Veralto

Safeguarding the World's Most Vital Resources

VERALTO SUSTAINABLE SUPPLY CHAIN POLICY

1. Background. As a global company with the unifying purpose of *Safeguarding the World's Most Vital Resources*[™], Veralto has facilities in more than 60 countries and works with an extensive supplier base across multiple business segments. Our diverse group of leading operating companies provide essential technology solutions that monitor, enhance and protect key resources around the globe, and we manage a complex network of supplier relationships that are critical to business success.

2. Relevance and Guiding Principles. The expansive reach of our supply chain offers us the opportunity to drive our sustainability values across a footprint far broader than our direct operations.

3. Our Position. We view our supply chain as an extension of our own business and expect our suppliers to share our sustainability values. While recognizing differences in laws, customs and acceptable practices around the world, we believe shared values are the cornerstone of supplier relationships. We articulate our supplier expectations through this Policy, our Supplier Code of Conduct (the "Code") and our Conflict Minerals Policy Statement. In particular, we use the Code to assist us in selecting suppliers and assessing supplier performance. The Code is available in 21 languages and covers the following topics:

- Compliance with applicable laws and regulations
- Integrity and compliance
- Respect for human and employment rights
- Promoting the safety and health of employees
- Operating in an environmentally responsible manner
- Implementing management systems to drive compliance, risk mitigation and continuous improvement

4. Our Program. In addition to the policies referenced above, following are the key elements of our sustainable supply chain program:

- Training our associates: All associates classified as "Procurement" are required to annually complete a training program on human rights awareness and risk management and other sustainable supply chain topics, including human trafficking, labor and employment rights, employee health and safety, responsible environmental practices, anti-corruption, business ethics and data and IP protection.
- *Supplier sustainability assessment/monitoring*: We partner with EcoVadis to assess and monitor our suppliers' sustainability performance:
 - We are initially targeting the EcoVadis program to cover at least 40% of our annual supplier spend.
 - The EcoVadis program assessments cover the topical areas of Environment, Labor & Human Rights, Ethics and Sustainable Procurement. In-scope suppliers are also monitored on a real-time basis with respect to key KPIs related to each of the foregoing topical areas.
 - A numerical rating is assigned to each in-scope supplier for each topical area and on an aggregated basis. The following chart indicates the supplier/operating company actions (and re-assessment frequency) that correlate to each scoring category (Veralto's procurement function maintains the methodology that determines which numerical ratings fall within each scoring category):

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Scoring Category	Action Required	Timing of Next EcoVadis Assessment
Outstanding	No Action Needed	Biennial
Advanced or Engaged	No Action Needed	Annual
Medium Risk	Supplier required to submit a Corrective Action Plan ("CAP") (using EcoVadis template) within 6 months	Annual
High Risk	Escalation triggered within Veralto, which may result in CAP, audit and/or decision to terminate supplier relationship. to transition/exit	Annual (for suppliers that are retained)

- Supplier risk assessment/risk management program. Each of our operating companies is responsible for applying our supplier risk assessment/risk management program to the operating company's direct material suppliers, including the following elements:
 - \circ $\;$ All direct material suppliers are required to be covered by the program
 - For each supplier, a numerical risk score must be calculated and updated at least every 24 months. The score must be based on the methodology maintained by Veralto's procurement function, which addresses impact on Veralto's revenues; supplier financial health; and operating company source limitations with respect to the supplied product
 - A risk management plan ("RMP") is required to be developed and implemented (using Veralto's standard template) for any supplier who exceeds the risk assessment score threshold specified by Veralto's procurement function.
 - A supplier emergency response plan ("SERP"), which is a contingency plan outlining specific actions to be taken in the event of an emergency, is also required to be developed and implemented for any supplier whose revenue impact and source limitation scores exceeds the threshold specified by Veralto's procurement function.
 - Operating company leadership is required to review the direct material supplier risk assessment/risk management program status for their operating company on a regular basis.
- Supplier support. Operating companies should consider providing development support to chronically under-performing suppliers who are classified from a business relationship perspective (according to the methodology maintained by Veralto's procurement function) as "Grow" or "Maintain". Support may include, but is not limited to, Supplier Sustainability CAPs, Supplier Development Plans, VES-based improvement activities, Corrective Action Requests, Process Audits and/or Business Reviews which are coordinated by the Procurement and Supplier Quality Management functional organizations.
- Supplier diversity and inclusion. Part of being a responsible corporate citizen and business partner is promoting diversity not only within our direct operations but also among those with whom we conduct business. By continually increasing the diversity of our supply chain, we can benefit from the innovative solutions and fresh business perspective such firms have to offer; and by working to expand the field of opportunity, we can help create the conditions that



stimulate economic growth in the communities where we, our customers and our associates live and do business.

5. Application, Governance and Communication

a. <u>Application</u>. This policy applies to Veralto and all of its directly and indirectly controlled subsidiaries worldwide, and each of their respective associates.

b. <u>Governance</u>. This policy has been approved by Veralto's President and Chief Executive Officer, Senior Vice President-Chief Financial Officer and Vice President-Procurement.

c. <u>Communication</u>. Veralto commits to communicating this Policy to its associates and suppliers through Veralto's intranet, external website, annual Sustainability Report, the EcoVadis platform and other channels.

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