



Wilson, Sons

**SUSTAINABLE PROCUREMENT POLICY
WILSON SONS S.A.**

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INDEX

1. PURPOSE	3
2. SCOPE	3
3. SUPPLIER RISK MANAGEMENT PRINCIPLES AND MEASURES	3
4. ROLES AND RESPONSIBILITIES	7
5. GLOSSARY	9
6. ANNEXES	9
7. REFERENCES	9
8. DISCIPLINARY SANCTIONS	10

SUSTAINABLE PROCUREMENT POLICY WILSON SONS S.A.

1. PURPOSE

- 1.1. Establish principles and guidelines to direct the procurement of goods and services at Wilson Sons, fostering the effective integration of sustainability into procurement processes. This policy aims to build transparent, ethical, and accountable relationships with suppliers, aligning with best practices in social, environmental, and governance management.

2. SCOPE

- 2.1. The definitions and guidelines established here apply to all business units of the Wilson Sons group where the purchasing process is carried out by the Procurement Department.

3. SUPPLIER RISK MANAGEMENT PRINCIPLES AND MEASURES

3.1. PRINCIPLES

The following principles and commitments outline Wilson Sons Group's expectations and practices to ensure legal compliance, proactively manage and mitigate risks, and address environmental and social impacts within its supply chain. Accordingly, Wilson Sons:

- Procures goods and services in full compliance with applicable standards and legislation, upholding the principles outlined in this Policy.
- Reviews documentation and ensures legal compliance throughout all procurement processes.
- Requires suppliers to acknowledge and adhere to the Code of Ethical Conduct for Suppliers.
- Maintains ethical and transparent conduct in all relationships, rejecting any form of corruption, bribery, fraud, or illicit activity, and implementing preventive measures as outlined in the Anti-Corruption Guide.
- Strives to eliminate potential conflicts of interest that could undermine independence and impartiality in procurement decisions.
- Ensures that commercial relationships are based on fair competition concerning quality, price, agreed-upon deadlines, and services.
- Mandates that suppliers hold and provide necessary licenses or registrations for their economic activities, along with proof of the environmentally compliant origin of natural resources used in their goods and services.

- Requires suppliers to ensure safe and fair working conditions for their employees, including fair wages, labor rights, regulated working hours, and the rights to freedom of association and collective bargaining.
- Upholds Human Rights and strictly prohibits child labor, exploitative or slavery-like conditions, as well as any form of abuse, physical or psychological violence, and discrimination based on religion, race, color, disability, gender, sexual orientation, political beliefs, or nationality.
- Regularly assesses and monitors the social and environmental performance of key suppliers, using tailored evaluation tools aligned with the specific social and environmental risks involved.
- Encourages and supports the sharing of best social and environmental practices with suppliers to mitigate the impacts of their activities, through initiatives such as recognition programs, training, awareness efforts, and the promotion of sustainable production systems.
- Safeguards the confidentiality of all shared information, preventing unauthorized disclosure to third parties, and requires suppliers to adopt protective measures to secure and withhold the Company's data, as well as client and other stakeholder information.
- Seeks to periodically map and transparently report the main social and environmental impacts generated by its supply chain, along with the risk mitigation measures undertaken.
- Provides accessible channels for communication, complaints, or whistleblowing for suppliers, business partners, or any other interested parties regarding behaviors or situations that may violate this Policy or applicable laws and regulations.

3.2. SUPPLIER RISK MANAGEMENT MEASURES

To ensure the practical application of the above principles and commitments, Wilson Sons adopts a systemic approach throughout its purchasing process, aligned with the guidelines of ISO 20400 – Sustainable Procurement.

Wilson Sons has developed a Social and Environmental Risk Matrix to map the primary potential social and environmental impacts within its supply chain. By segmenting the Company's entire supplier base, purchasing categories are analyzed from both business and social/environmental perspectives. The risk classification of these categories considers two factors: the severity and probability of social and environmental impact for each identified sustainability theme (Appendix 1), and the level of shared responsibility with Wilson Sons, recognizing that a company may bear mutual responsibility for impacts beyond its direct operations, depending on the nature of the relationship established.

Based on the matrix, the main purchasing categories are classified into four risk groups: low,

medium, high, or very high. The higher the risk level, the more thorough the approach to assessment, guidance, monitoring, and development with partners supplying goods or services within each purchasing category. Accordingly, sustainable procurement management measures are defined based on this classification and are applied to each risk level.

