

Ethical Procurement Policy

2023

EgonZehnder

Introduction

Egon Zehnder is the world's preeminent leadership advisory firm, inspiring leaders to navigate complex questions with human answers. As such, we are committed to ensure that all our interactions with clients, candidates, employees, and suppliers reflect our values. Egon Zehnder is committed to operating as one firm in a way that is both socially and environmentally responsible and to making a difference for our planet and in our communities. This commitment extends to the goods and services we purchase and to the choice of suppliers with whom we work.

We hold our suppliers to the same high standards of social and environmental responsibility that we hold ourselves. We have developed this Ethical Supplier Procurement Policy to ensure they recognize and uphold these standards. We support this policy by conducting supplier self-assessments on the initiation or renewal of contracts.

We expect our suppliers to act in accordance with this policy and require that all suppliers comply with applicable laws and regulations within the geographies where they operate and be open and cooperative with the regulators enforcing such laws. In cases where expectations outlined in the policy differ from local laws, suppliers must bring these up for discussion and follow these expectations within the bounds of applicable local laws.

Scope

The Ethical Procurement Policy applies to all supplier agreements for which contracts are signed by February 1, 2023 or thereafter and have a value of more than 500,000 CHF.

Preference will be given to suppliers that meet robust third-party social and environmental certification criteria or have identified and articulated a pathway to improving supplier's own environmental footprint and performance as a responsible supplier. We recognize that entities are in different phases of their sustainability development and that we consider their respective improvement paths. Egon Zehnder invites its suppliers to maintain an open dialogue to continuously search for better environmental and/or social solutions in supplier agreements. Where reasonable, all significant suppliers should demonstrate adherence to a formal method of measurement or industry standard.

Overview

The policy reflects Egon Zehnder's values and outlines expectations we have of our suppliers on the following topics

1. Acting ethically and with integrity
2. Maintaining data privacy and security
3. Embracing inclusion and diversity
4. Ensuring fair employment and wages
5. Reducing environmental impact

6. Ensuring safety, well-being, and health

Our sustainable procurement policy, along with our journey towards enhanced ESG performance in line with SASB Standards, GHG (Greenhouse Gas) Protocol and B Corp behavioural norms, promotes social responsibility within our firm while driving high standards of environmental and social responsibility among our suppliers, and more broadly across business and society

1. Acting ethically and with integrity

Bribery and anti-corruption

Suppliers must fully comply with requirements of all applicable bribery and anti-corruption laws (e.g., [U.S. Foreign Corrupt Practices Act](#), [UK Bribery Act](#), and the [Comprehensive EU Anti-corruption Policy](#)).

Gifts and entertainment

Suppliers must not offer or accept any gifts to obtain improper advantages or influence for them, Egon Zehnder (such as Egon Zehnder's employees and their family members and associates), or any third party. Gifts can include a benefit, fees, commissions, dividends, cash, gratuity, or services.

Non-retaliation for reports of concern

Egon Zehnder expects suppliers to have a policy and process for reporting workplace concerns. The policy and process should be transparent and understandable and should protect reporting and participating individuals from retaliation.

2. Maintaining data privacy and security

Egon Zehnder requires its suppliers to protect the privacy of individuals and the security of confidential assets and information. As such, upon request, we expect suppliers to extend support for a security assessment, as needed, for products and services procured by Egon Zehnder and enter into separate and/or amend existing data processing agreements with Egon Zehnder, as and if required. More detailed information on Egon Zehnder's data and security policies is available on request.

Confidential assets and information

Suppliers must protect Egon Zehnder's and its clients' confidential assets and information. Suppliers must design and maintain processes to provide appropriate protections for this information.

Personal information and privacy

Egon Zehnder requires suppliers to protect personal information in compliance with all applicable local laws. Personal information provided by or on behalf of Egon Zehnder should only be used, accessed, and disclosed as permitted by the supplier agreement.

Cybersecurity

Egon Zehnder requires suppliers to provide timely notification in case of any cyber incidents. The suppliers should also update the relevant Egon Zehnder team if and when any new vulnerabilities are discovered.

3. Embracing inclusion and diversity

Egon Zehnder fosters an inclusive culture and believes diversity should be celebrated and discrimination of any form should not be tolerated.

Non-discrimination and workplace diversity

Suppliers must comply with all applicable anti-discrimination laws in every aspect of hiring and employment practices and have a zero-tolerance policy in relation to any form of harassment and retaliation.

Egon Zehnder expects suppliers to operate workplaces free of discrimination, harassment, victimization, and any other abuse on any grounds including but not limited to age, disability, ethnic or social origin, gender, gender identity, nationality, race, sexual orientation, marital status, parental status, pregnancy, political convictions, religious beliefs, union affiliation, or veteran status.

Supplier diversity

Egon Zehnder searches for suppliers that similarly value diversity in suppliers' own supply chain and that support Egon Zehnder's goals with respect to supplier diversity. Egon Zehnder expects suppliers to: (i) utilize search and assessment processes that are both unbiased and transparent, (ii) where practicable and allowable by law, actively seek out and provide opportunities for diverse suppliers to participate in business opportunities.

