To be

implemented

Supplier On-boarding and Monitoring process





Check existing Identify requirement parts and suppliers Engineering to identify requirement for new supplier as part of product l Engineering to check if development process existing parts or suppliers (redevelopment or new can be used designs)

Engineering

Inform **Procurement**

- Engineering to inform Procurement of the intention to use a new supplier
- Purchasing to contact supplier and discuss:
 - *Volume requirements
 - *Lead times
 - *Pricing
 - *Payment terms
 - *INCO terms
 - *Order process

Procurement

Supplier evaluation

- Check of sustainability credentials
- Send Supplier Code of **Conduct** with request to sign), **Sustainable** Procurement Policy and **Environmental Survey**
- Conduct financial/credit check
- Supplier Visit (optional)
- Send ETL forms to Supplier for completion (and vice-versa).

Procurement/Finance

Supplier approval

New

- Supplier added to SAP and Supplier Risk **Register** by Finance
- Complete initial Risk **Assessment**

Procurement/Finance

Supplier Monitoring Process

Monthly Risk Register Review to ensure suppliers are monitored across key areas

- Ouality monitoring
- Scorecard Assessment every 6/12 months (top 50 by spend)

Procurement/Finance / Engineering

Engaging with and understanding our suppliers is key to sustainable business growth. In January 2024 we launched our new Supplier Code of Conduct and Sustainable **Procurement Policy** to support this.

Engineering

Our Procurement Manager and Senior Quality Engineer have also developed a new Supplier On-Boarding process, with support from Engineering, Procurement, Sales and Finance. As part of this we have crated a Supplier Risk Register and our Procurement Manager is in the process of assessing each supplier against this.

The Supplier Monitoring Process, involving quality monitoring and a scorecard assessment every 6 months (top 50 suppliers based on spend), is also being developed with the introduction of Monthly Risk Register Reviews to ensure Suppliers are monitored effectively by a broader team across the key areas.

SUSTAINABLE PROCUREMENT POLICY



ETL Systems Ltd



SUPPLIER CODE OF CONDUCT



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