

Name of the Guideline or Policy/ Location of Application/Company/Department	Guideline or Policy No: /Revision No:	Effective Date	Publication
Responsible Sourcing Policy/Global	010.24/01	November 07, 2025	yes <input checked="" type="checkbox"/> no <input type="checkbox"/>

SAF-HOLLAND Responsible Sourcing Policy

I. Purpose

This policy sets mandatory requirements for all suppliers and business partners of SAF-HOLLAND to ensure responsible sourcing practices across the value chain. It focuses on workers in the value chain, human rights due diligence, environmental and ethical conduct, in line with international standards and applicable laws.

II. Scope & Applicability

This policy applies globally to all suppliers, contractors, agents and other business partners providing goods or services to SAF-HOLLAND. Suppliers must cascade these requirements to their own suppliers, subcontractors and labor agencies.

III. Standards & References

Suppliers must align with the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, the ILO Core Conventions, the OECD Guidelines for Multinational Enterprises, the UN Global Compact and applicable national laws. This policy supports compliance with ESRS, in particular S2 (Workers in the value chain) and the German Supply Chain Due Diligence Act (LkSG). It complements the SAF-HOLLAND Code of Conduct for Suppliers, the Supplier Quality Manual (SQM) and the Supply Agreement.

IV. Supplier Requirements – Human Rights & Labor

- Prohibit forced, bonded, trafficked or prison labor; ensure employment is freely chosen.
- Prohibit child labor and comply with minimum age and young worker protections; implement robust age-verification procedures.
- Respect the right of workers to freedom of association and collective bargaining, consistent with ILO standards. Suppliers must not interfere with worker organizations or penalize workers for participation.
- Ensure safe and healthy workplaces (OHS): identify hazards, prevent exposure, provide personal protective equipment, training and incident reporting.
- Ensure no recruitment fees are charged to workers (Employer Pays Principle).
- Working hours, rest and leave in line with law and industry norms, overtime is voluntary and compensated.

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- Wages and benefits are in line with at least legal minimums or collective agreements, with payments on time.
- Non-discrimination and equal opportunity in hiring, pay, promotion and termination; zero harassment and abuse.
- Protect specific groups of workers at greater risk, including migrants, agency, temporary and subcontracted workers, women, and young workers.

V. Supplier Requirements – Responsible Sourcing Due Diligence

- Conduct risk-based human rights and environmental due diligence covering own operations and tier-1 suppliers and cascade requirements further in high-risk areas.
- Map and monitor smelters/refiners for 3TG and other designated minerals via SAQ, CMRT/EMRT or equivalent responsible mining tools, with maintained up-to-date records.
- Comply with deforestation-free sourcing requirements (e.g., EU Deforestation Regulation) for relevant commodities such as wood and rubber, being able to provide traceability documentation upon request.
- Implement controls to minimize pollution and environmental impacts consistent with SAF-HOLLAND policies, local law and permits.
- Maintain accurate compliance documentation and provide it to SAF-HOLLAND upon request (policies, risk assessments, audit reports, corrective action plans).
- Support SAF-HOLLAND's climate targets by reaching net zero emissions by 2050. Suppliers are expected to measure, monitor and continuously work towards lowering their greenhouse gas emissions across operations and value chains. Also to report relevant CO₂ data upon request, through the Supplier Assessment Questionnaire in a third-party platform or in other means.

VI. Grievance & Remedy

Suppliers must maintain accessible, confidential grievance channels for workers and stakeholders, protect against retaliation and ensure remediation. Suspected violations related to this policy can also be reported via SAF-HOLLAND's electronic whistleblower system (available 24/7, anonymous submissions possible). Suppliers must provide or enable effective remedy for workers in cases of harm, including corrective measures and where appropriate, compensation.

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VII. Audits, Monitoring & Corrective Action

- SAF-HOLLAND may assess supplier compliance through questionnaires (SAQ in third-party systems), documentation reviews, on-site or remote audits and worker interviews.
- Suppliers must cooperate fully, grant access to relevant sites and records, and engage in corrective action plans with defined owners and deadlines.
- Serious or repeated non-compliance, or failure to remediate, may lead to suspension or termination of the business relationship.

VIII. Training & Capacity Building

Suppliers shall ensure relevant employees and managers are trained on this policy, SAF-HOLLAND's electronic whistleblower system and underlying standards. SAF-HOLLAND may offer workshops or guidance to support improvements where appropriate.

IX. Targets & Continuous Improvement

SAF-HOLLAND has set clear targets to strengthen supplier responsibility and compliance:

- 100% of suppliers must sign the SAF-HOLLAND Supplier Code of Conduct (CoC). This is a mandatory requirement for all business partners.
- All relevant suppliers will be invited to complete a Supplier Assessment Questionnaire (SAQ) through a third-party sustainability risk monitoring system. This requirement will progressively expand over time to cover more supplier risk categories and lower spend thresholds by 2030.
- High-Risk suppliers identified through the SAQ must implement mitigation actions. SAF-HOLLAND reserves the right to exclude suppliers from future contracts if they remain High Risk and fail to remediate.
- Specific timelines and spend thresholds for SAQ coverage are defined in SAF-HOLLAND's sustainability implementation roadmap and updated annually in the sustainability report.

X. Data Protection & Reporting

All personal data processed in connection with this policy must comply with applicable data protection laws. Suppliers shall report material incidents, legal actions, or sanctions related to human rights, labor, or environmental matters to SAF-HOLLAND without undue delay.

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XI. Governance & Acknowledgement

This policy forms part of the contractual terms via the SQM and/or Supply Agreement. By supplying to SAF-HOLLAND, the supplier acknowledges and accepts these requirements and commits to continuous improvement.

This policy was approved by Management Board/Executive Committee.