



CAJA MADRID
¿QUIERES? PUEDES.

2007

Corporate
Social
Responsibility





CAJA MADRID
¿QUIERES? PUEDES.

7

Suppliers

4,626 companies
supply Caja Madrid

Suppliers

Number of suppliers: 4,626.

Supplier payments: 695,208 thousands of euros

Where we are aiming

- Relay CSR concepts along the value chain.
- Responsible interaction.

What we have achieved

- Include CSR aspects (environmental and prevention of occupational hazards) in supplier agreements.
- Relations of mutual benefit.

The next steps

- Embed environmental and social responsibility criteria in supplier selection processes with a steadily increasing weight.
- Work in this area in 2008 to focus primarily on technology suppliers.

7.1 Purchasing policy

Aware of the importance of optimum supplier management, Caja Madrid has drawn up a policy based on the following principles:

- **A bid list of suppliers**

For each purchasing action, so the business unit which has requested the purchase gets the best possible result.

- **Transparency**

In supplier choice supported on a standardised process and collegiate decision-making under the system of Faculties and Delegated Powers.

- **Diversification**

Of business among various suppliers, to spread out wealth generation.

- **Objective decision-making**

Based on a checklist of selection criteria.

- **Relaying**

To suppliers of values relating to sustainability and the environment.

In order to be able to apply these principles, it is important that suppliers acknowledge, understand and accept them. Caja Madrid is committed to maintaining ethical relationships with suppliers, as part of its wider engagement with promoting sustainable development in the areas where it operates.



Among the Sighs of the Sea

Maria Luz Antón Hinijar

Catalonia and Balearic Islands Directorate

7.2 Supplier selection

True to its management philosophy, Caja Madrid has established a procurement and supplier certification system which defines the steps to be followed in negotiation, acquisition, contracting and payment, based at all times on transparent selection and approval criteria:

- The service to be provided is documented with the legal department, and the formal requirements established in writing.
- The selection process (initial assessment) for a new supplier is based on a checklist of criteria to ensure they have the technical capability in place. Also, depending on the kind of product or service to be provided, they may be asked to furnish official accreditation or certification and references.
- Checks are run during continuous assessment on the quality of supplier service, with reference to results obtained, compliance with labour, tax, accident prevention regulations etc., and alignment with the operating principles of Caja Madrid.
- Regular meetings are held with suppliers to discuss their general performance and specific incidents.
- Supplier payment is verified via the relevant accounting entries. This is done through an automated process to avoid any delays with respect to agreed payment periods.

Security providers warrant a special mention due to the importance of their work. The selected supplier must not only guarantee employee security, but must also uphold the service quality and social responsibility which characterises Caja Madrid.

Consequently, security personnel hired by Caja Madrid attend a number of training sessions:

- Presentation on Caja Madrid's business and corporate culture, and the features of the building where they are going to work.
- Course on protocol and customer care.
- Talks on emergency plans and procedures.
- Course of first aid.
- Course on fire prevention.
- Specific talks on security systems



Diversity

Juan Ignacio Rodríguez Solano
Branch 9871

7.2.1 CSR criteria with suppliers

The progressive inclusion of environmental conditions in purchasing and procurement processes can be an important force for change in the way that Caja Madrid suppliers conduct their business. In 2007:

- 92.9% of Environmental Management Department contracts included a functioning or planned Environmental Management System (certified or otherwise) among their supplier selection criteria.
- Eco-labelled or non hazardous paints were used for maintenance labours in head office buildings.

Caja Madrid's environmental compact with suppliers envisages the progressive inclusion of environmental clauses in purchasing agreements, in order to promote greater environmental safeguards along the supply chain. Further, an annex on the prevention of occupational hazards is appended to all contracts signed for the provision of services on Group premises.

It also continued to offer training days to outside personnel deployed to its work centres, whether on a temporary or permanent basis.

Supplier ratings

Caja Madrid is pursuing synergies between its sustainability commitments and the requirements of its network of suppliers, and to this end has opened up channels for supplier feedback on how satisfied they are with their relationship with Caja Madrid and how it could be improved.

Meantime, Caja Madrid will continue to develop and fill out supplier certification requirements in the following areas:

- Respect for the environment and compliance with basic environmental legislation.
- Respect for basic human rights, in line with the global initiatives implemented by the International Labour Organisation (ILO) to promote social justice and internationally recognised human and labour rights.
- Any other principle aligned with Corporate Social Responsibility, such as participation in or cooperation with organisations at the cutting edge of these initiatives.

To this end, Caja Madrid carries out an evaluation of its main suppliers that encompasses both human rights and quality considerations, environmental performance and other social responsibility indicators. The results are then quantified in order to assign a rating to each supplier.

Since 2006 this method has been used to analyse 179 suppliers.



Movement

Javier Maeso Díaz
Branch 2978

7.3 Responsible interaction

The list below sets out the commitments that Caja Madrid expects from its suppliers, and which should govern all its dealings with the same.

Areas	Commitment
Rules of conduct	<ul style="list-style-type: none"> • Honesty in their personal and management conduct. • An attitude of service towards Caja Madrid's various units and directorates. • Confidentiality. • Transparency in dealings with third parties.
Environmental policy	<ul style="list-style-type: none"> • Alignment with the environmental management procedures being implemented at Caja Madrid.
Prevention of occupational hazards policy	<ul style="list-style-type: none"> • Commitment to the prevention of accidents at work.
Quality policy	<ul style="list-style-type: none"> • Customer orientation. • Alignment with our quality management procedures. • Quality management systems.
Purchasing policy	<ul style="list-style-type: none"> • Gradual relaying to suppliers of values related to sustainable development and the environment.
Others	<ul style="list-style-type: none"> • Measures to favour equal opportunities. • Participation in or co-operation with social institutions.