

SLOW

Regenerative Cocoa & Coffee

Responsible Sourcing Policy

Slow's commitment to impact-integrated sourcing decisions across cocoa and coffee supply chains

Document Code	SUP-POL-01
Document Title	Responsible Sourcing Policy
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Tier	Tier 3 — Topic Policies
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Effective Date	2026
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Owner	Implementation Manager
Approver	Chief Impact Officer (CIO)
Geographic Scope	All Slow sourcing relationships globally, including Indonesia, Laos, Vietnam, and Ethiopia
Standards Alignment	UN Guiding Principles on Business and Human Rights, OECD Due Diligence Guidance for Responsible Agricultural Supply Chains, EU Deforestation Regulation (EUDR), ILO Core Conventions, GRI 2, EcoVadis, B Corp, Accountability Framework initiative (AFI)

1. Policy Statement

Slow sources cocoa and coffee with the intent that every commercial decision advances its mission of ecological regeneration and community prosperity. Responsible sourcing is not a compliance exercise layered on top of commercial decision-making: it is embedded within it. Impact risk is a non-negotiable threshold alongside price, quality, and logistics.

This Policy establishes Slow's commitments and minimum requirements for selecting, onboarding, and maintaining supplier relationships. It applies equally to direct and indirect suppliers, and it requires suppliers to cascade equivalent standards to their own sub-suppliers and upstream partners.

2. Scope

This Policy applies to:

- All direct suppliers of cocoa and coffee, including traders, exporters, cooperatives, and aggregators.
- All smallholder farmers supplying Slow directly or through an intermediary.
- All service providers, logistics partners, and third parties acting on Slow's behalf in relation to the cocoa and coffee supply chain.
- All Slow employees and contractors with sourcing or procurement responsibilities.

3. Guiding Principles

Slow's responsible sourcing approach is grounded in the following principles:

- Impact as a sourcing criterion. No supplier relationship commences or continues without satisfactory impact risk assessment. Commercial criteria and impact criteria are evaluated together.
- Preferred engagement over disengagement. Slow's default response to non-compliance is to support improvement, not terminate. Termination is reserved for cases of unwillingness to remediate, repeated critical violations, or situations where continued sourcing would cause demonstrable ongoing harm.
- Full supply chain traceability. Slow pursues 100% traceability to the farm or cooperative level for all cocoa and coffee volumes by 2028. Traceability enables verification of sustainability claims, credible origin disclosure to consumers, and effective incident response.
- Living income as a sourcing goal. Slow supports farmer households in achieving the Anker-aligned Living Income Reference Price for each origin. Farmgate pricing is benchmarked against this reference and the gap is reported annually. Target: 100% of farmgate prices at or above the LIRP by 2028. The mechanics of how Slow translates this principle into a contractual price (the Slow Reference Price formula, the floor calibration, organic and agroforestry differentials, and intermediary pass-through obligations) are set out in SUP-POL-03 Supplier Pricing Policy.
- Deforestation-free without exception. No cocoa or coffee from land deforested after 31 December 2020 enters Slow's supply chain. This is a hard line, not a target.
- Continuous improvement. Slow expects suppliers to improve over time. Assessment results in a risk tier that drives audit depth and frequency; improvement trajectories are considered alongside absolute scores.

4. Sourcing Criteria

4.1 Non-Negotiable Requirements

The following are minimum thresholds that must be satisfied before a supplier can be onboarded and must remain satisfied for the relationship to continue:

- No sourcing from land deforested after 31 December 2020 (EUDR compliance).
- No child labour in its worst forms (ILO Convention 182).
- No forced, bonded, or trafficked labour.
- Geolocation data (polygon or point) provided for all sourcing plots.
- Supplier Code of Conduct (SUP-POL-02) signed and accepted.
- Willingness to cooperate with Slow's due diligence, audit, and monitoring processes.
- Acceptance of Slow's pricing approach, including the Slow Reference Price (SRP) formula and the intermediary pass-through transparency requirements set out in SUP-POL-03 Supplier Pricing Policy.

The full go/no-go gate criteria for new suppliers are set out in SUP-SOP-01 Part A.

4.2 Preferred Supplier Characteristics

Slow actively favours suppliers who demonstrate the following, and weights these in sourcing decisions:

- Third-party certifications aligned with Slow's standards (Rainforest Alliance, Fairtrade, EU Organic, or equivalent).
- Traceability to individual farm or plot level.

- Documented agroforestry or shade-grown practices.
- A living wage programme for directly employed workers.
- Active CLMRS or equivalent child labour monitoring system.
- Measurable progress on GHG emissions reduction and carbon sequestration.
- Active FPIC and community engagement programmes in operating areas.
- Transparent disclosure of supply chain risks and improvement plans.

5. Supplier Onboarding

No commercial commitment is made to a new supplier before onboarding clearance is issued by the Implementation Manager. The onboarding process is defined in SUP-SOP-01 Part A and involves six stages: desk screening, supplier engagement (Declaration Form and Code of Conduct), risk scoring and tier assignment, geolocation and deforestation check, pre-onboarding audit for High-risk suppliers, and onboarding clearance.

