

PRINCIPLES OF
RESPONSIBLE PURCHASING



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Attijariwafa bank

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PRINCIPLES OF RESPONSIBLE PURCHASING



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RESPONSIBLE PURCHASING

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MESSAGE FROM THE CHAIRMAN AND CEO

The Attijariwafa bank group is committed to sustainable growth and meets the sustainable development challenges it has identified throughout its value chain by implementing a Corporate Social Responsibility (CSR) policy for the benefit of all its stakeholders.

The Group's approach is based on the 4 following main pillars:

- **supporting the development of a sustainable economy;**
- **preserving the environment and fighting climate change;**
- **setting an example in the conduct of business and in relations with stakeholders;**
- **engaging with communities and civil society.**

One of the major commitments of Attijariwafa bank's CSR policy is to ensure that CSR principles are applied in the supply chain.

Indeed, the Purchasing function plays a key role in the implementation of the Group's CSR strategy and ensures the selection of goods and services produced and delivered in compliance with environmental, social and ethical standards. It also ensures to establish respectful, balanced and lasting relationships with its suppliers.

As such, a responsible purchasing approach has been implemented and is being carried out in accordance with:

- **Attijariwafa bank's CSR policy.**
- **the Group's Purchasing Charter, which defines the role, authorities and objectives relating to purchasing.**
- **the Purchasing Code of Ethics, which governs professional purchasing methods and practices.**

Through this charter, the Attijariwafa bank group aims to share the principles governing responsible purchasing at Attijariwafa bank with suppliers (current or potential), and to ensure they are involved in this approach.

This charter applies to all suppliers of Attijariwafa bank and its subsidiaries.

By adopting this charter, the supplier undertakes to follow and implement, in compliance with applicable national legislation and contractual provisions, all the principles set out in it.



Mohamed El Kettani
Chairman and Chief Executive Officer



I- THE PURCHASING FUNCTION AND PROCESS

1 Organization of the Purchasing function

The mission of the Group's Purchasing department is to optimize the Group's expenses by ensuring that internal procedures relating to the consultation and call for tenders process in effect are applied, and by relying on governance bodies that respect the collegiality of decision-making.

The Group's Purchasing department has the role of:

- ensuring that expenditures are relevant to the needs expressed by the entities, that they can be grouped together with a view to establishing a Group framework agreement and that a validated budget line is available, in accordance with the Group's strategic direction;
- ensuring that the Group does not incur any risks related to its suppliers by ensuring the effectiveness of the approval and selection process for suppliers, paying particular attention to service providers with significant revenue and a risk of dependence, and to those to whom services have been outsourced;
- ensuring, by drawing on the expertise of the Group's Legal Department, that the contracts to be concluded by the various Group entities safeguard the Group's interests, comply with the negotiations and create the motivation and sanction mechanisms associated with the defined quality and risk objectives;
- defining and pooling the needs of the various entities, by standardizing specifications and homogenizing the products used, with the aim of streamlining expenditure and guaranteeing an optimum quality level.



2 The Purchasing process

As part of the Purchasing process, the Group's Purchasing entity shall:

- constitute a catalogue of Group suppliers, according to the market offer;
- set up a catalogue of products and services according to the Group's needs;
- classify suppliers by products and services, according to performance indicators that express quality of service, cost and risk level;
- assist users in defining detailed specifications of products and services;
- make calls for tenders and select suppliers to be consulted, in cooperation with the authorizing officers and the subsidiaries concerned by the tender;
- organize contract award or supplier selection sessions;
- draw up contracts with suppliers and ensure their follow-up and renewal.

Attijariwafa bank undertakes to have buyers who are:

- trained in purchasing techniques;
- fully committed to ethical conduct, demonstrating impartiality and objectivity and avoiding situations that could generate conflicts of interest;
- responsible for ensuring free and fair competition, guaranteeing efficiency on the basis of the following rules: free access to calls for tenders, equal treatment of bidders, transparency and traceability of procedures, taking account of total cost.

