



Thessaloniki Port Authority Procurement Regulation

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1. Definitions & Abbreviations

1.1 Definitions

The following definitions apply to terminology used throughout this Policy:

Term	Definition
Approval Body	A person, board, or committee with the authority to provide approval for the procurement of certain goods, works or services
Company or ThPA	Thessaloniki Port Authority S.A.
Contractor	A person or firm that undertakes a contract to provide goods, works or services. Shall cover equally the concepts of contractor, supplier and service provider.
Bid	An offer by a prospective supplier in response to an invitation for tender (Call for Tender) to provide the required goods, works or services
Bid Submission Period or Closing Time	The date and time that a tender submission needs to be delivered and received. Tenders submitted after this date might not be considered in the competition.
Bidder / Tenderer / Candidate	A contractor or prospective supplier who responds to an invitation to bid (Call for Tender)
C-level Executive	Chief Officer of the respective division(s)
Evaluation Committee	A body which is appointed to review and evaluate proposals submitted in response to an invitation to bid (Call for Tender) and to recommend a proposal award
Guarantee / Participation Bond	A bid bond is issued as part of a supply bidding process by the prospective supplier, to provide guarantee, that the winning bidder will comply with the tender terms, and in order to avoid failure to comply with any other condition precedent to signing the contract specified in the solicitation documents
Notification of Award	A written confirmation of an award of a contract to a successful bidder, stating the amount of the award, the award date, and when the contract will be signed
Procurement Policy or Policy	ThPA's Procurement Policy
Procurement & Investments Division	ThPA's division which is responsible for overseeing the implementation of investments, as well as the procurement of goods, works or services
Requesting Unit	A division or department within the Company which files a Purchase Requisition form
Requisitioner	A member of the Requesting Unit who identifies the need for the procurement of certain goods, works or services
Request for Proposal (RFP)	A formal method of solicitation where prospective suppliers are requested to submit a proposal for the provision of goods, works or services, based on the Specifications, Scope of Work, or Terms of Reference included in the solicitation documents

Request for Quotation (RFQ)	An informal method of solicitation whereby suppliers are requested to submit a quotation for the provision of goods, works or services
System	ThPA's ERP System (SAP)

1.2 Abbreviations

Abbreviation	Description
€	Euro
BoD	Board of Directors
CCO	Chief Commercial Officer
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIO	Chief Investment Officer
COO	Chief Operational Officer
e.g.	For example
etc.	And so forth
ExCo	Executive Committee
IT	Information Technology
th.	Thousand
VAT	Value Added Tax

2. Purpose & Scope

2.1 Purpose

The **Procurement Policy** (hereinafter referred to as "Policy") sets out the terms and conditions, rules and principles governing the procurement function and procedures of **Thessaloniki Port Authority S.A.** (hereinafter referred to as "ThPA" or "Thessaloniki Port" or the "Company"). The main objectives of the present Policy are the following:

- To ensure that works, goods and services procured meet the Company's business needs and requirements in terms of quality, safety and efficiency
- To achieve optimal use of ThPA's resources and optimize the added value for the Company, in terms of cost, quality and delivery time
- To ensure transparency and effectiveness across all procurement procedures

- To promote fair competition
- To ensure probity and accountability for outcomes – probity means integrity and honesty, and the Company conducts its purchasing activities with the utmost probity
- To provide guidance to the Company to allow consistency across all procurement activities
- To prevent, adequately control and avert the risks the Company is exposed to

The present Policy was developed based on best practices applicable by relevant companies and organizations at international level, taking into account ThPA's internal needs and goals, and in accordance to all the principles of European and national procurement law.

2.2 Scope

The scope of the Procurement Policy is to set out the procedures, principles and rules governing the award of works, services and goods by the Company regardless of estimated value.

In any case, the Policy applies in parallel and complements other related procedural documents, issued and adopted by the Company. In case of any conflict or discrepancies between the provisions of these documents, the present Policy prevails. This Policy is addressed to and commits all of the Company's employees, the Management, and any other parties or entities who make transactions with the Company.

The Policy covers all supply categories for all the organizational units of the Company. More specifically, the present Policy applies to the following:

- Equipment, machinery and relevant spare parts for the port's productive facilities
- Materials and consumables for the operation of all equipment and machinery
- Execution of works (including maintenance & repair and remedial works), preparation of engineering / technical studies and rendering of any other services related to port infrastructure, superstructure, buildings and facilities
- In general, any kind of equipment, machinery, spare parts, materials and consumables for the operation of the Company's administrative facilities
- Installation, maintenance and repair services, as well as operational support services regarding equipment, machinery and facilities
- IT-related equipment, machinery, services, spare parts and general IT hardware and software, as well as telecommunications infrastructure (hardware, software and related services)
- Consulting, auditing and general professional services
- Services related to personnel (car fleet, staff insurance, staff training, etc.)
- Maintenance, cleaning and security of the port's facilities
- General materials and consumables

2.3 Exemptions from the scope of the Policy

The following are exempt from the scope of the present Policy:

- Payments towards the Greek State, tax authorities or other public authorities
- Financial services related to the issuance, sale, purchase or transfer of securities or other financial instruments
- Financing arrangements (e.g. loan payments, issue of bonds, etc.)
- Provision of legal services and services falling into specialist expert fields
- Participation in exhibitions, seminars and conferences, purchase of newspapers, magazines and books, subscriptions and memberships
- Entries to printed or electronic media, promotion and advertising expenses
- Travel expenses, as provided for in the travel policy of ThPA
- Donations / sponsorships / charities

3. General Principles

The present Policy is governed by the following general principles:

- The Company treats all prospective suppliers equally and without discrimination and acts in a transparent manner, respecting the principle of proportionality, mutual recognition, protection of individual rights, freedom of competition, protection of the environment and sustainable development.
- The procurement policies and procedures are designed to enhance competition by promoting the implementation of the principles and provisions of this Policy and the general principles of law.
- The Company takes all necessary measures to ensure the effectiveness of procurement processes and the sound management of all resources allocated for this purpose.
- The Company ensures that all terms and conditions, as well as selection and award criteria concerning the tendering procedures and the selection of prospective suppliers contained in the present Policy are reasonable and fully aligned with market conditions.
- The Company ensures that all contractors comply with all existing obligations in the areas of environmental, safety, social and labor law enacted by EU law, national law, collective agreements or international provisions of environmental, social, labor law and tax law (where applicable). This requirement is indicated in the tender documents and constitutes a special condition for the performance of the contract. The breach thereof by the contractor may constitute grave professional misconduct of the prospective supplier that will allow its exclusion from a subsequent procurement procedure.

- The Company ensures that all candidates or tenderers receive simultaneously identical information. All terms, clauses, technical specifications, selection and award criteria, and award documents contained in the tender documents must be the ones required and appropriate for the purpose pursued.
- The Company does not disclose information submitted to it by prospective suppliers, which they have designated as confidential, including, without limitation, restricted information of commercial or technical nature and confidential aspects of their offer, especially when such confidentiality is enshrined in legislative or regulatory provision. If a prospective supplier characterizes certain information as confidential, because of the existence of restricted information of commercial or technical nature, it must explicitly list in its relevant statement all relevant provisions of law or administrative acts requiring the confidentiality of such information. Otherwise, there is no obligation for confidentiality.
- The Company takes all appropriate measures to effectively prevent, identify and remedy conflicts of interest arising in the conduct of procurement processes including the design and preparation of the overall procedure and the preparation of contract documents, to avoid any distortion of competition and to ensure equal treatment of all prospective suppliers.

