



PURCHASING POLICY

CONTENTS

1. Objective.....	3
2. Scope.....	3
2.1 Corporate sphere.....	3
2.2 Subjective Scope.....	3
2.3 Geographical Scope.....	4
3. References	4
4. Principles of responsible purchasing.....	4
5. Suppliers.....	5
5.1 Principles for dealing with Suppliers.....	6
5.2 Profile of a supplier or subcontractor	6
5.3 Approval of suppliers	7
6. Roles and responsibilities of the Purchasing Department.....	7
7. Updates and improvements to this policy	8
8. Awareness of the Policy, non-compliance with the Policy and Reporting Channel	9

1. Objective

The objective of the Purchasing Policy of COSTA BRAVA MEDITERRANEAN FOODS - GRUP CAÑIGUERAL (hereinafter also CBMF, the “Company” or the “Organisation”) is to provide its employees with the criteria under which a purchase (of products and/or services) must be made, in order to establish management that guarantees objectivity, transparency and excellence in the purchasing process and to achieve optimum management in terms of efficiency to meet the objective of the purchase.

CBMF also seeks to establish a balanced framework of collaboration between the Corporation and its suppliers that promotes stable business relationships and mutual benefits, consistent with the values established by the Corporation.

CBMF deems responsible management of essential importance and therefore establishes a supplier approval and management system that incorporates aspects relating to Ethics and Integrity that are included in its Code of Ethics.

This Policy includes the management of all suppliers, as well as purchases of goods and services from third parties.

The following matters are excluded from this Policy:

- Staff costs (salaries, social security, pensions, remuneration in kind, etc.)
- Travel expenses
- Financial transactions (banking services, interest payments, interest rate and exchange rate derivatives, loans received, loans between Group companies, granting of guarantees) are regulated in accordance with the provisions of the “Asset and Financing Management Policy”.
- Capital investments

2. Scope

2.1 Corporate sphere

This policy is applicable to the companies that make up COSTA BRAVA MEDITERRANEAN FOODS - GRUP CAÑIGUERAL.

2.2 Subjective Scope

The scope of application of the Policy shall extend to suppliers and subcontractors. Where this is not possible, recruitment will be limited to companies with similar protocols or policies, or standards of conduct, preventive measures and monitoring systems will be contractually imposed to prevent any practices contrary to this policy.

At all levels of CBMF and, specifically in the Procurement Departments, the real and effective application of this policy will be ensured, so as to ensure maximum thoroughness and consistency in the application of this policy and to eliminate behaviour with the potential to jeopardise the Corporation’s reputation on the market and its tangible and intangible assets.

Indicate that, in this Policy, when reference is made to Purchasing Departments, the following areas are included:

- Raw Materials Purchasing Department;
- Consumables Purchasing Department.

2.3 Geographical Scope

This Policy shall apply to business relationships of all kinds with all suppliers that CBMF may establish in any geographical area, both locally and internationally.

3. References

- Supplier and Subcontractor Approval Procedure
- Code of Ethics
- Anti-Corruption Policy
- Declaration of absence of conflict of interest
- Gift acceptance policy
- Anti-fraud charter
- Supplier and subcontractor approval questionnaire (see Annex II) in accordance with the requirements established in international food safety protocols such as BRC and IFS.
- Disclaimer clause
- Technical Purchase Specification

4. Principles of responsible purchasing

All employees are expected to ensure that their conduct and purchasing decisions are in accordance with the Corporation's practices and values.

In the area of suppliers, the Corporation shall assess and monitor the risk that may arise from its supply chain, as well as from any suppliers of other products or services that are key to the Corporation's supply chain. Therefore, the purchase and procurement of products and/or services carried out by the Corporation shall be based on the following responsibility criteria:

1. **HEALTH AND SAFETY:** The health and safety of persons must be ensured in purchasing activities with suppliers.
2. **COMPLIANCE:** All purchases must comply with applicable legislation at all times, as well as ensure compliance with the principles set out in the Corporation's Code of Ethics, protocols, procedures and policies.
3. **OPERATIVITY:** Any purchase must meet specified operational or functional needs and requirements.
4. **ECONOMIC:** All purchases must ensure value for money in the context of market competition.
5. **SUSTAINABILITY.** All purchases must ensure that the supplier makes ESG commitments in line with those advocated and promoted by CBMF.

It shall be the responsibility of all employees directly or indirectly involved in these purchasing activities, and particularly of those responsible for the areas directly involved, to safeguard at all times the good name of the Corporation, establishing and preserving appropriate relationships between CBMF and its Suppliers and ensuring the use of unexceptionable purchasing practices.