The same principles apply to purchases that would be made by delegation to third parties.

3 Management of the supplier relationship

The players in the purchasing function, buyers, decision-makers and users, have a collective mission: the quality of the relationship with suppliers.

The Purchasing function manages or coordinates the entire sales, financial and accounting relationship with suppliers by:

- fostering a customer-supplier relationship based on mutual respect,
- putting in place the relevant means to monitor suppliers,
- communicating on its purchasing policy with as much transparency as possible,
- giving preference to negotiation to resolve commercial disputes.

The Purchasing function directs and coordinates the appropriate activity plans for implementing this charter, monitoring the associated indicators and taking any necessary corrective action.



II- SUPPLIER COMMITMENTS

The Attijariwafa bank group wishes its suppliers to actively contribute to the achievement of its CSR ambitions. To this end, the Group expects suppliers it works with to share its commitment to sustainable development and to respect the following principles:

1 Compliance with laws and regulations

The supplier shall apply the laws in force in the countries in which it operates, and shall comply with the international rules laid down by the United Nations and in particular:

- the principles of the Universal Declaration of Human Rights;
- the fundamental conventions of the International Labor Organization (ILO);
- the Organization for Economic Co-operation and Development (OECD) guidelines for multinational enterprises.

The supplier undertakes to obtain a similar commitment from its own suppliers, subcontractors or distributors.

2 Ethics and Professional Conduct

The supplier conducts its business in accordance with the principles of fairness, honesty and equity, as well as applicable competition regulations.

Consequently, any supplier is prohibited from participating in price-fixing collusion and, more generally, in any unfair practice which has the effect of hindering free competition, in particular those designed to drive a competitor out of the market or to restrict market access for new competitors through unlawful means.

The supplier commits to not be involved in any way whatsoever in a situation of conflict of interest and in any act of corruption, extortion or embezzlement, nor in any form of payment of bribes.

As a result, the supplier is prohibited from proposing or offering gifts, invitations or any other benefit in kind or in cash to the Group's employees and their families, in order to ensure the independence of the Purchasing process.

Any conduct contrary to these rules should be reported to the Group's Compliance Officer, by email to the following address: Deontologie@attijariwafa.com; who will investigate a claim in strict confidentiality, whether it concerns suspicions or facts about an Attijariwafa bank employee or a supplier.



3 Confidentiality and Intellectual Property

The supplier must maintain the confidentiality of the information received, which is the property of the Attijariwafa bank group. It undertakes not to disclose to any third party any non-public information communicated to it without the prior written consent of the Group.

The supplier must comply with applicable legislation regarding the claim of intellectual property rights, including protection against disclosure, patents, copyrights and trademarks.

4 Environmental Protection

The supplier undertakes to minimize the environmental impact of its activities. It must at the very least comply with all environmental laws and regulations in force in the country where it operates and provide proof that it has adopted measures aimed at reducing its environmental impact, in a process of continuous improvement.

The provider will make every effort to roll out an environmental management system and obtain internationally recognized certification such as ISO 14001.

The supplier commits in particular to preserve natural resources (water, raw materials) and the ecosystem, to protect nature and maintain biodiversity.

In the various stages of manufacturing, transport, on-site installation, marketing of products and services, and waste disposal, it ensures it:

- eliminates or reduces the sources of pollution generated by its activities;
- reduces its energy consumption;
- avoids or minimizes the use of hazardous substances;
- promotes recycling or reuse of waste;
- limits nuisances to communities.

The supplier will endeavor to offer “eco-responsible” solutions and will highlight the environment-related characteristics of its products and services in its commercial offering.

Protection of human rights, working relationships and conditions

Suppliers shall commit to comply with the following fundamental principles:

- **Freedom of association and protection of the right to collective bargaining:**

The supplier undertakes to respect the principles of freedom of association and protection of the right to organize and bargain collectively of ILO convention 87 and in accordance with the local legislation.

