

The following Terms and Conditions apply to the “Hutchison Port Jazan Limited” Purchases

The term “Buyer” shall mean “Hutchison Port Jazan Limited” and the term “Seller” or “Vendor” shall mean the entity to which the Purchase Order (“order”) is raised.

1. ACCEPTANCE

This order becomes the exclusive agreement between the parties for the Supplies and/or services, subject to the terms and conditions herein.

Any of the following shall constitute an unconditional acceptance by Seller of this order:

- a. Acknowledgment of this order,
- b. Furnishing of any products or services under this order,
- c. Acceptance of any payment, or
- d. Commencement of performance under this order.

Additional or different terms or conditions proposed by Seller shall be void and of no effect unless accepted in writing or authorized by Buyer. No change in modification or revision of this order shall be valid unless in writing and assigned by Buyer.

2. TERMINATION

This order may be terminated by the Buyer in whole or in part at any time. Upon receipt of a notice of termination, the Vendor shall stop all work in connection with this order, unless otherwise directed by the Buyer. The Vendor shall immediately take the necessary action to issue stop order to all the workers, staff, sub-contractors and/or Vendors in connection with any outstanding sub-contracts or orders for equipment, materials, supplies, services and/or other charges for which the Vendor is committed, and which relate directly to the completion of this order. The Vendor shall furnish, within three days, the Buyer with a list of all such outstanding sub-contracts and/or orders together with a report on their status.

3. DELIVERY

- a. The Vendor must effectuate delivery within the time and in accordance with the terms and conditions stated on this Purchase Order.
- b. If the Vendor anticipates that he will not be able to deliver the Product at the time for delivery, he shall forthwith notify the Buyer thereof In Writing, stating the reason and, if possible, the time when delivery can be expected. If the Vendor fails to give such notice, the Buyer shall be entitled to compensation for any additional costs which he incurs and which he could have avoided had he received such notice.
- c. If the Vendor fails to comply with clause 3(a) above, the Buyer reserves the right to claim Liquidated Damages and/ or cancel the order, and to purchase the item(s) specified in this order elsewhere, and to charge the Vendor with any loss or additional charges/expense incurred as a result of such action; or at the Purchaser's option to cancel and rescind the order without further action. In either circumstance, the cancellation will be without any obligation for reimbursement to the Vendor.
- d. In the event Buyer decides to claim Liquidated Damages, the Vendor shall pay to the Buyer Liquidated Damages equal to 0.5% of the purchase price for each commenced week of delay. The Liquidated Damages shall not exceed 7.5% of the purchase price.
- e. The right to cancel this order without obligation and/or to recover any loss and/ or damages sustained by the Buyer for non-performance by the Vendor can be suspended at the discretion of the Buyer when the product being supplied is manufactured to the specifications of the Buyer, and the delay or non-delivery is the result of any action by the Saudi Government and/ or if the performance of the Vendor's performance is impeded or made unreasonably onerous by Force Majeure which was not anticipated or is beyond the control of the parties. Vendor, when affected by Force Majeure, shall notify the other party In Writing without delay. If a party fails to give such notice, the other party shall be entitled to compensation for any additional costs which he incurs and which he could have avoided had he received such notice.
- f. In all cases affected by Force Majeure, the Buyer shall also have the right to extend the time for delivery. Notwithstanding the above, either party will have the right to cancel the order without any claim of damages and/or losses incurred after giving notice in writing.

4. ASSIGNMENT

This Purchase Order or monies payable here under shall not be assigned in whole or in part without the Buyer's written consent which shall be signed by the authorized persons of the Buyer i.e., “Hutchison Ports Jazan Limited”

5. QUANTITY AND QUALITY

The quantity and quality of the goods/services must conform to the Buyer's requirements. The Vendor warrants that it has the legal valid title of the goods/services are of quality and would meet high standard of description in the trade.

6. TIME

Time is of the essence as to delivery and the Buyer reserves the right to reject the goods, materials or services for Seller's failure to meet the delivery provisions of this order whether or not material delay or loss ensues.