The following practices should be considered in all purchasing actions:

- a) Consideration of CBMF's interests first in all purchasing decisions, above the specific interest of the relevant areas.
- b) Verification prior to the start of the new supplier registration procedure that the supplier has not been assessed as or deemed to be ineligible and/or is in the process of reassessment and follow-up.
- c) The personnel entrusted with involvement the procurement of products and services for CBMF must create purchase orders and submit contracts with Suppliers without demonstrating a special interest of any kind, favouring only the overall interest of CBMF.
- d) Any purchase or agreement with Suppliers must previously be authorised by the body which has been granted the necessary purchasing powers established in accordance with the CBMF Proxy Protocol. Company resources must not be committed, contracts entered into or purchase orders generated without authority to do so.
- e) All purchases of services must be covered by a contract duly signed by the authorised persons.
- f) Any unauthorised purchase may be sanctioned.
- g) The practice of buying first and requesting authorisation afterwards is also not acceptable, as it does not ensure compliance with the provisions of this Policy.
- h) The annual budget and the daily production capacity are the frame of reference for the expenses to be incurred in the year.
- i) Formalising purchasing needs through purchase orders ensures approval of disbursement before commitments are made to third parties, as well as improving budget tracking, invoice verification and cash planning processes.
- j) Nor may money be committed or advanced without the corresponding guarantees of faithful compliance with the provisions of this Policy, where applicable.
- k) Leverage any request or purchase decision on CBMF's Spending and Investment principles.
- l) Promote healthy competition among Suppliers to obtain the maximum added value for the business without losing sight of the Corporation's mission to develop mutually beneficial, long-term relationships with Suppliers, with high standards of quality, compliance and transparency.
- m) Promote and strengthen on an ongoing basis the transparency, efficiency and flexibility of the purchasing processes, as well as the continuous improvement of the procurement process, always based on the principles of corporate responsibility.
- n) Stimulate demand for socially responsible products, services and/or projects.
- o) Not remain indifferent or passive in the face of observed purchasing practices that are improper or at odds with the Corporation's Code of Ethics, Anti-Corruption policy or purchasing policy.
- p) Adequate separation of duties and authorisation levels throughout the process.

5. Suppliers

Supplier management is based on the Corporation's corporate mission to maintain a business relationship with our suppliers characterised by mutual benefit, long-term loyalty and high standards of quality, compliance and transparency.

CBMF shall act transparently in the selection of suppliers. This principle is embodied in the existence of a system that regulates decision-making in a stepped manner with the knowledge of all levels involved.

Suppliers must also expressly undertake to comply with the following policies that set out the environmental, social and governance requirements of our Group: Supplier Code of Ethics, Procurement Policy, Anti-Corruption Policy, Animal Welfare Policy and No Live Animal Testing Policy.

5.1 Principles for dealing with Suppliers

- a) **Long-term relationship and profitability:** In CBMF's purchasing decisions, the long-term and profitable business and service relationship for both the Corporation and its Suppliers will prevail over purely short-term benefits.
- b) **Fulfilment of commitments:** It is intrinsic to CBMF's ethical values always to guarantee the fulfilment of the commitments made to our Suppliers. To this end, employees making such commitments, whether written or verbal, must be authorised to do so.
- c) **Transparency and Objectivity in procurement processes:** The procurement process must guarantee absolute transparency in the management of purchases and objectivity in decision-making.
- d) **Equal opportunities for Suppliers:** All Suppliers must be guaranteed an equal opportunity to offer their products or services to CBMF in a given procurement process.
- e) **Formality in relationships with suppliers:** Business relationships with Suppliers should always be on a formalised basis and agreements should be in writing. Suppliers should be replied to promptly and courteously.
- f) **Timeliness of Payments:** Suppliers must be paid in a timely manner in accordance with the conditions agreed in the respective contracts, without distinction between suppliers, in order to increase flexibility and prioritisation the payment process, which must be known to the supplier.
- g) **Listening to Suppliers:** The practice of systematically listening to suppliers in a professional manner should be implemented, with the aim of addressing their concerns, suggestions and complaints in order continuously to improve the relationship with them. Formal channels of communication will be established for this purpose.
- h) **Limited supplier base:** Maintaining an optimal number of suppliers per purchasing category should be promoted to ensure healthy competitiveness and risk diversification for the continuity of the operation. Supplier data must be maintained in the CBMF supplier master file.
- i) **Selection of suppliers based on objective criteria:** Suppliers should be selected on the basis of value for money, with a number of bids being sought from different suppliers for this purpose.

Finally, the independence of the employees of CBMF will be ensured, and they must ensure that their actions meet the professional standards established in the internal procedures for the contracting and approval of suppliers drawn up by the entity in accordance with the objectives of this policy.

5.2 Profile of a supplier or subcontractor

To be a Supplier or Subcontractor of the Corporation, the company in question and its main partners are required to show consistently impeccable ethical and legal behaviour, particularly in health, labour and environmental matters; the ability to deliver products and services in the required conditions, to comply with the agreed service quality agreements and to maintain business ethics; and an adequate financial situation, with full compliance with all legal, tax and personnel obligations and all obligations to suppliers.

CBMF especially values those Suppliers who are actively committed to the principles of Corporate Social Responsibility, and reserves the right to check safety standards, labour and environmental compliance and food safety as often as necessary.

CBMF values its Suppliers for their proactive contribution to the generation of more efficient, ethical and responsible purchasing models.

