

## **Supplier Code of Conduct**

SunSource and its affiliate companies (collectively, “SunSource”) operate with high ethical business standards and integrity in all of our business practices. To preserve the trust placed in us, we expect our supplier partners (“Suppliers”) to commit to and uphold our high standards of integrity, values and operating principles.

Our Supplier Code of Conduct (the “Supplier Code”) outlines SunSource’s expectations and guidelines with respect to responsible sourcing, including our commitments to human rights, the environment, health and safety, and business ethics. We require all of our Suppliers to comply with this Supplier Code. We further ask our Suppliers to communicate these expectations throughout their supply chain by adopting efficient management systems, policies, procedures and training to uphold the standards and expectations set forth in this Supplier Code within their own business operations.

We require our Suppliers to abide by all applicable national, state and local laws/regulations in the markets where they operate; however, where local laws or standards differ from this Supplier Code, we expect our Suppliers to comply with the more stringent standards and principles.

In the spirit of continuous improvement, SunSource is committed to working with and supporting our Suppliers to meet, and when possible, exceed, the requirements in this Supplier Code.

By its acceptance of any purchase order from SunSource, each Supplier acknowledges its acceptance of the Supplier Code and agreement to comply with its requirements.

### **CHILD LABOR**

SunSource does not tolerate any form of child labor in our supply chain. We are committed to the elimination of the “worst forms of child labor,” as defined by ILO Convention 138 & 182. SunSource expects our Suppliers to prevent child labor in their operations and encourages our Suppliers to participate in industry efforts aimed at the elimination of such practices wherever they exist in the supply chain.

- No individuals are hired under 18 years of age, or 16 years of age where local law allows, and such exception is consistent with ILO Convention No. 138 & 182, or under the legal minimum age for employment in the country, whichever is greatest.
- Any employment of workers under the age of 18 does not interfere with schooling or vocational education or expose children to risks that can harm physical, mental or emotional development.

### **FORCED LABOR AND HUMAN TRAFFICKING**

SunSource does not tolerate any form of abusive or illegal labor in our supply chain such as forced labor or human trafficking. SunSource requires that all labor in its supply chain be voluntary and that workers are allowed freedom of movement. All forms of forced labor and human trafficking are prohibited including but not limited to any form of prison, slave, bonded or forced indentured labor.

- The recruitment, transportation, transfer, harboring or receipt of persons, by means of threat or use of force, coercion or other means, for the purpose of exploiting them is prohibited.
- In advance of employment, workers are provided accurate and understandable information about the basic terms of their employment clearly stating their rights and responsibilities as well as information on wages, hours and holidays.
- Workers are free to leave work and terminate their employment upon reasonable notice without penalty.
- Job seekers and current employees are not charged or required to pay fees or deposits in order to gain or maintain their employment.

## **FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING**

SunSource respects the rights of employees to freedom of association and collective bargaining across its operations and supply chain, in accordance with applicable law.

- Workers have the right to form, join or not join trade unions or other organizations of their choosing and collectively bargain without fear of discrimination, retaliation, harassment or intimidation.
- In cases where freedom of association is restricted by local law, alternative means of freedom of association will not be obstructed.

## **NON-DISCRIMINATION**

SunSource does not tolerate any form of discrimination in the workplace. We are committed to diversity and inclusion in the work environment.

- Discrimination in the workplace that is based on the grounds of an individual's race; color; gender; age; national origin; religion; citizenship status; political opinion; marital status; sexual orientation; engaging in, or refraining from engaging in, protected union activity; gender identity; transgender status; physical or mental disability; protected veteran status; genetic information; pregnancy (including childbirth and related medical conditions, including medical conditions related to lactation); or other categories protected by applicable federal, state or local law goes against SunSource's values and is strictly prohibited.
- Hiring and employment decisions, including those relating to compensation, benefits, promotion, training and development, discipline, and termination, are based on the worker's skill, ability, experience and performance.

## **HARASSMENT**

SunSource does not tolerate any form of disparate treatment in the workplace.

- All workers will be treated with dignity and respect and will not be subject to any form of unethical treatment, threats of violence, or other forms of physical, mental, or sexual harassment.
- Disciplinary policies and procedures in support of these requirements are clearly defined and communicated to all workers.

## **WORKING HOURS, WAGES AND BENEFITS**

SunSource is committed to upholding applicable laws and collective bargaining agreements regarding working hours, wages and benefits for individuals employed throughout the supply chain. We encourage our Suppliers to work toward paying a wage that is sufficient for workers to meet their basic needs and provide some discretionary income.

