

# Bankia



## Purchase policy

Bankia Group

➤ Approved by: **Board of Directors**

Date: 27/11/2020

## 1. Purpose

- ✓ Bankia Group's Purchasing Policy is structured through certain principles of action aimed at fostering commercial relationships based on professionalism and integrity, collaborating with suppliers that share Bankia's commitments and values and obtaining mutual benefits with a focus on sustainability.
- ✓ The Purchasing function in Bankia provides value to the organisation by aligning the Purchasing objectives with the business strategy and providing, in a responsible and sustainable manner, the goods and services that are needed, with a centralised management that allows unified criteria to minimise risks and exercise leadership in the organisation.
- ✓ This policy applies to all companies and employees of the Bankia Group, especially those involved in contracting goods and services.

## 2. Principles of action



### 2.1 Professionalism and continuous improvement

- ✓ **Acting according to national and international** purchasing standards, which are guided by best business practices, unifying work procedures and establishing the performance criteria for excellent management. Compliance with this brings value to the company and ensures that purchasing operations also respect environmental, ethical and

sustainability aspects, ensuring innovation and continuous improvement.



### 2.2 Planning and efficiency

- ✓ **Planning the Purchasing activity**, promoting proactivity as the focus of its actions to ensure the achievement of optimal results.
- ✓ **Seeking efficiency** in the contracting of goods and services, in line with the principles of necessity and suitability in the realisation of the expense, taking into account quality, sustainability and innovation, as well as possible risks.
- ✓ **Optimising processes and minimising the risks** derived from purchasing decisions through the standardisation and centralisation of the Purchasing function and the establishment of a single Purchasing procedure for all Group companies.



### 2.3 Ethics and transparency

- ✓ **Guaranteeing transparency and independence** and the management of conflicts of interest in the selection of suppliers, with mechanisms that standardise and automate the purchasing processes and procedures that regulate decision-making in a staggered manner with knowledge of all the levels involved in the system of powers and delegations.
- ✓ **Acting ethically and responsibly** in accordance with Bankia's Code of Ethics and Code of Conduct and in specific Rules of Conduct for the Purchasing function.

- ✓ **Ensuring compliance with the legislation** in force in all areas of action. The general contracting conditions will not include clauses that are contrary to good faith and to the fair balance between the rights and obligations of Bankia and of the supplier.



## 2.4 Equal opportunities

- ✓ **Ensuring the concurrence of suppliers** for the same purchase request, so as to ensure a process in accordance with the principle of fair competition that guarantees the best possible option for Bankia.
- ✓ **Encouraging business diversification** among different suppliers at local, national and international levels, to contribute to the distribution of wealth in a balanced manner and to foster equal opportunities. To this end, Bankia will ensure the annual incorporation of new suppliers, in an appropriate number.
- ✓ **Guaranteeing objectivity in decisions.** Contracting will be carried out ensuring the application of objective, transparent, sustainable, ethical, weighted and verifiable criteria.



## 2.5 Dialogue and cooperation

- ✓ **Maintaining and promoting a permanent and close dialogue** and a relationship of trust with our suppliers.
- ✓ **Implementing mechanisms to know the satisfaction** and opinion of suppliers.

- ✓ **Make communication channels available to suppliers** to address their claims, queries, complaints and suggestions.
- ✓ **Carrying out dissemination, awareness-raising and training activities** with suppliers to ensure they are aware of Bankia's policies and to promote the ESG commitment (environmental, social and good governance) and alignment with the SDGs (Sustainable Development Goals).



## 2.6 Commitment and promotion

- ✓ **Assessing the performance of suppliers,** as well as their activity as a supplier of goods and services, also with regard to Bankia's ethical, social and environmental commitment.
- ✓ **Avoiding entering into contracts** with suppliers that are known to have incurred any legal, tax, labour, or environmental breaches, regarding occupational health and safety or human rights or any form of corruption.
- ✓ **Encouraging entering into contracts with suppliers** that guarantee respect for fundamental human and labour rights, apply the best social and environmental practices and good corporate governance, and work to extend them throughout the entire value chain.
- ✓ **Monitoring environmental and social economic risks** to verify compliance with commitments in the field of responsible management.