7. OTHERS

- a. The Vendor will be required to indicate Purchase Order number in all documents.
- b. Payment will be made on the actual weight/quantity received and approved by the Buyer whose records will be considered final and decisive on this point.
- c. If the goods/services/supply is not strictly according to the Order or is not within the stipulated time of delivery, the Buyer shall have the right to refuse delivery or return the goods at the Vendor's risk and cost. Freight of both sides and other charges will be borne by the Supplier.
- d. If the time of delivery is not specified, then the goods must be dispatched within one week from the date of the Order.
- e. All disputes arising out due to this order and compliance shall be subject to the exclusive jurisdiction of the Courts at KSA.
- f. Price agreed includes delivery to the buyer's receiving point.

- g. All taxes will be borne to Seller's/Vendor's account.
- h. Withholding Tax will be deducted from all payments as per Government rules.
- i. Invoice to be submitted to HUTCHISON PORTS JAZAN Finance Department within 3 days from the date of delivery.
- j. Credit period to be counted from the date of submission of invoice to Finance Department.
- k. The Vendor confirms that the Goods hereunder have been provided/supplied in compliance with all applicable laws and regulations of the country including but not limited the taxation, labor and environmental laws and indemnifies the Company in this regard.
- l. Any damage / loss during delivery of Goods at the HUTCHISON PORTS JAZAN, JCPDI Port will be responsibility of the Vendor.

#### 8: ENTIRE AGREEMENT

This Purchase Order, any attachments or any documents incorporated herein, and the contract executed between the Buyer and Vendor, constitute the complete and exclusive statement of the terms and conditions of the agreement between Buyer and Seller and supersede all prior representations, understandings, and communications relating hereto.

#### 9: PURCHASE ORDER REFERENCE

Vendor is requested to mention Purchase Order Number on all Delivery Challans and Invoices.

#### 10. ANTI FRAUD AND ANTI CORRUPTION POLICY

The Seller represents and warrants that:

- a. it is not subject to any claim or litigation under the Anti Bribery Laws; and
- b. it has in place (and has had in place at all relevant times) adequate procedures designed to prevent any officer, agent or employee of the Seller, or any other person who performs the Services for or on behalf of the Seller, from undertaking any conduct which could result in the Seller committing an offence under Anti-Bribery Laws, and to the best of its knowledge such procedures have been complied with. For the purposes of this Clause, "Anti-Bribery Laws" means all applicable law relating to anti-bribery or anti-corruption.

The Seller shall ensure that it shall not (and its employees, agents and other officers involved in the provision of the Services shall not):

- a. Offer, promise, give or authorize, directly or indirectly, any bribe or kickback to or for the benefit of any person (whether in private or public office) in order to obtain any improper business or other improper advantage for the Buyer.
- b. Solicit, accept or receive (whether for the Seller's benefit, the Buyer's benefit, their own benefit or that of their family, friends, associates or acquaintances) any bribe or kickback from any person (whether in private or public office) in return for providing any improper business or other improper advantage in relation to the Buyer's business.
- c. Otherwise use illegal or improper means (including bribes, favors, blackmail, financial payments, inducements, secret commissions or other rewards) to influence the actions of others; or
- d. Act as an intermediary for a third party in the solicitation, acceptance, payments or offer of a bribe or kickback.

The Seller shall ensure that its employees, agents and officers shall exercise common sense and judgment in assessing whether any arrangement could be perceived as inappropriate or corrupt.

Any breach of this shall entitle the Buyer to immediately terminate this Agreement.

#### 11. SAFETY AND SECURITY GUIDELINES

Buyer takes the matter of safety and security very seriously and has formulated the following rules, which are applicable to all persons, whether employees, visitors, Contractors or Supplier, workmen. All persons visiting or working at the Terminal are subject to these rules and are required to abide by them:

- a. It must be understood that the Terminal is a hazardous place by the very nature of its operations. Cranes, trucks, trailers and other heavy lifting machinery is in operation at all times. Therefore, all persons, irrespective of their purpose in entering the Terminal, must be aware of the risks involved in entering such an area; and must proceed with utmost caution, and must remain alert at all times for their own personal safety.
- b. Persons entering and working at the Terminal should pay particular attention to all Safety Signs and Cautionary Notices posted at various locations at the Terminal.
- c. Use of bicycles / Motorcycles is forbidden inside the Terminal.
- d. All Persons on foot are advised to use the Pedestrian Walkways, which are clearly indicated with painted zebra crossing sign on the pavement.
- e. Safety Helmets must be worn by all persons entering Hard Hat areas. All areas in the vicinity of cranes, RTGs and other machinery are hard hat areas.
- f. Smoking or use of naked lights is strictly forbidden at the Terminal. Any person violating this rule will be summarily removed from the Terminal. A fine may also be imposed on any such person.
- g. Any vehicles used by the Service Provider in the port area shall be equipped with a flashing orange light (to be provided by the Seller). The Buyer shall note that only plant and work vehicles on legitimate business shall be permitted to enter the port area. Personal vehicles owned by Seller's operatives shall be left in the Terminal's vehicle parking area. Security identification badges shall be issued by the employer and are to be worn by the entire Supplier's staff and operatives at all times.
- h. Additional responsibility rests on Sellers providing services or undertaking any repair services at the Terminal, whether Civil, Electrical or others. Contractors undertaking any such work at the Company site shall ensure that all their workmen, engaged to work at the Terminal, are duly instructed, in the interest of their own personal safety, in safety rules in force at HUTCHISON PORTS JAZAN LIMITED.
- i. Before commencement of any repair work at the terminal, the Service Provider must mark and isolate the work area using Traffic Cones, which will be provided by the Terminal authorities on demand, and yellow tape to ensure safety of his workmen. If the work area falls in way of vehicular traffic, the Seller must ask the terminal authorities for empty containers to provide a safety barrier.

**12. CONFIDENTIALITY**

During the term of this Purchase Commitment/Agreement and for [Five (05)] years thereafter, neither Party shall use or reveal or disclose to third parties any Confidential Information of the other Party (whether developed by either Party in the performance of activities in furtherance of this Agreement or otherwise) without first obtaining the written consent of the disclosing Party, except as may be otherwise provided herein.

This confidentiality obligation shall not apply to such Confidential Information which:

- a. is or comes within the public domain (other than through any breach of this Purchase Commitment howsoever caused).
- b. is required or requested to be divulged to any court, tribunal, governmental or regulatory authority with competent jurisdiction.
- c. is disclosed on a confidential basis for the purpose of obtaining professional advice (provided that the advisers are bound in like terms as in this Agreement to keep such Confidential Information confidential), or
- d. is disclosed to the receiving Party by a third party authorized to disclose such Confidential Information.

The Parties shall take reasonable measures to ensure that no unauthorized use or disclosure is made by the others to whom access to such Confidential Information is granted and shall limit the duplication and distribution amongst its employees of the Confidential Information to the minimum necessary for the proper implementation of the Agreement.

**13. Taxes**

Any tax, tariff or duty which is imposed upon Supplier by any governmental authority and included by the Supplier in the price shall be separately stated on Supplier's invoice(s).

**14. Invoices.**

Supplier shall issue a separate invoice for each separate shipment. Each invoice shall include: (a) the Purchase Order number; (b) Purchaser's part numbers; and (c) quantities shipped. Undisputed amounts shall be paid within 30 days of receipt and acceptance of goods or services and a correct invoice.

**15. Compliance with Laws**

Supplier warrants to Buyer that the goods and services shall be provided, manufactured, shipped, stored, and otherwise handled in strict compliance with all applicable laws, codes, ordinances, regulations, executive orders, and industry standards. Supplier makes all warranties contained in the Uniform Commercial Code.

**16. Price**

The price for goods and services ordered hereby shall be the lower of: (i) the price stated on the accompanying Purchase Order or (ii) the same price charged by Supplier to its most favored customers at the time of shipment of goods or provision of services of the same kind and quality taking into account quantity discounts. Price is inclusive of applicable taxes, freight, all packaging and handling, transportation, and insurance unless explicitly indicated on the face of this Purchase Order or agreed to in writing by Buyer.