- Wages and benefits are paid on time and at least equal to the applicable legal minimum wage and any associated statutory benefits.
- Working hours reflect applicable legal norms and overtime hours are paid at the legally mandated premium or in line with the guidance provided by ILO Convention 1 (the rate of pay for overtime shall not be less than one-and-one-quarter times the regular rate) if there is no mandated premium.
- Suppliers shall ensure that work schedules and rest periods are consistent with applicable legal requirements. Work hours and schedules should not be excessive and negatively impact employees' health or safety.
- Temporary labor arrangements, including the excessive use of fixed-term contracts, labor-only contracting, sub-contracting, home-working or apprenticeship schemes, are not to be used to avoid obligations to workers under labor or social security laws and regulations.

## **WORKER HEALTH & SAFETY**

SunSource requires that all workers be provided with a safe and healthy working environment.

- Workers have the right to refuse and report unsafe or unhealthy working conditions regardless of role, title or responsibility.
- Workers are trained on the appropriate occupational health and safety policies and procedures, and are provided appropriate protective equipment and instructed on appropriate use.

## **ENVIRONMENT**

SunSource is committed to reducing our environmental impact across our supply chain and to supporting sustainable operational practices. We work with our Suppliers, who are critical partners in our efforts to responsibly and sustainably source our products and materials, in a way that will help reduce our impact on the environment.

- Operations fully comply with all federal and local environmental laws and regulations including those related to waste disposal, hazardous waste, greenhouse gas emissions, wastewater and toxic substances.
- All required environmental permits are obtained, maintained and kept current and any operational, registration and reporting requirements shall be followed.
- Suppliers are encouraged to actively measure, manage and disclose environmental impacts in areas such as Greenhouse Gas (GHG) emissions, water and waste, as well as to set targets and implement action plans for reducing environmental impacts.

## **BUSINESS ETHICS**

SunSource is committed to conducting business ethically and lawfully in countries where we operate across our supply chain. We do business with Suppliers and business partners who demonstrate a strong commitment to ethical behavior.

- Suppliers conduct their business in accordance with the highest ethical standards and to have controls in place that prohibit and detect the misuse of company assets, corruption, bribery, improper gifts, extortion, embezzlement and even the appearance of conflicts of interest.
- Suppliers' business dealings should be fair, legal and honest.
- Suppliers shall abide by all applicable anti-corruption laws and regulations of the countries in which they operate, including the U.S. Foreign Corrupt Practices Act (FCPA) and applicable international anti-corruption conventions.
- If Suppliers extend any business courtesies to our employees, they will do so infrequently and the courtesies must be of no more than moderate value and in compliance with applicable law. Suppliers will also accurately reflect their business dealings in their books and records.
- To the extent that Suppliers transports goods for SunSource into the United States, Suppliers shall comply with the C-TPAT (Customs-Trade Partnership Against Terrorism) security procedures on the U.S. Customs website at [www.cbp.gov](http://www.cbp.gov) (or other website established for such purpose by the U.S. government).

## **GRIEVANCE MECHANISMS**

SunSource expects Suppliers to provide grievance mechanisms that are transparent, responsive, anonymous, unbiased and confidential to workers and other parties across the value chain.

- Workers know of and have access to grievance mechanisms which allow for anonymous reporting. Reported concerns and violations are addressed in a timely manner and follow a clearly outlined process.

- Workers who speak up in good faith are protected from retribution, retaliation and reprisal.
- SunSource is notified if any concerns or violations are reported through the grievance mechanism that are in direct violation of this Supplier Code.

Violations and concerns may also be reported directly to SunSource's Ethics Hotline.

## **MANAGEMENT SYSTEMS, COMPLIANCE AND AUDITING**

Suppliers ensure that adequate and effective management systems, policies, procedures, financial documentation and training are in place to ensure ongoing compliance with the Supplier Code. We reserve the right to request from our Suppliers information about the management of relevant issues outlined in the Supplier Code.

SunSource reserves the right to verify compliance with this Supplier Code through reasonable assessment mechanisms. If non-compliances are discovered, the Supplier will be required to take corrective actions. If Suppliers fail to implement the recommended corrective action plans and do not remedy any act of non-compliance in a timely manner, SunSource may, in its sole discretion and without any further obligation to Suppliers, suspend purchases, refuse to take delivery under any purchase order and return any goods or services from the Supplier until the corrective actions have been implemented, or may terminate its business relationship with the Supplier, in addition to any other rights or remedies available to SunSource.

SunSource also reserves the right to request that Suppliers disclose information that may pertain to geographical location of facilities that produce any item supplied to SunSource, including origin of raw materials produced within Suppliers' facilities and environmental performance indicators (e.g., greenhouse gas emissions).