Likewise, CBMF will avoid contracting with those suppliers that are known to have been involved in any legal, tax, labour, environmental, health and safety or human rights non-compliance.

5.3 Approval of suppliers

The purpose of the approval of suppliers and subcontractors is to identify, select, evaluate and approve all suppliers and subcontractors, setting for each supplier a distinct level of satisfaction based on their capacity to comply with the previously specified requirements, and which will serve as a reference for making purchases or placing orders by the different managers involved.

The various approval processes are regulated in the Supplier and Subcontractor Approval Procedure.

6. Roles and responsibilities of the Purchasing Department

The main objective of CBMF's Purchasing Departments is the continuous optimisation of the costs of purchasing Products and Services in compliance with the Corporation's requirements for safety, legality, quality and respect for the Environment, and in a spirit of service to all User Areas. To this end, the conduct of its work is based on the following pillars:

- Planning and setting targets for improvement in purchasing.
- The identification and assignment of clearly defined responsibilities to each of the responsible persons involved in the Purchasing Processes (users, technicians, buyers and suppliers), ensuring efficient teamwork and collaboration and good understanding between the Purchasing Department, the User Areas and suppliers.
- Making award decisions with transparency, impartiality and objectivity, ensuring the participation of all the areas involved.
- Ongoing prospecting of new markets, identifying alternative solutions to the current reality of CBMF's Purchasing Processes, with the aim of identifying new opportunities.
- A code of conduct based on the development of relationships in a professional framework of integrity and openness, and where the confidentiality of information exchanged is maintained.

However, at CBMF, purchasing is not only centralised in the Purchasing Department: other areas of the Corporation may also be given the task of selecting suppliers depending on the need (for example, the heads of the Maintenance or Projects departments may select suppliers for purchases affecting their department). In this case, a distinction can be made between two types of purchases:

- 1 Recurrent purchases: these are habitual and continuous over time;
- 2 Extraordinary purchases: these are due to exceptional circumstances or are unforeseen purchases.

In this case, a member of the department in question is responsible for proposing to the head of the department a number of offers from different suppliers - usually 3 - and the head of the department is responsible for their selection. The head of the department concerned will select these suppliers on the basis of quality and price criteria.

In this new context, the purchasing process, from the detection of the purchasing need to the fulfilment of the agreed conditions, can be summarised using the following stages:

- 1) Identification of the need
- 2) Search for suppliers
- 3) Overall bid analysis
- 4) Approval
- 5) Negotiation
- 6) Award Proposal
- 7) Award approval - supplier registration
- 8) Monitoring - Evaluation

7. Updates and improvements to this policy

This Policy will be updated periodically in order to reflect changes made to the CBMF's model for preventing and monitoring the crime of corruption.

This Policy shall enter into force after its approval by the Board and its formal communication to the Directors of the Corporation and to the Purchasing Departments in charge of applying it, which shall be provided with a physical and online copy. It shall be available to the entire Organisation in the Administration and Finance Department of each Company.

This document may be updated and modified with the aim of improving it and incorporating new items that are not provided for in it, always with the aim of achieving maximum procedural efficiency.

Any modification of the Policy will be communicated to CBMF staff, as well as to suppliers in the event that the change in the Policy may entail any change in the relationship with them.

8. Awareness of the Policy, non-compliance with the Policy and Reporting Channel

This Policy will be provided and will remain accessible at the Corporation's website to all Directors, managers, employees and external collaborators of CBMF and will also be available to each of its members in the Administrative and Finance Department of each Company. Consequently, all members of CBMF shall be aware of its provisions and comply with these in all actions they carry out in the course of their professional activity.

In addition, an email will periodically be sent to all CBMF members reminding them of the content of this policy and the need for all members of the Organisation to be aware of it and strictly comply with it.

The correct management of this policy will require CBMF to modify and update it on an ongoing basis.

Therefore, the Compliance Board of CBMF must continuously review their content, as well as all monitoring measures in place, adapting them on an ongoing basis according to the evolution of the Corporation's risks.

CBMF also has an internal Reporting Channel, which allows confidential and anonymous reporting of any type of irregularity, improper act, or behaviour contrary to the legislation in force and/or the internal regulations of the Organisation that is taking place within the Organisation and that may entail criminal, civil or administrative liability.

This internal Reporting Channel is available to the members of CBMF, as well as to all personnel who have a contractual relationship with CBMF under labour, commercial or civil law (among others: collaborators, suppliers, subcontractors, etc.), and if any irregularity committed by any member of CBMF is noted, this must be reported through the e-mail address canaldedenuncias@costabravafoods.com.

Failure to comply with the provisions of this Policy will result, where appropriate - in full compliance with the applicable labour or business regulations - in disciplinary sanctions that may also lead to the termination of the employment or business relationship that the offending party maintains with CBMF, without prejudice to the civil, administrative or criminal liabilities that the infringement of the Spanish legislation in force may entail both for the offending party and for CBMF.

Riudellots de la Selva, 20 December 2022

Signed: Elisabeth Cañigueras Borrás



PRESIDENT OF GRUP CAÑIGUERAS HOLDING I.M.P.S.L.U.