



# Supplier Code of Conduct

## 1. INTRODUCTION

The Horsburgh & Scott Co. (“H&S”) is committed to the highest standards of ethical conduct and social and environmental responsibility. We expect our Suppliers to aspire to these same standards in their business operations and, to have their own policies and processes in place addressing the matters detailed herein. Accordingly, H&S has created this “Supplier Code of Conduct”, which sets out the standards expected of any Supplier doing business with H&S.

“Supplier” means any firm or individual that provides a product or service or undertakes any activity for or on behalf of H&S, either directly or indirectly.

“Supplier Representative” means any individual who works for a Supplier, whether under a contract of employment or any other contract (written or oral) where an individual undertakes to do personally any work or services for the Supplier and includes, without limitation, Supplier’s principals, officers, directors, employees and independent contractors.

## 2. SYSTEMS AND NETWORK ACCESS

Access to H&S systems and data is restricted to only those systems and data that are approved by H&S and necessary to perform the agreed-upon services. Any Supplier Representative that is authorized to access H&S’s systems shall comply with H&S’s Acceptable Use Policy which will be provided to such Supplier Representative if and as applicable. Any attempt to access data not authorized to Supplier is a violation of H&S security policy. If H&S becomes aware of a Supplier Representative attempting to access systems he or she is not authorized for, H&S will take immediate action, which may include (a) removing Supplier Representative from H&S premises; (b) terminating Supplier Representative’s access; (c) terminating Supplier’s services contract with H&S. Access codes and passwords may not be shared or communicated to anyone other than the individual to whom the access is assigned. Sharing of these credentials may be cause for termination of access of Supplier Representative(s) and Supplier’s services contract with H&S. All extranet (those connections that are not located physically on or within a H&S site) connections must have a H&S-approved security plan on file before the connection may be established and utilized. All H&S-owned hardware and/or Supplier-provided hardware used by Supplier to access H&S systems (including via remote access) shall be subject to a systems hardening review and vulnerability testing measures as conducted by H&S’s information security teams and, if necessary, H&S can request that measures be added or configurations changed to ensure the devices meet H&S’s security requirements.



The foregoing requirements shall not be deemed to limit, in any way, any representations, warranties or covenants regarding IT, data security and confidentiality included in any agreement between Supplier and H&S.

### **3. USE OF H&S PROPERTY**

Supplier is responsible for the proper use of H&S property, and must safeguard it against loss, damage, misuse or theft. H&S property is provided to Supplier for H&S business purposes only. Personal use of H&S equipment such as phones and computers should be kept to a minimum. Any unauthorized duplication and use of software is a violation of copyright laws of the United States. All Internet, intranet and e-mail activities using H&S systems are to be conducted for legitimate business purposes that are directly related to the services Supplier is performing for H&S. Supplier may not post or discuss business information concerning H&S with the media or on the Internet.

### **4. DATA PRIVACY AND CONFIDENTIALITY**

Suppliers must comply with applicable privacy and data protections laws and regulations in the respective countries of operation, as well as secure H&S confidential data and individual personal data and prohibit its unauthorized access or use.

### **5. ETHICAL STANDARDS**

H&S seeks to identify Suppliers that conduct business with ethical standards consistent with its own. Supplier should abide by the following ethical standards and guidelines:

- Obey all relevant laws
- Treat each other fairly, with dignity and respect
- Prepare all records of financial transactions carefully and accurately
- Report financial conditions and results of operations, honestly and promptly
- Deal honestly and fairly with clients, customers, suppliers, and financial partners
- Avoid actual and potential conflicts of interest
- Avoid the improper giving and receiving of gifts
- Safeguard H&S's assets
- Protect H&S's reputation
- Separate personal political activities from H&S's business
- Report observed violations of legal and ethical standards

### **6. HEALTH & SAFETY**

H&S expects its Suppliers to strive to implement the standards of occupational health and safety at a high level. Supplier complies with applicable occupational health and safety regulations and



provides a work environment that is safe and conducive to good health, in order to preserve the health of employees and prevent accidents, injuries and work-related illnesses.

H&S maintains a drug and alcohol-free work environment. No Supplier or Supplier Representative is permitted to possess, consume, sell, or be under the influence of alcohol and illegal drugs (and legal drugs that are not used in a manner consistent with dosage requirements) while in any H&S facility. Any Supplier found to be in violation of this policy may be removed from company premises and not allowed to re-enter a H&S facility. Firearms and any other weapons are not allowed in any H&S facilities and may not be carried when conducting any H&S business. Violent or abusive behavior will not be tolerated at H&S. Any Supplier Representative engaging in such conduct may be removed from the premises and not allowed to re-enter a H&S facility.

## **7. PROHIBITIONS AGAINST DISCRIMINATION AND HARASSMENT**

H&S does not tolerate unlawful discrimination or harassment in the workplace. Supplier must not engage in any unlawful discriminatory or harassing conduct on H&S's facilities or directed at anyone in the workplace. Discrimination or harassment based on race, color, religion, national origin, citizenship, ancestry, gender (including pregnancy), gender identity, age, disability, marital status, sexual orientation, or other protected characteristic or status is strictly prohibited.

Sexual harassment is generally defined as unwelcome sexual advances, requests for sexual favors, or other visual, verbal or physical conduct of a sexual nature when: (i) submission to such conduct is made, either explicitly or implicitly, a term or a condition of employment; (ii) submission to or rejection of such conduct affects employment opportunities; or (iii) such conduct interferes with an individual's work or creates an intimidating, hostile, or offensive work environment. Examples of sexual harassment include, but are not limited to: sexual gestures, leering, or displaying sexually suggestive objects or pictures; derogatory comments, epithets, slurs, teasing and jokes of a sexual nature; graphic comments about an individual's sex life or body; suggestive or obscene letters, e-mails, notes or invitations; and unwelcome physical contact.

