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
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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.

- It 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.
- The questionnaire is necessary 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 the awarding process.

The sustainability questionnaire contains the following topics:

- A. Company Management
- B. Human Rights and Working Conditions
- C. Health and Safety
- D. Business Ethics
- E. Environment
- F. Responsible Supply Chain Management
- G. Responsible Sourcing of Raw Materials
- H. Additional Information
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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 common 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 shown in the supplier database.
- The evaluation resulting from traffic light system is described on the right and is based on BMW Group requirements.

- Non-compliance of supplier regarding BMW Group requirements
- No due dates agreed with buyer
  ➔ Nomination not allowed

- Non-compliance of supplier regarding BMW Group requirements
- Due date has been agreed with the buyer and confirmed in the supplier database
  ➔ Nomination permitted with restriction

- Compliance of supplier regarding BMW Group requirements
- No further action need for corrective actions
  ➔ Nomination permitted without restriction
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THE SUPPLIERS HAVE TO REGISTER ON THE SUPPLIER ASSURANCE PLATFORM TO FILL OUT THE SAQ AND SHARE IT WITH THE BMW GROUP.

1. A buyer of the BMW Group is requesting a new SAQ via LDB* for a location relevant for the awarding process.

2. The supplier answers 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 validation is visible on their platform.

4. The results of Supplier Assurance are sent to LDB via an interface. The specific BMW Group evaluation of the questionnaire takes place. The final result with the final traffic light is available only in LDB.

* LDB: BMW Group supplier database
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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.

The questions which are relevant for the BMW Group are displayed at the bottom of each of the following pages of the questionnaire on the Supplier Assurance Platform.
**REQUIREMENTS FOR BMW GROUP SUPPLIERS.**
**SAQ VERSION 5.0 (SLIDE I/IV).**

<table>
<thead>
<tr>
<th>Q. Nr.</th>
<th>Requirements</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>
<tr>
<td><strong>C HEALTH AND SAFETY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<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 (Site)</td>
<td>all</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
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<th>Requirements</th>
<th>Employees*</th>
<th>Supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>D BUSINESS ETHICS</td>
<td></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 ENVIRONMENT</td>
<td></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>
<tr>
<td>F RESPONSIBLE SUPPLY CHAIN MANAGEMENT</td>
<td></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>Human rights and working conditions</td>
<td>≥ 100</td>
<td>all</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>
</tr>
<tr>
<td></td>
<td>• Working hours</td>
<td></td>
<td></td>
</tr>
<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>
</tr>
<tr>
<td></td>
<td>• Non-discrimination and harassment</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
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<th>Requirements</th>
<th>Employees*</th>
<th>Supplier</th>
</tr>
</thead>
</table>
| 18a    | Human rights and working conditions  
• Women's Rights  
• Diversity, Equity, and Inclusion  
Health and safety  
• Health and safety  
Business ethics  
• Anti-Corruption and Anti-Money Laundering  
• Data Protection and Data Security  
• Financial responsibility (Accurate Records)  
• Fair competition and anti-trust  
• Export controls and economic sanctions  
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 |

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REQUIREMENTS FOR BMW GROUP SUPPLIERS.
SAQ VERSION 5.0 (SLIDE IV/IV).

<table>
<thead>
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<th>Requirements</th>
<th>Employees*</th>
<th>Supplier</th>
</tr>
</thead>
<tbody>
<tr>
<td>18a</td>
<td><strong>F RESPONSIBLE SUPPLY CHAIN MANAGEMENT</strong></td>
<td>≥ 1000</td>
<td>all</td>
</tr>
</tbody>
</table>
|        | 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                                                                                                                                                                                              |
| 18b    | Communication channels for CSR/sustainability requirements to suppliers  
|        | • 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.
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DO YOU NEED HELP?
YOUR CONTACTS AT BMW GROUP AND SUPPLIER ASSURANCE.

If you have any questions regarding 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)
- Drive Sustainability SAQ Toolbox for suppliers: https://www.drivesustainability.org/saq-toolbox
- Email: sscm@bmw.de

If you have technical questions about the questionnaire process, as well as the Supplier Assurance Platform and for questions regarding content, 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
- Phone: +44 (0) 161 413 7983 (multilingual)