



fagorederlandgroup

PURCHASING POLICY

2019

B A S I C P O L I C I E S

Purchasing Policy

- Have a solvent and sufficiently broad panel of suppliers to guarantee continued plant activity and response to the end customer in terms of quality, cost and specified services.
- Optimise purchase prices of our commodities within a framework of exposure to defined economic risk.
- Establish partnerships and relationships of trust with key suppliers, based on collaboration, openness and responsiveness.
- Maintain, search and, if necessary, permanently develop suppliers of products and services that can provide all of the Group's plants locally and/or globally with competitive costs (quality, cost, service, safety and environmental).
- Bring suppliers in line with the Fagor Ederlan Quality and Environment Policy.
- Incorporate fresh knowledge into our organization via our suppliers of capital goods, raw materials, services as well as others.
- Work with suppliers to ensure that they adhere to our Code of Conduct.
- Work with streamlined suppliers that allow us to reduce stocks, increase rotation and improve plant based services.
- Provide efficient, transparent Purchasing processes in decision making.
- Extend the purchasing policy to all investee companies.
- Explore and strengthen purchasing synergy within the Mondragón Group.