The two core supplier documents are:

- SUP-FRM-01 Supplier Declaration Form: completed by the supplier as a self-assessment of compliance with the Code of Conduct.
- SUP-FRM-02 Supplier Risk Scoring Form: completed by Slow's Implementation Manager to assign the supplier's risk tier based on all available evidence, including the Declaration Form.

These two documents are complementary. The Declaration Form captures what the supplier says about itself. The Risk Scoring Form captures Slow's own scored assessment of the supplier's risk profile.

6. Ongoing Due Diligence and Audit

Supplier relationships are not static. Due diligence continues throughout the commercial relationship per SUP-SOP-01 Part B:

- Annual Declaration Form resubmission from all active suppliers.
- Risk tier review annually, with re-tiering using SUP-FRM-02 for any supplier whose circumstances have changed materially.
- Audit frequency per risk tier: High-risk suppliers audited annually; Medium-risk every two years; Low-risk every three years. Audit scope follows SUP-SOP-01 Part C.
- Continuous deforestation monitoring via TerraPulse or equivalent for all geolocated plots.
- Trigger-based reviews: any critical incident, confirmed grievance, deforestation alert, certification lapse, or adverse media finding triggers an immediate risk review regardless of the regular audit cycle.

The Implementation Manager maintains the Supplier Register (SUP-FRM-03) and the CAP Tracker (SUP-FRM-04).

7. Traceability

Slow's traceability target is 100% of cocoa and coffee volume traceable to the farm or cooperative by 2028. Traceability requirements by tier:

- All suppliers: minimum cooperative or farm group level traceability from onboarding.
- High-risk and Medium-risk suppliers: individual farm or plot level with GPS polygon data, by the end of the first full commercial year.
- Low-risk suppliers: progressive improvement trajectory agreed annually.

Geolocation data is collected and maintained by the GIS and Data Specialist using QField and AppSheet, with deforestation monitoring via TerraPulse or equivalent (see ENV-SOP-04).

8. Living Income

Slow benchmarks farmgate prices against the Anker Living Income Reference Price (LIRP) for each origin annually. The gap between the farmgate price paid and the LIRP is disclosed in the Annual Impact Report (RPT-01). Slow works progressively to close this gap through direct floor pricing, premiums, and support for farmer productivity and cost reduction. The target is 100% of farmgate prices at or above the LIRP by 2028.

The pricing mechanics that operationalise this commitment (the Slow Reference Price formula, the Slow Living Income Floor calibration, the Organic and Agroforestry Differentials, and the intermediary pass-through requirements) are set out in SUP-POL-03 Supplier Pricing Policy. The CIO owns the SUP-POL-03 pricing methodology and the SLIF values. The Social Lead provides the Anker living income benchmark inputs. The Implementation Manager integrates LIRP benchmarking and SRP application into the sourcing pricing review.

9. Non-Compliance and Consequences

Non-compliance with this Policy and the Supplier Code of Conduct is classified and addressed per FWK-01 Section 6.4 and SUP-SOP-01 Part C:

- Minor: documentation gaps, incomplete records. Corrective action within 90 days; continued sourcing.
- Major: systematic non-conformance. Corrective Action Plan within 14 days; sourcing continues during remediation unless CIO directs otherwise.
- Critical: confirmed worst-form child labour, forced labour, deforestation post-2020, bribery, falsified data, or severe physical harm. Immediate escalation to CIO and CEO. Sourcing suspended. Termination where no credible remediation pathway exists.

The default is to work with suppliers on remediation. Disengagement is a last resort that may harm the very workers and farmers this Policy seeks to protect.

10. Governance

The Implementation Manager owns this Policy and leads supplier due diligence and audit operations. The Social Lead provides human rights and community risk inputs. The Head of Nature provides environmental and deforestation risk inputs. The GIS and Data Specialist maintains geolocation and deforestation monitoring data. The CIO approves significant risk decisions and is the escalation point for critical non-conformances. CEO approval is required for supplier termination.

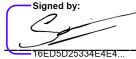

11. Implementation

This Policy is operationalised through SUP-SOP-01 Supplier Due Diligence and Engagement SOP, which contains the full onboarding procedure, ongoing annual cycle, and audit protocol. Evidence records:

- SUP-FRM-01 Supplier Declaration Form (completed by supplier).
- SUP-FRM-02 Supplier Risk Scoring Form (completed by Slow).
- SUP-FRM-03 Supplier Register.
- SUP-FRM-04 Corrective Action Plan Tracker.

12. Revision History

Version	Date	Author	Description of Changes
1.0	2026	Implementation Manager	Initial release as Tier 3 Responsible Sourcing Policy. Replaces and elevates the sourcing and supplier sections of the Slow CSR Policy v1.2 (2024, Section 5) and the ESMS supplier management chapter. Updated to reference the merged SUP-SOP-01 Supplier Due Diligence and Engagement SOP (which replaces the former SUP-SOP-01 and SUP-SOP-02). Form reference numbering corrected throughout: SUP-FRM-01 = Declaration Form, SUP-FRM-02 = Risk Scoring Form, SUP-FRM-03 = Supplier Register, SUP-FRM-04 = CAP Tracker.

Role	Name	Signature & Date
Chief Impact Officer	Sabrina Mustopo	 Signed by: _____ Date: <u>5/31/2026</u>
Implementation Manager	Dinh Dai Nguyen	 Signed by: _____ Date: <u>5/30/2026</u>

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