- **Use of forced or compulsory labor:**

The supplier undertakes not to resort to forced or compulsory labor as set out in the ILO Fundamental Conventions 29 and 105.

- **Illegal work:**

The supplier undertakes not to resort to undeclared work and to comply with declaration and payment obligations with the administrative, social and tax authorities as set out in the relevant countries.

- **Child and adolescent labor:**

The supplier undertakes not to employ persons below the required minimum age to work as set out in ILO Fundamental Conventions 138 and 182. The absolute minimum age for admission to employment shall not be below the minimum school-leaving age, i.e 15 or 14 years old if the country's legislation allows it. In any case, it is forbidden to assign hazardous work to young people below 18 years of age.

- **Hours worked:**

The working time acceptable to the Group will be determined by the regulations of the countries in which the suppliers operate.

- **Remuneration:**

The supplier complies with legislation pertaining to the local minimum wage and agrees to pay wages to employees on a regular basis.

The supplier undertakes to pay employees overtime in accordance with the rates set out by the applicable legislation.

- **Discrimination:**

Under the conditions set out in ILO Convention C111, the supplier undertakes to treat people equally and not discriminate on the basis of their age, gender, religious beliefs, political opinion, social or ethnic origin, disability, family status, nationality, surname or physical appearance.

The supplier shall promote equal treatment and equal opportunities in accordance with the ILO Fundamental Convention No. 100 on Equal Remuneration for Men and Women for Work of Equal Value and No. 111 on the principle of non-discrimination.

- **Health & Safety:**

The supplier undertakes to declare all staff to social welfare organizations and to implement a health and safety policy that ensures a safe and healthy working environment for its employees and to maintain an environment in which the dignity of employees is preserved (ILO Conventions No. 155 and 120).

Measures to limit workplace accidents and proactive actions for health and hygiene must be taken by the supplier. The risks associated with its line of business must be assessed and improvement plans must be implemented to prevent them.

III- ATTIJARIWAFI BANK'S COMMITMENTS

The Attijariwafa bank group wishes to develop relations with its suppliers based on trust and mutual respect, and share fair and equitable practices, while developing lasting and balanced relationships. As such, the Group commits to comply with the following principles:

1 Fairness and transparency

The Attijariwafa bank group treats its suppliers with honesty and respect, and provides equal opportunities to all, during the selection phase of suppliers for the setting up of panels and in awarding business contracts. As a result, suppliers are selected impartially based on predefined, transparent criteria. The purchasing methods applied stimulate genuine competition among suppliers as well as equal treatment with regard to the evaluation criteria set out by the consultation.

The Group is committed to ensuring clear and consistent communication so that each supplier has access to the same level of information.

2 Payment terms

The Attijariwafa bank group commits to pay the supplier in accordance with the law in force in the country where it operates.

The Group shall use reasonable efforts to monitor and cut down on supplier payment delays, beyond the regulatory framework, by implementing innovative solutions that make it possible, for instance, to reduce the processes relating to the issuing and validation of invoices.

3 Mutual dependence

The Attijariwafa bank group strives to avoid any economic dependence that could jeopardize the Group or any of its suppliers. As a result, the Group undertakes to be cautious vis-à-vis the risk of mutual dependence with suppliers and to implement monitoring measures to detect, oversee and minimize this risk.

It also invites its suppliers to regularly diversify their client base in order to avoid any significant economic dependence.

The Group's withdrawal from a supplier will be anticipated and gradual so as to take into account the history of business relations with the company and, where applicable, the degree of dependence, and its potential to diversify or adapt.

A supplier that obtains a technical monopoly may jeopardize the Group's sourcing. Attijariwafa bank will then consider a second source of supply, which can notably be achieved by the signing of several framework agreements.

4 Lasting relationship and cooperation

The Attijariwafa bank Group undertakes to develop a lasting relationship with its suppliers and to pursue a cooperation approach.

As a major client, the Group initiates a preferred collaboration with its strategic suppliers, which namely consists in:

- Co-developing products and services;
- Helping strategic SMEs to drive successful business performance (production, purchasing, etc...);
- Helping VSEs develop and become more professional.

