healius should not cause or contribute to adverse sustainability impacts. However, if Healius Group causes or contributes to adverse sustainability impacts (such as modern slavery) it will use best endeavours to provide for, or cooperate in, the remediation of that impact. Where it has not caused or contributed to harm but is directly linked to adverse impacts by a business relationship, Healius Group is not responsible for remediating the impact but should use its influence to work with the entity that caused the impact to prevent or mitigate the harm and its recurrence, or consider ending the business relationship with the entity that caused the impact.

### 2.4 Supplier relationships

Healius Group is committed to building a strong reputation with suppliers by demonstrating probity, integrity, impartiality, confidentiality, transparency, accountability and respect. Healius Group will partner and manage relationships strategically with organisations where the supply of goods and services is critical to the success of Healius Group's core operations and drive for continuous improvement. Healius Group will reduce the number of vendors that Healius Group deals with and ensure that its Suppliers adhere to a Supplier Code of Conduct.

## 3 Compliance

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### 3.1 Managers

Managers must implement this policy and the Procurement Procedure within their areas of responsibility and ensure that all Staff Members and Suppliers involved in procurement for Healius Group are aware of this policy and possess procurement capability appropriately matched to the nature and complexity of the procurement activity to be undertaken.

### 3.2 Individuals who are involved directly in Procurement Activities

Staff Members or Suppliers who are directly involved in Procurement Activities are responsible for ensuring that Healius Group procurement policies, procedures and templates are adhered to.

### 3.3 Compliance

All Staff Members or Suppliers in undertaking Procurement for Healius Group:

- Must comply with the Procurement Procedure
- Must utilise templates where they are made available by Group Procurement

## 4 What are the consequences of breach of this Policy?

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### 4.1 Consequences for employment or engagement

Any Staff Member who does not comply with this policy may be subject to disciplinary action, up to and including termination of their employment.

Any Supplier who does not comply with this policy may be subject to Healius Group exercising its rights under the relevant supply contract, up to and including termination of the contract and termination of the relationship.

## 5 Status of this Policy and updates

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This Policy may be updated or revised from time to time. Updated or revised versions of this Policy will be made available on the Healius Group's intranet site, PRIME. If you don't have access to PRIME you can request a copy of the Policy from the Company Secretariat team ([cosec@healius.com.au](mailto:cosec@healius.com.au)) or the Procurement team. It is each Staff Member's responsibility to access PRIME to ensure he or she has is familiar with the most recent version of this Policy.

Approved

Date: 30 June 2019

Malcolm Ashcroft  
Chief Finance Officer

## 6 Version Information

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Version	Date	Comment
1.0	30 June 2019	Original