

## **LOCAL PURCHASING POLICY**

**Groupe GM Cosmética Portugal**, whose policy is based on a commitment to sustainability of the supply chain, and full awareness of the strategic importance of local and responsible procurement, established this policy for internal areas that contract goods and services. Thus, it is intended to progressively integrate more demanding criteria and goals in decision making in the procurement process, always focused on the balance between development and social and environmental responsibility.

**WHAT IS IT?** Buying local means choosing suppliers who belong to the community where **Groupe GM Cosmética Portugal** is inserted, whenever this shows to be possible, and suppliers are based in a radius of about 80km from our facilities.

**Groupe GM Cosmética Portugal** will favor suppliers who are committed to putting into practice national and international standards in the field of environmental protection and sustainable development and those who are committed to guaranteeing the rights of their workers, promoting safety and hygiene and health at work.

For the assessment of suppliers, **Groupe GM Cosmética Portugal** will schedule regular meetings aiming at establishing common objectives for more sustainable solutions (price, product, packaging, transport, and others) and sharing good practices in terms of efficiency and quality of goods.

**WHY?** There are several advantages of buying locally of which, considering what **Groupe GM Cosmética Portugal** is and stands for, our company highlights the following: Support to the local business community and contribution to the local economy, often managed by small entrepreneurs and local employees, promoting the maintenance of these businesses and the fixation of people involved in the same community.

- Protection of the environment, to the extent that its ecological footprint is smaller, since for the delivered to us, goods will have traveled a shorter distance compared to a purchase made on a farer place. Consequently, it implies a reduction of greenhouse gas emissions associated with transport, but also a reduction of packaging/packaging materials because they follow shorter routes.

- Reduction of transport costs since routes are shortened and in some cases the suppliers themselves have a fleet for local deliveries.
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In these terms, **Groupe GM Cosmética Portugal** undertakes the responsibility to comply with this policy and to promote local purchases whenever it shows possible.

Neiva, January 2023

*Mani P. G. da Maia*