4. Roles & Responsibilities

The following bodies / entities are mainly responsible for relevant stages of ThPA's procurement activities:

I. Chief Executive Officer (CEO)

ThPA's Chief Executive Officer (CEO) is responsible for ensuring corporate-wide adherence to the provisions of the present Policy.

II. Procurement & Investments Division / Chief Investment Officer (CIO) / Procurement & Investments Manager

ThPA's Procurement & Investments Division is responsible for the overall implementation of the present Policy and to continuously monitor its effectiveness. The division operates under the management of ThPA's Procurement & Investments Manager, while ThPA's Chief Investment Officer (CIO) is responsible for overseeing its overall performance, and ensuring compliance with the provisions and procedural guidelines set forth in the Company's Procurement Process Manual.

The Procurement & Investments Division has the following indicative responsibilities (related to the procurement function, not exclusive):

- Implementation of annual procurement review

- Annual review and update (as appropriate) of ThPA's Procurement Policy, Inventory Policy, Material & Asset Disposal Policies, as well as any other documentation related to the Company's procurement function
- Overall coordination of the development of ThPA's Procurement Plan
- Monthly monitoring of Procurement Plan implementation
- Definition of the list of prospective suppliers / tenderers
- Preparation and issuance of tenders (RFP, RFQ)
- Coordination of the development of the technical specifications (if applicable) and their appropriate inclusion in the tender documents. The technical specifications shall be prepared by the Requesting Unit, save in exceptional cases duly justified, in close collaboration with the Procurement & Investments Division (please refer to Section 7.1 of the present Policy for details).
- Communication with all tenderers, prospective suppliers and any other entities related to ThPA's procurement procedures. This shall be performed in close collaboration with the Requesting Unit, which is responsible for the provision of technical expertise and knowledge throughout the procurement procedure.
- Collection or return of guarantees / participation bonds from / to prospective suppliers (if applicable), in accordance to the provisions set forth in Section 7.1 of the present Policy
- Development of the requirements for offer submission (timetable, submission method, etc.)
- Receipt and proper filing of offers / bids
- Overall coordination of the offer evaluation process, in close collaboration with the Evaluation Committee (please refer to Section 10.3 of the present Policy for details)
- Development of the Notification of Award
- Development and management of procurement contracts
- Development and update of ThPA's Supplier Record
- Overall coordination of Supplier Performance evaluation, in accordance to the provisions set forth in Section 12.1 of the present Policy
- Overall coordination of physical inventory counts

III. Evaluation Committee

The Evaluation Committee is responsible for performing the overall evaluation of offers. The Evaluation Committee is composed of at least three (3) members and is appointed for every tender. The Evaluation Committee shall be composed of the following indicative members:

- ThPA's Procurement & Investments Manager
- One or more members (as required) of the Procurement & Investments Division

- Head of the department or division requesting the supply of works, goods and services (Requesting Unit)
- Depending on the requirements of the tender, the Evaluation Committee may include additional members, such as:
 - ThPA's Chief Investment Officer (CIO) / Chief Financial Officer (CFO) or a representative
 - ThPA's Head of Legal Department (Legal Affairs Office) or a representative, in cases of complex legal or regulatory requirements
 - ThPA's Chief Operational Officer (COO) or a representative, in cases of technical equipment or machinery
 - ThPA's Chief Executive Officer (CEO), in case of works, goods and services that are of high value or of critical strategic importance to the operation of the Port
 - Any other ThPA employee as appropriate

As part of the tender evaluation process, the Company retains the right to consult with third parties / external advisor(s), as deemed necessary.

IV. Requesting Unit

A division or department within the Company, which files a Purchase Requisition form concerning the procurement of certain works, goods or services. In case the selected procurement process requires the preparation of technical specifications concerning the goods, works or services to be procured, the Requesting Unit is responsible for the collection and preparation of all required data, as requested by ThPA's Procurement & Investments Division. The Requesting Unit is also responsible for proposing the most relevant award procedure, in accordance with the provisions set forth in Section 5.1 of the present Policy. Furthermore, the Requesting Unit may also be involved in the management of a procurement contract and the evaluation of the respective supplier (if deemed necessary), in close collaboration with the Procurement & Investments Division.

V. Finance Division

ThPA's Finance Division is responsible for monitoring budget implementation and the provision of consultation to the Procurement & Investments Division in regards to financial issues related to the Company's procurement operations.

VI. Legal Department (Legal Affairs Office)

ThPA's Legal Department is responsible for providing expertise on legal issues related to the Company's procurement operations (e.g. review of legal terms and conditions, review of contracts, legal disputes with suppliers, etc.).

VII. Third Parties

The Company has the right to involve third party consultants to the procurement procedures in case either it does not have the expertise and / or it requires soliciting an objective opinion of a third party. This third party shall have the appropriate professional experience and required qualifications concerning the specific issue requiring such an opinion.

VIII. ThPA Employees

All ThPA employees involved with the procurement of works, goods and services are responsible to abide by the provisions of the present Policy.

A detailed description of the tasks performed by the abovementioned bodies /entities related to the Company’s procurement operations is provided in the ThPA’s Procurement Process Manual, which has been developed in alignment with the provisions and guidelines set forth in this Policy and refers to it in all relevant issues.

5. Award Procedures & Approvals

5.1 Types of award procedures

The Company may recourse, at its discretion, to one of the following award procedures (as presented in the table below) based on the type and value of the procurement.

Procedure	Brief Overview & Applicability
<p>Open Procedure</p>	<ul style="list-style-type: none"> • In an Open Procedure, any interested prospective supplier may submit an offer. • A Request for Proposal (RFP) is issued and properly publicized to reach all interested parties. • Minimum participation requirements, technical specifications, evaluation criteria and respective weighing (refer to Section 10.3 for details) are defined in the tender documents. • The minimum time limit for the receipt of offers is fifteen (15) calendar days from the date on which the notice is issued and properly publicized. • All compliant tenders shall be examined and evaluated by the Company. • The Company retains the right to proceed with an accelerated RFP in extraordinary cases (e.g. if there are public safety and health issues at stake), or if the existing situation leads to significant losses for the Company (e.g. if a port crane is out of order). The aforementioned procedure is authorized by the respective Approval Bodies, based on the Approval Limits set forth in the Company’s approved Delegation of Authorities.
<p>Closed or Restricted Procedure</p>	<ul style="list-style-type: none"> • In the Closed or Restricted Procedure, an offer may be submitted only by those prospective suppliers who have been deemed as qualified on the basis

of the qualitative selection criteria and have been invited to do so by the Company.

