

## PREAMBLE

PCI SCEMM, a Business Corporation with a Capital of Six Million Euros, sells automated machining installations designed mainly for the automotive sector, covering the design, installation, commissioning, and after-sales service.

For its own purposes, Purchasing represents about 65% PCI SCEMM's total annual revenue. The 'Quality delivered' and 'Deadline compliance' aspects of its Suppliers, beyond the direct economic impact on the company's revenue, play a vital role in PCI SCEMM's organisation and image, while contributing to END CLIENT SATISFACTION.

## PCI SCEMM SOCIAL AND ENVIRONMENTAL LIABILITY REQUIREMENTS

### PCI SCEMM's SUPPLIER REQUIREMENTS

Considering its economic, environmental and social footprint, PCI SCEMM commits to apply the principles listed below, and expects its SUPPLIERS and their own subcontractors to implement a corporate policy applying the following principles:

**Principles of action:** PCI SCEMM and its SUPPLIERS commit to comply with the laws and regulations applicable to their business in their country of origin, and in the countries where their end products are used / operated.

**Rules of hygiene and safety:** PCI SCEMM and its SUPPLIERS commit to implementing a proactive hygiene and safety prevention policy, and ensure it is enforced at all times.

**Respect of personnel rights:** PCI SCEMM and its SUPPLIERS ensure rights of employees are respected. This means preventing any discrimination of any kind, whether upon hiring or in work relations, and behave with dignity and total respect of privacy of all personnel. They acknowledge the independence of unions and union freedom. They accept the principle of political, racial and religious neutrality.

**Child and forced labour:** PCI SCEMM and its SUPPLIERS commit not to employ children in breach of the provisions of International Labour Organization conventions. In no event will they resort to forced labour.

**Environmental protection:** PCI SCEMM and its SUPPLIERS will comply with any laws and regulations relative to the environmental protection. Goods designed and/or manufactured by PCI SCEMM and its SUPPLIERS will be free of products, materials or substances banned by laws or regulations in their own country, in France, in the European Union, as well as any country of marketing of the goods designed and/or manufactured. Should means of transportation be necessary, the containers will be filled to maximum capacity to avoid additional energy consumption.

Whenever possible, green energy will be used and products recycled. PCI SCEMM and its SUPPLIERS will prefer the use of electronic media and limit print-outs.

**Privacy and personal data:** PCI SCEMM and its SUPPLIERS commit to respect the privacy of the information exchanged, whether technical, economic or social, within the framework of their own and reciprocal activities.

**Reciprocity requirements:** The SUPPLIERS shall commit to promote these same principles with their own suppliers and subcontractors.

## PURCHASING COMMITMENT

Within the social and environmental framework described above, the Purchasing policy is part of compliance with PCI SCEMM's Ethical Charter, based on the following commitments

**Supplier sourcing:** Seek and qualify the best suppliers available on Q, C, D, P criteria (Quality, Cost, Deadline, Provision) available in the Global Market, in order to build a Panel able to meet the needs emitted by the internal prescribers.

**Supplier Assessment:** Regularly review Panel supplier qualification to upgrade their skills and guarantee a high level of satisfaction in Q, C, D, P.

**Equal treatment:** Ensure equal treatment of suppliers by using the same procedures and organizations for all, in all steps.

**Assess the cost of ownership (TCO):** Appreciate the total cost of purchase (including expenses for packaging, transportation, customs clearing, travel, taxes, training, quality and lead time follow up , etc.) for a strictly ISO SCOPE comparison and a fair decision.

**Team work and Shared choice:** Collaborate directly with the prescribers to define and guarantee the best technical and economic compromise for the work or goods sought.

**Acknowledging supplier skills:** Value the know-how of our suppliers and develop Co-engineering, for example via technical and economic partnerships.

**Negotiate:** All sales terms as described in the General Purchasing and Sales Terms and Conditions are part of the negotiation to reach a fair compromise between the 2 parties.

In Saint Etienne, on 31/10/2019

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