

# TGS Global Supply Chain Policy



## Principles

TGS aims to always to be a professional player who procures with a good business practice, quality, and competence through all parties in our Supply Chain. We shall:

- Comply with the TGS requirements regarding tendering, purchase orders, authorization levels, exemptions and terms & conditions.
- Segregate duties to avoid conflicts of interest.
- Follow requirements to ethics, anti-corruption, HSEQ, export control and sanctions.

## Purchasing

Our ambition is to ensure that all purchasing processes are followed to effectively and sustainably procure goods and services within TGS. We shall:

- Ensure purchasing of goods and services are done in an efficient and timely manner based on internal clients' needs.
- Obtain the best prices and delivery terms, preferably from our defined supplier base.
- Ensure that TGS agreed terms and conditions are followed.
- Consolidate buys if possible and get the most out of Supplier contracts.
- Ensure all purchases that require an invoice to TGS have a PO.

## Logistics

Our ambition is to ensure that all goods and logistics services serve TGS operations in a seamless and sustainable manner and contribute to securing our vessel uptime. We shall:

- Ensure all goods and logistics services are handled in a seamless manner and reach the vessel in time.
- Ensure that transport from Freight Forwarder or Supplier is handled in the most cost efficient way.
- Ensure that suppliers are true to our agreed delivery terms.
- Ensure all goods have good insurance coverage.
- Ensure all routines regarding return transport from vessel - port calls, yards are well known and distributed to crew and onshore personnel.

## Strategic Procurement

Our ambition is to ensure effective and sustainable sourcing processes in TGS. This includes both selection and maintenance of a qualified supplier base supporting our overall supply chain needs. We shall:

- Develop best practice sourcing strategies for all Categories.
- Ensure best practice Source to Contract processes including templates.
- Be involved in procurement activities above USD 250.000 and ensure contract coverage.
- Ensure contract Management process is followed, established and implemented for use in GSC.
- Qualify and approve all new suppliers. Approve any deviations from standard payment terms.
- Ensure Vendor Management processes are implemented and followed such as Supplier Risk overview and actions (audits) and Supplier Relationship Management (SRM).