- The Company may restrict in advance the number of suitable candidates to be invited on the basis of objective criteria, which shall be able to justify (e.g. only a few firms are qualified to fulfil the specific type of requirement, certain conditions warrant the use of a limited number of firms in order to reduce the time and cost of the selection process, etc.).
- The number of qualified candidates must always take into account the need to ensure adequate competition. At any case, the Company shall invite to tender at least three (3) candidates, while a minimum number of three (3) answers is requested, except in cases duly justified by the Company.
- The minimum time limit for the receipt of offers is ten (10) calendar days from the date on which the invitation is sent.
- The Company retains the right to proceed with an accelerated RFP in extraordinary cases (e.g. if there are public safety and health issues at stake), or if the existing situation leads to significant losses for the Company (e.g. if a port crane is out of order). The aforementioned procedure is authorized by the respective Approval Bodies, based on the Approval Limits set forth in the Company's approved Delegation of Authorities.

Direct Award

- The Company may use the Direct Award procedure and select, following a thorough market analysis (please refer to Section 9.1 for details), a single, prospective supplier to whom an invitation is addressed in order to negotiate with the Company the award of the specific contract.
- This procedure shall be selected only under special circumstances (e.g. due to specialized know-how and professional experience, for reasons of extreme urgency brought about by events unforeseeable by the Company, etc.).
- The direct award may also be selected in cases of oligopoly or monopoly, which inevitably lead to a single supplier.
- At any case, the maximum amount of one specific direct award shall not exceed the amount of €100,000.

Negotiated Procedure

- The Negotiated Procedure is a flexible procurement procedure under which the Company consults contractors or prospective suppliers of its choice and negotiates the terms and specifications of the contract with them.
 - In the Negotiated Procedure, any prospective supplier is permitted to submit a request to participate by providing its expression of interest, but only those who are pre-selected by the Company are invited to submit initial tenders and to negotiate.
 - The Negotiated Procedure may be selected in cases where negotiations are deemed necessary due to the specific or complicated nature of the procurement.
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5.2 Selection of award procedure

The Company's Procurement & Investments Manager is responsible for proposing the most appropriate award procedure from the available options as presented in Section 5.1 of the present Policy, depending on the requirements of each procurement procedure, and in collaboration with the Requesting Unit.

The final approval of each award procedure shall be performed by the Company's CIO, following the review of the written justification signed by the Requesting Unit and the Procurement & Investments Manager.

5.3 Approval limits

The Company has defined approval levels and limits regarding the procurement decisions, based on the type and value of the procurement. In accordance with the provisions set forth in the present Policy, authorizations in the various steps of the procurement procedures shall be provided according to the respective approval levels and limits that are outlined in detail in the Company's approved **Delegation of Authorities**.

Furthermore, the Procurement & Investments Manager shall be responsible for performing the systemic approvals on behalf of the Executive Committee and the BoD.

6. Special Procurement & Tender Techniques

6.1 Framework agreements

The Company may enter into framework agreements with one or more prospective suppliers, upon approval by the respective Approval Bodies based on the Approval Limits set forth in the Company's approved Delegation of Authorities.

Framework agreements shall be utilized for repetitive procurement needs, where the exact quantities that will be required are unknown. In accordance with international standards, the following supply categories may be suitable for framework agreements:

- IT hardware, equipment, etc.
- Software licensing
- Office furniture
- Fuel
- Insurance
- Stationary and other office supplies
- Telecommunications infrastructure (hardware, software and related services)
- Travel & accommodation expenditure

- Cleaning services & products
- Transport services
- Security and surveillance services
- Machinery, spare parts and commonly used mechanical equipment or materials
- Building materials

It should be noted that the above list of supply categories is indicative and non-exhaustive. The Company retains the right to enter into a framework agreement for any supply category, provided that this can be properly justified.

Each framework agreement shall outline in detail the respective terms and conditions governing the contracts to be awarded during a specified period, with regard to price and, where appropriate, the quantities envisaged.

The term of a framework agreement shall not exceed two (2) years, except for exceptional cases duly justified, in particular by the subject of the framework agreement that may require long term depreciation of investments.

The Company may recourse, at its discretion, to one of the procurement procedures outlined in Section 5.1 of the present Policy for the award of a framework agreement. Contracts based on a framework agreement are awarded based on objective terms, conditions and award criteria that may foresee reopening of competition among the prospective suppliers (parties to the agreement), if deemed necessary. The terms, conditions and award criteria shall be outlined in detail in the respective tender documents of the framework agreement in order to ensure equal treatment of all prospective suppliers or any other parties to the framework agreement.

In case where reopening of competition is required, the Company shall ensure that bidders are granted sufficient time for the preparation and submission of the bids (Bid Submission Period).

The Company may not recourse to the framework agreement improperly, in such a way as to prevent, restrict, or distort competition.

6.2 Electronic catalogues

The Company may permit or require the submission of offers via electronic catalogues. Offers submitted in the form of an electronic catalogue may be accompanied by additional documentation that complements the offer.

Electronic catalogues are established by the candidates / prospective suppliers with a view to participating in an award procedure, as outlined in Section 5.1 of the present Policy, for any type of contracts (e.g. traditional contracts, framework agreements, etc.) in accordance with the technical specifications, format or any additional requirements established by the Company in the respective tender documents.

7. Tendering Procedure

7.1 Tender preparation

Prior to the launch of a tender procedure, the Procurement & Investments Division is responsible for the preparation of the respective tender documents (RFP, RFQ), including the definition of the selection / award criteria, in collaboration with the Requesting Unit and any other third parties / external advisor(s), as deemed necessary. The aforementioned procedure may require consultation with the Company's Finance Division / CFO, in cases where the budgeted expense is stated.

Any terms and conditions referred to in the tender documents should be clear and complete to allow the submission of robust and comparable offers.

The tender documents should include at least the following:

- Company information (company name, address, telephone, email, etc.)
- Type of award procedure
- Scope of Work, including detailed description of tasks to be carried out and / or technical specifications of the goods, works or services envisaged
- Desired date of receipt / starting date
- Estimated duration of engagement
- Required support services (e.g. guarantees/participation bonds, technical support, training, etc.)
- Deadline for offers submission (Bid Submission Period)
- Desired terms regarding payment and receipt (as appropriate)
- Tenderer qualifications and grounds for exclusion (as appropriate)
- Tenderer evaluation method and award criteria (as appropriate)
- Other terms and conditions critical for the Company
- Any other necessary item / information, so that the supplier is in position to provide the procurement as per the Company requirements

The Company may require the tenderers to provide, as the case may be, a Guarantee or Performance Guarantee or Participation Bond or any other type of insurance, the amount of which shall be set out in the tender documents.

The calculation of the estimated value of a contract shall be based on the total amount payable, excluding VAT or other taxes, as estimated by the Company, including any options or any extensions to the contract, as expressly specified in the tender documents. In contracts which are renewed periodically or framework agreements, the value taken into account is the maximum estimated value, net of VAT, of all the contracts envisaged for the total term of the contract. The time from which the estimated value of the contract is calculated is the date of publication of the contract notice.

The technical specifications of each procurement shall be outlined in detail in the tender documents and agreed before the initiation of the award procedure.

