



# GLOBAL PROCUREMENT POLICY

Effective April 1, 2008

## 1. Scope and Purpose of the Policy

### Policy statement

As a Global company, Experian seeks to maximise value whilst reducing risk from dealing with suppliers for the acquisition of goods and services.

For this reason, Experian will undertake procurement activity subject to the following policy.

### Openness and Fairness

Experian will provide all suppliers with opportunities to sell their products and services meeting the requirements of Experian. This will include not only those suppliers with past relationships with Experian, but newcomers as well.

### Rational Selection Criteria

Selection of suppliers will be on the basis of rational and clear selection criteria, such as quality, price, delivery assurance and reliability, so as to purchase superior goods and services from the most competitive suppliers.

### Ethical and Professional Standards

In dealing with any supplier, Experian employees will conduct themselves in compliance with Experian business ethics and in such a manner that does not bring Experian into disrepute or provide a conflict of interest or financial gain to either the employee or anyone associated with the employee.

### Compliance with Laws and Environmental Protection

In conducting procurement activities, Experian will seek to fulfill its role as a good corporate citizen by observing all related laws and regulations and by taking into consideration such factors as conservation of natural resources and the protection of the environment.

## 2. Responsibilities

Procurement has negotiated pricing and contract terms for many goods in support of Experian. These goods are available for direct purchase in Oracle iProcurement through catalogues.

Procurement engagement is required in all transactions for the following commodities, regardless of expenditure amount, at the earliest opportunity to ensure optimum pricing and contract risk mitigation.

#### Procurement Managed Categories:

- External Labour - temporary, contractor, consulting services and recruitment
- Outsourcing (including offshoring, server and web hosting services)
- Hardware and Software – desktop, distributed systems, mainframe and maintenance
- Telecommunications – hardware, software, maintenance
- Data
- Translation Services
- Production and Office equipment (BPO)
- Travel Service Agreements – Airlines, Hotels, Car Rental

## EXPERIAN GLOBAL PROCUREMENT POLICY

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- Express Mail and Courier Services (UK only)
- Purchase of vehicles/car schemes (UK only)

Purchases for season tickets, donations, sponsorships, off-site seminars and conferences are processed by using a check request.

Unless the purchase falls within one of the procurement managed spend categories a procurement card should be used for individual purchases below \$5,000 with a single supplier. If the supplier does not accept procurement cards a check request should be used.

Individual purchases over \$5,000 require an approved i-Procurement requisition, purchase order and acceptance of Experian's Standard Core Terms and Conditions prior to order placement.

Procurement involvement is not required, but suggested, for the following categories regardless of expenditure amount:

Utilities

Insurance

Employee Relocation

Tax

On-line/Broadcast Sponsorship Marketing Agreements (AOL, Google, Ocean Media)

**Procurement responsibilities are documented in Appendix 1.**

**Guidance around specific procurement areas is documented in Appendix 2.**

### **Purchase Orders**

All commitments made on suppliers should be by purchase order excluding procurement card and check requests as authorized.

All requestors are required to requisition goods and services through Oracle iProcurement, where available. Where I-Procurement is not available, then the commitment on the supplier should be made using the method of purchase ordering approved for that area of the business.

Only invoices with a valid Experian purchase order number will be considered for payment. Any invoices received by Accounts Payable without a valid purchase order number, or no order number, will be returned immediately to the supplier with a standard letter of explanation.

All invoices will be checked against the initial order (description, quantity and price) and confirmation sought that goods have been received. All items must match before the invoice can be processed for payment. If there is a discrepancy in description or quantity, an email will be sent by Accounts Payable to the person who raised/requested the order for comment. It is the responsibility of that person to resolve the discrepancy and obtain authorisation for payment.

### 3. Openness and Fairness

In order to ensure that Experian gains best value for its expenditure, goods and services exceeding \$100,000 will be considered by Procurement and the requestor for acquisition by competitive tender/bid. Procurement will manage the bid process which will vary depending on the value / complexity of the goods / services being purchased, but may include formal tendering/bidding or the use of e-auctions. .

For purchases where there is only one supplier, Procurement will ensure that the best deal has been negotiated, a contract is in place, and ensure that Corporate Governance requirements are met.

### **Balance of Trade**

In an effort to support balance of trade Global Sourcing will facilitate the appropriate introductions between our organizations.

Procurement will ask Experian suppliers to facilitate meetings between their purchasing decision makers and the appropriate Experian sales representatives.

