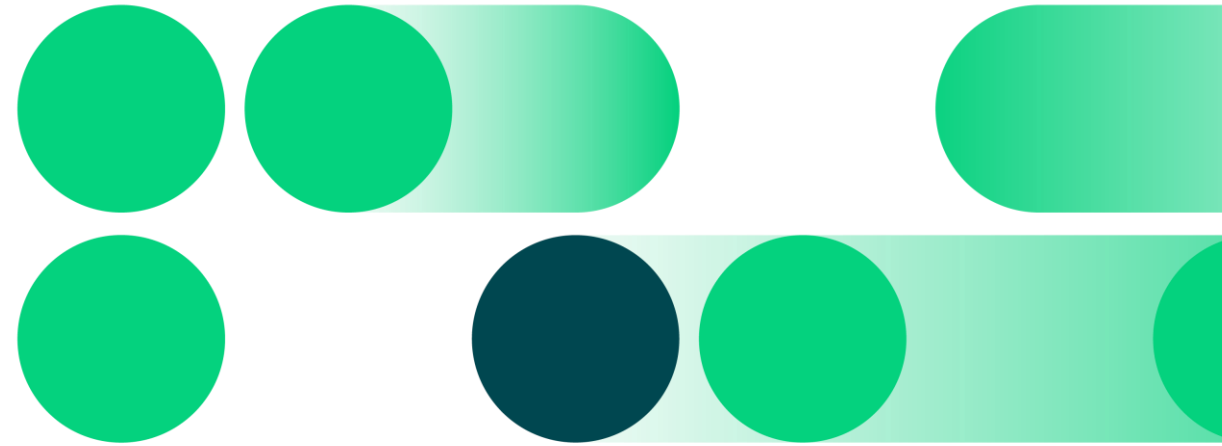


Suppliers Management

2024



SUPPLIERS QUALIFICATION PROGRAM

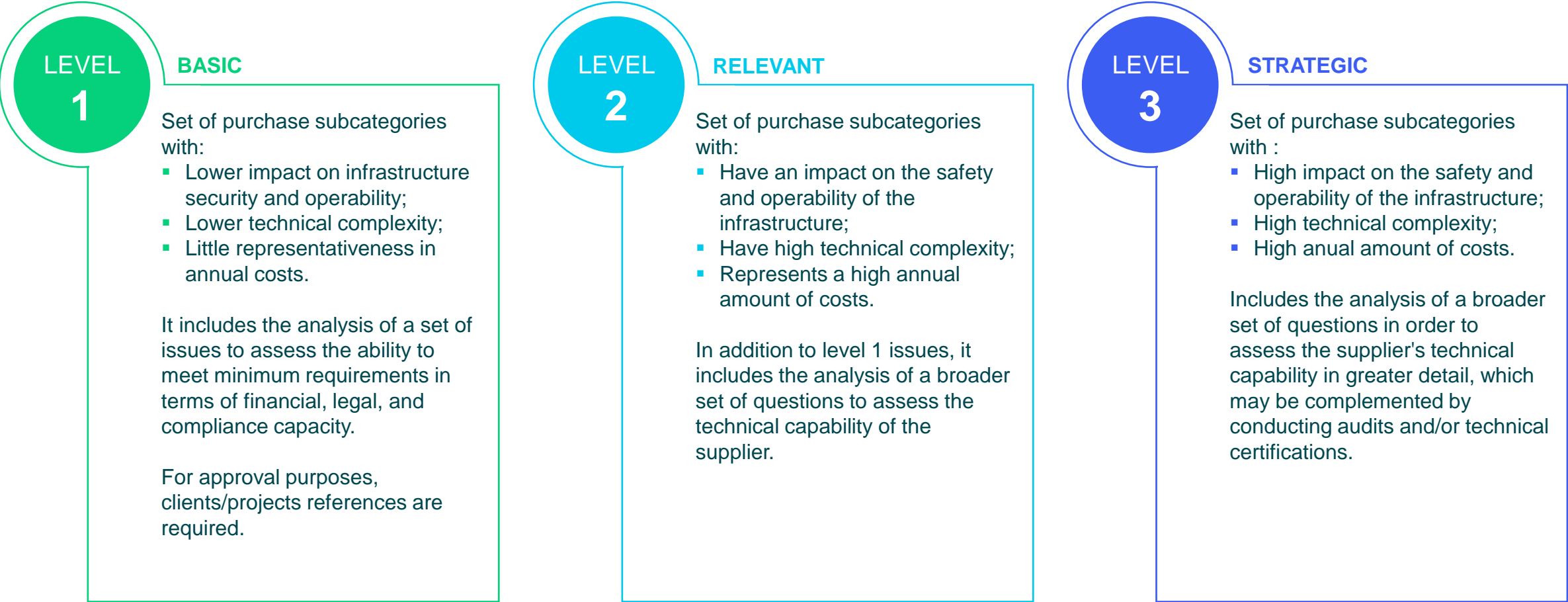
INTRODUCTION

The Qualification Program of REN has as its main goal the maintenance of a diverse and competitive Suppliers Panel, for the several Purchase Categories of REN Group, as a way of:

- Assessing and knowing the suitability and technical and financial capability of the candidates in order to evaluate their potential to be REN suppliers;
- Ensuring that REN cooperates with suppliers that use sustainable practices (e.g. compliance with current legislation, respect for the environment, use of safety standards, promote employees' well-being, etc.);
- Allowing REN to act faster and more effectively in the market, with the goal of reducing average contracting times.