4. Ensuring fair employment and wages

Suppliers must comply with all applicable local wage and labour laws. Egon Zehnder expects suppliers to provide employees with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work. All use of temporary, dispatch and outsourced labour shall be in accordance with local law.

5. Reducing Environmental Impact

Egon Zehnder is committed to reducing the impact of its operations on the natural environment and expects its suppliers to do the same.

Environmental footprint

Suppliers must comply with all applicable environmental laws and regulations. Egon Zehnder expects suppliers to address their environmental risk and impact. Egon Zehnder expects suppliers to measure, manage, and address energy usage and greenhouse gas (GHG) emissions. Egon Zehnder prefers suppliers that are offsetting the emissions resulting from their operations and services, or are able to disclose emissions resulting from the supplier agreement.

6. Ensuring safety, well-being, and health

As set out by our General Human Rights Statement, Egon Zehnder is committed to respecting the rights under the UN Universal Declaration of Human Rights and expects its suppliers to do the same.

Modern slavery / human trafficking

Egon Zehnder strives against any form of modern slavery, child labour, and human trafficking. Egon Zehnder's [statement on Modern Slavery](#) sets out our global approach to modern slavery, specifies our commitments to continually improve our policies and practices and outlines how we assess and manage related risks.

Human rights

Egon Zehnder does not tolerate human rights violations in any form. Egon Zehnder expects suppliers to enact practices to maintain a respectful and safe workplace. Egon Zehnder expects that suppliers will not tolerate physical violence, threats, corporal punishment, mental coercion, verbal abuse, disrespectful behavior, bullying, etc.

Implementing/operationalizing the Policy

Egon Zehnder reserves the following rights to ensure and enforce suppliers' compliance with this policy.

Supplier assessment and selection

During the supplier selection process, suppliers will be required to complete a self-assessment questionnaire on compliance with this policy. Suppliers may be asked to re-affirm compliance with the policy periodically. Where possible, suppliers will provide supporting information on its policies and practices related to compliance with the policy.

Egon Zehnder is committed to working with suppliers to improve performance on topics addressed by this policy and expects suppliers to agree to work together with Egon Zehnder to jointly address applicable and relevant topics. Egon Zehnder will be overall responsible for working with suppliers to identify environmentally preferable products that meet the needs of our firm.

Egon Zehnder will evaluate suppliers' compliance with this policy during the suppliers' evaluation and selection process, or upon Egon Zehnder's request.

Violations and termination

Supplier shall ensure that its subcontractors, if any, comply with the policy, and acknowledge that it is responsible for its subcontractors' violations. In the event of non-compliance with this policy, Egon Zehnder may give the supplier a reasonable opportunity to respond with proposed corrective actions, unless the violation is severe or incurable, or there is a violation of law. Egon Zehnder may suspend or terminate its relationship with the supplier and/or disclose the matter to the appropriate authorities if there is a violation of law.

If Egon Zehnder determines that any supplier has violated this policy, it may either terminate its business relationship or require the supplier to implement a corrective action plan. If corrective action is advised, but not taken, Egon Zehnder will suspend placement of future orders and shall terminate its business relationship with supplier.

Reporting

Actual, or suspected, material violations of this Ethical Supplier Procurement Policy by a supplier or any other severe violations potentially harming our clients, employees or Egon Zehnder as a firm should be raised to the relevant Egon Zehnder contact or via [this link](#).

Any supplier who may suspect that an Egon Zehnder employee, or anyone acting on behalf of Egon Zehnder, has engaged in illegal or otherwise improper conduct should report the matter to a relevant Egon Zehnder contact or via our Whistleblowing hotline. Suppliers should take appropriate steps to ensure that the principles of this policy are communicated to their employees and throughout their own supply chains. Suppliers should also take appropriate steps to ensure that the principles of this policy are adopted and applied by their employees, suppliers, agents, and contractors to the extent applicable.

Order of precedence; changes to the policy

Egon Zehnder's Ethical Supplier Procurement Policy is not meant to, and does not, supersede any applicable law, or any term in an agreement between Egon Zehnder and a supplier. To the extent there is any conflict between this policy and any applicable law or provision of any agreement, the applicable law or agreement controls. Egon Zehnder reserves the right to update or change the policy requirements.

In implementing the ethical procurement policy Egon Zehnder:

- a) Assigns responsibility for the Ethical Procurement Policy to the Head of Alliances and Procurement as delegated by the CEO
- b) Monitors the application of the policy as per internally defined thresholds
- c) Undertakes an annual audit of the supplier selection process and submissions as part of Egon Zehnder's own Sustainability Management System
- d) Reviews and revises the policy and standards on an annual basis
- e) Conducts assessments based on the supplier's questionnaire responses
- f) Communicates policy details to all employees and ensures they are available via our intranet

Document control

Key Document Summary

Date of approval	January 31, 2023
Next review date	January 31, 2024
Owner	Global Head of Alliances and Procurement

Document Review History

Version	Date	Actions / Amendment details	Status
1	February 2023	First version	Published
2			

This policy will be in effect starting February 2023.