Clients of Experian will have the opportunity to market products and services to us and will be given access to the appropriate individuals in our Company.

## 4. Rational Selection Criteria

### **Approved Suppliers**

Approved suppliers are those with whom Experian has agreed terms including meeting Experian's insurance requirements. Approved suppliers, and their detail information, are listed in Oracle iProcurement, or equivalent manual system.

Approved suppliers are selected in conjunction with requestors and are reviewed periodically in respect of their suitability to remain as an approved supplier.

Approved suppliers must be used where they are able to meet business needs. This will ensure that Experian maximizes its buying power and effectively manages our supplier relationships.

### **New Suppliers**

When there is a need to contract with a new supplier, the following minimum requirements must be met to be considered and/or added into the supplier database:

- Supplier to have completed a new supplier form
- Procurement to confirm that no existing supplier provides the goods/services requested
- Supplier to have signed a Non-Disclosure and Confidentiality Agreement with Experian
- Supplier to have signed Experian's Standard Core Terms and Conditions (or an agreed set)
- Supplier to have signed Experian's Corporate Responsibility Guidelines
- Supplier complies with either ISO 14001 or has a suitable environmental policy.
- Supplier able to receive purchase orders via email
- Supplier able to accept electronic payments
- Procurement to have confirmed that the supplier meets satisfactory financial stability criteria.

Any new supplier must be selected on the basis of objective criteria, which will include, but may not be limited to, value, technical excellence, depth of expertise, financial stability, reputation in the industry, prior performance and service capability. Experian is fully committed to supplier diversity.

## 5. Ethical and Professional Standards

### **Confidentiality**

Employees must uphold the highest standards of confidentiality in regard to all dealings with suppliers. This is in line with Experian's Terms and Conditions of Employment, Standard Core Terms and

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## EXPERIAN GLOBAL PROCUREMENT POLICY

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Conditions of Purchase and / or specific conditions of contract with suppliers, including Non-Disclosure Agreements.

Experian's confidential and proprietary information including, but not limited to, its trade secrets is a valuable company asset. All procurement activity must be conducted in a manner that provides protections to this information. While confidential and proprietary information will ordinarily not be made available to third parties (including suppliers), in some cases it may be necessary to provide such information to meet the company's business needs. In no event must confidential and proprietary information be provided or disclosed to any supplier or received from a supplier without an executed Experian nondisclosure agreement (NDA).

A Security Pass can only be issued to a supplier's representative if that person makes very frequent visits to Experian offices i.e. are a contractor or similar. Supplier's representatives without a Security Pass must be escorted at all times while at an Experian site.

### **Business Code of Conduct with Third Parties**

1. A conflict of interest shall be construed as any circumstance that may provide financial gain to the person or a member of his or her family or household or to a business partner. All procurement transactions shall be conducted in strict compliance with applicable legal, regulatory, financial accounting requirements and restrictions below. Any actual or perceived conflict of interest by any person requesting, selecting, ordering or authorising the purchase of particular goods or services must be disclosed to the employee's Line Manager and the Procurement Manager; failure to disclose such a conflict of interest may be dealt with as a disciplinary matter.
2. Current employees are not permitted to tender/bid or sell goods or services to Experian, whether or not the goods or services are unrelated to normal job duties. This policy extends to all employees' family members. Former employees of Experian will not be permitted to call on the company in sales or outside contracting capacity for a period of one year after leaving the employment of Experian unless specifically approved in writing by both the Regional HR and Finance Director.
3. Experian employees should avoid soliciting or accepting money, loans, credits or preferential discounts and the acceptance of gifts, entertainment, favours or services from present or potential suppliers that might influence, or appear to influence, supply management decisions. Acceptance of corporate hospitality must be agreed by the employee's senior manager and must be justified on a business benefit basis only. Such corporate hospitality should be infrequent, e.g. no more than once a year, per supplier.
4. All travel expenses incurred in visiting a supplier, whether the location is the supplier's site, a supplier event or elsewhere, should be paid for by the traveling employee and not the supplier.
5. Reward incentives earned by Experian for hosting on or off-site meetings and events belong to Experian and employees involved in the coordinating, planning and/or booking of such events are not entitled to receive any such incentives.

