



# 07 Suppliers

## Responsible purchasing

**5,259**  
suppliers

**93.8%**  
of local suppliers

**830,901**  
thousand euros  
in purchases

# 07

## Commitment Caja Madrid

Degree of progress: ▶ Initiated ▶ In progress ▶ Completed

### COMMITMENT 2008

Embed environmental and social responsibility criteria in supplier selection processes with a steadily increasing weight .

In addition to environmental considerations, new supplier-evaluation criteria have been added to the selection process to reflect social responsibility concerns such as human rights and diversity.

Work in this area in 2008 to focus primarily on technology suppliers.

In 2008 the selection procedure was widened to include more suppliers.

### COMMITMENT 2009

Identification of environmental characteristics (consumption, components, recycling) of hardware purchased (PCs, printers, ATMs) to influence purchase decision.

## Procurement policy

Aware of the importance of optimum supplier management, Caja Madrid applies a procurement policy based on the following principles:

▶ **Competitive selection of suppliers (bid list)** for the purchasing process, so the business unit which has requested the purchase gets the best possible result.

▶ **Transparency** in the choice of suppliers, thanks to standardised procedures and collective decision-making under the Authorities and Delegated Powers system.

▶ **Diversification** of business among various suppliers, to spread out wealth generation.

▶ **Objective decision-making** based on a checklist of selection criteria.

▶ **Transmission** to suppliers of the organisation's sustainability and environmental values.

An essential part of applying the above policy principles involves making sure suppliers acknowledge, understand and accept these principles. Caja Madrid is committed to maintaining ethical relationships with suppliers, as part of its wider engagement with promoting sustainable development in all of its activities.



Desertification  
Elena Celestino Valladares  
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## Purchasing process

Caja Madrid has established a procurement and supplier certification system that lays down the steps to be followed in negotiations, acquisitions, contracting and payments, based on selection and approval criteria that ensure the transparency of the entire process:

- ▶ The service to be provided is documented with the legal department so that all formal requirements are set down in writing.
- ▶ The selection process (initial assessment) for a new supplier is based on a checklist to verify their technical capacity, depending on the product or service in question, their official credentials or certification and references.
- ▶ The quality of supplier service is assessed on an ongoing basis, according to the type of service provided and the results obtained, compliance with labour, tax, environmental, hazard 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 and improve coordination with the organisation.
- ▶ Payments to suppliers are checked against the relevant accounting entries, in an automated process that avoids delays with respect to agreed payment periods.

## Selection policy

Caja Madrid continues to develop and complete supplier certification requirements to strengthen the following areas:

- ▶ Respect for the environment and compliance with basic environmental legislation in all supplier activities.
- ▶ 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.
- ▶ Compliance with the other component principles of social responsibility, such as participation in or cooperation with the organisations spearheading these efforts.

The formal commitment undertaken by Caja Madrid with its suppliers is reflected in the incorporation of environmental clauses into all contracts as a means of fostering the greatest possible environmental safeguards in the supply chain. A standard annex on the prevention of occupational hazards is also added to agreements for services performed on Caja Madrid premises.

In addition, the main suppliers are given questionnaires on quality and environmental issues. These are used to evaluate certain parameters and allow a score and rating to be obtained for each supplier. At present this method has been used to analyse 318 suppliers.

## Responsible engagement

The list below sets out the different commitments that Caja Madrid expects from its suppliers as the basis for their engagement.

Caja Madrid has established dialogue channels that allow us to solicit the opinion of organisational units that have requested a service, in order to analyse the level of internal satisfaction with the supplier, make improvements and achieve synergies in inter-unit relations.

Area	Commitments
Rules of conduct	<ul style="list-style-type: none"> <li>▶ Honesty in their personal and managerial conduct.</li> <li>▶ An attitude of service towards Caja Madrid's various units and departments.</li> <li>▶ Confidentiality.</li> <li>▶ Transparency in their dealings with third parties.</li> </ul>
Environmental policy	<ul style="list-style-type: none"> <li>▶ Conformity to the environmental management procedures applied internally.</li> </ul>
Prevention of occupational hazards policy	<ul style="list-style-type: none"> <li>▶ Commitment to the prevention of on-the-job hazards in their operations.</li> </ul>
Quality policy	<ul style="list-style-type: none"> <li>▶ Customer orientation..</li> <li>▶ Alignment with Caja Madrid's internal quality management procedures.</li> <li>▶ Quality management systems.</li> </ul>
Purchasing policy	<ul style="list-style-type: none"> <li>▶ Progressive transmission to suppliers of our sustainable development and environmental values.</li> </ul>
Other	<ul style="list-style-type: none"> <li>▶ Measures to foster equal opportunities.</li> <li>▶ Participation in or co-operation with social institutions.</li> </ul>

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