

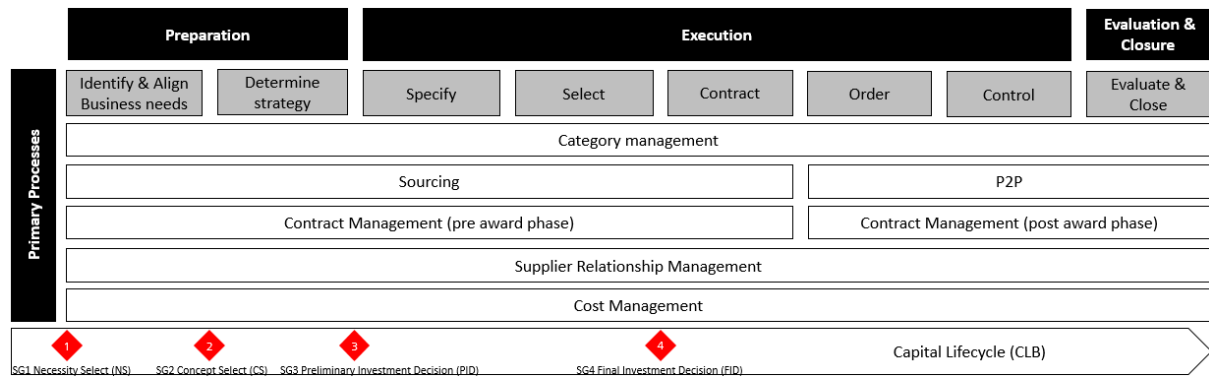
# Schiphol Procurement Policy

Royal Schiphol Group (hereinafter referred to as 'Schiphol') procures in a correct and professional manner with the aim of procuring in time the correct products, services and/or works on the best procurement terms and with an optimum price-quality ratio. It does so in such a way as to add maximum value to the achievement of Schiphol's qualitative and financial objectives.

The Schiphol Procurement Policy sets out the parameters and rules governing all of Schiphol's procurement processes and activities in order to achieve the aforementioned objectives.

## Procurement function

The Procurement function oversees a set of processes and activities, which fall under the responsibility of Schiphol's central procurement department (hereinafter referred to as 'Corporate Procurement'):



## Organisational policies

### Mission

Corporate Procurement's mission is:

*'Deliver Business Value to Royal Schiphol Group's Key Performance Indicators'*

Details of Schiphol's Key Performance Indicators can be found in 'Schiphol KPIs'.

### Vision

Corporate Procurement's vision is as follows:

*'Procurement's impact has to outperform competition to realise Schiphol's Destination', driving best quality, innovation, safety, sustainability and value for money'*

Details of Schiphol's Destination can be found in 'Destination Schiphol'.

### Realising the mission and vision

Key pillars in the realisation of the mission and vision are category management, contract management, supplier relationship management and cost management. The focus on these pillars ensures that Corporate Procurement helps deliver Schiphol's qualitative and financial objectives in the short and medium term, with the result that suppliers add value to Schiphol in an optimum way.

### Centrally managed cluster-based procurement department

All procurement activities for Schiphol are conducted through Corporate Procurement. Corporate Procurement is subdivided into procurement clusters that work for all Schiphol business units and are responsible for all procurement activities in the associated procurement categories. Schiphol's Procurement Policy is established centrally and translated into strategies for each procurement category.

# Schiphol Procurement Policy

---

## Tender Committee

The Tender Committee oversees all European and national tender procedures and dispensation requests (deviations from European and national legislation) in order to ensure legality (assessment of legal framework) and efficiency (assessment of procurement strategy, business case and value creation).

## Subsidiaries

Corporate Procurement also assumes responsibility for preparing and implementing the Procurement policy and Procurement activities for Schiphol's subsidiaries. Additional guidelines are drawn up for each subsidiary where necessary.

---

## Policies on Privacy, Safety & Security

---

Safety & Security is such an important key focus area within Schiphol that this subject is an integral part of Schiphol's Procurement Policy. For more information, see the 'Safety & Security Pocket Guide', which must be fully disseminated and complied with by Schiphol and its suppliers.

In all agreements involving the processing of personal or other data and agreements governing a system or otherwise providing access to Schiphol's data, checks are made on the basis of:

- a Privacy Risk Assessment (PRA) to determine whether the agreement should be supplemented with a data processing agreement, and
- a Business Impact Analysis (BIA) to determine whether the agreement should be supplemented with security conditions.

