

Procurement policy

Koninginnegracht 2
2514 AA The Hague
T 070 3750 750
www.bngbank.com

The procurement policy supports the implementation of BNG Bank's mission and core values (reliable, professional and sustainable).

In this context, 'procurement' is taken to mean procuring from third parties the goods, services or facilities needed to operate the business, on the most favourable terms for the company and within the frameworks defined by the company.

Procurement mission

BNG Bank aims to procure sustainably. This means that procurement is tailored to actual use and that there must be a good balance between environmental, people-related and economic interests. The costs and the environmental aspects are weighed throughout the entire process of acquiring, providing and divesting products and services.

Procurement vision

The procurement policy is a key element of the 'business operations' pillar of the bank's sustainability policy. The procurement policy focuses on quality, sustainability and cost control. The principles underlying the procurement vision are as follows:

- *Customer focus*: procurement is tailored to and caters adequately for the needs and wishes of the internal customer.
- *Quality*: aiming to procure the appropriate products and services of the appropriate quality level tailored to the customer's actual needs.
- *Sustainability*: defined in terms of the following focus areas:
 - o discouraging wastage of materials, including raw materials and components, by procuring on an as-needed basis and encouraging their reuse;
 - o procuring products with a recognised environmental label;
 - o avoiding the procurement of products made of environmentally harmful material;
 - o working with suppliers who adhere to sound environmental sustainability principles.
- *Balance between costs and sustainability*: aiming to achieve a responsible balance between, on the one hand, the lowest possible overall costs of products and services and, on the other, the environmental aspects of products or services and their suppliers.
- *Reliability*: BNG Bank aims to enter into good and lasting relationships with selected suppliers. Mutual trust is an important aspect of the relationship. The performance delivered and integrity are regularly evaluated. BNG Bank does *not* work with suppliers who meet the exclusionary sustainability criteria.
- *Integrity*: all goods, services and facilities are procured in an objective, transparent and non-discriminatory manner, also to avoid any semblance of a

Date

31 oktober 2016

Our reference

2141140

conflict of interests. BNG Bank does not procure from suppliers whose integrity and/or reputation is negative.

- *Efficiency*: orders and invoices should be processed and the accounts settled with minimum effort at the lowest possible costs.

Procurement process

The procurement process is centralised within the organisation as far as possible in order to derive maximum benefit from (procurement, product, market) knowledge, contract management and sustainability vision monitoring. The phases and level of depth of the procurement process are completed in a manner that is appropriate for the level of complexity, procurement volume and supplier independence of the product or service.

BNG Bank seeks always to work with parties that adhere to sound sustainability principles. This is a requirement for larger or multi-year contracts.

Date

31 oktober 2016

Our reference

2141140

Page

2