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Introduction

Procurement is an essential function within any business. At the Emirates Group it is a fully integrated component of our overall strategy, working hand in hand with all our internal departments.

It is this integrated approach that has led the Emirates Group, from its initial formation in 1985, to becoming a world-class leader in the travel and hospitality industry. High fuel prices that went up to USD 147 per barrel in June last year, slashed Emirates Group's profits by 72 percent to USD 406 million for its fiscal year end at March 31 2009 despite a 10.4 percent growth in revenue that reached USD 12.6 billion.

Procurement function can only be as good as its network of suppliers. Our suppliers have proven exceptionally successful in meeting the requirements we place on them and have assisted us in meeting corporate goals. This guide is designed to outline the opportunities of working as a quality supplier with the Emirates Group.



The Emirates Group

The diverse portfolio of operations within the Emirates Group provides an extensive range of opportunities for suppliers, not only in the aviation sector, but across a wide spectrum of industries:

Emirates Airline

Emirates is the award-winning international airline of the United Arab Emirates (UAE), based in Dubai.

Initially flying with two leased aircraft, we now have a current fleet of 134, flying to more than 100 destinations worldwide and operate one of the youngest fleet in the world.

Spotlight

Number of Aircraft (Current)	134
Number of Aircraft (on order)	159
Number of routes	100
A380s on order	54
Our A380 routes Current: Daily to London Heathrow, Sydney/Auckland & Bangkok. Thrice a week to Toronto	
Last modified on 25th May 2009	

Dnafa

The Middle East's premier supplier of air travel services, including passenger, ground and baggage handling, cargo management (import, export, sea/air and courier), and travel services (flight availability, booking packages specially tailored to meet individual needs). International business interests include those in the UK, Philippines and Singapore, to name a few.



Emirates Holidays

True to its slogan, 'A World of Choice,' Emirates Holidays offers an extensive range of holiday destinations on every continent and at some of the most exclusive and sought after locations across the globe.

Arabian Adventures

Offering a range of recreational options, both for visitors to Dubai and corporate events, activities include desert safaris, sand-skiing or moonlit boat cruises.

Emirates Hotels & Resorts

Our hospitality division includes Emirates Al Maha Desert Resort & Spa located within the Dubai Desert Conservation Reserve, plus a portfolio of hotels and serviced apartments such as Emirates Marina Hotel & Residence, and Wolgan Valley Resort & Spa in Australia. Premier Travel Inn's international debut outside of the UK is operated under a joint venture between the Emirates Group and the UK's leading hospitality group Whitbread Plc. The joint venture, PTI Gulf Hotels, plans to roll out Premier Inns across Dubai and into the Gulf region.

Emirates SkyCargo

The Group's airfreight division that offers a cargo service to over 90 destinations worldwide, is the winner of a number of industry awards across the Middle East, Asia, Europe and Australasia.

Skywards

A loyalty rewards programme, also in partnership with other international airlines, as well as non-flight partners.

Emirates Group IT

In addition to the state-of-the-art information and technology systems that Mercator has created for the Emirates Group, other clients within the industry include Air New Zealand, Malaysian Airlines, British Airways, Singapore Airlines, Qantas, Sri Lankan Airlines, South African Airways and Varig Airlines.