---

## Policies on Socially Responsible Procurement

---

### Sustainable Procurement

Schiphol wants its airports to be the most sustainable airports in the world, so that passengers can continue to travel and the Netherlands remains connected to the rest of the world in a sustainable and responsible way. Corporate Procurement integrates this ambition into the procurement process on the basis of the ISO 20400 guidance on Sustainable Procurement. This identifies the following themes:

- Circular economy. In a circular economy there is no waste and raw materials are reused over and over again. The aim is for all airports to be 100% circular by 2050. As an intermediate step, the airports will be waste-free by 2030.
- Energy-positive. The aim is to have energy-positive buildings – which generate more energy than they use – by 2050. As an intermediate step, the airports will be emission-free by 2030. In order to become 'energy-positive', Schiphol is focusing on emission-free mobility, phasing out the use of gas, reducing energy consumption and generating new energy.
- Sustainable aviation. Schiphol itself has no aircraft, but it encourages and works actively to increase the sustainability of air traffic. The aim is carbon-free aviation by 2050. As an interim step, 14% of the fuel used will be sustainable by 2030. Schiphol also encourages smart and clean landside transportation and offers sustainable options for passengers.
- Communities. Schiphol actively involves the local community in its activities, focusing on three stakeholder groups: our neighbours, employees of businesses in and around the airports, and our passengers. Schiphol therefore addresses themes such as noise abatement and air quality, an inclusive working environment and a healthy passenger journey.

Corporate Procurement includes the above sustainability themes in tenders and the contracts entered into with suppliers and expects suppliers to contribute actively to the fulfilment of the ambitions. Our suppliers also have a supply chain responsibility towards their suppliers in these matters.

A more comprehensive account of Schiphol's sustainability strategy can be found in 'Vision 2050' and the 'Sustainability Roadmap 2030'.

# Schiphol Procurement Policy

---

## The Supplier Code and the Schiphol Code of Conduct

The 'Supplier Code' and the 'Schiphol Code of Conduct' apply in full to Corporate Procurement.

Schiphol expects suppliers to comply with the Supplier Code and the Code of Conduct in their relations with Schiphol. Cooperation with suppliers that deliberately violate the law (e.g. with regard to discrimination, child labour or substandard working conditions) or infringe one of the essential rules of conduct imposed by Schiphol will be terminated immediately.

---

## Economic policies

---

### Quality

- Good functional specifications. Corporate Procurement strives to make optimum use of the knowledge and innovative power of the market. Products, services and works to be procured are marketed as far as possible on the basis of functional specifications.

The key focus areas are lower environmental impact, higher customer satisfaction, more efficient business processes and personal safety within the immediate vicinity of the airport.

- Good procurement processes. All procurement activities take place in accordance with the drafted and agreed digital procurement processes.

The key principle is that deliveries can only take place after Corporate Procurement has issued a signed contract and/or purchase order.

### Choice of supplier

- Free economic competition. Schiphol conducts regular market assessments of the price/quality ratio of the products, services and works it intends to procure.
- Transparency, objectivity, non-discrimination and proportionality. The market is usually tested by means of tender procedures. Tender procedures falling within the scope of the Directive in force, as implemented in the Dutch Public Procurement Act, are organised in accordance with the Dutch Public Procurement Act. This ensures transparency, objectivity, non-discrimination and proportionality.

Engagements that do not fall within the aforementioned scope are also put out to tender. An assessment system and an award procedure are drawn up for these tender procedures. Suppliers and their tenders are assessed on the basis of this system and procedure.

### Costs

- Control of total design life costs. Schiphol adopts the total design life approach for all its purchasing on the basis that the total costs during the design life of the product, service and/or work will be as low as possible, both for Schiphol and for its stakeholders.
- Exploiting economies of scale. For each category the aim is to have a limited number of suppliers, in order to achieve the largest possible economies of scale.
- Reducing transaction costs. In the case of repeat purchases, agreements (including multi-year agreements) are concluded as far as possible to minimise the cost per transaction.

### Cost estimation and cost management

- Cost management. Corporate Procurement's Cost Expertise Center is responsible for drawing up policies and guidelines and for providing clear direction, support and advice for Schiphol with regard to cost estimation and cost management. Implementing cost management is a responsibility of all departments within Schiphol.

# Schiphol Procurement Policy

---

## Risk management

- Optimum risk distribution between Schiphol and its suppliers. Schiphol strives for an optimum risk distribution between Schiphol and its suppliers, based on the rule that risks must be borne by the party which can best manage them.
- No excessive interdependence. Schiphol aims never to be overly dependent on just a few suppliers. The business-critical processes must at all times be able to be continued without major disruption. Conversely the supplier must not be overly dependent on Schiphol for its continuity.
- Suppliers must be financially strong. Schiphol only does business with suppliers that have sufficient financial strength. For large-scale engagements or engagements with heightened non-performance risk, an additional test will be conducted and additional (bank and/or group) guarantees may be required.

## Communication

- Two-way professional communication. Corporate Procurement communicates in a correct, transparent and professional manner with both Schiphol colleagues and suppliers. Schiphol expects suppliers also to communicate in a correct, transparent and professional manner with Schiphol, in accordance with the agreed governance. Suppliers must in no circumstances make negative comments about Schiphol.

