

Procurement Policy
Business and Human Rights Association
Policy and Procedures No. COC09

1. Introduction

This Procurement Policy (“**Policy**”) outlines the guidelines and procedures for all procurement activities of Business and Human Rights Association (“**Minerva**”). It aims to ensure that the organisation acquires goods and services in a transparent, fair, and cost-effective manner while adhering to ethical standards and legal regulations. This Policy is an integral part of the provisions contained in the Minerva Code of Conduct and Minerva Anti-Corruption and Anti-Bribery Policy.

2. Objectives

The primary objectives of this procurement policy are to:

- Obtain goods and services that meet the needs and specifications of the Minerva’s programs and projects,
- Encourage fair competition and equal opportunities for all potential suppliers and service providers,
- Ensure value for money through effective sourcing and negotiation,
- Promote conducting procurement from sellers that conduct ethical practices and respect for human rights in the supply chain,
- Maintain accurate and reliable procurement records for accountability and audit purposes.

3. Roles and Responsibilities

Procurement Committee: A dedicated committee shall be established, consisting of representatives from the Board of Directors of Minerva, to oversee the procurement process and make final decisions on major procurements. The committee shall convene as regularly as required to evaluate procurement requests, review contracts, and ensure compliance with the policy.

Procurement Officer(s): An appointed procurement officer(s) shall be responsible for day-to-day procurement activities, ensuring compliance with the policy and maintaining

proper documentation. The officer will liaise with budget holders and suppliers to facilitate smooth procurement processes.

4. Procurement Process

4.1. Standard Procurement Process: Adequate planning is crucial to identify procurement needs, specifications, and budget allocation. The Procurement Committee shall review and approve all procurement plans. Suppliers and service providers shall be selected through a competitive and transparent process. Requests for Quotations (“**RFQs**”)¹, Requests for Proposals (“**RFPs**”), or Tenders shall be used based on the complexity and value of the procurement. The Procurement Officer shall maintain a comprehensive database of pre-qualified suppliers to expedite the process.

4.2. Under the Standard Procurement Process, the Procurement Committee, in collaboration with relevant stakeholders, shall evaluate received quotations, proposals, or bids based on pre-defined criteria and select the most suitable supplier/service provider.² Emphasis shall be placed on quality, price, delivery timelines, and the supplier's track record. The price survey and quotation/invoice requests shall ensure efficiency and transparency whilst maintaining competitiveness.

- For purchases under 150.000,00 TRY and equivalent amount based on the daily currency rate dictated by the Central Bank of the Republic of Türkiye, a price survey by telephone of two suppliers shall be sufficient for determining the supplier.
- For purchases equal to or above 150.000,00 TRY and equivalent amount based on the daily currency rate dictated by the Central Bank of the Republic of Türkiye, a quotation shall be obtained from three local suppliers.

4.3. Sole source procurement refers to the procurement of goods or services from a single supplier or service provider without competitive bidding detailed under Articles 4.1- 4.3 herein due to unique circumstances or market conditions that make alternative options impractical or unavailable. Minerva recognizes that in certain situations, sole source purchasing may be necessary to meet urgent project

¹ Please view the template RFQ in Annex-1

² Please view the template quotation document in Annex-2.

needs, ensure compatibility with existing systems, or maintain continuity of critical services.

- To initiate a sole source procurement, a detailed justification must be presented to the Procurement Committee, explaining the compelling reasons for not engaging in competitive bidding. The justification should include evidence of attempts to obtain competitive bids and demonstrate the uniqueness, convenience or exclusivity of the required goods or services.
- The Procurement Committee shall thoroughly review the sole source procurement request³ and its justification. The Procurement Committee will assess the validity of the reasons provided and ensure that the decision aligns with the best interests of Minerva. The Procurement Committee shall exercise due diligence in reviewing and approving sole source procurement requests to ensure compliance with this policy and applicable regulations.
- Upon approval by the Procurement Committee, the sole source procurement request shall be documented in writing, along with the rationale for the decision. This documentation shall be retained for audit and transparency purposes.
- In sole source procurement, Minerva shall strive to achieve value for money and ensure that the price, quality, and delivery of goods or services are reasonable and competitive within the prevailing market conditions. To maintain transparency and accountability, the sole source procurement decision and related documentation shall be made available for internal and external review as required.

Minerva shall prioritise suppliers and service providers that uphold ethical practices, respect human rights, and adhere to environmental sustainability standards.

4.4. Expedited Procurement Process refers to the procurement procedure that allows for the swift acquisition of goods and services, and works without following the steps outlined in the Standard Procurement Process and detailed under Articles 4.1-4.3 herein. Minerva holds the right and discretion to carry out the Expedited Procurement Process, if and when signing date of the contract and the implementation beginning date of the relevant project are in less than 30 days of each other. If such a manner is to be adopted, the Procurement Officer shall

³ Please view the template sole source procurement request in Annex-3.

promptly notify the Board of Directors on which the Board of Directors shall adopt a decision.

5. Miscellaneous

Non-compliance with the contract terms, ethical standards, or legal requirements may result in penalties or termination of the contract. Minerva shall maintain open communication with suppliers, addressing concerns promptly and fostering a productive working relationship.

All procurement transactions shall be in accordance with the approved budget and funding source. The Procurement Officer shall coordinate with the Board of Directors to ensure the availability of funds for each procurement activity. Proper financial records shall be maintained for each procurement activity, including invoices, receipts, and payment documentation.