High-risk purchasing categories, characterized by the highest levels of severity/probability and shared responsibility, are positioned at the top of the supply management priority pyramid and involve specific monitoring models and a development approach for cases of non-compliance. At the base of this priority pyramid are low-risk purchasing categories, which demand less management effort, generally limited to compliance with the Code of Ethical Conduct for Suppliers and basic contractual clauses.

To supply goods and services to Wilson Sons, all suppliers must complete an Certification Process, detailed in CORP-PROC-SUP-007 – Supplier Certification Procedure. This process includes the following management measures:

- **Background check:** Collection of documents and background checks to gather information on all suppliers' financial, tax, labor, legal, reputational, and compliance history, with the aim of assessing their operational capacity and identifying any potential involvement in illicit activities, particularly in relations with Public Administration.
- **Documentation Matrix:** Based on the identified purchase category and the CNAE(s) associated with the supplier, Wilson Sons requests specific documents from the partner to certify the regularity of their respective economic activity. This process is also periodically updated, considering the validity of the documentation.
- **Compliance Evaluation:** PThis process targets suppliers in critical categories (classified as high or very high risk in the Social and Environmental Risk Matrix) and those with high risk in the Ethics and Integrity area. Through a self-assessment questionnaire, suppliers provide Wilson Sons with specific compliance-related information, such as current or past public office positions, kinship with public officials or stakeholders, the necessity for interaction with public bodies to perform the contracted function, and requirements for handling sensitive personal data, among other details. If any response requires further analysis, the Supplier and Third-Party Management department seeks an opinion from the relevant technical support areas..
- **ESG (Environmental, Social, and Governance) Assessment:** With the goal of monitoring social and environmental risks and assessing supplier performance in managing

sustainability issues, Wilson Sons administers an ESG questionnaire to strategic suppliers classified as Very High and High risk in the social and environmental risk matrix. Similar to the Compliance Evaluation, if any response in the questionnaire requires further analysis, technical support areas review the matter according to the appropriate risk level and provide an opinion. This evaluation is conducted annually and forms the basis for Wilson Sons' initiatives in supplier recognition and development.

- **Code of Ethical Conduct for Suppliers:** A publicly available document provided to 100% of Wilson Sons suppliers, either as a contractual attachment or as one of the items cited in the General Supply Terms and Conditions included in the Purchase Order. Adherence to this Code of Ethical Conduct for Suppliers is mandatory for all contracted suppliers and all their employees, representatives, or agents providing services to Wilson Sons or acting on its behalf. Non-compliance will result in the application of sanctions provided in the contract, including possible termination at any time, without the supplier being entitled to any compensation, as well as accountability in the judicial sphere and removal from our supplier database.
- **Labor and Social Security Documentation:** For suppliers providing on-site service at Wilson Sons facilities, either temporary (up to 60 consecutive days) or permanent (more than 60 consecutive days), general and specific worker-related documentation is required, depending on the type of service and activities performed. This process, outlined in CORP-PROC-SUP-009 – Third-Party Management Procedure, is managed by the Supplier Risk and Third-Party Management area, which performs monthly checks on the labor and social security documentation of permanent third-party workers..
- **Sustainable Procurement Data and Indicators Reporting:** Supplier Risk and Third-Party Management is responsible for monitoring the regularity and compliance of management measures and ensuring periodic reporting.

The table below summarizes these management measures, specifying their target audience and frequency:

What	Who	When
Background check	100% of the suppliers	Depending on the supplier risk's category
Documents Matrix	Purchase Category + specific CNAEs	Periodically (document validity)
Compliance Assessment	Critical categories (high/very high risk + high-risk in the Social and Environmental Risk Matrix)	Annually
ESG Assessment	Critical categories (high/very high risk + high-risk in the Social and Environmental Risk Matrix)	Annually
Codigo of Ethical Conduct for supplier	100% of the suppliers	Upon Certification Process, contract signing, and purchase order issuance
Labor and Social Security Documentation (Third Parties)	Suppliers with on-site service	Monthly

4. ROLES AND RESPONSIBILITIES

Area / Responsable	Responsability
Supplier Risk Management Department	<ol style="list-style-type: none"> I. Ensure the implementation of processes and procedures in accordance with this Policy; II. Oversee all stages of supplier management, from Certification Process to the contract closure; III. Administer the systems and tools required to carry out these processes and procedures; IV. Conduct periodic monitoring of labor and social security documentation for fixed third-party workers; V. Regularly report data and indicators related to sustainable procurement measures.

