

# Procurement Regulations for Executing Entities

## Chapter 1 General Provisions

**Article 1 (Purpose)** The purpose of the Regulations is to check whether the Executing Entity of the project in which SK Securities Co., Ltd. (hereinafter referred to as the “Company”) participates in is in conformity with fair procedures when procuring business related goods and services.

**Article 2 (Definition of Terms)** The definitions of the terms used in the Regulations are as follows.

1. Executing Entity: Refers to a special purpose corporation that implements a product using the funds of the Company, which is the Accredited Entity of the Green Climate Fund (GCF).

**Article 3 (Scope of Application)** The Regulations apply only to projects in which the Company participates as an Accredited Entity of the GCF.

## Chapter 2 Operating Procedures

**Article 4 (Procurement Method)** ① International competitive bidding is the standard in principle for fair procurement.

- ② However, in the following cases, a private contract can be formed and the procedures from Article 5 to Article 8 of the Regulations may be omitted.

1. When the project executing agency procures small-sized goods and services of less than US \$ 500,000.
2. When standardized equipment is required for compatibility with existing facilities.
3. If the services provided under the existing contract requires continuity.
4. If the required equipment is patented and can only be procured from one supplier.

**Article 5 (Preliminary Examination of Bidders)** ① A preliminary examination of bidders is for bidding with bidders who are qualified for large and complex projects. The bidders' preliminary examination shall be conducted by the Executing Entity in order to increase the efficiency of the bidding process.

- ② The person in charge of the project in the Company shall receive the evaluation of the preliminary examination of the bid from the Executing Entity and approve the results after review.
- ③ The Executing Entity shall notify the qualified bidders after the approval of the Company is obtained.
- ④ If, under inevitable circumstances, bidders cannot go through the preliminary examination process, post-screening can be conducted..

**Article 6 (Bidding Period)** ① The Executing Entity shall generally grant a period of at least 6 weeks after the commencement of the bid.

- ② A period of 6 weeks or more may be granted when large-scale construction or complex facilities are included.

**Article 7 (Bid Evaluation)** ① The Executing Entity of the project shall examine and evaluate whether the bidders meet the eligibility requirements and select the contracting party accordingly.

- ② When the bidding is over, the Company shall receive a bid evaluation report on the result of the bid from the Executing Entity and approve it after an internal review.

**Article 8 (Declaration of Contract Conclusion)** The Executing Entity of the project shall announce the result of the bid within two weeks after the notification of the Company about the contract conclusion.

## **Chapter 3 Risk Management**

**Article 9 (Prevention of Fraud and Corruption)** ① A contract may be prohibited if the bidders for business goods and services are found to be involved in fraud and/or corruption.

② In the case of procurement, if the selected bidder has been proved to be involved in fraud and/or corruption, the funding may be cancelled unless the Executing Entity provides a solution that is satisfactory to the Company.

### **ADDENDA**

**Article 1 (Enforcement Date)** This regulations shall enter into force on October 21, 2024.