SUPPLIERS QUALIFICATION PROGRAM

QUALIFICATION LEVELS



SUPPLIERS QUALIFICATION CRITERIA

SUMMARY

		QUALIFICATION LEVELS	
1	General Information: basic information characterising the candidate.	Level 1	
2	Financial Stability and Capability: size, capacity and economic stability of the candidate.	Level 1	
3	Compliance: the candidate's legal eligibility, respect for best practices regarding Quality, Environment, Occupational Health and Safety, and the candidate's acceptance of the principles set out in the Suppliers Code of Conduct of REN Group	Level 1	
4	Operation: level of suitability of the candidate's operation, including sub-supplies.	Level 2	Level 3
5	Products and/ or services: compliance with the technical requirements of products and/ or services and its supply conditions	Level 2	Level 3
6	Subcategory Specific Requirements: the candidate's eligibility regarding compliance with a set of base criteria that were defined depending of the Purchase Subcategory.	Level 2	Level 3

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

1

General Information

Criteria	Requirements	Appreciation
Supplier Information	Provide general information of the candidate.	Compulsory
Commercial Registration and Supplier's Qualifications	Provide, if applicable, information regarding the qualifications (e.g. Permits, Licenses,...) of the candidate, according to what is specified in the descriptions of the Purchase Subcategories to which the candidate wishes to apply.	Compulsory (if applicable)
Contact/Person responsible	Provide information about the contact person responsible for the application.	Compulsory

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

2

Financial Stability and Capability

Criteria	Requirements	Appreciation
Size	Confirm that the candidate meets the minimum requirements regarding the company size, namely annual revenue.	Compulsory
Financial Stability	Confirm that the candidate meets the minimum requirements regarding their financial stability, namely Working Capital, Liquidity, Net Debt/EBITDA, EBITDA margin and solvency.	Compulsory
Insurance	Confirm that the candidate has third party liability insurance.	Compulsory

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

3

Compliance

Criteria	Requirements	Appreciation
Legal Compliance	Confirm that the candidate is not in a situation where, according to article 55 of Public Contract Code the company can be banned.	Compulsory
Insolvency Situation	The candidate declares that they are not in a state of insolvency, declared by court sentence, of liquidation, dissolution or termination, subject to any preventive means of estate liquidation or in any analogous situation, nor do they have their process pending	Compulsory
Professional Repute	The candidate declares that it has not been convicted to a final judgement for any crime affecting his or her professional reputation (or the members of its social bodies, administration or management were not convicted of any crime which affects their professional status).	Compulsory
Administrative Penalties	The candidate declares that it was not subject to any administrative penalty for serious professional misconduct (or that the members of its social bodies, administration or management were not subject to any administrative penalties for serious professional misconduct).	Compulsory

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

3

Compliance

Criteria	Requirements	Appreciation
Payments to Social Security Up to Date	The candidate declares that it has no debts regarding contributions to the social security in Portugal (or the State where the company's headquarters are located).	Compulsory
Tax Payments Up to Date	The candidate declares that it has no tax debts in Portugal (or the State where the company's headquarters are located).	Compulsory
Inhibition of Participation in Public Tenders	The candidate declares that they have not been forbidden from taking part in public tenders as provided for in special legislation, namely in the scope of labour law, equal competition and non-discrimination, and have not been given the penalty provided for in article 460 of the Public Contracts Code, during the period of illegibility set in the sentence.	Compulsory
Workers' Contributions Up to Date	The candidate declares that it was not subject, in the last two years, of an administrative or judicial penalty for using labour that was not declared in accordance with the rules that impose this obligation and legally subject to the payment of taxes and contributions to the social security, in Portugal (or the State where the company's headquarters are located).	Compulsory

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

3

Compliance

Criteria	Requirements	Appreciation
Criminal Record	The Company/its Legal Representative declares that it was not convicted by final judgement for any of the crimes described in the point h) of no. 1 of article 55 of the Public Contracts Code.	Compulsory
Conflicts of Interest	The candidate declares that they are not in any situation of conflict of interest.	Compulsory
Transparency	The candidate declares that they have not taken any actions in order to wrongly influence the qualification decision by the competent body, to obtain confidential information which could grant them unfair advantage in the process, nor have they given false information which could significantly change the decisions to exclude, qualify or award.	Compulsory
Performance	The candidate declares that they have not been accused of significant or persistent deficiencies in the execution of, at least, one previous public contract in the last 3 (three) years, with that fact leading to the termination of said contract for non-compliance, to the payment of compensation resulting from the non-compliance, to the application of penalties which have reached the maximum applicable amounts stated in article 329 of the Public Contracts Code or other equivalent penalties.	Compulsory