**17. Warranties**

Supplier warrants that the goods or services delivered, the packaging, labeling and sorting thereof, any installation, repair, and maintenance of goods, and any other performance pursuant to this Purchase Order, will: (a) be free of infringement of property rights of third parties, including without limitation, any patent, trademark, trade name, copyright or right of publicity, or misappropriate any trade secret or violate any license or any other rights; (b) be free from defects in material and workmanship, be of even kind and quality and run without variation; (c) be of merchantable quality; (d) be fit for the intended use of the Purchaser, Purchaser's customers and any other intended uses of such goods and shall be new and not refurbished; and (e) be of grade and performance in conformity with all specifications, blueprints, designs, drawings, samples, models, descriptions, instructions, and other items referred to in this Purchase Order. Supplier also warrants that the goods or services to be delivered hereunder were produced in compliance with all applicable requirements of the Labor standards Act. Supplier shall maintain, solely at Supplier's cost and expense, all licenses, permits, approvals, and the like necessary to conduct its business and perform its obligations under this Purchase Order.

**18. Inspection.**

Buyer shall have the right to inspect and test the goods or services ordered at any time, including during the manufacture and construction, or preparation, notwithstanding any prior payment or inspection. Defective goods or services not in compliance with Buyer's drawings, specifications or standards may at any time be rejected even though such goods or services may have previously been inspected and accepted. Without limiting any rights, it may have, Purchaser at its sole option may require Supplier, at Supplier's expense to: (i) promptly repair or replace any or all rejected goods and/or services or (ii) refund the fees paid for any or all rejected goods and/or services. All such rejected goods will be held for Supplier's prompt instruction and at Supplier's risk. Rejected goods will be transported for return to Supplier or destroyed at Supplier's cost. Nothing contained herein shall relieve in any way Supplier from the obligation of testing, inspection, and quality control. Payment for goods or services prior to inspection shall not constitute acceptance thereof and is without prejudice to any and all claims Buyer may have against Supplier or any other party.

**19. Limitation of Liability.**

Buyer's liability to pay any amount to Supplier for any reason shall not exceed the amount Buyer has agreed to pay Supplier for the goods or services. Buyer shall not be liable to Supplier for any consequential, incidental or special damages or commercial losses arising from the purchase of goods and/or services regardless of the cause of action or the form of the claim for damages, and even if Buyer is informed of the possibility of such damages.

**20. Force Majeure.**

Failure of Buyer to take shipments of goods or receive services hereunder, if occasioned by fire, explosion, flood, war, accident, interruption of or delay in transportation, labor trouble, governmental regulation, or any other circumstances of like or different character beyond Buyer's reasonable control, or if occasioned by partial or complete suspension of operations at any of Buyer's offices or other business locations, shall not subject Buyer to any liability to Supplier by reason thereof, but, at Buyer's option, the total quantity covered by this Purchase Order may be reduced by the extent of omitted shipments or services, or the specified delivery period may be extended by a time equal to that during which shipments or services shall be so omitted and such shipments shall then be made or services performed during the period of extension.

**21. Indemnification**

Supplier shall indemnify and hold Buyer and its affiliates harmless and, on Buyer's request, shall defend each of them from and against any or all third party claims, demands, litigation, or proceedings of whatever kind, whether based upon negligence, breach of express or implied warranty, strict liability, infringement of intellectual property rights, or any other theory, and from and against all direct, indirect, special, exemplary, incidental or consequential damages of every kind whatsoever, arising out of, by reason of, or in any way connected with the goods and/or services, the design, manner of preparation, manufacture, construction, completion, or delivery or non-delivery of any goods and/or services by Supplier, any breach by Supplier of any of its obligations hereunder, or any other act, omission or negligence of Supplier or any of Supplier's employees, workers, servants, agents, subcontractors, or suppliers. Supplier shall, on request, pay or reimburse Buyer or any other party entitled to indemnification hereunder for all costs and expenses, including attorneys' fees, as incurred by Buyer or such other party in connection with any such claim, demand, litigation, proceeding, loss, or damage. In addition, for infringement claims, Supplier will, at its own expense and at Buyer's option, either procure for Buyer the right to continue using the allegedly infringing item, replace it with a non-infringing equivalent, or remove it and refund the purchase price and the transportation and installation costs thereof.

**22. GOVERNING LAW**

This Agreement shall be governed by the laws of KSA and the courts in Jazan shall have non-exclusive jurisdiction.

