



REQUIREMENTS FOR APPROVAL AND EVALUATION OF SUPPLIERS

1. Approval and evaluation

All GRUPSA suppliers shall be identified with an internal code and the information relating to the supplier shall be found in the IT tool and managed by the Purchasing Department. Each supplier shall be evaluated in accordance with the provisions of this point.

1.1. Selection of suppliers

The System Manager approves suppliers on the basis of at least one of the approval criteria established by GRUPSA:

- Historical suppliers, who have been working satisfactorily for more than a year.
- References in the sector
- Supply capacity
- Quality/price
- Compliance with environmental requirements

In addition, although it is not a requirement, ISO9001 / ISO14001 certifications will be taken into account.

1.2. Initial assessment

The initial evaluation of suppliers consists of a first order/trial work. Irrespective of the result of the evaluation, work will be carried out with those suppliers who have a monopoly or exclusivity for a specific material or service in the area where the work is to be carried out, where there are major technical and economic difficulties in carrying out the work.

New suppliers will be considered as Favourable. Through periodic evaluations, new evaluations will be assigned as described below.

2. Ranking and re-evaluation of suppliers

Each supplier/supplier is assigned an initial classification level according to the following classification:

- A: Historical supplier or without incidents
- B: Suppliers with incidents
- C: In approval period

The System Manager draws up a list of approved suppliers including all approved suppliers with their assigned classification level.

The System Manager continuously monitors each supplier that has been approved. He uses the number of Non-Conformity Reports, Customer Complaints or Corrective Actions generated by that supplier. Depending on the occurrence or non-occurrence of incidents recorded and the degree of



importance of these incidents. All suppliers are re-evaluated annually and, if necessary, assigned a new category.

2.1. De-approval of suppliers

They will be de-homologated:

- Those suppliers with which GRUPSA has entered into litigation via the courts;
- Those with which the economic report detects a possibility of non-supply;
- Those with more than one incident in the service provided within a period of 1 year.