

Supply and Vendors chain arrangement



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The supply chain is the framework that regulates the acquisition of assets/state and contracting services by BBVA Colombia and its subsidiaries/affiliates. The scope of application is the reference to the supplies of expenses and negotiable investments, which implies that it covers a wide range of product categories and required services for the entity's operation and development.



In this case, it is mandatory that suppliers strictly comply with the guidelines included in our Supplier Code of Conduct and Code of Ethics, implementing objective and transparent processes. Likewise, it is essential for them to follow the established guidelines in relation to conflicts of interest, avoiding any situation that may compromise the neutrality and objectiveness in their operations, such as corruption prevention, guaranteeing effective measures to prevent and detect any situation of this kind.

Vendor selection policies (sustainable requirements))

BBVA Colombia's supplier evaluation model is an adaptation of the global one. Currently, we have three types of questionnaires aimed at large companies, SMEs and individuals. In the supplier evaluation process, different questions related to ESG (Environment, Social and Governance) criteria are used. The evaluations are designed in such way that they cover different aspects and situations relevant to each of the criteria.



This way, in relation to the environmental criteria, the questions can address issues of sustainability practices, management of natural resources, waste management or emission reduction. For the social criteria, they may refer to aspects such as fair employee treatment, diversity and inclusion, human rights or commitments with local communities. Regarding the corporate governance criteria, it may refer to transparency in decision-making, business ethics and control and supervision mechanisms. The results obtained play a crucial role in the BBVA supplier selection process.

Risk Management with vendors

Vendor Risk Management (VRM) is the framework that governs the Vendor Assessment Process and its objective is to assess the Risk Level of the Vendors with which the BBVA entities in Colombia are currently active and, of all those with will be established a relationship.

Within this framework, there is a corporate scheme for assessing the Risk Level, that establishes common standard for BBVA entities in Colombia, which allow to ensure that they are within the Risk Appetite Level assumed by BBVA in each of the relevant Disciplines for these purposes. The following risk modules are those considered within the VRM

- Anti-Corruption & AML
- Reputational Risk
- Concentration and Country Risk
- Financial risk
- Legal Risk
- Tax risk
- Employment risk
- Personal Data Protection Risk
- Customer Protection Risk



Practices to prevent or mitigate child or forced work Focused on vendors



BBVA Colombia is engaged to respecting the children's rights and the prohibition and mitigation of the children work.

Therefore, within the clauses of contracts with vendors, there is one that indicates:

“Work vendor obligations” - “The vendor declares its total engagement to the implementation of control programs to prevent and eradicate childhood work, support and respect the protection of children's rights and fundamental human rights, and not be accomplice in the violation of the same”.