**23. DISPUTE RESOLUTION AND ARBITRATION**

If, at any time, any disagreement or dispute ("Dispute") arises between the Parties out of or in respect of this Agreement, the Parties in Dispute shall endeavor to settle such Dispute amicably. If the Parties in dispute have not resolved such dispute within thirty (30) days of any Party raising such Dispute, either Party may request by written notice to the other Party (and the other Party shall be bound to agree)

In case the Parties cannot agree on a sole arbitrator within thirty (30) days after receipt of a request by a Party for arbitration (such thirty day period to run after the expiry of the thirty (30) day period mentioned earlier in this clause), then the Parties shall each appoint an arbitrator and such arbitrators shall before entering upon the reference, appoint an Umpire who shall be a retired judge of the Supreme Court of KSA to adjudicate in case of disagreement between the arbitrators. The award of the arbitrators/Umpire shall be final and binding upon the Parties who shall give full effect thereto. The arbitration shall be conducted at Jazan in the English language.

**24. Supplier Code of Conduct:****I. Fair Dealing and Integrity:**

- a) The Supplier endeavors to deal fairly with the Buyer, governmental authorities and the general public.
- b) The Supplier shall not take unfair advantage of or injure Buyer's employees through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of material facts, fraudulent behavior, or any other unfair dealing practice.
- c) The Supplier shall perform our duties and responsibilities assigned as a Supplier/ Supplier with the highest degree of integrity i.e., with honesty, diligence, responsibility and in accordance with applicable laws.
- d) In the performance of its work, The Supplier shall not knowingly be a party to any illegal and/or corrupt activity or engage in acts that are discreditable to the Buyer.
- e) The Supplier shall observe both the form and the spirit of the ethical principles contained in the Buyer's Code of Conduct and/ or Supplier Code of Conduct.
- f) The Supplier shall report the conduct or action by any employee of the Buyer that does not comply with the law or with the Buyer's Code in accordance with the reporting and escalation procedures of the Buyer.
- g) The Supplier understands that reports will be treated as confidential to the extent possible as allowed by law and neither The Supplier nor any of its employee will be disciplined for reporting a concern in good faith.
- h) The Supplier understands and agrees that non-compliance with Buyer's Code of Conduct and/ or Supplier Code of Conduct will result in disciplinary action whereas serious and/or deliberate non-compliance could result in termination of its agreements and onwards removal from the Buyer's approved Supplier list.

**II. Promoting Ethical Standards:**

- a) The Supplier understands and agrees to act in accordance with the highest standards of ethical conduct and professionalism.
- b) The Supplier understands the importance of being compliant with all local and national legislation and agree to avoid all forms of corruption, fraud and bribery.
- c) The Supplier agrees to implement anti-corruption policies and programs and ensure compliance thereto.
- d) The Supplier agrees to establish our own policies, practices, and systems to ensure the promotion and dissemination of the same within our operations.

**III. Protecting the Rights of all Employees:**

- a) The Supplier agrees to ensure a fair and equitable workplace environment that is free from any form of harassment or discrimination based on but not limited to age, race or ethnic origin, disability, gender, nationality, marital status, sexual orientation, political convictions or union affiliation.
- b) The Supplier agrees to provide a work environment that pays due consideration to safety and minimizes any health hazards or harm to employees.

- c) The Supplier agrees to prohibit the use of forced, prison, bonded and child labor as well as any form of slavery or human trafficking, and remain in compliance with all applicable minimum age legislation.
- d) The Supplier agrees to abide by any legislation governing minimum wage payments, and where none is available, ensure that salaries are commensurate with experience and industry standards.
- e) The Supplier agrees to comply with regulation or legislation, where it is applicable, on maximum working hours.
- f) The Supplier agrees to implement clear, uniformly applied disciplinary practices and grievance procedures that include provisions prohibiting corporal punishment, including mental, physical or verbal abuse.
- g) The Supplier agrees to ensure that employees are provided with freedom of association and the right to collective bargaining. Where no such legislation on collective bargaining exists locally, appropriate channels should be made available for discussion and recourse on labor related issues.