## 6. Compliance with Laws and Environmental Protection

### **Corporate Responsibility**

Experian's suppliers must adhere to the Experian Corporate Responsibility Policy

Experian will minimise as far as possible the environmental impact associated with our business. We will continue to adapt and adopt best acceptable industry practices in our acquisition of goods and services

**Publicity sought by suppliers**

It is in breach of Experian's Standard Core Terms and Conditions for a supplier to publicise their relationship with Experian without the written consent of the Regional Public Relations Director and a senior Procurement representative. Any publicity requests from suppliers must be approved by Procurement prior to entering into detailed discussions with the supplier in regard to such a request.

7. Engaging with Procurement

**Further detail may be obtained by contacting**

	UK/EMEA/Asia Pacific	Experian Americas
Contact	Mark Langrish	Susan Walters
Phone	+ 44 (0) 115 934 4963	+ 01 (0) 714 830 5122
E-mail	<a href="mailto:Mark.Langrish@uk.experian.com">Mark.Langrish@uk.experian.com</a>	<a href="mailto:Susan.walters@experian.com">Susan.walters@experian.com</a>

## Appendix One – Procurement Responsibilities

Procurement is responsible for maximising the value that Experian gets from its suppliers whilst managing the risk that using external suppliers presents.

In partnership with the sponsoring business unit Procurement key activities include:

- Identifying appropriate sources of supply
- Performing new supplier vetting activities
- Providing principal negotiation support
- Globally consolidating suppliers and contracts
- Creating and maintaining, in conjunction with the Legal Department, standard sourcing and contract documentation
- Performing supplier management activities, in conjunction with operating units.

## Appendix Two – Guidance on Specific Items

### **Offshoring**

Any contract which will result in work being performed in a country outside the country of contracting, or which will result in data being transferred outside the country of contracting must be reviewed by Procurement and referred to the local Outsourcing Projects Committee for approval. Please refer to Global Offshore Outsourcing policy.

### **Consultants**

Consultant services will ordinarily be solicited and obtained from business entities rather than directly from individuals. The retention of consultants must also comply with policies established by the Experian Human Resources Department.

A consultant is generally considered an expert retained to render professional or technical advice, opinions, or services, or other special or unique skills on a temporary basis where such assistance is not otherwise available in the current workforce. In most cases a temporary employee is classified as a consultant who provides their own intellectual property to fulfil a need of Experian. Consultants may be engaged to perform a variety of services, including, but not limited to, actuarial, accounting, auditing and tax services; software development and code production; financial and operating system design and review activities; human resources and benefits plan development; market studies; strategic planning and business development activities; "due diligence" activities, including appraisals and evaluations; specialized communications programs and other activities. Consultants should not be retained to manage Experian business activities or to act as employees of Experian.

The business unit and department to which they are assigned, to assure maximum value to Experian must monitor consultant's performance. All consultants, prior to performing services, must execute a consulting services contract through Procurement.

In the event the sponsor organisation determines that a proposal for consultant services should be solicited from only one source, the standard discussed above must apply. In addition, a decision to obtain a consultant should be based on cost and quality-of-service considerations, including unique or special qualifications, ability to complete services on a timely basis, past performance or course of dealing, and reputation in the industry. It is required to obtain a background check of individuals who actually perform temporary, contractor, and consulting services, prior to the start of any engagement.

### **Trade Shows, Events and Related Expenses – US Only**

Event Plan Administrators are authorized to contract directly with suppliers for trade show, events, and related expenses for which the total event spend is under \$20,000. Event Plan Administrators will be provided a risk mitigation checklist to use as a procurement aid for trade show event expenses. Payments should be made on the Purchasing Card. If supplier does not accept a credit card a check request should be used. Events which exceed \$20,000 in total spend require a requisition and contract review by Global Sourcing.

### **Contract and Contract Sign-off**

Experian's Standard Core Terms and Conditions Agreement will be issued for goods and services, excluding procurement managed commodities, for which the annual spend, is less than \$20,000.