5 Relations with VSEs and SMEs

A major player in territorial development, the Attijariwafa bank Group gives preference to working with VSEs and SMEs.

The purpose of this approach is to contribute to the emergence and growth of partners that offer innovation and competitiveness, which are essential to the development of the economy. As a result, the Group is committed to adapting its practices to facilitate these companies' access to the Group's contracts.

Aware that its weight as a major client of VSEs and SMEs may be a risk factor in the event of a sudden change in order volumes, the Group also supports actions undertaken by SMEs (diversification, internationalization, improving know-how).

6 Territorial Responsibility

An essential player in the territories in which it is established, the Attijariwafa bank Group advocates territorial development and as such, undertakes to:

- Develop good business relationships with suppliers established in the same territory;
- Strive to contribute as best as possible to developing the economic activity of the territories in which it is established.

7 Social and solidarity-based economy

In order to maximize the social impact of its purchasing, the Attijariwafa bank Group undertakes to employ its best efforts to deal with organizations with a social value such as:

- organizations that produce products or services with a positive social and/or environmental impact;
- fair trade players;
- non-profit associations and social businesses.

8 Use of mediation

In the event of a dispute with a supplier during the performance of the contract, the Attijariwafa bank Group undertakes to use mediation to promote an amicable settlement.

IV- IMPLEMENTATION AND ROLL-OUT OF PRINCIPLES

This charter is subject to the signature of all suppliers doing business with the Attijariwafa bank Group. By signing the charter, the supplier agrees to comply with the principles set out in the charter and undertakes to implement a process of improvement, to adopt it and to communicate it to the Group.

The supplier undertakes to promote the aforementioned principles with its employees, providers or subcontractors, and to ensure that all of the principles set out in said charter are followed.

In the event that the supplier would not be able to comply with certain provisions of this charter, on account of specific circumstances, it shall be required to inform the Group and commit to implementing corrective measures within a specified period of time.

The supplier is expected to provide, at any moment, the supporting documentation evidencing the application of the aforementioned principles.

The supplier may be evaluated and audited by the Attijariwafa bank group or by an external audit firm commissioned by the company to verify the application of the principles of this charter.

In the event of non-compliance with these supplier commitments, Attijariwafa bank may require that the supplier implement a corrective action plan. In case of failure to comply with one or several principles of the charter, or failure to rectify a non-compliance, the Group may consequently renounce doing business with the relevant supplier in the future, or even terminate the outstanding contracts.

V- REFERENCE TEXTS

The 30 articles of the Universal Declaration of Human Rights:

<http://www.un.org/fr/documents/udhr/>

The International Labor Organization (ILO) Fundamental Conventions, which include:

- Convention no. 29 on forced labor.
- Convention no. 87 on Freedom of Association and Protection of the Right to Organize
- Convention no. 98 on the Right to Organize and on Collective Bargaining
- Convention no. 100 on equal remuneration.
- Convention no. 105 on the abolition of forced labor.
- Convention no. 111 on discrimination (employment and occupation).
- Convention no. 138 on the minimum age for admission to employment.
- Convention no. 155 on occupational safety and health.
- Convention no. 182 on the worst forms of child labor.

United Nations guiding principles on business and human rights:

http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_FR.pdf

OECD's guidelines for multinational enterprises:

<http://www.oecd.org/fr/investissement/mne/2011102-fr.pdf>



VI- AGREEMENT AND SIGNATURE

I, the undersigned, hereby confirm that:

- we have received and have acquired full knowledge of the Charter of principles for responsible purchasing of the Attijariwafa bank group;
- we are committed to the implementation of these principles and their non-compliance could be considered as a breach of our obligations, that could result, depending on the seriousness, in the termination of the contract;
- we shall inform all of our direct suppliers and we shall encourage them to adopt these principles.

Company name:

Name and position of the representative:

Date : / /

Signature and Company seal:





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