

Schedule “ING Supplier Sustainability Code of Conduct”

1. DESCRIPTION AND PURPOSE

ING is looking to enhance the sustainability of its procurement practice and ING’s suppliers are an integral part of this effort. ING expects the Supplier to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption.

ING has implemented a supplier qualification process (Know Your Supplier or KYS) and sustainability is an explicit part of that, helping us to determine the levels of social, environmental and financial risks associated with a supplier. This ING Supplier Sustainability Code of Conduct (“The Code”) serves as an engagement and improvement tool to be used by ING with its suppliers to advance sustainability topics. Furthermore, ING is working with EcoVadis to ensure that the principles set out within this Code are applied. ING encourages suppliers, when requested, to register with EcoVadis and complete the sustainability assessment evaluation. If deemed necessary ING will engage in further dialogue with the supplier with the purpose of helping to improve their current sustainability strategy.

2. COLLABORATION

The Code will be reviewed annually to ensure that it accurately reflects the changing social and environmental landscape. We commit to working together with our suppliers to continuously develop our sustainable procurement approach and support them to advance their own sustainable business practices. For any comments and queries please reach out to Sustainable.Procurement@ing.com

3. KEY AREAS OF SUPPLIER RESPONSIBILITY AND STANDARDS

3.1. Environmental management

ING has committed to steer our business towards the well-below 2 degree scenario of the Paris climate agreement. We do so with the clients in our lending portfolio and within our own operations we have an ambitious Environmental Program. This is established to ensure that we’re not only empowering our clients to make the transition to a more sustainable economy, but that we’re making our own transition to become a more resource-efficient and climate-resilient company. We cannot do that alone - that’s why we also expect our suppliers to join us in our sustainability efforts.

3.1.1. Environmental strategy aimed at minimising the negative impacts on the environment

- a. ING encourages the Supplier to actively work towards limiting their environmental impact and encourages them to put in place a clear strategy with regards to climate change (as indicated in Principle 7, 8 and 9 of the UN Global Compact).
- b. ING suppliers shall adhere to all local and European legislation related to environmental protection and local agreements on activities and ambitions of the level of CO2 emissions.
- c. ING encourages the Supplier to have an environmental strategy / policy that would address their clear commitments to improve their environmental performance in the following areas (but not limited to): CO2 emissions reduction, water footprint reduction and waste reduction.
- d. ING encourages the Supplier to set clear environmental targets, aim to reduce their operational environmental impact (and stimulate their own suppliers to do so) and report on progress.

3.1.2. Ethically sourced materials - ING encourages the Supplier to ensure that all their input materials and/or components are fair-traded and ethically sourced, in line with international treaties and local laws/legislations.

3.1.3. Circular economy - ING encourages the Supplier to take the Circular Economy principles in consideration when looking at developing their business in a more sustainable way.

3.1.4. Beyond compliance - ING encourages the Supplier to go beyond compliance and proactively undertake initiatives to promote greater environmental sustainability;

3.2. Human Rights and Working Conditions

ING expects the Supplier and their subcontractors to uphold the human rights of their own employees, as well as those in their own supply chain and ensure they are not complicit in any human rights abuses (as indicated in Principles 1 and 2 of the UN Global Compact and ING's Statement on Human Rights).

- 3.2.1. No forced labour. No child labour - ING suppliers shall ensure that there is no forced / compulsory labour and/or child labour in their operations or their supply chain. The supplier shall not engage and/or support human trafficking (as indicated in principles 4 and 5 of the UN Global Compact)
- 3.2.2. Fair remunerations and working hours - ING suppliers shall ensure that their employees are fairly remunerated and that working hours are in accordance with local legislation.
- 3.2.3. No discrimination and harassment - ING suppliers value and promote diversity and inclusion, ensuring a safe work environment for their employees and supply chain, free from any form of harassment and discrimination. Suppliers shall ensure there is a clearly communicated process to report and deal with any cases of discrimination and/or harassment (as indicated in Principle 6 of the UN Global Compact).
- 3.2.4. Freedom of association - ING suppliers shall ensure they to uphold the freedom of association and the right to collective bargaining (as indicated in Principle 3 of the UN Global Compact).
- 3.2.5. Occupational health & safety - ING suppliers shall ensure the safety and wellbeing of their employees and subcontractors in accordance with the local regulations in order to minimise health and safety risks and support accident prevention.
- 3.2.6. Whistleblowing - ING suppliers shall ensure a formal mechanism that allows their employees to raise concerns about suspected or actual criminal conduct, unethical conduct or other misconduct. The supplier shall ensure that these concerns are addressed and resolved without the fear of retaliation.

3.3. Ethical business practices

ING expects the Supplier to take appropriate and effective measures against corruption in all its forms, including extortion and bribery in their own operations and their supply chain (as indicated in Principle 10 of the UN Global Compact).

- 3.3.1. Bribery and corruption - ING has a zero tolerance principles to bribery and corruption that applies to its supply chain as well. The ING anti-bribery and anti-corruption principles are detailed in the ING Anti-Bribery and Corruption-Statement.
- 3.3.2. Data protection - ING suppliers shall manage ING data in line with the relevant data protection/ privacy laws and regulations, as well as applicable agreement with ING on data protection.
- 3.3.3. Social engagement and local development - ING encourages the Supplier to engage in initiatives designed to improve the social and economic conditions of people within the local/regional geography where they operate.

4. MONITORING, DUE DILIGENCE AND REMEDY

- 4.1. ING reserves the right to engage with key suppliers in sustainability assessments using EcoVadis (or other sustainability assessment platforms if already used by supplier).
- 4.2. The supplier shall comply with this Code and comply with relevant local legislations and regulations that apply to ING. The Supplier shall upon request of ING demonstrate that it complies and has complied with the Supplier Code of Conduct.
- 4.3. Suppliers that breach this Code of Conduct may be subjected to a remediation process, allowing the supplier to remedy such breach within a reasonable period of time.
- 4.4. If the Supplier has not delivered the aforementioned corrective plan and/or has not remedied such breach after the period determined by ING, then ING is entitled to terminate the agreement between the Supplier and ING.

REFERENCES:

- The UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption: <https://www.unglobalcompact.org/>
- ING Environmental Programme: <https://www.ing.com/Sustainability/Our-own-operations/Environmental-performance.htm>
- ING Statement on Human Rights: <https://www.ing.com/Sustainability/Sustainable-business/Human-rights.htm>
- ING Anti-Bribery and Corruption Statement: <https://www.ing.com/About-us/Compliance/Zero-Tolerance-Bribery-Statement.htm>