

October 2023

Babcock International Group

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Our reference: New Source to Pay Solution October 2023 update.

Dear Supplier

Further to our previous letter dated May 2023 (<u>copy available here</u>) announcing a change in the Source to Pay technology being deployed within Babcock, we are now able to share some more detail around this programme and what it means to you as a supplier to Babcock and or our subsidiary Cavendish Nuclear.

As you may recall Babcock are deploying a technology solution called Coupa that will sit across our existing ERP platforms. Coupa is a leading cloud-based e-commerce solution connecting buyers with their suppliers. Amongst other features the Coupa platform will be used to send purchase orders and to receive invoices electronically and is free to use for our suppliers with no hardware or software set up required.

Further information regarding the Coupa solution is now available on our dedicated Coupa website accessible here.

A brief overview of the programme and what we require from our suppliers to support this deployment is detailed in the Supplier Briefing Pack accessible on our Coupa website and accessible here which includes the latest Coupa solution deployment dates.

So, what does it mean for you as a supplier into Babcock?

Babcock are switching to a new way of working with our supply chain. Due to the complexities of the business and the different existing systems used across the Babcock Group, it will mean a phased transition where parts of the Group migrate ahead of others. We thank you in advance for your patience as we navigate the transition.

However, ultimately at the end of the transition it will mean that dealing with Babcock will become simpler. The Coupa solution offers a range of routes to transact dependent upon the type of transactional relationship we have.

The Coupa Supplier Portal (CSP) is our preferred route for transacting with you.

The CSP will allow our suppliers to:

- Participate in sourcing events.
- Manage purchase orders and create electronic invoices with a click of a button.
- Have efficient invoice payment and visibility into the status of your invoice and payments.
- Reduce manual interventions and processing when managing Babcock orders.
- Better communication & information management, including ability to update your account details.

Training material on how to set yourself up as a supplier within the Coupa Supplier Portal will be posted on the Coupa pages of our website shortly, including a number of self-help videos that will be accessible here.

Additionally, we will be inviting you to a webinar session that will go through a project overview and high-level demonstration of the CSP solution. You will also receive an invite to register on the CSP platform in the coming weeks.

We look forward to working with you and making this transition to a more unified way of working a success.

Yours faithfully

Trevor Latham

Chief Procurement Officer