THE SELF-ASSESSMENT QUESTIONNAIRE FOR SUPPLIERS. BMW GROUP EVALUATION OF THE SAQ.

BASED ON THE SAQ 5.0 (SELF-ASSESSMENT QUESTIONNAIRE).
AGENDA: OEM-OVERALL SELF-ASSESSMENT QUESTIONNAIRE.

(1) The Self-Assessment Questionnaire

(2) Significance of SAQ 5.0 status (BMW Group traffic light)

(3) Questionnaire process overview

(4) BMW Group requirements

(5) Helpful links and contacts
AGENDA: OEM-OVERALL SELF-ASSESSMENT QUESTIONNAIRE.

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THE SUSTAINABILITY QUESTIONNAIRE IS A SELF-ASSESSMENT FOR SUPPLIERS AND A BASIS FOR EVALUATING SUSTAINABILITY REQUIREMENTS.

- The “Drive Sustainability” initiative’s sustainability questionnaire is a self-report for suppliers on the environmental, social and compliance-/governance-related aspects of their business activities.
- This is a standardized instrument that is used by various OEMs and Tier 1 suppliers.
- The BMW Group uses the questionnaire to individually assess the sustainability performance of suppliers.
- This is used to review the requirements of the sustainability standard for the supplier network (Supplier Code of Conduct), whose compliance is contractually enshrined in the International Purchasing Conditions (IPC) in direct purchasing and the General Contract Terms (GTC) for indirect purchasing.
- The evaluation result is relevant for procurement.
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THE SUSTAINABILITY STATUS OF A SUPPLIER LOCATION IS BASED ON A BMW GROUP EVALUATION LOGIC OF THE SAQ (TRAFFIC LIGHT SYSTEM).

- The BMW Group's evaluation logic of the Self-Assessment Questionnaire (traffic light system) is explained below.
- Please note that for antitrust reasons, OEMs are not allowed to assess the joint Self-Assessment Questionnaire uniformly.
- For this reason, the Supplier Assurance* platform only shows an indicative rating for the questionnaire.
- The questions that are decisive for the evaluation logic (traffic light system) are marked accordingly in the online questionnaire on the Supplier Assurance platform.
- All other questions are monitored in the BMW Group systems so that they can also be evaluated.
- The completed questionnaire is finally evaluated by the BMW Group and presented in the supplier database.
- The result resulting from traffic light system is described on the right and is based on BMW Group requirements.

• Supplier failure to meet BMW Group requirements
• No target date agreed with buyer

→ Nomination not allowed

• Failure to comply with BMW Group requirements from the supplier
• Due date has been agreed with the buyer and confirmed in the supplier database

→ Nomination permitted with restrictions

• Meeting the requirements of BMW Group by the supplier
• No further action is required with regard to corrective action

→ Nomination permitted without restriction

*Supplier Assurance (ext. service provider)
AGENDA: OEM-OVERALL SELF-ASSESSMENT QUESTIONNAIRE.

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(5) Group LDB platform

(6) Helpful links and contacts
SUPPLIERS REGISTER ON THE SUPPLIER ASSURANCE PLATFORM TO FILL OUT THE SAQ AND SHARE IT WITH THE BMW GROUP.

1. The BMW Group buyer is calling for a new SAQ via LDB* for a location relevant to public procurement.

2. The supplier fills out the questionnaire on the external Supplier Assurance platform and shares it with the BMW Group.

3. Supplier Assurance validates the questionnaire documents and certificates. The result of the verification is visible on the platform.

4. The result of Supplier Assurance is sent to LDB via an interface in which the BMW Group makes a specific evaluation of the questionnaire. The final result with the final traffic light is available in LDB.

* LDB: BMW Group supplier database
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SUSTAINABILITY REQUIREMENTS FOR BMW GROUP SUPPLIERS. PRESENTATION ON THE SUPPLIER ASSURANCE PLATFORM.

1. By entering the number of employees for the entire company and categorizing the company's business area as part of the profile questionnaire on the Supplier Assurance platform, the sustainability requirements of the BMW Group are defined.