Area / Responsable	Responsibility
<p>Procurement</p>	<ul style="list-style-type: none"> I. Register supplier data in the platform, specifying the purchase category; II. Ensure alignment between the purchase category and the supplier's CNAE; III. Request access for the supplier to the labor and social security documentation management platform (for work involving on-site service); IV. Provide the supplier with the Standard Contract draft or the Specific Contract prepared by Legal, or the Purchase Order, including the General Supply Terms and Conditions with the code of conduct and ethics.
<p>Área Requisitante</p>	<ul style="list-style-type: none"> I. Integrate sustainability aspects into the planning and request formalizing the acquisition of goods and services.
<p>Contract Manager</p>	<ul style="list-style-type: none"> I. Oversee and monitor contract execution to ensure compliance with agreed terms and effective service delivery or product supply, II. Keeping an updated file of all contract-related documentation, including execution reports (including contracts with public administration); III. Notify GFT of any identified irregularities that violate the supplier code of conduct and ethics; evaluate contract performance systematically.
<p>Governance and Compliance</p>	<ul style="list-style-type: none"> I. Review and determine supplier qualification if any issues arise during the certification process; II. Examine responses from the Compliance questionnaire when issues are identified by the GFT team
<p>Legal</p>	<ul style="list-style-type: none"> I. Support the Governance area in drafting technical opinions; II. Provide a general contractual draft or one with specific clauses.
<p>Environment / Health and Safety</p>	<ul style="list-style-type: none"> I. Review and determine supplier qualification if any issues arise during the certification process; II. Examine responses from the Compliance questionnaire when issues are identified by the GFT team
<p>Internal Controls</p>	<ul style="list-style-type: none"> I. Monitor the validity period and review schedule of this normative document, providing support to the process management area during reviews as needed; II. Conduct testing of established controls.
<p>Corporate Audit</p>	<ul style="list-style-type: none"> I. Verify strict compliance with this normative document.

5. GLOSSARY

- **Certification Process:** Pre-contract verification process that uses information from public records and specific documentation (as required) to confirm compliance with the minimum standards established by the WS Group.
- **Background check:** Periodic assessments using automated consultations to evaluate supplier risk.
- **CNAE (National Classification of Economic Activities):** the system used to classify companies in Brazil according to their economic activities, aiding in regulatory and tax oversight.
- **Compliance:** A set of practices adopted by a company to ensure that its operations adhere to laws, regulations, internal policies, and ethical standards.
- **Fixed Third Party:** Supplier employee providing services at any WS facility for more than 60 days.
- **GFT:** Supplier Risk and Third Parties Management area, within Procurement and Insurance Department.
- **Spot Third Party:** Supplier employee providing services at any WS facility for less than 60 days.

6. ANNEXES

- Annex 1 - List of Sustainability Topics Applied in the Development of the Social and Environmental Risk Matrix
- Annex 2 - Social and Environmental Risk Matrix

7. REFERENCES

- CORP-POL-SUP-025-00 – Supplier and Contract Management Policy
- CORP-PROC-SUP-001 – Procurement and Contracting Procedure
- CORP-PROC-SUP-007 – Procedure of Critical Supplier's Approval
- CORP-PROC-SUP-009 – Third-Party Management Procedure
- CORP-PROC-SUP-010 – Guidelines for Supplier Engagement and Contracting Procedure
- CORP-PROC-JUR-005 – Supplier and Customer Contract Procedure
- Code of Ethical Conduct for Suppliers
- Anti-Corruption Guide
- Byer Welcome Guide
- ISO 20400 Sustainable Procurement Standard

8. DISCIPLINARY SANCTIONS

- 8.1. Failure to comply with this procedure is subject to disciplinary sanctions. Possible disciplinary measures are:
- Verbal warning
 - Written warning
 - Suspension
 - Dismissal with or without just cause
- 8.2. Sanctions must be fair, reasonable and proportional to the violation.