

# ESAB Supplier Expectations Summary

Suppliers play a critical role in ESAB's success and are expected to meet high standards in performance, compliance, and ethical conduct. This framework reflects ESAB's commitment to quality, safety, sustainability, and operational excellence—and aligns suppliers to contribute to our shared success.

The following expectations outline the key areas of focus for all suppliers who provide materials, components, products, and/or services to ESAB globally:

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## Delivery / Lead Time

- **100% On-Time Delivery (OTD)** is the goal.
- Lead times must be **accurate**, with ongoing efforts to **reduce** them through continuous improvement.

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## Occupational Health & Safety

- Compliance with all **legal health and safety** requirements is mandatory.
- Suppliers are encouraged to **achieve or align with ISO 45001** Occupational Health & Safety Management System.

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## Product Safety

- Products must be **safe by design**, with no risk of injury due to design flaws.
- Immediate support is expected in-case of **product safety claims** or investigations.

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## Quality

- Compliance with ESAB's **Supplier Quality Manual (GSM0001)** is required.
  - **Zero-defect** rate and 100% **specification conformance** are expected.
  - Quality certifications such as **ISO9001, ISO13485, AS9100, or IATF16949** are encouraged.
  - Any **product, packaging, supplier and/or process changes** must be **approved** by ESAB prior to implementation.
  - Support for **evidence, containment, root cause, and corrective actions** is required upon request.
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## Continuous Improvement & Innovation

- Suppliers should continuously improve **products, processes, and delivery performance**.
- Regular improvement in **price, lead times, OTD, and terms** are expected.
- Participation in **Value Analysis / Value Engineering (VA/VE)** reviews is encouraged.
- Investment in **technology and innovation** to enhance offerings is expected.

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## Sustainability & Environmental Responsibility

- Full compliance with all **environmental, health, and safety laws**, including those related to **human rights and labor practices**.
- Proactive efforts to **reduce environmental impact** (carbon footprint, waste, water use).
- Alignment with **ESAB's sustainability goals**.
- ISO 14001 certification or equivalent **environmental management system compliance** is encouraged.

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## Communication

- Suppliers must ensure a clear understanding of ESAB expectations.
- Prompt, **transparent communication** about delays, disruptions, or issues is required.
- Use of **electronic tools** (POs, ASNs, e-invoicing, etc.) is expected for transactions.
- Immediate action and engagement are required for **unforeseen issues**.

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## Business Continuity

Suppliers must conduct **annual business risk assessments** and be prepared for:

- **Labor disruptions**
- **Supplier or capacity disruptions**
- **Cybersecurity threats**
- **Power or natural disasters**
- **Legal and trade compliance risks**
- **Succession planning**
- **Ethics and compliance violations**

ESAB may audit suppliers to ensure adherence and mitigation planning.

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*These expectations are a compiled summary of expectations from various documents and sources. The summary is provided to help align with top focus expectations. These expectations listed do not override any agreements, laws, or requirements.*