2. The questions relevant to BMW are displayed on the following pages of the questionnaire on the Supplier Assurance platform at the bottom of each page.

   ▼ BMW Requirements

The following questions on this page will impact your BMW rating:

- 1
- 1a
- 1b
- 1c
- 1d
REQUIREMENTS FOR BMW GROUP SUPPLIERS.
SAQ VERSION 5.0 (SLIDE 1/5).

<table>
<thead>
<tr>
<th>Q. Nr.</th>
<th>Requirement</th>
<th>Employees*</th>
<th>Supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A COMPANY MANAGEMENT (GENERAL)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1a</td>
<td>Management person responsible for social sustainability</td>
<td>≥ 500</td>
<td>all</td>
</tr>
<tr>
<td>1b</td>
<td>Management person responsible for Compliance/Business Ethics</td>
<td>≥ 500</td>
<td>all</td>
</tr>
<tr>
<td>1c</td>
<td>Management person responsible for environmental sustainability</td>
<td>≥ 500</td>
<td>production</td>
</tr>
<tr>
<td>1d</td>
<td>Person to monitor sustainability risk management (e.g. a Human Rights Officer)</td>
<td>≥ 1000</td>
<td>all</td>
</tr>
<tr>
<td>2</td>
<td>Publish CSR-/ sustainability report</td>
<td>≥ 1000</td>
<td>all</td>
</tr>
<tr>
<td>3</td>
<td>Code of conduct</td>
<td>≥ 500</td>
<td>all</td>
</tr>
<tr>
<td><strong>B HUMAN RIGHTS AND WORKING CONDITIONS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Policy on working conditions and human rights</td>
<td>≥ 50</td>
<td>all</td>
</tr>
<tr>
<td>5a</td>
<td>Covered areas by this policy:</td>
<td>≥ 50</td>
<td>all</td>
</tr>
<tr>
<td></td>
<td>- Non-discrimination and harassment</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Women's Rights</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5b</td>
<td>Training for your employees on the Policy of working conditions and human rights</td>
<td>≥ 50</td>
<td>all</td>
</tr>
</tbody>
</table>
REQUIREMENTS FOR BMW GROUP SUPPLIERS.
SAQ VERSION 5.0 (SLIDE II/V).

<table>
<thead>
<tr>
<th>Q. Nr.</th>
<th>Requirement</th>
<th>Employees*</th>
<th>Supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td><strong>HEALTH AND SAFETY</strong></td>
<td></td>
<td></td>
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<tr>
<td>7</td>
<td>Health and safety policy</td>
<td>≥ 50</td>
<td>all</td>
</tr>
<tr>
<td>8</td>
<td>Certified health and safety management system according to ISO 45001 or similar</td>
<td>≥ 500 (Standort)</td>
<td>all</td>
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<tr>
<td>D</td>
<td><strong>BUSINESS ETHICS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Policy on business ethics</td>
<td>≥ 50</td>
<td>all</td>
</tr>
<tr>
<td>E</td>
<td><strong>ENVIRONMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Policy on environment</td>
<td>≥ 50</td>
<td>production</td>
</tr>
<tr>
<td>10b</td>
<td>Training for your employees on the Policy</td>
<td>≥ 50</td>
<td>production</td>
</tr>
<tr>
<td>11</td>
<td>Certified environmental management system (ISO 14001 or comparable)</td>
<td>≥ 50</td>
<td>production</td>
</tr>
<tr>
<td>16</td>
<td>Substances with restrictions</td>
<td>≥ 500</td>
<td>production</td>
</tr>
<tr>
<td>16a</td>
<td>Written procedures to manage substances with restrictions under any regulations</td>
<td>≥ 500</td>
<td>production</td>
</tr>
</tbody>
</table>
# REQUIREMENTS FOR BMW GROUP SUPPLIERS.
## SAQ VERSION 5.0 (SLIDE III/V).

