	SUPPLIER PREQUALIFICATION POLICY		
	Type: Institutional Policy	Version: 1	
Area: Compliance Office	Author: Compliance Office	Approver and/or Reviewer: Rodrigo Oliveira	Version Date: 05/03/2021

1. Introduction

The institutional policy for Supplier Prequalification consists of guidelines for evaluating in advance the technical capacity and integrity of suppliers, guaranteeing the quality of the goods or services provided by them to Sencinet.

2. Objectives

- 2.1. Establish guidelines for contracting suppliers, ensuring reliability and the acquisition of quality services.
- 2.2. Ensure that the Company's contractors are in compliance with Sencinet's standards of conduct.
- 2.3. Pre-qualify contractors and 3rd parties according to the business criticality rule established by Sencinet.


3. Guidelines

- 3.1. Sencinet carries out due diligence processes with suppliers, adapted to meet the criticality of each type of commercial partnership, mergers and acquisitions, carrying out, when necessary, protecting the Company from any traces of occurrences, irregularities or pending issues that may indicate possible problems of a financial, legal, commercial or criminal nature. All suppliers are registered in advance, through coherent and accurate records, including the identification of information on conduct or activities that may appear suspicious.
- 3.2. In order to do business with Sencinet, all suppliers must answer the pre-qualification questionnaire, providing, when necessary, the required documentation.
- 3.3. The type of supplier assessment to be applied will depend on the criticality of the contract, established according to the nature and importance of the business for the Company.
- 3.4. For the establishment of long-term contracts and/or provision of exclusive products or services that may characterize risks due to interruption of the contracted object, the verification of the financial health of the supplier will be carried out.
- 3.5. All Sencinet's employees who manage providers must be aware of the risks and opportunities in the provision of products and services and evaluate the need to have backup providers.
- 3.6. Sencinet will ask its suppliers, whenever necessary, according to the criticality identified in the supplier pre-qualification process and the significance of the contract for the continuity of its business, to prove the existence of business management systems in its operations. Sencinet will give priority to the suppliers that presents international certification that assure the quality of the services provided.

The following certifications are examples:

- a. ISO9001 - Quality Management System.
- b. ISO4001 - Environmental Management.

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- c. ISO45001 - Health and Safety.
- d. ISO27001 - Security Management.
- e. ISO20000 - IT Service Management.
- f. ISO22301 - Business Continuity Management.
- g. SA8000 - Social Responsibility.
- h. TL9000 - Quality Management in Telecommunications Industry.
- i. TickITPlus - Capacity Certification and Software Development.
- j. CMMI - Integrated Capacity and Maturity Model Certificate.


3.7. The user must determine the minimum technical requirements that must be met in order for the supplier to meet Sencinet's needs. Based on the result of the risk assessment, suppliers may be asked to provide a service quality plan, referring to the enterprise's quality management system. It should contain, depending on the risk identified, the following:

- a. Relevant procedures and processes.
- b. Sampling and acceptance criteria.
- c. Points of attention for quality intervention.
- d. Review points and their respective frequencies.
- e. Expected tests and their respective specifications.
- f. Performance levels analyses.
- g. Definition of the involvement and the respective identification of proposals and current relevant subcontractors.
- h. How non-compliance controls will be accomplished.
- i. How corrective and preventive actions will be accomplished.
- j. Anti-corruption and anti-bribery clauses.
- k. Business Risk Management procedure

3.8. High risk providers must establish a management system or program that encourages continuous improvement in health and safety, considering the following principles:

- a. Occupational Health and Safety Policy.
- b. Mapping and assessing risks and controls.
- c. Compliance with laws and regulations applicable to health and safety at work.
- d. Reporting, investigation and incident management.
- e. Emergency preparedness, through training and skills.

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f. Monitoring performance of compliance with laws and clauses referring to health and safety at the workplace.

- 3.9. The supplier shall maintain its operations in compliance with all local, national and any other laws applicable to health and safety at work, maintaining the highest level of protection for workers.
- 3.10. Suppliers shall ensure that its employees have the necessary skills, knowledge, training and experience necessary to carry out the work, as well as that they will be properly supervised in their activities.
- 3.11. Suppliers must cooperate in any assessment required by Sencinet and allow Sencinet or its representatives to access its records and facilities (and those of any subcontractor) for this purpose.
- 3.12. Sencinet will not establish or maintain commercial relationships with any supplier with a history or reputation for illegal, identified and unresolved activities, including money laundering or terrorist financing, or that could pose a risk to a Sencinet or its representatives.
- 3.13. Sencinet should periodically assess the risks of corruption and bribery, taking into account minimally the processes involving interactions between employees and third parties with public agents, as well as the commercial processes of contracting suppliers, reviewing the efficiency of the associated controls, also considering changes in local and regional legal environments that safeguard anti-corruption and anti-bribery guidelines.

4. Appendix

4.1. Concepts

4.2. Responsibilities

5. Revision history

Version	Date	Author(s)	Content reviewed
1	05/03/2021	Compliance Team	Document creation