All technical specifications shall be stated in a generic manner, and wherever possible the Company shall use internationally accepted standards to provide a recognized and measurable reference for compliance, remove uncertainty and provide a clear benchmark the suppliers should meet. All technical specifications shall also afford equal access for tenderers and not have the effect of creating unjustified obstacles to the opening up of procurement to competition. Unless justified by the subject matter of the contract, technical specifications shall not refer to a specific source or a particular process which characterizes the goods, works or services provided by a specific supplier / contractor, or to trade marks, patents, types or a specific origin with the effect of favoring or eliminating certain contractors. Such reference is permitted on an exceptional basis, where a sufficiently precise and intelligible description of the subject matter of the contract is not possible. Any reference to a product, material or service shall be accompanied by the phrase “or equivalent” in terms of technical or operational features.

The technical specifications shall be formulated in one of the following ways:

- a) In terms of performance or functional requirements, including environmental, energy, safety, quality and other characteristics, provided that the parameters are sufficiently precise to allow tenderers to determine the subject matter of the contract and to allow the Company to award the contract.
- b) By reference to technical specifications and, in order of preference, to national standards transposing European standards, European Technical Assessments, common technical specifications, international standards, other technical reference systems established by the European standardization bodies or when any of those do not exist national standards, national technical approvals or national technical specifications relating to the design, calculation and execution of the works or services and use of the supplies. Each reference shall be accompanied by the phrase “or equivalent”.
- c) In terms of performance or functional requirements as referred to in point a), with reference to the technical specifications mentioned in point b) as a means of presuming conformity with such performance or functional requirements. Such specification terms may include the required service level (e.g. quantification of the required performance with appropriate performance indicators, etc.) for contracts that entail the provision of works or services.
- d) By reference to the technical specifications referred to in point b) for certain characteristics, and by reference to the performance or functional requirements referred to in point a) for other characteristics.

Where the Company makes use of the option of referring to the technical specifications as mentioned in point b), it shall not reject an offer on the grounds that the goods, works or services tendered for do not comply with the abovementioned technical specifications, provided that the tenderer has the ability to prove by any appropriate means that the solutions proposed satisfy in an equivalent manner the Company’s requirements.

Where the Company makes use of the option laid down in point a) to formulate technical specifications in terms of performance or functional requirements, it shall not reject an offer which complies with national or international standards as outlined in point b), provided that the tenderer has the ability to prove by any appropriate means that the solutions proposed satisfy in an equivalent manner the Company's requirements.

The Company shall provide unrestricted, full, immediate and free access to all prospective suppliers to the technical specifications concerning the goods, works or services to be procured.

7.2 Tender amendments / cancelations

The Company, without liability, penalty or compensation of any kind, retains the right to perform all or any of the following acts concerning a tender procedure:

- At any time prior to the closing of the tender procedure (as indicated in the respective tender documents) extend the date and / or time specified as the Closing Time or Bid Submission Period
- At any time prior to or after the Closing Time, alter any other dates in the tender
- From four (4) to eight (8) calendar days before Closing Time, amend or supplement the tender documents provided that all candidates are properly notified
- At any time prior to or after the Closing Time, the Company may decide the cancellation of the tender procedure by virtue of a specifically reasoned decision. The reasons for such cancellation may include, by way of indication:
 - unlawful or irregular conduct of the award procedure, where as a result of an irregularity, either there was not sufficient competition, or the outcome was affected
 - material changes in the financial, technical or any other aspects of the tender
 - force majeure rendering impossible the continuance of the tender
 - if the Company justifiably deems the result of the procedure unsatisfactory
 - if the competition is insufficient or if there is a serious indication that tenderers acted in concert so as to avoid actual competition
 - if the needs of the Company have changed significantly
 - if the price quotations are obviously and clearly excessive

Any amendments or supplements to a tender procedure shall be communicated to all candidates in the same manner in which the respective tender procedure was issued. Any amendments or supplements made in any other manner shall not be binding.

If the reason for cancellation concerns only part of the contract, the Company may cancel the tender only for this specific part, provided that the respective terms and conditions of the tender permit the submission of offers for specific parts.

If errors or omissions are detected at any stage of the process, the Company may cancel the process in part or adjust its result or decide to repeat it from the point where the error or omission was detected.

In case of postponement or cancellation of the tender procedure, the offers (accompanied with Guarantees / Participation Bonds, if any) already submitted shall be returned to the tenderers, upon their request.

In any case, the Company is not obliged to pay any compensation to tenderers or candidates for expenses or other incidental or consequential damages suffered from any participation in a tender process.

8. Publicity

In case of closed or restricted procedures, the invitation to tender (Call for Tender) is communicated to the pool of selected candidates, simultaneously and through electronic means.

In case of open procedures, the invitation to tender (Call for Tender) is publicly posted on the Company's website or made publicly available via any other means, as the case may be. As of the day following such public notice, the Procurement & Investments Division is obliged to provide the tender documents to any interested parties for consideration, in accordance with the detailed provisions set forth in the respective Call for Tender.

In cases where a Guarantee or Participation Bond is required to participate in the award procedure, the participation of each candidate is ensured only after the successful collection of the respective monetary fee, in accordance with the provisions set forth in the respective invitation to tender (Call for Tender).

In case a candidate needs clarifications and if it is decided that these clarifications are to be provided, these shall be made available in writing to all participating candidates (please refer to Section 10.2 of the present Policy for details).

9. Selection of Tenderers

9.1 General principles on tenderer selection

In all cases, the selection of tenderers shall be based on the provisions and criteria set forth in the respective tender documents concerning the candidates' professional capacity, business or technical requirements, experience or any other requirements as indicated by the invitation to tender.

The selection of tenderers in any award procedure where a pool of prequalified suppliers is required (as outlined in Section 5.1 of the present Policy) shall be performed as follows:

- Any supplier included in ThPA's Supplier Record (Supplier Master), provided that the criteria set forth in the respective tender documents are met
- Any supplier recommended by the Procurement & Investments Division or the Requesting Unit or any other department / division of the Company, provided that the criteria set forth in the respective tender documents are met

If none of the approved suppliers included in ThPA's Supplier Record (Supplier Master) is qualified for the procurement of the specified item or service as per the selection criteria, a market analysis shall be performed to identify potential suppliers. The market analysis allows the Company to:

- gain prior knowledge and understanding of the potential solutions available to satisfy the needs
- further focus and define the subject matter and the budget of the contract
- apply the principle of sound financial management and achieve the best value for money

The scope and depth of the market analysis shall vary depending on the nature and size of the procurement. The most commonly used method of market analysis before preparing a procurement procedure is the desk research, which shall be carried out using the Company's internal resources.

In cases where the tender documents include potential grounds of exclusion (please refer to Section 9.2 of the present Policy for details), these shall be examined and taken into consideration as part of the tenderer selection process.

In case of closed or restricted procedures (as outlined in Section 5.1 of the present Policy), a minimum of three (3) candidates shall be selected in order to ensure adequate competition.