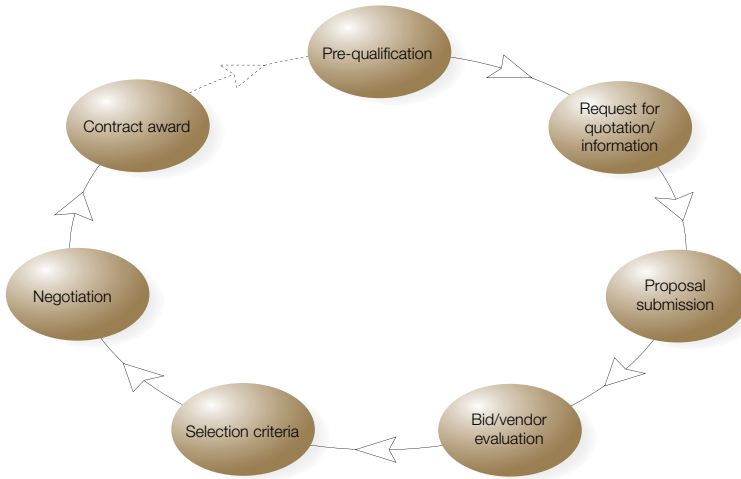
Procurement's mission statement

To provide an innovative and responsive service that positively supports the Group in a commercially astute manner.

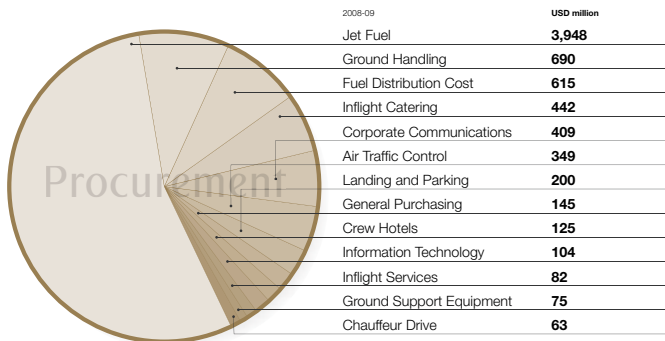
We want to constantly renew ourselves, shedding the past, adapting to change and creating a promising future.



Procurement process



A wealth of business for the right calibre supplier





Our business protocol

Our approach towards procurement-supply chain relationships is that the terms should be clear, fair and mutually beneficial.

It is Procurement's role to represent our internal clients contractually, and ensure that they are receiving the best possible value when sourcing goods and services from external suppliers.

At the same time, we are the primary source of contact with vendors on all commercial and procurement matters, and aim to constantly employ the best practices related to the procurement process.

Our commitment to the Emirates Group

- To work closely with internal departments to satisfy their specific requirements, taking into account budgetary considerations, and to monitor ongoing contracts as per their stipulated terms and conditions
- To maintain a comprehensive knowledge base of the markets within which we operate, and continually develop the most effective strategies to procure the highest quality goods and services at the most competitive price and appropriate time
- To maintain open communication channels with our suppliers, making our own requirements clear while ensuring that suppliers have the channels to discuss any clarifications or difficulties they may be experiencing. To develop relationships with new, quality suppliers wherever the opportunity arises
- To establish, maintain and enhance company procurement policies and procedures



What you can expect from us

- To treat all our suppliers fairly and impartially at all times
- To pay all our suppliers promptly and in accordance with our contractual agreements when products or services have been received. This is on the condition that suppliers submit a timely and accurate invoice that bears the purchase order or contract agreement number and matches the purchase order/agreement in all respects
- To enter into all our agreements, in the spirit of mutual cooperation, and keep communication channels open to discuss any opportunities or difficulties our suppliers may be facing
- To negotiate long-term agreements with suppliers, wherever mutually advantageous, to ensure that a proper mechanism is in place to ensure goods or services are received on time, in the right quantity and at the right price
- To measure supplier performance against established benchmarks and resolve issues wherever they arise

What we expect from you

- To create value within your own processes that you can pass on to the Emirates Group. This should include ongoing programme of efficiencies such as cost reductions, quality differentiation and process improvements
- To regularly provide accurate metrics that allow us to measure performance and address any deficiencies
- To ensure that commercially sensitive information about the Emirates Group business, that is not readily available to the public, remains confidential and undisclosed to others



- We prohibit our suppliers from using the Emirates Group name or logo for any purpose without the written authorisation from our Corporate Communications department. This includes the publication of photographs, endorsements, customer or client listings and press releases
- We work in a fast paced dynamic environment which means on occasion we need to review our requirement specifications. The Emirates Group reserves the rights to revise specifications - after an enquiry has been published and bids received, to meet our requirement

