	<b>Organization and Management Procedure</b>	<b>CODE:</b> PG-104
		<b>Edition:</b> 5
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	POSITION	NAME
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<b>Approved by</b>	Managing Director	Félix Parra Mediavilla
<b>CHANGES WITH RESPECT TO THE PREVIOUS EDITION</b>		
<ul style="list-style-type: none"> <li>The Health&amp;Safety monitoring system of Hazardous Activity Suppliers is included.</li> </ul>		

## 1. PURPOSE

The purpose of this procedure is to define, as a complement to the general purchasing procedures of **FCC Group**, the specific actions of the different **aqualia** activities for purchasing products and services.

## 2. SCOPE

This procedure applies to all **aqualia** activities included in the scope of the Management System.

## 3. DEFINITIONS


**Supplier:** An external organization, selected and type-approved by **aqualia**, responsible for the provision of the “purchases”. “Subcontractors” carrying out works on **aqualia**’s behalf, are encompassed under the term “supplier”.

**Suppliers of Strategic Character:** Those who, by economic volume of invoicing, by the transcendence of their supplies and by their scope of geographical action, significantly affect the quality of management, health and labor welfare and the economic management of the business.

**Purchasing Catalog:** Database containing the Framework Agreements (mandatory) and an informative documentary repository that includes: technical and economic offer; products offered; period of validity of the offer; and quality certificates.

**Purchasing Specifications:** documents that unequivocally define the product. They identify the product or service that is the object of the purchase, the technical specifications, delivery times, occupational health and security requirements and any other characteristic or requirement of quality or information security, also establishing if applicable, the documentation to be delivered by the supplier and the controls that must be carried out upon receipt of the purchase to verify that all legal requirements and other requirements set by the organization are complied, especially in terms of occupational security and health. These purchase specifications must always be known by the corresponding supplier, since the corresponding order must refer to them. They will be prepared in the Purchasing Department or in the Contract, depending on who has defined the purchase need. They may be included in the Contract / Order / Specifications, using the FPG-104-2 format.

**List of Suppliers subject to Special Monitoring:** Annual identification of those suppliers with incidents and/or relevant non-conformities, for knowledge and monitoring by the Company. Format **FPG-104-3** must be used.

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**List of Suppliers for Hazardous Activities-** Identification of validated suppliers to perform hazardous activity work. The FPG-104-4 format will be used. Hazardous activities are those specified in Annex 1 of procedure GP-504, "Contractor Monitoring".

#### 4. DEVELOPMENT

The scope and types of purchases are set out in the following documents:

- **FCC-DC-NC-03** *"Scope: FCC Group Central Services Purchases"*
- **FCC-DC-NC-06** *"Scope and Purchasing Need Communication: Water Area of FCC Group"*
- **FCC-DC-NC-07** *"Scope and Purchasing Need Communication: Big Works in the Water Area of FCC Group"*

The Purchasing Director prepares and annually updates the FPG-104-1 format, "List of Strategic Suppliers", where suppliers are identified as well as their products and services. Technical Directions may propose, to the Purchasing Direction, the justified inclusion of suppliers.

Hiring of contractors for hazardous activities may only be made to suppliers included in the FPG-104-4 format, "List of contractors for hazardous activities." These purchases, therefore, are conditional.

If it is necessary to include a new contractor in the "List of contractors for hazardous activities", for duly justified reasons, it must be authorized by the corresponding Technical Zone Directorate, the Country Manager, the Spanish Works Management or the Directorate of Purchasing, with the approval of the Health & Safety Department

If, due to justified operational needs, it is necessary to occasionally contract work on hazardous activities to a supplier not included in the "List of suppliers for hazardous activities", the Technical Directorates of the Zone, the Country Manager, the Spanish Works Management or the Directorate of Purchasing may authorize it exceptionally. This hiring will be restricted exclusively to the specific need that has been justified and must be approved by the Health & Safety Department.

Supplier's follow-up will be carried out according to the mechanisms established by the FCC Group, currently defined in document FCC-DC-PR-04, "Supplier Management".

Additionally, the Technical Directions of the Zones / Regions will carry out an annual follow-up of the strategic suppliers (FPG-104-1). This follow-up will be carried out through the compilation of the incidents detected by the Contracts related to the quality of the product / service, the behavior of the supplier in relation to the environment and occupational security and health, the delivery times and / or administrative requirements. The annual follow-up will be carried out in the Zone / Region Committee of annual closure and its results will be communicated to the Purchasing Department, in order to establish the FPG-104-3 format, "List of Special Monitoring Suppliers"

#### 5. FORMS

- FPG-104-1 *"List of Strategic Suppliers"*
- FPG-104-2 *"Purchasing Specification"*
- FPG-104-3 *"Listing of Suppliers subject to Special Monitoring"*
- FPG-104-4, *"List of suppliers for hazardous activities"*.

#### 6. ANNEXES

NOT APPLICABLE.