OUR SUPPLIERS AND ESG STRATEGY

Our sustainability strategy

Suppliers Strategy

In Enaex we recognize the importance of including our suppliers in our ESG Strategy. In that line, we have set measures in place to ensure that our suppliers meet with these standards. We have a Global Code of Ethics and Conduct for Suppliers that covers for example forced labor, child labor, working conditions and occupational health and safety, amongst other issues of importance to the company.

Requirements for suppliers

Within the requirements in the procurement process, specifically quotation and bidding, there is a list of critical documentation required from suppliers to demonstrate compliance with our standards. The ESG criteria is validated and controlled through this data in the procurement process.

- Personnel hiring modalities (Includes payroll, list and background of personnel offered and curriculums)
- Quality management plan
- Risk protection plan (Include performance indicators on occupational accidents and diseases)
- Certifications (ISO 14001, ISO 45001 certifications)
- Environmental protection plan (OHSAS 18001 standards)
- Subcontracting policies
- Specific experience of the company
- Site installation plan

All these criteria is required to participate in a sourcing process with Enaex and to ensure that the companies comply with our ESG criteria and with the national laws and regulations where the service would be carried out. . If any of this documentation is not presented or, in its absence, is considered "non-qualifiable", then the process is stopped.

All supplier response to this documentation is reportable and measurable. Today, our purchasing system, SAP Ariba, allows for dynamic data management. The different functional modules offer options to manage what is declared by suppliers, making it easy to revise each suppliers ESG criteria. .

Suppliers Screening

Since 2023, Enaex has implemented the new SAP Ariba purchasing system. This system integrates multiple modules of the purchasing process, such as supplier adoption, quotation, bidding, purchasing and contract management, all in a simple and dynamic interface, taking advantage of Cloud technologies.

A significant advance has been evidenced in the development and control of the Supplier Screening process. There is a control logic for new potential suppliers, who must complete specific questionnaires for their registration, declaring critical data of their company. In addition, there is a subsequent process called Qualification, where we can include the ESG criteria mentioned above and where, according to the criteria selected such as performance, reliability, experience and safety criteria, a qualification is assigned to the supplier. This facilitates the selection of companies according to the different requirements of each process.

SAP Discovery:

Within the quoting and bidding modules, there is a powerful complement to find potential participants. Any supplier with an account in SAP Ariba can receive invitations to participate in RFI (Request for Information), RFQ (Request for Quotation) and RFP (Request for Proposal) processes. In this way, Enaex can increase its reach and establish new ties with unknown suppliers, increasing transparency in procurement.

SAP ARIBA: Since 2023, Enaex has used SAP Ariba, a cloud-based system that streamlines supplier adoption, bidding, purchasing, and contract management. The system enhances supplier screening with specific questionnaires and ESG criteria, allowing for better supplier qualification based on performance, reliability, experience, and safety.

SAP Discovery: Any supplier with an account in SAP Ariba can receive invitations to participate in RFI (Request for Information), RFQ (Request for Quotation) and RFP (Request for Proposal) processes. This expands Enaex's reach, fosters connections with new suppliers, and increases purchasing transparency.