Emirates Group and the e-market place

- Electronic commerce is a key component of efficient processing and we are committed to expanding the use of e-procurement technology wherever possible. We have partnered with Tejari, a world-class B2B provider, that connects companies intending to buy and sell goods and services online
- Buyers can create an auction of products or services, then publish these auctions to solicit bids from suppliers. Bids may also be submitted online through Tejari's electronic market place. Auctions could be open, blind or sealed



Our Guiding Principles

- To uphold the highest levels of integrity in all our business relationships both internal and external to the Emirates Group, and reject any business practice deemed unethical in any way
- To enhance our own proficiency and knowledge base, by keeping abreast with new research and developments within the procurement function
- To optimise the most effective use of resources on behalf of the Emirates Group
- To comply with both state and international legislation, CIPS guidance on professional practice, and contractual obligations at all times

Procurement staff are guided by the following principles accordingly:

Declaration of interest

Any personal interest that may affect, or be seen by others to affect a procurement staff member's impartiality should be declared.

Confidentiality and accuracy of information

Procurement staff should respect the confidentiality of information they receive and should never use it for personal gain. Information that procurement staff provides to business associates should be honest and clear.

Competition

The nature and length of contracts and business relationships with suppliers can vary according to circumstances. These should always be constructed to ensure deliverables and benefits. Arrangements, that might in the long term prevent the effective operation of fair competition, will be avoided.



Business gifts and hospitality

Procurement staff will not accept business gifts, other than items of very small intrinsic value such as business diaries or calendars.

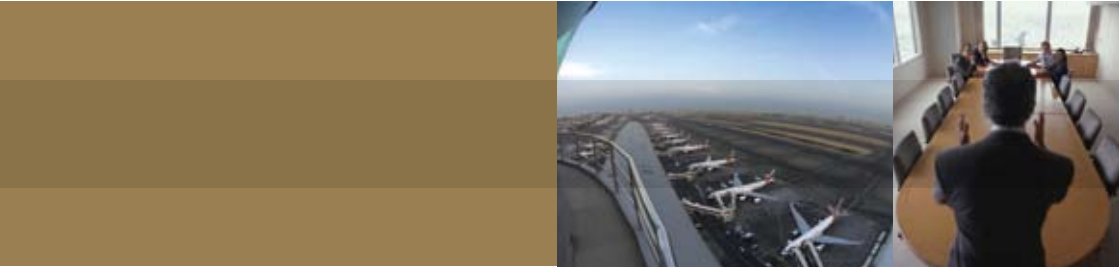
Nor will their business decisions be influenced, or be perceived by others to have been influenced, as a consequence of accepting gestures of hospitality. The frequency and scale of hospitality accepted will be managed openly and with care, and will not be greater than the Emirates Group is able to reciprocate.