The final list of tenderers is agreed upon by the Procurement & Investments Division, in close collaboration with the Requesting Unit (as appropriate). The final approval of the list of tenderers / candidates for each award procedure shall be performed by the Procurement & Investments Manager.

9.2 Exclusion grounds

The Company retains the right to exclude certain candidates from a tender procedure, based on one or more objective grounds for exclusion as set forth in the respective tender documents. The following exclusion grounds may be applicable:

- a) Conviction of any criminal offense in any jurisdiction, antitrust law violations, or convictions indicating lack of moral or business integrity (e.g. participation in a criminal organization, corruption, fraud, terrorist crime, money laundering, embezzlement, extortion, forgery, perjury, fraudulent bankruptcy, etc.)
- b) Non fulfillment or other lawful arrangement in respect of any material obligations relating to the payment of social security contributions, to the extent applicable

- c) Non fulfillment or other lawful arrangement in respect of any material obligations relating to the payment of taxes, to the extent applicable
- d) Breach of labor and environmental law obligations as part of a previous contract
- e) Declaration which proves that the tenderer has become bankrupt, insolvent or otherwise unable to pay its debts or has admitted in writing its inability generally to pay its debts as they become due, made a general arrangement or composition with or for the benefit of its creditors or a competent authority in any relevant jurisdiction: (i) has it placed in any other formal process of relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights in general (in Greece see Law 3588/2007-Bankruptcy Code, as in force); (ii) appoints an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; and / or (iii) has a distress, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets at the date of submission of the tender
- f) Concluding agreement aiming at the distortion of competition that cannot be contained by other means
- g) Being subject to conflict of interests
- h) Serious or repeated irregularity in the performance of an essential requirement under a previous contract, which may resulted in the early termination of that contract, compensation or other similar sanctions
- i) Serious breach of good cooperation terms and repeated poor performance under one or more previous contracts, based on ThPA's supplier performance evaluation and provided that the respective feedback has been successfully communicated to the contractor(s)
- j) Serious false statement when submitting the information necessary to verify the absence of grounds for exclusion or meet the selection criteria or concealment of such information or failure to submit relevant award documents
- k) Attempt to influence unfairly the award process, to obtain confidential information that may confer an unfair advantage or submission, as a result of negligence, of misleading information that may materially affect the award process decisions
- l) Commitment of a serious professional misconduct which compromises the integrity of the tenderer
- m) Exclusion by a final court decision from participating in tender processes

If, within the context of a tender procedure, a ground for exclusion is detected for a specific tenderer and such supplier fails to prove its credibility, then the respective supplier shall be excluded from participating in ongoing and future tender processes.

All tenderers considered for exclusion shall be notified in writing (via email) by the Company's Procurement & Investments Division.

10. Award Procedure

10.1 Proposal submission

The Company shall accept offers, which comply with all terms, conditions and specifications as outlined in the respective tender documents.

Offers that deviate from these terms, are vague, or impossible to evaluate, or contain terms contrary to the tender documents, or conditions which are characterized as inadmissible shall be rejected. Counteroffers, or amendments of an offer are inadmissible and shall be rejected, unless expressly permitted in the respective tender documents.

As part of the proposal submission procedure, the authorized Procurement & Investments Division employee who is responsible for handling the respective tender procedure shall send an official written confirmation (via email) of offer receipt to all tenderers with the date and time of delivery recorded.

In all cases, the submission of tenders should be kept confidential and in safe custody.

Where offers are not submitted electronically, all offers shall be signed at the end by the tenderer or its representative.

The offer validity period is set out by the Company in the respective tender documents. Any offer that specifies a validity period shorter than the one provided for in the tender documents shall be rejected as inadmissible. The offer validity period may be extended, if so requested by the Company, prior to its expiry.

The Evaluation Committee is responsible for the opening of proposals, in collaboration with the Procurement & Investments Division (as appropriate), and in accordance with the provisions set forth in the respective tender documents.

As part of the abovementioned procedure, the Evaluation Committee shall verify the timely submission of each offer, the correctness and completeness of the supporting documents required for the participation (if any), and the compliance with any other requirements as specified in the respective tender documents.

In case of non-compliance, the Evaluation Committee may contact the tenderer for clarifications. If the compliance cannot be confirmed, the respective offers shall be immediately rejected and the reason(s) for such rejection must be recorded in the Evaluation Report (please refer to Section 10.3 of the present Policy for details).

Any offers submitted after the end of the opening procedure shall not be opened and must be disqualified due to late submission.

10.2 Communication & negotiations with candidates

At any stage of an award procedure (as outlined in Section 5.1 of the present Policy), the Procurement & Investments Division is responsible for coordinating and conducting all necessary communications and / or negotiations (if any) with all participating suppliers / candidates.

More specifically, ThPA's Procurement & Investments Division shall undertake the following actions:

- Communication with prospective suppliers throughout the award procedure and provision of any clarifications and / or additional information which may be required by the candidates, as appropriate
- Conducting all necessary negotiations (if any) concerning the terms, conditions or specifications of a procurement

Prior to the submission of offers, potential suppliers may be allowed to contact the Company for clarifications or request for additional information, provided that this is foreseen in the tender documents, that communication channels are available to all potential tenderers and that clear timeframes and cut-off dates are set. Cut-off date for all clarifications is at minimum four (4) calendar days prior to the tender Closing Time, or the timeframe outlined in the respective invitation to tender (Call for Tender).

In such cases, communication shall be exclusively performed in writing (via email) to the authorized procurement staff member handling the tender process and all additional information provided by the Company shall be made available to all potential tenderers, and not only to the tenderer requesting clarifications.

After the submission of an official offer against an invitation to tender, the bidder shall not contact any person(s) within the Company on any matter relating to their offer. The Company's Procurement & Investments Division is responsible for contacting the prospective suppliers / bidders in case any further clarification is required. Any dialogue relating to the substance of an offer is not acceptable and would be interpreted as negotiation.

In accordance with the principle of equal treatment, no substantial modifications to a tender may be sought or accepted through a request for clarification.

In all cases, negotiations shall take place after the completion of the overall offer evaluation (please refer to Section 10.3 of the present Policy for details), and shall be conducted with one or more candidates that received the highest ratings.

During any negotiation procedure, the Company may request from one or more candidates to submit improved, updated offers. Such offers shall be submitted in accordance with the provisions set forth in the respective tender documents, otherwise they shall not be binding. If the abovementioned parties cannot reach agreement, the negotiations shall be formally terminated in writing. The Company may then proceed to negotiate with each subsequent ranked candidate until a satisfactory agreement is reached.