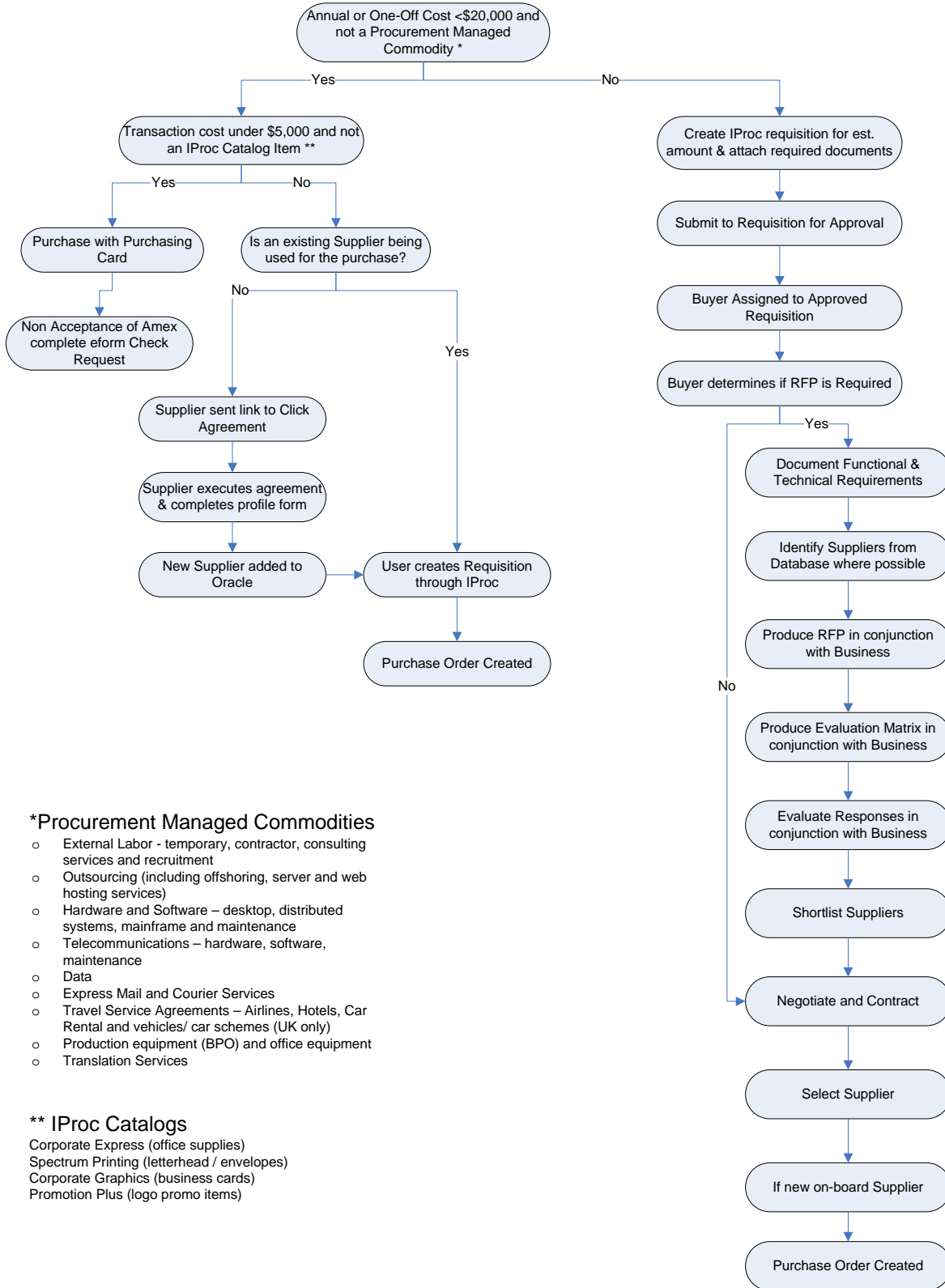
Non-Disclosure Agreements may be signed by Experian employees however a copy of the executed agreement must be sent to Procurement. Any requested changes to the standard agreement must be reviewed and approved by Procurement prior to execution.

## EXPERIAN GLOBAL PROCUREMENT POLICY

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No employee should ever sign a contract presented by an outside supplier unless authorized by the Delegation of Authorities. All contract documents should be sent to Procurement along with any other supporting documentation.

## US Order / Requisition Process



### \*Procurement Managed Commodities

- o External Labor - temporary, contractor, consulting services and recruitment
- o Outsourcing (including offshoring, server and web hosting services)
- o Hardware and Software – desktop, distributed systems, mainframe and maintenance
- o Telecommunications – hardware, software, maintenance
- o Data
- o Express Mail and Courier Services
- o Travel Service Agreements – Airlines, Hotels, Car Rental and vehicles/ car schemes (UK only)
- o Production equipment (BPO) and office equipment
- o Translation Services

### \*\* IProc Catalogs

- Corporate Express (office supplies)
- Spectrum Printing (letterhead / envelopes)
- Corporate Graphics (business cards)
- Promotion Plus (logo promo items)