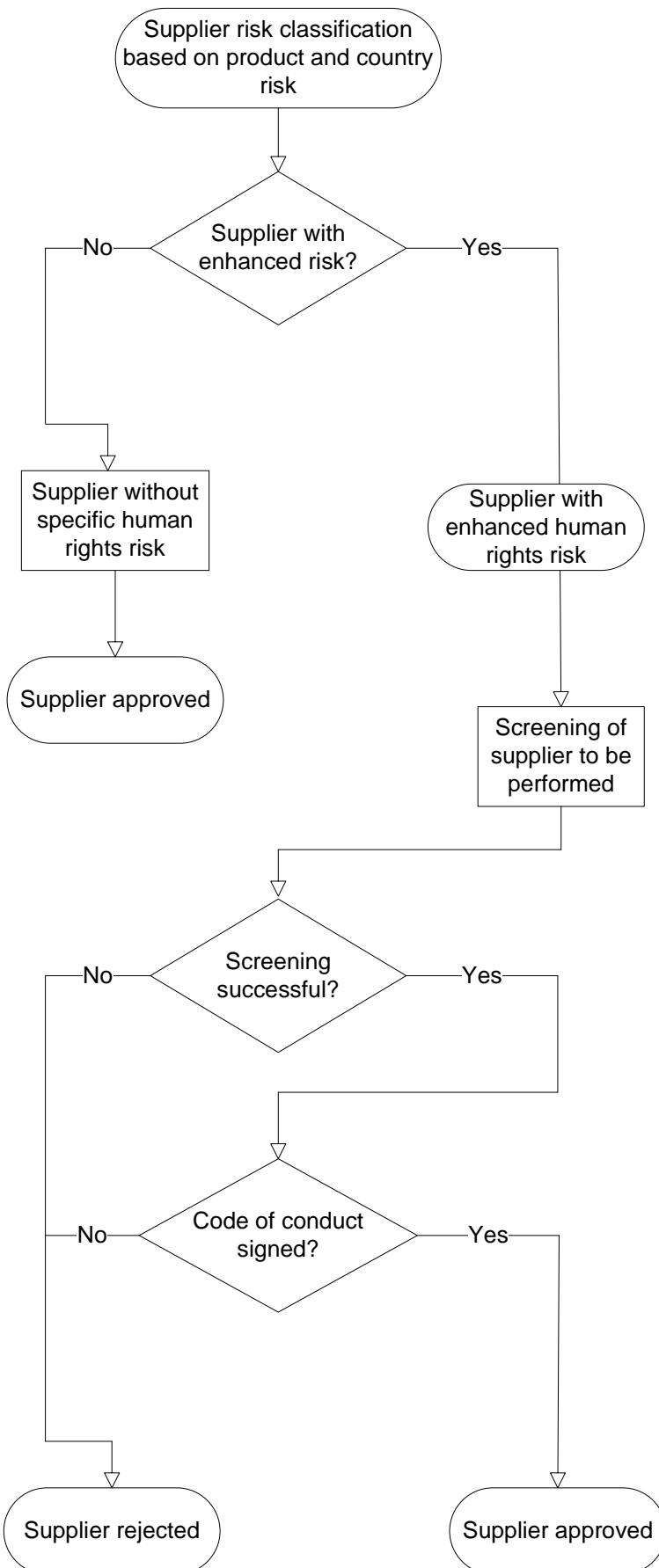


# Appendix A

## Tier-1 supplier due diligence process



### Risk classification (Art. 3.2.1)

It is recommended to use the risk classification of an ESG rating provider (e.g. Integrity Next). If the Division defines its own risk classification, the following country risks shall be considered:

- Products produced in country listed in UNICEF «children’s rights in the workplace index» as enhanced or heightened risk; and
- Supplier located in country with corruption score of 50 or less according to Transparency International Corruption Perception Index.

If the number of suppliers with enhanced risk is too large for monitoring with reasonable efforts, Division may further prioritise such suppliers.

### Screening (Art. 3.2.2)

Screening may be done by using ESG rating providers (e.g. Integrity Next).

In case screening results in risk, follow-up is required (e.g. on-site audit, specific measures).

### Supplier code of conduct (CoC) (Art. 3.2.3)

Supplier to either sign the Bucher Supplier CoC or adequate contract clauses (see appendices to Supplier DD Directive).

Alternatively, supplier shall specifically commit to its own CoC, if it covers the minimum standards as per Bucher Human Rights Statements, and agree on an audit right of Bucher.