10.3 Evaluation of offers

Following the selection of tenderers who comply with both the exclusion grounds and the selection criteria, and the successful receipt of all offers, the Company shall determine the best offer on the basis of the award criteria. The following bodies / entities are responsible for performing the evaluation of offers on behalf of ThPA:

- The Requesting Unit (please refer to Section 4 of the present Policy for details), in collaboration with the Procurement & Investments Division, as appropriate, is responsible to determine:
 - The relevant weight between the technical and financial offers
 - The evaluation criteria of the technical offer, as well as the potential weighing of each criterion
 - Minimum acceptance levels of the technical offers
 - Potential quotas to allocate the supply among several suppliers
 - Potential preferred characteristics of financial offers (e.g. discounts, payment deferral, etc.)
- The Evaluation Committee (please refer to Section 4 of the present Policy for details), in collaboration with the Requesting Unit, as appropriate, is responsible to coordinate and perform the evaluation of offers
- ThPA's COO is responsible for the technical evaluation in cases of technical equipment or machinery
- The Procurement & Investments Division which is responsible for the collection of all offers, sent in writing or electronically (in Greek or English). The offers are confidential and the Procurement & Investments Division is responsible for preserving the confidentiality of their content.

The evaluation criteria for each award procedure shall be specified in the respective tender documents. It should be noted that the award criteria and their weightings are considered substantial elements of the procurement documents and thus must not be amended after the invitation to tender has been sent or published.

The supplier selection may be performed based on a combination of several criteria, which typically include, but are not limited to:

- Ability to meet the requirements of the tender
- Innovation offered
- Delivery times offered
- Quality offered
- Previous performance of tenderer
- Experience of tenderer and personnel proposed
- Capability of tenderer, including company reputation as well as technical, management, human resource, organizational and financial capability and capacity

- o Skills acquisition and retention, and knowledge management
- o Other criteria related to environmental management, health and safety, social responsibility, etc. These criteria may or may not be directly related to the supplied goods, works or services
- o Specificities of the Port of Thessaloniki

The overall evaluation procedure consists of the following:

- a) Technical evaluation – evaluation of the technical offer, which relates to the technical and qualitative aspects and specifications of the tender. This evaluation shall be conducted according to the predetermined technical criteria, with the specific weighting factors, as outlined in the respective tender documents.
- b) Financial evaluation – evaluation of the financial offer. At any case, the technical evaluation precedes the financial evaluation, and therefore only the financial offers from eligible candidates shall be performed, based on the outcome of the technical evaluation of the respective offers.

If a financial offer is considered to be abnormally low, ThPA may request candidates to explain the price or cost proposed in the offer. Such explanations are assessed and ThPA may only reject the offer where the evidence supplied does not satisfactorily account for the low level of price or cost proposed.

After the completion of the overall evaluation (technical, financial), the Procurement & Investments Division may proceed to negotiations with one, or more candidates, prior to or after the award (please refer to Section 10.2 of the present Policy for details).

Shortlisting of candidates is also possible, provided that this is specified in the respective tender documents.

Upon completion of the overall evaluation and all relevant negotiations (if any), the Evaluation Committee (or the Procurement & Investments Division in case of the Direct Award procedure) shall draft the relevant recommendation for supplier selection (Evaluation Report), which identifies the candidate with the best offer considering also any possible adjustments that may arise at the negotiation stage.

The Evaluation Report shall be clear and sufficiently detailed to show how the decision to award the contract was performed. The recommendation for the award of the contract has to be clearly justified and supported with the scoring mechanism / evaluation method, the clarifications when applicable and the decision-making process within the Evaluation Committee. More specifically, the Evaluation Report shall indicatively contain the following:

- a) Tender name or ID (if applicable)
- b) Date
- c) Name and address of the Company (ThPA)

- d) Composition of the evaluation committee (names, positions)
- e) Timetable of the procurement procedure
- f) Description of the contract (subject matter and value)
- g) List of tenderers evaluated
- h) Assessment of exclusion grounds
- i) Assessment of selection criteria
- j) Tender evaluation specifications
- k) Clarifications (if applicable)
- l) Final scoring and ranking
- m) Proposed candidate(s) or tenderer(s) and justification
- n) Unsuccessful candidate(s) or tenderer(s) and justification
- o) Where applicable, reasons why the Company has decided not to award a contract
- p) Where applicable, reasons why other means of communication than electronic means have been used for submitting offers
- q) Where applicable, conflicts of interests detected and measures taken
- r) List(s) of attendance at evaluation meeting(s)
- s) Other relevant documents (e.g. clarifications, working papers)

10.4 Award of contract

The award of the contract shall be announced to the preferred contractor in writing (Notification of Award), in which the contractor shall be invited to submit within a reasonable period of time all necessary data and certificates provided for by the law in force in order to sign the contract. Upon completion of the overall evaluation and all relevant negotiations (if any), the Procurement & Investments Division is responsible for preparing the Notification of Award, taking into account the Evaluation Committee's recommendation (as outlined in the respective Evaluation Report).

The Notification of Award shall include at least the following data:

- o Procurement specifications
- o The exact time for the execution of the contract
- o The consideration (price)
- o The agreement of the award or the assignment with the provisions of the Call for Tender
- o The time limit for signing the contract / agreement

The selection of supplier shall be approved by the relevant bodies based on the Approval Limits set forth in the Company's approved Delegation of Authorities.

At any case, a supplier selection recommendation shall not be disclosed to one or more candidates, nor are the elements of their competitors' offers.

If the best offer exceeds the initial budget, the availability of the over the budget amount shall be ensured and the procurement shall be re-approved before continuing the process by the respective Approval Bodies based on the Approval Limits set forth in the Company's approved Delegation of Authorities.

At any case, the award of the contract shall be communicated to all participating tenderers. The Procurement & Investments Manager forwards the Notification of Award to the preferred supplier (via email). In addition, a notification is also sent to all unsuccessful tenderers in regards to the award decision and its justification. The aforementioned notification may also include a summary of the reasons for the award decision.

10.5 Contract development

Under this Policy, a contract is defined as an agreement between ThPA and another party that is intended to have a binding obligation and / or legal effect.

Depending on the type and nature of the procurement, the following types of contract may be applicable:

Type	Brief Overview
Supply contracts	Contracts having as their object the purchase, lease, rental or hire with or without option to buy, of any type of goods (e.g. spare parts, equipment, vehicles, consumables, materials, etc.).
Works contracts	Contracts having as their objective either the execution, or both the design and execution of works (including the respective engineering studies), such as building or civil engineering works, repairs, etc.
Service contracts	Contracts other than public works or supply contracts having as their object the provision of services such as consultancy, training or cleaning services.
Mixed contracts	Contracts combining works, supplies and / or services in a single contract. For mixed contracts, the main subject must be determined by the element with the higher value or by the part of the contract that is the most essential to meet the need.

A contract shall be drawn for all supply categories, with the exception of procurement valued below €10,000.

Prior to the initiation of a contract, the Company shall establish the required duration of the contract, meaning the period from the signature of the contract until the receipt of the goods, works or services envisaged.

It is recommended that this duration includes both the execution of tasks and the approval of interim deliverables, if any (e.g. partial services, products or stages). The time taken by the Company to approve a deliverable should not reduce the time given to the contractor to perform the contract.

All contracts shall be drawn up based on the terms, conditions and provisions set forth in the invitation to tender and the award decision (Notification of Award), as these have been officially reviewed and approved by the Company’s competent and authorized bodies. In case of any discrepancies between the contract and any of the abovementioned or any other documentation on which it is based, the contract shall prevail provided that it has been officially approved by the respective competent and authorized bodies.

