



1 INTRODUCTION

The activities of the VICAT group rely on thousands of suppliers, ranging from large international groups to small and medium-size local companies.

This Responsible Purchasing Policy defines the strategic orientations and major principles applicable in the VICAT group in the management of its purchases. It is supported by the Group Purchasing Department, which regularly reviews and implements it with the purchasing managers of the Group entities.

The major principles defined below apply to all types (purchases of products and services), regardless of the department in charge of purchasing in the Group entity.

2 RESPONSIBLE PURCHASING POLICY

Purchases of goods, services and materials represent nearly 80% of the expenses of the Group's entities. Controlling purchasing is one of the key factors of success of the Group, as it is essential to respecting performance and contractual deadlines as well as the confidence that the Group wishes to inspire to its Suppliers.

To ensure this control, the Responsible Purchasing Policy considers 3 major requirements :

- The balance between economic performance and risk control;
- Securing and responsibly managing a portfolio of reliable and sustainable Suppliers;
- The integration of environmental, social, societal, compliance and ethical criteria in the selection and evaluation of Suppliers.

To respond operationally to these requirements, the Responsible Purchasing Policy is based on 3 principles :

1. Guaranteeing competitiveness and efficiency through optimal management of the supplier panel :

- The construction by the Group's Purchasing departments of a panel of Suppliers meeting strategic purchasing needs;
- The development of synergies and exchanges between the Group's entities, particularly in terms of sourcing, at least for the purpose of sharing, and with the aim of building a panel of strategic Suppliers for the Group;
- Securing purchasing conditions from common suppliers and/or setting up specific framework contracts.

2. Controlling procurement risks through professional contract management :

- The establishment of clear and balanced contracts, committing our suppliers to environmental, social and societal responsibilities and Compliance;
- Respect for confidential information, know-how and intellectual property.

3. Reciprocal commitments with our suppliers for sustainable development :

- The ethical treatment of our Suppliers, in compliance with the principles of Responsible Purchasing mentioned in the paragraph below, as well as the [Code of Ethics](#), [Supplier Code of Conduct](#), and [Code of Anti-Corruption practice](#) of the Group (all documents available on www.vicat.fr) ;
- Raising the awareness of our Suppliers, beyond the requirements of quality, cost and delivery time, to the Group's strategic objectives, in particular on environmental and climate aspects (air, soil, biodiversity), protection of resources (water), safety, Compliance, societal and ethical aspects;
- On climate aspects, encouraging our suppliers to reduce their greenhouse gas emissions linked to the production and transport of goods, materials and services purchased by Vicat (Scope 3 upstream emissions of the Group).

► The major purchasing principles are set out in an internal reference document (the "Group Purchasing Directive") and are regularly assessed in the Group's entities.

3 RESPONSIBLE PROCUREMENT

The Responsible Purchasing approach is at the heart of the VICAT Group's CSR challenges. Faced with these significant challenges, the Group Purchasing Department has set itself the objective of implementing a CSR approach for the management of the supply chain of the entities controlled by the Group, and to this end has defined the following major CSR objectives for the next 3 years :

1. Decarbonize the procurement of products and services with our main suppliers;
2. Train all Group buyers to Responsible Purchasing;
3. Improve payment terms with suppliers;
4. Focus on collaboration with suppliers who contribute to the achievement of the United Nations Sustainable Development Goals, and to evaluate them regularly on these principles;
5. Promote collaboration with SMEs and local suppliers.

Furthermore, the VICAT Group Purchasing Department aims to create and maintain a balanced and sustainable relationship with all its suppliers. To this end, all the entities of the Group commit themselves to apply the precepts indicated in the paragraph below.

α MAIN COMMITMENTS OF THE VICAT GROUP

The VICAT Group has decided to become a member of the United Nations Global Compact, and to develop its Responsible Purchasing approach in collaboration with its suppliers. Through this membership, we wish to involve all of our stakeholders, and in priority our buyers and suppliers, in order to develop mutually beneficial and sustainable relationships.

Our teams are committed to :

- Select suppliers impartially and treat them fairly and equitably (e.g. during a tender process, provide the same information to different bidders, ask for the same deadlines and evaluate offers according to the same sustainability criteria);
- Apply the principles of transparency and traceability throughout the procurement process;
- Adapt their practices to facilitate tendering by Small and Medium-size Enterprises;
- Respect the confidentiality of information provided to them, as well as intellectual property rights;
- Pay particular attention to reducing late payments to suppliers;
- Fight against any form of active or passive corruption, and potential conflicts of interest;
- Wherever possible, «inclusive» suppliers will be promoted, to facilitate collaboration with companies that favor the employment of disabled people.

We favor a concerted and supportive approach aiming at the continuous improvement of the purchasing process and supplier relations. In the event of a dispute, the VICAT Group aims to find amicable solutions for their resolution. Whenever possible, a win-win partnership will be favored.

Note: The "[Code of Ethics](#)" presents the values held by the Group. It is part of the Group's desire to conduct its business with respect for its commercial partners, whether they are suppliers, service providers or customers, for its employees and for the inhabitants of the area where it is established. It applies to all Group's players, in France and abroad. In the context of this approach, it takes on its full meaning about buyers.

b> MAIN COMMITMENTS REQUIRED FROM OUR SUPPLIERS

- ▶ Firstly, the Suppliers undertake to respect the commitments of the VICAT Group's [Supplier Code of Conduct](#) by signing the latter; this Code commits them to the following practices :

Human rights and labor law practices :

Our suppliers are committed to respecting human rights. In this sense, they must ensure the effective application of the fundamental rights of workers in compliance with the conventions of the International Labor Organization (ILO) and national legislation on human rights and health and safety of workers.

Environmental practices :

Our suppliers comply with all applicable environmental laws and regulations and adopt a precautionary approach to environmental issues.

They detect, identify, and assess potential environmental risks and take all appropriate measures to mitigate or eliminate them.

Suppliers shall minimize their impact on the environment, in particular by prioritizing eco-design, prevention, reuse and recycling actions... This approach should make it possible to reduce their CO₂ emissions, their waste volumes, their energy and water consumption and their discharges, while preserving biodiversity.

Ethics :

Our suppliers prohibit bribery and corruption, money laundering, terrorist financing, and remain vigilant to international sanctions programs and embargoes.



c>> SUPPORT APPROACH

The VICAT group wishes to develop a partnership approach and expects a commitment from its suppliers with the aim of a sustainable and profitable collaboration.

To identify the areas of progress, an evaluation (audit type), diagnosis and advice approach will be gradually implemented. For the success of this approach, our suppliers may be asked to meet with our teams and/or to be evaluated by a CSR evaluation platform mandated by the VICAT Group.

These evaluations/ diagnoses/ advice will focus on the objectives and commitments indicated above, but also, for example, on health & safety aspects, working conditions, product design, purchasing policy, etc.

We want our suppliers to understand and implement the continuous improvement approach: our teams will be available to support their CSR initiatives. If this is not the case, we reserve the right to call the collaboration into question.

To measure the effectiveness and efficiency of this Responsible Purchasing Policy, the VICAT Group undertakes to draw up a management chart to monitor its approach, based on performance indicators.

