

# ESAB Responsible Sourcing and Efficient Supply Chain Policy

## Commitment to Ethical and Sustainable Practices:

ESAB fosters strong supplier relationships aligned with high standards for environmental and social responsibility.

- ESAB's [Code of Conduct for Business Partners.pdf](#) requires suppliers to uphold ESAB's ethical standards and cascade through their supply chains. If not already developed suppliers are encouraged to develop similar "Code of Conduct" policies aligned with ethical practices, laws and regulations.
- ESAB's [Conflict Minerals Policy.pdf](#) provides commitment to the sourcing of materials responsibly by supporting compliance with applicable regulations and laws with designated materials. Suppliers are expected to confirm documentation conformance to policy.
- ESAB's [Human Rights Policy.pdf](#) establishes standards for global business conduct related to human rights and elimination of forced labor, human trafficking, and child labor from our business and supply chains. Suppliers are expected to cascade through their supply chain.
- Sourcing – [Supplier Expectations](#) - Suppliers are expected to maintain open communication and comply with quality and operational expectations, as outlined in ESAB's [Global Supplier Quality Manual](#) and [Standard Terms and Conditions](#) (See local or regional terms and conditions).

## Supplier Assessments

Collaboration amongst sourcing, supply chain, quality, and trade compliance teams to evaluate suppliers' commitment. Evaluations include but not limited to:

- Health and Safety Conditions
- Environmental practices
- Financial Health
- Production Readiness / Manufacturing capability
- Innovation and R&D Investments

## Supplier Due Diligence

Systems and agreements developed to validate supplier alignment.

- Worker Health and Safety
- Commitments to fair labor practices
- Financial, legal, and sanctions related standards

## Sustainable Supply Chains

Teams planning and monitoring to ensure maximize supply chain efficiencies.

- Efficient logistics
- Optimized freight and storage
- Increased use of green freight
- Waste-reducing packaging strategies
- Recyclable and eco-friendly material use increased

## Sustainable Materials

Sourcing environmentally aligned and socially responsible materials is a strategic focus.

- Green steels or aluminum and energy-efficient recycled steels
- Recyclable and sustainable packaging materials
- Materials that reduce environmental impact for both ESAB and its customers
- Paper reduction when possible – electronic documentation vs. paper