The Company’s Procurement & Investments Division shall ensure the preparation of the Contract, with support from the Legal Department, if required.

The use of standardized contract templates ensures uniformity and accelerates, where possible, contract approval. If a contract template is not used or any adjustment needs to be made, the draft contract should be submitted to the Legal Department for approval. ThPA’s General Terms and Conditions shall be revised annually and approved by the Legal Department.

It is possible to award the contract for the entire, greater or lesser amount, for a percentage as specified in the tender documents.

In case it is suspected that until the date of signing of the contract, the validity of the offer will expire, the contractor is obliged to timely extend the validity of its offer.

11. Procurement Management

11.1 Procurement Plan implementation

At an annual basis, as part of the development of ThPA’s budget, and following communication with the Finance Division, the Procurement & Investments Manager is responsible for initiating the process of developing the Company’s Procurement Plan (this process is outlined in detail in ThPA’s Procurement Process Manual).

As part of the development of the Procurement Plan, each unit of the Company shall perform the planning of the supply categories of its jurisdiction (please refer to the table below for details) for the following year, allocated over time as per the requirements of the Procurement & Investments Division (e.g. monthly, quarterly, semi-annually, etc.) as follows:

Procurement type	Responsible unit
Capital Expenditure (CAPEX)	

Equipment	Container Terminal and Conventional Cargo
Technical works	Infrastructure Construction & Maintenance
Technical studies (as part of large projects)	Project Studies
IT equipment	Information & Communications Technology
Materials	
Fuels	Warehouse
Lubricants	Mechanical Engineering and Container Terminal
Mechanical equipment	Mechanical Engineering and Container Terminal
Electrical equipment	Electrical Engineering
Building materials	Infrastructure Construction & Maintenance
Employee clothing & safety materials	Human Resources
Other consumables	Procurement & Investments Division
Spare parts	Mechanical Engineering and Container Terminal
Services	
Insurance	Procurement & Investments Division
Cleaning services	Procurement & Investments Division
Waste removal services	Health, Safety & Environment
Security services	Procurement & Investments Division
Dock services	Container Terminal and Conventional Cargo
Auxiliary services	Human Resources
Consulting & Audit services	Strategic Planning, Marketing & Sales, Finance, Internal Audit, Information & Communications Technology, Transformation Management Division and Human Resources
Engineering & technical studies	Project Studies
IT services	Information & Communications Technology
Subscriptions & donations	Public Relations
Travel expenses	Procurement & Investments Division
Advertising expenses	Public Relations and Commercial Division
Other services	Procurement & Investments Division

The procurement planning shall be performed as follows:

- Per item, for capital expenditures – based on the level of realization of the capital expenditures of the previous year, taking into consideration ThPA’s approved Strategic Investment Plan
- Per item, for items that are used in large quantities (e.g. fuels) and for items of significant value (e.g. large spare parts, specific services), planning both in volume and value
- Per category, for the rest of the items (e.g. filters, lubricants, small tools, etc.), planning only in value

Each unit's Procurement Plan is performed based on last year's expenditures, as well as on next year's strategic plans, including investment plan, equipment usage, planned maintenance, revenue enhancement, etc. (taking also into account current inventory for warehouse materials).

In the event of substantial deviations (more than 5%) from the Procurement Plan during the course of the year, a revision of the abovementioned document is required. The revision of the Procurement Plan shall follow the same steps as the initial Procurement Plan development (this procedure is outlined in detail in ThPA's Procurement Process Manual).

11.2 Contract implementation

After the award of the contract, the successful tenderer becomes the contractor in charge of implementing the contract by delivering the goods, works or services to the Company. The goal of this stage of the procurement procedure is to ensure that the contract is satisfactorily implemented and that both the contractor and the Company meet their obligations.

Upon the completion of the development of each contract, its monitoring and overall management is assigned to a designated employee of the Procurement & Investments Division. In cases where specific knowledge is required, a second employee, from the Requesting Unit (or another department, if more appropriate) is assigned to monitor the contract in close collaboration with the Procurement & Investments Division. The selection of the designated employee(s) is performed by the Procurement & Investments Manager, in consultation with the Requesting Unit.

The designated employee(s) is responsible for the following indicative actions:

- Monitoring of effective contract implementation (cost control, schedule control, compliance with contractual obligations and terms of reference, etc.)
- Communication with the supplier (if deemed necessary)
- Initiation of contract renewal process (if deemed necessary)
- Proposition of contract amendments

Upon the initiation of the contract, the designated employee is responsible for monitoring a supplier's compliance to the contractual obligations and conditions, based on the contract schedule. In particular, the designated employee collects and reviews all the relevant data concerning contract implementation from the Requesting Unit (the department or division receiving the service or item) to identify and document any issues / deviations from the terms and conditions of the contract.

With regards to the procurement of services and long-term contracts (cleaning, security, etc.), the designated employee is responsible for analyzing compliance to contractual obligations on a monthly basis, as well as preparing and sending the respective reports to the Procurement & Investments Manager for review.

Concerning purchased works or services, the Requesting Unit is responsible for receiving the deliverables according to provisions of the contract in collaboration with the Procurement & Investments Division (as appropriate). More specifically:

- A review is performed to ensure the compliance with the contractual terms
- Any other elements that support the provision of the service are examined (interim reports, etc.)
- If there are any deficiencies or if clarifications are required, this is communicated to the supplier to request any additional information or clarifications, according to provisions of the contract
- The Requesting Unit approves the receipt of the procurement, updating appropriately the corresponding Purchase Order

11.3 Contract amendment / termination

The Company may amend a valid contract without performing a new tender procedure upon approval by the relevant bodies based on the Approval Limits set forth in the Company's approved Delegation of Authorities in any of the following cases:

- When, regardless of the monetary value, amendments are provided for in clear, precise and unequivocal review clauses of the initial tender documents, which may include price review clauses or other amendment options. These clauses state the purpose and nature of eventual amendments, as well as the terms under which they may be applicable. However, such clauses do not provide for any amendments that may alter the overall nature of the contract.
- In case of complementary works (up to 25% of the value of the initial contract), services or goods supplied by the initial contractor (up to 20% of the value of the initial contract), the procurement of which was deemed necessary and was not included in the initial contract. In these cases the following conditions shall be fulfilled cumulatively:
 - a) the need for amendment occurred due to unpredictable circumstances which could not be foreseen by a diligent average person
 - b) the amendment does not alter the overall nature of the contract
 - c) the change of contractor cannot be implemented for financial or technical reasons (particularly interchangeability requirements or interoperability with existing goods, works or services provided in the initial contract) and will create significant problems or substantial increase of costs for the Company
- When a new contractor replaces the one to whom the contract was initially awarded by the Company, as a result of either:
 - a) unequivocal review clause or option, or
 - b) succession, in whole or in part, of the initial contractor, due to corporate restructuring, including the acquisition, absorption, merger or insolvency situations, particularly in pre-bankruptcy or bankruptcy proceedings by another supplier that fulfils the qualitative

selection criteria that were initially established, on the condition that such succession does not entail other substantial amendments to the contract and is not made with the aim of avoiding the application hereof.