#### IV. *Operating Responsibly:*

- a) The Supplier understands the risks posed to Buyer's operations from climate change and agree to actively mitigate their environmental impacts.
- b) The Supplier understands the value brought to business in terms of more efficient resource consumption and monitoring of wastage.
- c) The Supplier agrees to abide by all relevant local and national environmental legislation and in a manner that ensures environmental preservation.
- d) The Supplier agrees to minimize the consumption of energy and carbon footprint from operations through the implementation of environmental policies and environmental management systems.
- e) The Supplier agrees to encourage the use of environmentally friendly technology that can reduce energy consumption, minimize the need for business travel, and reduce reliance on resources such as paper.
- f) The Supplier agrees to expand the use of environmentally friendly, recycled and/or sustainably forested products in operations.
- g) The Supplier agrees to promote the recycling of waste while taking the necessary precautions and ensure compliance with legislation on the handling or disposal of any hazardous materials in operations.

#### 25. Whistleblowing Policy

- I. Hutchison Ports, its subsidiaries and controlled affiliates (collectively, the "Group") is committed to achieving and maintaining the highest standards of openness, probity and accountability. In line with this commitment, the Group expects and encourages independent third parties who deal with the Group (e.g., customers, suppliers, creditors and debtors) to report to CK Hutchison Holdings Limited ("CKHH") any suspected impropriety, misconduct or malpractice within the Group.

#### II. SCOPE

Activities that constitute impropriety, misconduct or malpractice include but not limited to:

- a) criminal offences,
- b) breach of legal or regulatory requirements,
- c) miscarriage of justice,
- d) malpractice, impropriety or fraud in financial reporting, internal control or other financial matters of the Group,
- e) breach of rules, policies or internal controls of the Group,
- f) endangerment of the health and safety of an individual,
- g) discrimination or harassment,
- h) damage caused to the environment,
- i) professional, ethical or other malpractices or wrongdoings,
- j) improper conduct or unethical behavior likely to prejudice the standing of the Group, and
- k) deliberate concealment of any of the above.

#### III. PROTECTION

- a) In making a report, the reporting person or entity (the "Reporter") should exercise due care to ensure the accuracy of the information.

- b) The Reporter making appropriate reports under this Policy is assured of protection against unfair dismissal, victimization or unwarranted disciplinary action, even if the reports are subsequently proved to be incorrect or unsubstantiated. Harassment or victimization of a genuine Reporter is treated as gross misconduct, which if proven, may result in dismissal.

#### IV. CONFIDENTIALITY

- a) Each report will be treated as confidential. The identity of the Reporter will not be divulged save with such Reporter's consent or where:
- in the opinion of the Audit Committee of CKHH (the "Audit Committee"), it is material to the investigation or in the interest of CKHH to disclose the identity.
  - the report is frivolous or is lodged in bad faith with malicious or mischievous intent or in abuse of this Policy.
  - it is required to be disclosed in compliance with any applicable law or regulation, by any relevant regulatory authority including The Stock Exchange of Hong Kong Limited, or by the order or directive of any court having jurisdiction over CKHH; and
  - the report and the identity of the Reporter are already public knowledge.

#### V. PROCEDURES

a) *Making a Report*

- Every report shall be made in writing either by email to [Report@ckh.com.hk](mailto:Report@ckh.com.hk) or by post to "General Manager Group Management Services, CK Hutchison Holdings Limited" at 48/F, Cheung Kong Center, 2 Queen's Road Central, Hong Kong who shall report to the Chairman of the Audit Committee. The Chairman of the Audit Committee shall then determine the course of action to pursue, with power to delegate, with respect to the report.
- All written reports by post shall be sent in a sealed envelope clearly marked "Strictly Private and Confidential - To be Opened by Addressee" to ensure confidentiality.
- Each Reporter is required to provide details of improprieties (including relevant incident(s), behavior, activity or activities, name(s), date(s), place(s) and any other relevant information) on the report; and
  - Details of the Reporter (including name, department/business unit, company, contact number, address or email address) are not required but are encouraged to be provided so as to facilitate the investigation and such details will be kept in the strictest confidence.

b) *Investigation Procedure*

- The General Manager – Group Management Services of the Chairman of the Audit Committee where warranted will respond to the Reporter, if contactable, as soon as practicable upon receipt of the report:
  - (i) acknowledging receipt of the report.
  - (ii) advising the Reporter as to whether or not the matter will be investigated further and, as appropriate, the actions taken or being taken or the reasons for no investigation being made.
  - (iii) where applicable, giving an estimate of the timeline for the investigation and final response; and
  - (iv) indicating if any remedial or legal action is or to be taken.