

Dextrans Worldwide Group

Vendors Purchasing Policy

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1. Purposes and administration of vendors purchasing policy

- 1.1. The purpose of these policies is to bring uniformity to corporate operations and therefore reduce the risk of an unwanted event.
- 1.2. Employees should read, understand and comply with this Policy. All Employees are responsible to ensure the highest standards of ethics, honesty, openness and accountability in line with the Group's commitment to enhance good governance, transparency and to safeguard the interests of Dextrans.
- 1.3. This Policy will be subject to review by the management of Dextrans from time to time as appropriate.

2. Customer / Agent Data Form (CDF)

- 2.1. Any amount above USD 25,000 (*Authorized approval limit granted to country manager) on a single or monthly purchase must have CFO/COO endorsement/signatures.
- 2.2. It is the duty and responsibility of the Branch Manager and his/her purchasing team to negotiate the best terms of credit period and limits for the Dextrans site. In our normal expectations, the minimum credit period should be at least 60 days.

3. Verification and Approval Limits

3.1. Purchase Order approval Limits

- 3.1.1. Any purchases above USD 25,000 on a single invoice/purchase order or monthly purchases must be pre verified by Branch Manager or office accountant and approved by CFO/COO.
- 3.1.2. Office accountants with the input of Branch Managers must monthly update vendors listing and suggest tagging important vendors to the monthly amount above USD 25,000.
- 3.1.3. All suppliers' invoices must be accompanied with a chop/stamp on the invoice showing the date, job number, verification, approval and posted in CargowiseOne. Absence of this, accountants are advising that the invoice is not to be paid.

3.2. Payment methods

3.2.1. Payments can be made via:

- I. **WCA Partner Pay** – Efforts must be made to utilize this tool as much as possible to minimize the cost incurred by the company.
- II. **Bank Transfer**
- III. **Cheques with double cross lines** – We intend to eliminate the cheque payments across the group. Please get the approval from Group accountant if you want to issue cheque for payment.
- IV. **Cash:** Limited to payments that within USD100 (or equivalent to the local currency). Please get the approval from Group accountant if you want pay through cash above USD100.

3.2.2. All payments must only be issued to a company and not to any individual names.

3.2.3. At any point of time, the cash on hand should not exceed USD1,000 to minimize unwanted risk.

3.2.4. Site accountant must ensure all the payments are supported by valid documents and proper approval has been obtained.

3.2.5. Be extra vigilant when processing payment. Actions can be taken to avoid getting scammed:

- a) Be extra vigilant – If you receive emails that are suspicious and unusual, please always verify with that person by another means such as Teams or call, especially if it relates to payment request or change of banking details.

- b) Transfer initial test amount to new supplier/ change of supplier bank account information –The initial test amount can be USD1K, 10K or any amount you deemed reasonable, depending on how risky you view the provided bank details are, and the financial loss you are willing to risk. Once we have transferred the initial test amount, we can confirm with the supplier by another communication channel such as Teams or call to confirm they received our payment.

3.3. Bank Signatory and Limitations

3.3.1. Site accountants are to familiarize with the bank signatories of their individual sites and to constantly review and propose to HQ Group accountant if any changes needed.

3.3.2. Bank signatories' authorization limits are meant to provide control over the signing rights of the individual signatory. This does not mean that the signatory is allowed to sign multiple cheques of same value to circumvent the limits to his approved authority.

3.4. WCA PP and banking online transfer must be used as much as possible to facilitate payment process so as to be more efficient in our financial management.

3.5. WCA Partner Pay

3.5.1. As far as possible with the exception to India (which WCA PP is restricted by Indian government regulations) all efforts must be made to utilize this tool as much as possible.

3.5.2. All accountants are to note the rules and cost, expenses governing this mode of settlement.

4. Tax and Duties Outlay

4.1. Goods & Services Tax (GST) and/or Value Added Tax (VAT) – this is strictly COD basis and no credit can be granted unless approved by CFO/COO.

4.2. Duties - Strictly COD basis and no credit can be granted unless approved by CFO/COO.

5. Commission, rebate and profit share payable to external parties

5.1. HQ Management does not allow rebates. However, the rebates, in any form and of any nature, if deemed necessary, prior approval must be obtained from CFO/COO.

5.2. Strictly no rebate payment for individual.

6. Other non-operating expenses

a) General office expenses: follow the payment approval process laid out in the vendor payment cycle.

b) Country manager reimbursement claims: follow the Biz Expense Policy laid out in a separate policy guideline. Approval from CFO/COO must be obtained for claims more than USD250 per receipt/invoice.

c) Payment not under CMs responsibilities (eg: Inter-Dextrans settlement, audit fee & tax fee, purchase of FA – Follow Dextrans Approval matrix file.

7. Others

7.1. Advance given to staff - Prior approval must be obtained from CFO/COO.