- When amendments are not characterized as substantial. Under the provisions of the present Policy, an amendment of a valid contract during its implementation is considered substantial when it fulfils one or more of the following conditions:
 - a) introduces terms which, had they been part of the initial tender procedure, would have allowed the participation of other candidates from those initially selected or the acceptance of another offer than the one initially selected or would have attracted other participants to the tender procedure
 - b) changes the financial aspects of the contract in favor of the contractor in a manner not foreseen in the initial contract
 - c) significantly extends the subject-matter of the contract

For any amendments to the contract other than those provided herein, a new tender procedure shall be initiated.

The Company may extend a contract upon approval by the relevant bodies based on the Approval Limits set forth in the Company's approved Delegation of Authorities, under the following conditions:

- The original contract (subject of the extension) was awarded by an open or restricted / closed procedure.
- The new contract cannot be awarded anytime before or within a month after the expiration of the term of the original contract.
- The terms and conditions of the extended contract are identical or more advantageous and at no additional cost compared to the existing signed contract.
- The extension includes a clause of termination at the option of ThPA, with no more than three (3) months notice.
- A contract can be extended for a maximum of two (2) times, unless exceptional circumstances apply.
- Any contract extension must be subject to the condition that the service provider has not violated any of the provisions of the original contract.

In any case, the Approval Body shall clarify and certify that the contemplated extension is merely an emergency measure to maintain status quo in the operations of the Company and to avoid interruption of service.

The Company reserves the right to terminate a contract during its term in cases where a breach of EU or national legislation is detected. A contract termination shall take place, at least in the following circumstances:

- I. The contract has been unlawfully substantively amended
- II. The contractor, at the time of the award, was in situation that constitutes ground for exclusion

III. Evidenced failure of the contractor to fulfill its obligations

In all cases, the provisions ruling the termination of the contract must be determined in advance in the contract through dedicated provisions.

12. Supplier Management

12.1 Supplier evaluation

The Company requires consistent performance from any contractor to provide high quality goods, works or services to ThPA, in accordance with the provisions, terms and conditions set forth in the respective concluded contract between the abovementioned parties.

The Company shall constantly monitor supplier performance and perform an annual evaluation of all suppliers based on the provisions outlined in the Company's Procurement Process Manual. Upon the completion of the annual supplier evaluation, the Procurement & Investments Division is responsible for providing the relevant feedback to each contractor and undertaking any necessary actions as deemed appropriate.

The supplier evaluation is performed based on the following criteria:

- Supplier responsiveness (e.g. timely, technical clarifications and courtesy, notification of issues, etc.)
- Price competitiveness
- Quality (e.g. reliability, durability, etc.)
- Delivery (e.g. on time, order accuracy, delivery and packaging conditions, etc.)
- After sales services (e.g. provision of technical support and warranties, replacement of rejected items, etc.)
- Adherence to health and safety policies and regulations

The Company also appreciates the suppliers associated with corporate social responsibilities and green procurement initiatives.

In cases where a serious breach of good cooperation terms has occurred and / or poor supplier performance, the Company reserves the right to take actions towards the termination with the relationship with the respective contractor. Such suppliers may also be restricted from participating in future tenders / enquiries with ThPA.

12.2 Supplier invoice management & payment terms

The Company requires all supplier invoices to be submitted electronically (via email) to the billing address specified in the respective Purchase Order or contract for proper processing. In any other case, the recipient of the invoice shall immediately forward it to the Company's Accounting Department. Invoices sent, or emailed, to any other email address other than the aforementioned address may incur significant delays in payment.

In order to ensure prompt and timely payment and reduce the risk of invoice rejections, all invoices shall contain at least the following elements legibly printed on the invoice:

- Supplier information (e.g. name, address, Tax / VAT number, etc.)
- Invoice number
- Invoice date
- Purchase Order number (based on which the invoice was issued)
- Procurement specifications (description of goods, works & services, quantity, prices, etc.)
- Invoice amount

It should be noted that all invoices should mirror the respective Purchase Order. A relevant provision should exist in each contract or any other contractual document which is signed by the contractor, while the Procurement & Investments Division is responsible for ensuring compliance with this term.

The issuance date of the invoices should not precede the dispatch of the corresponding Purchase Order to the supplier and the starting date of the contract, if any.

For invoices, not conforming to the clauses listed above, the Company reserves the right to return the respective invoice back to the supplier with a proper, written justification. In this case, the provided invoice is invalid and has to be replaced by a corrected invoice.

The Company's preferred supplier payment method is via electronic payments directly to the suppliers' bank accounts. Non-electronic payments (e.g. checks, cash, etc.) shall be avoided in general, where feasible.

The standard payment terms for all supplier invoices are 60 days from the date of the invoice. However, for certain exceptional cases the payment terms may vary depending on the nature of the procurement upon approval by the Company's CFO.

The release of the supplier payment shall be performed by the Accounting Department, as per the terms and conditions specified on the Purchase Order and / or contract, and upon the successful receipt of all necessary evidence documenting proper receipt of the goods, works or services.

13. Outsourcing Risk Assessment

The Company reserves the right to outsource any function or process, provided that a full risk assessment is conducted. The risk assessment shall be performed by the Requesting Unit and shall take due account of the:

- desired service level and quality offered
- cost, time and resources required of implementation (internally versus externally)
- impact on the planning / management if internal resources cannot deliver on time or with equivalent quality
- likely availability of internal expert resources to produce, deliver and maintain (as appropriate)
- nature of logical and physical access to information required by the outsourcer to fulfill the contract
- commercial risks such as the possibility of the outsourcer's business failing completely, or of them failing to meet agreed service levels or providing services to the Company's competitors where this might create conflicts of interest
- security and commercial controls known to be currently employed by the Company and / or by the outsourcer

The result of the risk assessment shall be presented to the Chief of the respective division of the Company, who is responsible for deciding whether the outsourcing is both feasible and beneficial for the Company, taking into account both the commercial and information security aspects.

14. Ethical Standards of Conduct

The Company has zero tolerance towards any form of fraud, bribery and / or corruption.

All ThPA employees conducting procurements on behalf of the Company shall avoid improprieties, as well as the appearance of such improprieties. The Company's integrity and credibility requires all ThPA employees to be impartial, fair and free of any relationships that may cause them to be unduly partial to any vendor, product or service. It is up to each individual to ensure they do not violate the spirit of procurement ethics.

15. Compliance obligation

The Company takes all necessary measures to ensure that the present Policy is readily and easily accessible to all ThPA employees.

Any individual, firm or other entity to which the present Policy is applicable has the obligation to acknowledge and fully comply with all the provisions set forth in this Policy.

Any questions concerning the compliance to this Policy or other related issues shall be directed to the Procurement & Investments Manager.

The Company reserves the right to take necessary measures in cases of non-compliance with the present Policy.

The provisions of this policy come into force upon the approval of ThPA's Board of Directors. Any tenders initiated before the entry into force of this regulation continue and are completed in accordance with the rules applicable at the time of initiation. This regulation shall be amended only by a resolution of the Board of Directors.