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

3

Compliance

Criteria	Requirements	Appreciation
Quality	The candidate has formal procedures to ensure compliance of the products and/or services.	Compulsory
Health and Safety in the workplace	The candidate has formal procedures to ensure compliance with occupational health and safety legislation and regulations.	Compulsory
Environmental	The candidate has formal procedures to ensure compliance with environmental legislation and regulations.	Compulsory
Acceptance of the Code of Conduct for Suppliers of REN Group	The candidate accepts the principles stated in the Code of Conduct for the Suppliers of the REN Group.	Compulsory
Related Party Transactions	The Company/Legal Representative is a Related Party as defined in the "Regulation of the Related Parties Transactions" published at REN website.	Informative

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

4

Operation

Criteria	Requirements	Appreciation
Sub-supply	Confirm that the candidate meets the minimum requirements to ensure the stability of the supply.	Defined according to the classification level

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

5

Products and/ or services

Criteria	Requirements	Appreciation
Referrals	Confirm that the candidate has proven experience in the Purchase Subcategories it is applying to, through the nomination of the 5 (five) main clients, for products supplied in the last 5 (five) years.	Defined according to the classification level
Technical Specifications	Verify if the candidate has formalised technical specifications regarding the products it is applying to supply, and that it meets the most relevant aspects of REN's technical specifications.	Defined according to the classification level
	Verify that no serious incident with a negative impact on the client's operations occurred in the last 5 years, during the supply and/or use of products that the candidate is applying to supply.	Compulsory
Logistics	Evaluate the maturity of the company's logistical function. The candidate must have standard delivery plans associated to the products, describing briefly the aspects concerning delivery time and quantity .	Defined according to the classification level

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

6

Products and/ or services

Criteria	Requirements	Appreciation
Human Resources	Verify that the candidate has Human Resources with adequate experience, qualifications and skills for the performance of the activities detailed in the Purchase Subcategories (specified in Annex 2) for which the candidate is applying to supply.	Defined according to the classification level
Warranty and Support and AfterSales Service	Assessing the maturity of the after-sales service by verifying if the candidate has formalised procedures regarding the after-sales service, its availability (days per week and times per day), and its average response time.	Defined according to the classification level

SUPPLIERS QUALIFICATION CRITERIA

COMPULSORY REQUIREMENTS

5

Subcategory-specific Requirements

Analyse the candidate's eligibility regarding compliance with a set of basic Criteria defined for each Purchase Subcategories, which shall be specified in the questionnaire. The compliance with these requirements is compulsory for a successful application.

SUPPLIERS EVALUATION AND PERFORMANCE

The evaluation process aims to monitor supplier performance throughout the contract, being a key component for quality improvement and risk management.

Objectives
• Collect data on the performance of suppliers in the provision of goods or services;
• Identify and better manage supply risk;
• Detect opportunities for improvement and increase the quality of supplies;
• Ensure the maintenance of a record of supplier performance for REN;
• Classify suppliers based on REN standards;
• Enhance the relationship of trust and transparency with stakeholders;
• Define supplier development programs;
• Identify gaps and opportunities for improvement in the execution of contracts through discussion sessions;
• Improve supplier performance by designing a joint strategy that leverages strengths and improves weaknesses based on the evaluation.

SUPPLIERS EVALUATION AND PERFORMANCE

Qualified suppliers will be subject to performance evaluation under the contracts that may eventually be awarded to them as a result of this Qualification System.

Depending on the type and criticality of the subcategories, the performance evaluation will generally focus on the following aspects:

Evaluation Criteria	Evaluation Metrics
Technical Characteristics	<ul style="list-style-type: none">▪ Technical Quality (Product/Service)▪ Fulfillment of Plan (Service)
Logistics	<ul style="list-style-type: none">▪ Compliance with Delivery Deadlines (Product)▪ Fulfillment of Quantities (Product)
Human Resources	<ul style="list-style-type: none">▪ Team (Services)
After-Sales Service	<ul style="list-style-type: none">▪ Problem Resolution (Product/Service)▪ Technical Guarantees (Product/Service)▪ Crisis Management (Product/Service and N2/N3)
Quality, Environment and Safety	<ul style="list-style-type: none">▪ Quality (Product/Service)▪ Environment (Service N2/N3)▪ Safety (Service N2/N3)▪ Technical Visits (Integrated QAS Supervision)▪ Planning, Organization, and Communication (Integrated QAS Supervision)
Commercial Conditions	<ul style="list-style-type: none">▪ Compliance with the Specifications
Code of Conduct	<ul style="list-style-type: none">▪ Full Compliance with the Supplier Code of Conduct

