

CFL PURCHASING POLICY

The main goal of CFL's Purchasing Policy is to satisfy the Group's internal and external clients by establishing an effective and efficient purchasing process for acquiring quality goods, services and labour at the right price. It applies to all of the companies and services that comprise the CFL Group.

In accordance with the CFL strategy, the guiding principles of the "CORE2" Charter of Values and our CSR approach, the Purchasing Department of the parent company and the Purchasing Departments of the subsidiaries are responsible for implementing the Purchasing Policy and managing purchases, while remaining conscious of CFL's key business activities and continuously searching the market for the best solutions for creating optimal added value for the CFL Group.



With this in mind, the Purchasing Policy is based upon 10 pillars:



1. COMMITMENT TO THE CLIENT

The client is central to the priorities of the Purchasing Department. This means listening to internal clients and identifying, understanding and helping to formulate and describe the needs (specifications), in order to find customised purchasing solutions.



2. COMMITMENT TO SAFETY

Safety is considered as a fundamental and indispensable element in the day-to-day operations of the Purchasing Department, in order to ensure the company's sustainability and performance, as well as the highest level of safety for our clients and collaborators.



3. COMMITMENT TO QUALITY

The Purchasing Department is constantly looking for quality goods, services and labour.



4. OPTIMISATION OF COSTS

The Purchasing Department centralises and consolidates all purchases, in order to take full advantage of the Group's purchasing power in negotiations. It is committed to acquiring goods, services and labour at the best overall cost, while providing the quality that the internal client expects. The evaluation of offers does not solely concern the cost price (except in relevant cases), but involves a "whole-life cost" approach.



5. SPEED AND GUARANTEE OF AVAILABILITY

Planning purchases based on the Services' demand for the year will allow the Purchasing Department to reduce the procurement turnaround time as much as possible, while ensuring optimal availability.



6. RESPECT FOR HUMAN RIGHTS

The purchasers are required to ensure that contracts comply with social and labour-related legislation and regulations regarding the staff of suppliers and subcontractors. They must focus on respect for human rights, in collaboration with the supplier, along the entire upstream value chain, in order to encourage good practices in terms of social responsibility.



7. RESPECT FOR THE ENVIRONMENT

The Purchasing Department includes environmental criteria in the different purchasing documents. In collaboration with suppliers and internal clients, the purchasers consider the impact of purchasing decisions on the use of materials, pollution, waste, the usage/economic life cycle, and recycling.



8. AWARDING OF CONTRACTS AND SELECTION OF SUPPLIERS

Contracts are awarded in accordance with the rules for public transactions and based on transparent, equitable and non-discriminatory selection practices: the selection of economic operators, and the awarding of contracts, are carried out in accordance with criteria that are objective and defined in advance in the purchasing documents. Purchases are made systematically with partnership in mind and, where relevant, generate offers from regional suppliers and service providers, as well as socially responsible players. The final award is made systematically based on the most favourable economic offer.



9. INNOVATION AND THE CONTINUOUS SEARCH FOR IMPROVEMENT

When it comes to market research, the Purchasing Department is particularly focused on technological progress, with the goal of being able to offer and suggest the best solutions that respond to the limitations of CFL's activities. The Purchasing Department actively encourages operators to propose modifications to the specifications presented.

Purchasers rely on new technologies in their search for the best solutions for clients. We consider our suppliers to be key stakeholders in the Group and we engage in dialogue and a process of continuous improvement with them.



10. ETHICS AND INTEGRITY OF COLLABORATORS

The Purchasing Department's collaborators act with integrity and in accordance with the law and internal procedures. They forbid any form of corruption. They must inform their superiors of any potential conflict of interest, in particular, family relations or financial involvement with one of the economics operator candidates/tenderers.