<table>
<thead>
<tr>
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<th>Requirement</th>
<th>Employees*</th>
<th>Supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td><strong>RESPONSIBLE SUPPLY CHAIN MANAGEMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>CSR/ sustainability requirements for suppliers</td>
<td>≥ 100</td>
<td>all</td>
</tr>
<tr>
<td>18a</td>
<td><strong>Human rights and working conditions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Child labour and young workers</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Wages and benefits</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• Working hours</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• Modern slavery (i.e. slavery, servitude and forced or compulsory labour and human trafficking)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Freedom of association and collective bargaining</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• Non-discrimination and harassment</td>
<td></td>
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<tr>
<td></td>
<td>• Women's Rights</td>
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<td></td>
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<tr>
<td></td>
<td>• Diversity, Equity, and Inclusion</td>
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<tr>
<td></td>
<td><strong>Health and safety</strong></td>
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<tr>
<td></td>
<td>• Health and safety</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td><strong>Business ethics</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Anti-Corruption and Anti-Money Laundering</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Data Protection and Data Security</td>
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</tbody>
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REQUIREMENTS FOR BMW GROUP SUPPLIERS.
SAQ VERSION 5.0 (SLIDE IV/V).

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<th>Supplier</th>
</tr>
</thead>
</table>
| 18a    | Business ethics  
• Financial responsibility (Accurate Records)  
• Disclosure of information  
• Fair competition and anti-trust  
• Conflicts of interest  
• Counterfeit parts  
• Intellectual property  
• Export controls and economic sanctions  
• Whistleblowing and protection against retaliation  
Supply Chain  
• Definition and implementation of similar standards vis-à-vis own Tier 1 suppliers  
• Binding requirements for Tier 1 suppliers to pass on standards along the supply chain | ≥ 100 | all |
| 18a    | Human rights and working conditions  
• Rights of Minorities and Indigenous Peoples  
• Land, Forest and Water Rights and Forced Eviction  
• Use of private or public security forces | ≥ 1000 | all |

* Number of employees in the entire company (not at the location) - 14 -
## REQUIREMENTS FOR BMW GROUP SUPPLIERS.
### SAQ VERSION 5.0 (SLIDE V/V).

<table>
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<th>Supplier</th>
</tr>
</thead>
</table>
| 18a    | Environment  
- GHG emissions reporting  
- Energy efficiency  
- Renewable energy  
- Decarbonisation  
- Water quality, consumption & management  
- Air quality  
- Responsible chemical management  
- Sustainable resources management  
- Waste reduction  
- Reuse and recycling  
- Biodiversity, land use and deforestation  
- Soil quality | ≥ 1000 | all |
| 18b    | Which areas are covered by these CSR/Sustainability requirements?  
- Included in Terms and Conditions  
- Supplier training  
- Supplier Code of Conduct/ Supplier Sustainability Policy  
- Company website/ Supplier portal | ≥ 100 | all |

* Depending on the supplier’s business activity and industry, individual questions are not relevant. Accordingly, these questions have no influence on the BMW sustainability rating. The business activity as well as the industry (NACE code) is indicated at the beginning of the questionnaire. *Number of employees in the entire company (not at the location)*
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DO YOU NEED HELP?
YOUR CONTACTS AT BMW GROUP AND SUPPLIER ASSURANCE.

If you have any questions about sustainability requirements for BMW Group suppliers and the BMW Group-specific assessment as part of the award process, please contact your BMW Group buyers or the Sustainable Supply Chain Management (SSCM) team.

- General information for suppliers on the Internet: https://www.bmwgroup.com/en/sustainability.html (Heading: Environmental and Social Standards)
- SAQ Toolbox from Drive Sustainability for suppliers: https://www.drivesustainability.org/saq-toolbox
- Email: sscm@bmw.de

If you have technical questions about the questionnaire process, the Supplier Assurance platform and content issues, such as definitions of individual requirements, please contact our service provider directly.

- Help and support online: https://supplierassurance.com/help
- Live-Chat und contact form: https://supplierassurance.com/contact
- Telefon: +44 (0) 161 413 7983 (multilingual)