---

## Legal policies

---

### National laws and regulations

- Applicable law. All agreements concluded by Schiphol are governed exclusively by Dutch law.
- Dutch Public Procurement Act. Schiphol is a special sector company as described in the Dutch Public Procurement Act. For all engagements falling within the scope of the Dutch Public Procurement Act Schiphol will invite tenders in accordance with the Dutch Public Procurement Act. Schiphol's relevant activity is defined as follows:

*'The provision of airport terminal facilities  
for air transportation'*

Engagements outside the scope of Schiphol's relevant activity fall outside the scope of the Dutch Public Procurement Act.

- Tendering Regulations for the Utilities Sectors. Schiphol declares that the Tendering Regulations for the Utilities Sectors are applicable where appropriate. If the Tendering Regulations for the Utilities Sectors apply, this is stated in the tender documentation.

### Terms and conditions

- General terms and conditions. The other party's general terms and conditions, in whatever form, shall in no case apply to the procurement or hiring agreements. All procurement or hiring agreements are subject to Schiphol's general terms and conditions.
- Sector-specific terms and conditions. Procurement or hiring agreements will not be subject to any sector-specific terms and conditions in any form whatsoever. Sector-specific terms and conditions with additional conditions drawn up by Schiphol can only be declared applicable, with or without Schiphol's general terms and conditions, in sectors where the use of sector-specific terms and conditions is unavoidable.

# Schiphol Procurement Policy

---

## Agreements

- Reliable suppliers. Schiphol only does business with reliable suppliers and therefore does not enter into agreements with a company:
  - o That has been convicted in a final judgement on the basis of (for example) participation in a criminal organisation, bribery, fraud or money laundering;
  - o That is bankrupt, is being wound up, has been granted a suspension of payments or has ceased operations, or is in a similar position;
  - o That is the subject of bankruptcy or suspension of payment proceedings or an arrangement with creditors or any similar proceedings;
  - o That has been convicted, in a court judgement that has become irrevocable under the country's legislation, of an offence violating its rules of professional conduct;
  - o That has committed a serious error in the exercise of its profession, ascertained on any grounds which the contracting authority can demonstrate;
  - o That has not fulfilled its obligations with regard to the payment of its taxes in accordance with the legal provisions applicable to it;
  - o That has not fulfilled its obligations with regard to the payment of social security contributions in accordance with the legal provisions applicable to it;
  - o That has been guilty of serious misrepresentation in the provision of information or particular data and evidence required in a tender;
  - o That has made or later makes contact of any kind – whether directly and/or indirectly via, for example, third parties – with existing or potential tenderers regarding the engagement being tendered for or the content of the offer, in particular the price that will be offered or the distribution of duties, with the exception of any necessary consultation regarding syndication, if justified.
- All engagements are recorded in writing. The following applies with regard to written form:
  - o All obligations are set out in writing and signed by an authorised person.
  - o In addition to the written purchase order, for engagements exceeding €50,000, or involving heightened non-performance risk, Schiphol will draw up a specific 'tailor-made' written agreement.
- All agreements have a contract manager and a contract owner. A contract manager and contract owner are assigned before an agreement is drawn up and signed.
- Liability and insurance. Schiphol suppliers have extensive liability and must effect adequate insurance. The following therefore applies:
  - o Schiphol accepts no liability, except for damage due to intent or gross negligence.
  - o Liability clauses are set out in greater detail in Schiphol's general terms and conditions or in agreements.
  - o The other party must effect adequate liability insurance and allow the policy documents to be inspected on request.
- Ultimate Liability of Subcontractors Act and Hiring Liability Act. Schiphol includes articles in agreements preventing potential claims under the Ultimate Liability of Subcontractors Act and the Hiring Liability Act.
- All agreements have a defined term and can be terminated. All agreements are of limited duration and are not renewed automatically.
- Withholding of confidential information. Contracting parties and their staff having access to confidential information in the context of the engagement guarantee its confidentiality by signing a confidentiality declaration or agreement.

# Schiphol Procurement Policy

---

## Contract management

- Contract management. Corporate Procurement's Contract Management Excellence Center is responsible for drawing up policies and guidelines and, as process owner, controls and monitors the contract management process. The contract owners within Schiphol are responsible for implementing contract management. The contract management policy is set out in greater detail in the document entitled 'Contract Management Policy' and is an integral part of the Schiphol Procurement Policy.

The Schiphol Procurement Policy comes into force on 1 September 2020, and was signed

J. Verkerke  
Chief Procurement Officer (CPO)  
Schiphol Nederland B.V.

20 november 2020

Date

Signature



J. van der Meijs  
Chief Financial Officer (CFO)  
Royal Schiphol Group N.V.

21 november 2020

Date

Signature

