



شركة غرب القرنة  
West Al Qurna Co.

للنفط والطاقة | Oil & Energy

E.P.C

**THIRD-PARTY DUE DILIGENCE POLICY**



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WEST AL-QURNA for Oil and Energy Services L.L.C.

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### 1. INTRODUCTION

At **WEST AL-QURNA FOR OIL & ENERGY SERVICES L.L.C**, we recognize that the actions of our business partners—including suppliers, contractors, agents, and consultants—reflect on our integrity, reputation, and legal standing. We are committed to working only with third parties who uphold our standards of ethical business conduct, environmental responsibility, quality performance, and legal compliance.

This policy defines the framework for conducting due diligence on third parties to identify, assess, and mitigate potential risks prior to and during engagement.

### 2. Purpose

The purpose of this policy is to:

- Ensure third-party relationships are based on trust, transparency, and aligned values;
- Comply with anti-corruption, labor, trade, and environmental regulations;
- Identify and manage risks related to bribery, fraud, conflict of interest, human rights violations, environmental harm, and reputational damage;
- Support the implementation of ISO 9001 (quality), ISO 14001 (environment), and ISO 41001 (facility management).

### 3. Scope

This policy applies to all third parties engaged in business with **WEST AL-QURNA**, including but not limited to:

- Suppliers and manufacturers;
- Subcontractors;
- Freight forwarders and logistics providers;
- Technical service providers;
- Agents, intermediaries, and joint venture partners.

It applies to all contracts, service agreements, partnerships, and informal business engagements.

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### 4. Definitions

- **Third Party:** Any individual or entity not part of **WEST AL-QURNA's** direct employment structure but engaged to provide goods, services, or act on its behalf.
- **Due Diligence:** The process of assessing a third party's legal, ethical, environmental, financial, and operational standing.
- **Red Flag:** A warning sign indicating potential risk that may require further investigation or escalation.

### 5. Due Diligence Principles

**WEST AL-QURNA** expects all third parties to:

- Comply with applicable laws and international conventions;
- Operate transparently and disclose ownership and affiliations;
- Uphold ethical practices in employment, anti-bribery, and environmental responsibility;
- Share documentation, certifications, or records upon request.

### 6. Risk Categories And Screening Levels

Due diligence requirements are risk-based and classified as follows:

Risk Level	Examples	Screening Requirements
Low Risk	Office supply vendors, utility providers	Basic information collection, legal identity verification
Medium Risk	Equipment suppliers, construction subcontractors	Legal, financial, sanctions check, reference review



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Risk Level	Examples	Screening Requirements
High Risk	Agents in high-corruption countries, JVs, political exposure	Full enhanced due diligence, on-site visit, compliance vetting, reputational assessment

Factors influencing risk include sector sensitivity, geographical location, contract value, and prior conduct.

### ***7. Due Diligence Process***

1. **Pre-Engagement Review:** Collect business licenses, tax IDs, certifications (ISO, environmental permits), references, and ownership disclosures.
2. **Risk Assessment:** Use a risk matrix to assign due diligence level (low, medium, high).
3. **Approval:** Reviews must be approved by the responsible department head and Compliance or Legal team.
4. **Contractual Safeguards:** All agreements must include compliance clauses on anti-bribery, ethics, and termination for misconduct.
5. **Record Retention:** All due diligence findings are documented and stored securely.

### ***8. Ongoing Monitoring And Reassessment***

Due diligence is not a one-time exercise. **WEST AL-QURNA** will:

- Periodically reassess third parties, especially in long-term or high-risk engagements;
- Monitor red flags (e.g., delayed deliveries, questionable invoices, environmental incidents);
- Request updated certifications and records annually or as necessary.



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### **9. Roles And Responsibilities**

- **Procurement and Commercial Teams:** Initiate third-party assessments during onboarding or tender evaluation.
- **HSSE Department:** Evaluate environmental and safety compliance.
- **Finance:** Assess financial health and creditworthiness.
- **Compliance/Legal:** Validate ethics, sanctions, conflicts, and policy alignment.
- **Senior Management:** Review and approve high-risk third-party relationships.

### **10. Documentation And Recordkeeping**

All due diligence documentation must be:

- Maintained for a minimum of 5 years;
- Stored securely and made accessible to auditors or regulators;
- Periodically reviewed to ensure completeness.

### **11. Breach Management And Remediation**

If a third party is found to be in violation of this policy or contractual terms:

- Immediate risk mitigation steps will be taken;
- The relationship may be suspended or terminated;
- The incident will be investigated and corrective actions required;
- Regulatory authorities will be notified where legally required.



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### **12. Training And Awareness**

**WEST AL-QURNA** will:

- Train employees involved in third-party engagement on this policy;
- Provide awareness materials and templates for due diligence procedures;
- Educate suppliers and partners about expectations through onboarding and contract briefings.

### **13. Policy Review And Updates**

This policy will be:

- Reviewed annually or upon changes to legal, regulatory, or business requirements;
- Updated by the Compliance function and approved by executive management;
- Communicated broadly across departments and project sites.

**Approved by:**



CEO

Eng. Firas Younus Salman

WEST AL-QURNA FOR OIL & ENERGY SERVICES L.L.C

**Date:** 05/01/2025

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