Any employee involved in the procurement process must disclose any potential conflict of interest, whether direct or indirect, to the Procurement Officer or the Procurement Committee. In case of a conflict, appropriate measures shall be taken to ensure an unbiased and transparent procurement process.

6. Amendments and Review to the Policy

Any changes or amendments to this Policy shall be approved by the Procurement Committee. The Procurement Committee shall be responsible for proposing and reviewing policy updates based on changing organisational needs and best practices.

This Policy shall be reviewed periodically, at least annually, to ensure its effectiveness and relevance to the organisation's needs. Feedback from staff, suppliers, and other stakeholders shall be considered during the review process to improve procurement practices continuously.

This Policy shall enter into force upon its acceptance via a Board of Directors decision.

Status: Procurement Policy under Minerva Policy and Procedures No. COC09, Approved

Date of Acceptance: April 2022

Date of Entry into Force: November 2022

Approved by: Minerva Board of Directors

Annex-1

Request for Quotation Template



Minerva Business and Human Rights Association

Request for Quotation

RFQ Number: [Insert RFQ Number]

Date: [Insert Date]

Project/Procurement Title: [Title of the Project or Procurement]

Description of Required Goods/Services:

[Provide a detailed description of the goods or services required for the project or procurement. Include specifications, quantities, delivery requirements, and any other relevant details.]

RFQ Instructions:

- Suppliers are invited to submit their quotations in response to this RFQ.
- Quotations should be submitted either in a sealed envelope/package marked "RFQ Response - [Project/Procurement Title]" or via email to the address provided below.
- Quotations must be submitted on or before the specified deadline.
- All prices should be quoted in [Currency] and include all applicable taxes, duties, and delivery charges.

Submission Deadline: [Insert Submission Deadline Date and Time]

Address for Submission: [Insert Address for Submission]

Evaluation Criteria:

[Specify the criteria that will be used to evaluate the received quotations. This may include factors such as price, quality, delivery timelines, past performance, and compliance with specifications.]

Contact Information:

For any inquiries or clarifications related to this RFQ, please contact:

- [Your Name and Title]
- Email: [Your Email Address]
- Phone: [Your Phone Number]

Thank you for your interest in working with Minerva Business and Human Rights Association. We look forward to receiving your quotation.

Sincerely,

Annex-2

Quotation Template

[Supplier/Company Name] Quotation
for Minerva Business and Human Rights Association

Quotation Number: [Insert Quotation Number]

Date: [Insert Date]

Project/Procurement Title: [Title of the Project or Procurement]

Description of Goods/Services Offered:

[Provide a detailed description of the goods or services being offered in response to the RFQ. Include specifications, quantities, delivery timelines, and any other relevant details.]

Quotation Terms and Conditions:

Price: The prices quoted are in [Currency] and are valid for [number of days] from the date of this quotation.

Taxes and Duties: All applicable taxes, duties, and levies are included in the quoted prices.

Delivery: Delivery will be made to the following address: [Delivery Address]. The delivery timeline will be as per the schedule provided in this quotation.

Payment Terms: Payment shall be made within [number of days] days of receipt and acceptance of the goods/services, subject to the terms and conditions specified in the contract.

Validity: This quotation is valid for acceptance until [Validity Date].

Warranty: [If applicable, specify the warranty period and coverage for the goods or services provided.]

Acceptance: The acceptance of this quotation shall be in writing and subject to mutual agreement on the terms and conditions.

Total Quotation Amount:

[Insert the total amount of the quotation, inclusive of all charges.]

For any inquiries or clarifications related to this quotation, please contact:

- [Supplier's Representative Name]
- Email: [Supplier's Email Address]
- Phone: [Supplier's Phone Number]

[Supplier's Representative Name]

[Supplier/Company Name]

[Date and Signature]

Annex-3

Sole Source Procurement Request Template



Minerva Business and Human Rights Association

Sole Source Procurement Request

Sole Source Procurement Request Number: [Insert Number]

Date: [Insert Date]

Project/Procurement Title: [Title of the Project or Procurement]

Background:

[Provide a brief overview of the project or procurement, its objectives, and the context in which it is being conducted.]

Description of Required Goods/Services:

[Specify the goods or services required for the project or procurement. Include detailed specifications and quantities.]

Reasons for Sole Source Procurement:

[Explain the compelling reasons why the procurement needs to be conducted as a sole source, rather than through competitive bidding. Include the following points:]

- Uniqueness or Exclusivity: Describe the uniqueness or exclusivity of the required goods or services that make them available only from a single supplier.
- Compatibility and Interoperability: If relevant, explain how the goods or services from the chosen supplier are essential for compatibility with existing systems or processes.
- Urgency: If applicable, outline any urgent project needs or time constraints that necessitate expediting the procurement process.
- Specialized Expertise: If the supplier possesses specialized expertise or qualifications crucial for successful project implementation, provide relevant details.
- Market Analysis: Briefly explain the efforts made to obtain competitive bids from multiple suppliers and the reasons for their unavailability or infeasibility.

Proposed Supplier Details:

[Provide information about the selected supplier, including the name, address, contact information, and any relevant certifications or accreditations.]

Risk Assessment:

[Identify and evaluate any potential risks associated with the sole source procurement, and propose mitigation strategies.]

I, [Your Name and Title], as the [Your Position Title], hereby approve the use of sole source procurement for the goods/services mentioned above based on the justifications provided in this document.

Signatures:

[Your Name and Title] [Date]