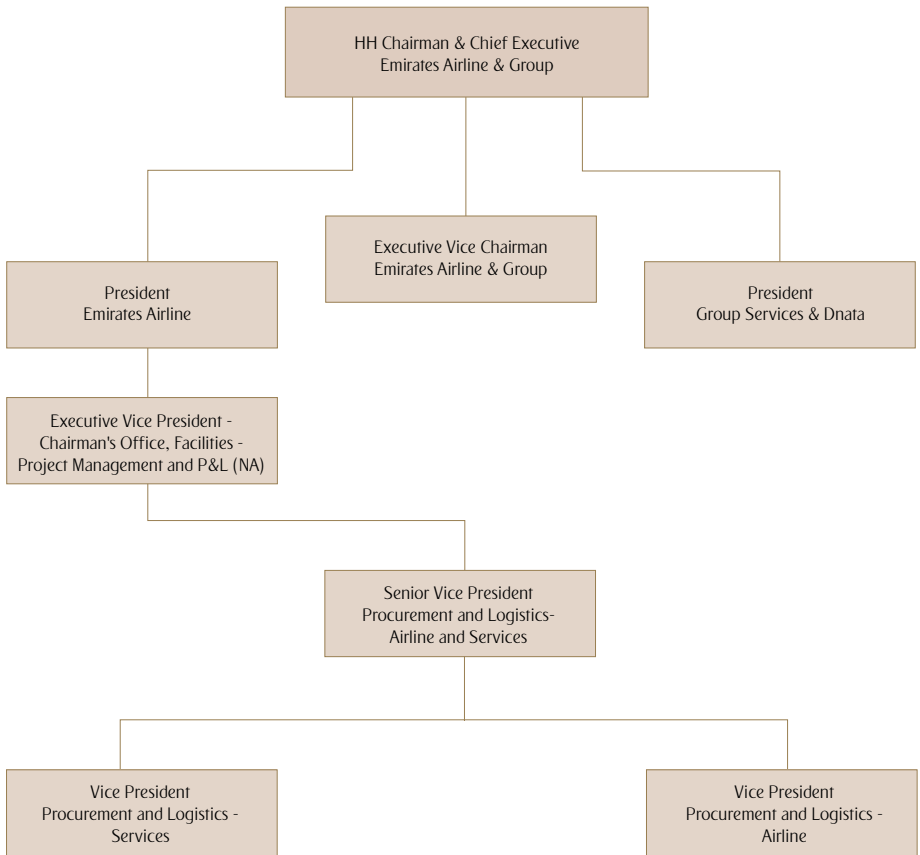
Opportunities for Small to Medium Enterprises

Under the auspices of HH Sheikh Mohammed bin Rashid Al-Maktoum's Young Entrepreneurs Scheme, we actively encourage small and medium business concerns (SMEs) to bid as prospective suppliers to the Emirates Group. Our commitment to this initiative includes:

- Encouraging SMEs to bid for tenders, without compromising the interests of the Emirates Group
- Ensuring that delivery schedules are established realistically, in order to encourage SME participation
- Providing upon request, the contact details of a procurement representative to answer queries related to a tender
- Conducting seminars for SMEs on how to do business with Emirates Group Procurement
- Participating wherever practicable, in Dubai Development & Investment Authority SME seminars and conferences.



Procurement structure





Contact Procurement

Central to maintaining a positive working relationship with our suppliers is to keep communication channels open at all times. With this in mind, our communication structure is designed to ensure that a procurement representative is on hand to address any queries or concerns you may have.

New Suppliers

In the case of new suppliers, we would like some background information about your company, products and services. You can do this by completing the online form on <http://www.procurement.ekgroup.com/registerMain.asp>.

Existing Suppliers

- For day-to-day operational issues, please contact the concerned buyer.
- For price or contract-related matters, please contact your procurement accounts manager.

New suppliers, please contact P&L - Airline and Services,
Tel: (9714) 708 2741 or email: plna@emirates.com

Services Procurement

Contact: **Adil Al Mulla**
Title: Vice President Procurement & Logistics - Services
Telephone: (9714) 708 2740
Fax: (9714) 708 2735
Email: plna@emirates.com



Airline Procurement

Contact: **Vice President Procurement & Logistics - Airline**
Telephone: (9714) 708 4688 / 708 4698
Fax: (9714) 286 4112
Email: ploperations@emirates.com

Escalation Mechanism (in exceptional circumstances)

Should you feel dissatisfied by a decision made by the concerned buyer or accounts manager, and that your efforts to resolve this through the usual channels are not producing a satisfactory result, please contact:

Procurement Management

Contact: **Saeed Mohammed**
Title: Senior Vice President
Procurement & Logistics - Airline and Services
Telephone: (9714) 708 2720
Fax: (9714) 708 2705
Email: proccgen@emirates.com