

SGF Zone Industrielle du Vernay 73460 SAINTE HELENE SUR ISERE Tél. +33 (0)4 79 38 41 13 - Fax +33 (0)4 79 38 49 57 RCS Chambery 807 869 870 - N° TVA FR 20 807 869 870 www.sg-f.fr

# **Purchasing Strategy**

SGF's purchasing strategy is to seek out the most competitive and best-performing suppliers. We develop close partnerships with those that come out on top according to our policies. As our customers are always raising the bar in terms of quality and service, we select the best suppliers and ensure they commit to continuous improvement and to maintain the highest standards in the world.

### **Quality & Service**

Our purchasing strategy focuses on maintaining the highest-quality product outputs, processes and services. This means 0 incident and 0 PPM (defective parts per million) on all products. New suppliers are expected to send initial samples on time and right the first time. We require a 100% service level and 0 logistics incident from all our suppliers.

### Competitiveness

To stay competitive, SGF continually seeks to reduce costs in both products and services. We consider our suppliers close allies in helping us find new ways to reduce costs. That's why our suppliers are expected to manage and drive a consistent Productivity Plan addressing all potential levers of concern.

## **Projects**

Our suppliers help us maintain a competitive edge by providing state-of-the-art technologies to use in our projects. We integrate design suppliers right from the start of project development and ensure we meet project milestones and QCDI (Quality, Cost, Delivery and Innovation) objectives.

## **Ethics and Compliance in Purchasing**

SGF maintains the highest standards of ethics, integrity, business conduct and sustainable development standards. Our business partners must adhere to all laws, regulations and compliance policies in effect. To ensure suppliers fully understand our expectations, they are required to:



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#### • Promote and respect for internationally recognized Human Rights

The Supplier respects Human Rights in all countries where it is present, including in areas where the affirmation of human rights is still insufficient. The Supplier strives to prevent situations or acts of complicity in violations of fundamental human rights. The Supplier proclaims its commitment to fulfilling its responsibility to respect human rights and promotes their respect throughout its entire supply chain.

#### <u>Fight corruption, fraud, money laundering</u>

in all their forms, in all countries, whatever the subject, and prohibit conflicts of interest. We must not receive or pay bribes, receive or send invitations, gifts that may have an impact on our decision-making

#### • Support for Small and Medium Enterprises (SMEs) and Local Businesses

Encourage purchasing from small and medium-sized businesses as well as local suppliers. Contribute to local economic development and job creation in the community. Promote the diversity and richness of the entrepreneurial ecosystem

<u>Recognize the freedom of association and have the right to collective bargaining</u>

The Supplier recognizes, throughout the world, union status and the right of workers to form union organizations of their choice; it ensures respect for union independence and pluralism (ILO Convention No. 87). The Supplier undertakes to protect union members and officials and not to engage in any anti-union discrimination (ILO Convention No. 135). The Supplier undertakes to promote collective bargaining as a central element of social dialogue (ILO Convention No. 98)

Eliminate all forms of forced and compulsory labor

The Supplier recognizes the principle of free choice of employment. Under no circumstances may the Supplier resort to forced and compulsory labor or slavery. Work is considered forced and obligatory or slavery whenever it is imposed by means of a threat: deprivation of food, confiscation of land, non-accreditation of wages, physical violence, sexual abuse, involuntary prison labor, etc. (ILO Conventions Nos. 29 and 105).

<u>Respect the effective abolition of Child Labor</u>

The Supplier undertakes not to employ children in violation of the provisions of the conventions of the International Labor Organization (ILO conventions no. 138 and no. 182).

Eliminate the discrimination in matters of employment and exercise of a profession

The Supplier prohibits any discrimination based on race or ethnic origin, gender, religion or belief, political opinion, trade union activity, disability, age and sexual orientation in recruitment. and professional development and ensures equal treatment as well as all forms of physical, moral and sexual harassment (ILO Convention No. 100, No. 111 and No. 156).

Remuneration

The Supplier undertakes to ensure that the salaries and remuneration paid correspond at least to the legal minimum and the conventional professional minimum. The Supplier recognizes the principle of equal remuneration, between men and women, without discrimination based on sex (ILO Convention No. 100).

- Accept to be evaluated on their CSR performance and, if necessary, to propose an improvement approach.
- Support SGF in achieving its CSR objectives.
- Promote this Policy to their suppliers and subcontractors.