



snowcommerce

# **SNOW COMMERCE AND ITS AFFILIATES ETHICAL SOURCING POLICY**

**2025 – Version 1.0**

For Snow Commerce and its affiliates, it is part of our company values that we do business with a high sense of morals, ethics and respect. With this Ethical Sourcing Policy, we commit to developing and maintaining responsible sourcing practices that ensure we are a fair business partner. It is the sourcing manager's responsibility to ensure that all employees involved in the sourcing activities comply with this policy and the obligations stated in here.

Snow Commerce and its affiliates acknowledge that it is difficult for our Partners to be compliant and act good employers if we do not exercise ethical and responsible sourcing practices. We ensure that our sourcing practices do not cause a negative impact on the environment and the working conditions under which the people involved in the production of our products work.

Snow Commerce and its affiliates are obliged to act responsibly, impartially, honestly and respectfully in all our sourcing activities. We strive to build and preserve strong relationships with our Partners and recognize that ongoing close dialogue is key to that.

When negotiating on pricing, lead-times and terms of payment this must always be a dialogue rather than a dictation from us. Pricing and lead-times must reflect both the people involved in the production of our products and the environment. Snow Commerce and its affiliates are committed to paying fair pricing and require our Partners to pay their employees at least a living wage for their work.

Snow Commerce and its affiliates commit to adequate planning and timely payments, and expects this to reduce risks of overtime work, unfair working conditions, late wage payments to the workforce and health and safety violations in the facilities throughout our supply chain.

Snow Commerce and its affiliates may sometimes find it necessary to terminate contracts and thereby end collaborations with Partners e.g. if our capacity needs change, if the Partner fails to meet our compliance requirements and show no willingness to improve, or due to poor quality performance. Whatever the reason, we want to act responsibly and minimize the negative impact of exiting such a business relationship. To do so, we outline a clear phase-out process and create an exit plan in close dialogue with the Partner concerned.

Snow Commerce and its affiliates actively participate in preventing any ethical breaches and potential negative outcomes caused by our sourcing activities.

Additionally, we ensure compliance with international standards, including, but not limited to, the International Labour Organization's (ILO) Declaration of the Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the OECD Due Diligence Guidance for Responsible Business Conduct.

This policy is integral to our business operations and reflects our dedication to positively impacting society and the environment. By adhering to this Ethical Sourcing Policy, Snow Commerce and its affiliates commit to fostering a sustainable, ethical, and socially responsible supply chain in collaboration with our Partners.