H&S may, in its sole and absolute discretion, remove from the premises any Supplier who engages in offending conduct.

Supplier must promptly report any offending behavior, whether such behavior is directed to Supplier or to employees of H&S, by notifying any member of H&S management.

## **8. COMPLIANCE WITH LABOR LAWS; LABOR STANDARDS**

Supplier shall comply with all laws applicable to its business. Supplier should support the principles of the United Nations Global Compact, the UN Universal Declaration of Human



Rights as well as the 1998 International Labor Organization Declaration on Fundamental Principles and Rights at Work, in accordance with national law and practice.

**CHILD LABOR.** Suppliers are prohibited from using workers under the legal age of employment in any country or local jurisdiction where Supplier performs work for H&S. If the minimum age of employment is not defined, the minimum age of employment shall be 15 years of age. In cases where minors are authorized to work, we expect our Suppliers to observe all legal requirements, particularly those pertaining to hours of work, wages, minimum education and working conditions.

**FORCED LABOR.** Supplier shall not employ or use any form of forced, bonded or compulsory labor, or other forms of slavery or human trafficking and will take all reasonable steps to ensure that there is no form of forced, bonded or compulsory labor, or other forms of slavery or human trafficking employed or used within its business or in its supply chains.

**COMPENSATION AND WORKING HOURS.** Supplier shall comply with the respective national laws and regulations regarding working hours, wages and benefits.

**DISCIPLINARY PRACTICES/COERCION.** H&S firmly believes that everyone should be treated with dignity. Suppliers shall not inflict or threaten to inflict corporal punishment or any other forms of physical, sexual, psychological or verbal abuse or harassment on any employees.

**FREEDOM OF ASSOCIATION.** Supplier Representatives shall be free to join organizations of their own choice. Employees shall not be subject to intimidation or harassment in the exercise of their right to join or to refrain from joining any organization.

## **9. ENVIRONMENT**

Supplier shall comply with all applicable environmental laws, regulations and standards as well as implement an effective system to identify and eliminate potential hazards to the environment. Suppliers should wherever possible support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility.

## **10. COMMUNITY INVOLVEMENT**

H&S seeks to work with Suppliers that partner with local governments and communities to improve the educational, cultural, economic and social well-being of the communities in which they live and serve.

## **11. GIFTS; CONFLICTS OF INTEREST**



H&S employees may not accept gifts, gratuities or excessive entertainment (i.e., beyond nominal, conventional business courtesies, such as an occasional luncheon) from any individual or organization with which H&S has business dealings and Supplier shall refrain from giving any gifts, payments or the like that would, or could be perceived to violate this policy. Supplier should further refrain from accepting or giving any gifts, favors, payments, entertainment, loans or the like with a purpose of obtaining any improper advantage or influence for the Supplier, H&S or any third party with any client, prospective client or other third party or that create any appearance of impropriety. Supplier must disclose all potential conflicts of interest, including those in which Supplier may have been placed inadvertently due to either business or personal relationships with customers, suppliers, business associates, or competitors of H&S, or with other H&S employees. Employees of Supplier may not act on behalf of H&S in any transaction or business relationship involving themselves or members of their family, or other persons or organization with which they or their family have any significant personal connection or financial interest.

## **12. BUSINESS INTEGRITY; CORRUPTION**

Corruption, bribery, extortion, and embezzlement, in any form, are strictly prohibited. Suppliers shall not violate the Foreign Corrupt Practices Act and applicable anti-corruption laws and regulations of the countries in which they operate, and shall not engage in corruption, bribery, extortion or embezzlement in any form. Suppliers shall not offer or accept bribes or other means to obtain an undue or improper advantage. Suppliers must uphold fair business standards in advertising, sales, and competition.

## **13. INSIDER TRADING**

Buying or selling securities while in possession of material non-public information that Supplier acquires by virtue of their relationship with H&S is prohibited, as is the communication of that information to others, whether expressly or by way of making a recommendation for the purchase or sale of such securities based upon that information.

## **14. FRAUD AND INVESTIGATIONS**

Supplier is expected to cooperate with H&S investigators, law enforcement and regulatory agencies in the event of any investigation of wrongdoing by Supplier or others doing business with H&S. This cooperation includes reporting violations of the law and cooperating with law enforcement agencies in their prosecution efforts.

Should Supplier receive any subpoenas, regulatory requests, media inquiries, or other third party requests concerning H&S, Supplier shall promptly forward such matter to H&S, to the extent permitted to do so by law.



## **15. REPRESENTATION OF H&S**

Supplier may not represent itself as an employee of H&S or enter into any agreement on H&S's behalf or in H&S's name.

## **16. COMPLIANCE**

H&S reserves the right to ask Supplier to re-affirm compliance with this Code of Conduct periodically, to investigate compliance by Supplier with this Code of Conduct at any time and to immediately remove Supplier from H&S premises and/or terminate the related services contract with Supplier in the event of noncompliance.

## **17. COMMUNICATION**

Supplier should take appropriate steps to ensure that the principles of this Code are communicated to their employees and throughout their own supply chains. Supplier should also take appropriate steps to ensure that the principles of this Code are adopted and applied by their employees, suppliers, agents and contractors to the extent applicable.

## **18. ENFORCEMENT**

If H&S determines that any Supplier has violated this Code, H&S may either terminate its business relationship or require the Supplier to implement a corrective action plan. If corrective action is advised, but not taken, H&S will suspend placement of future orders and shall terminate its business relationship with Supplier.

## **19. REPORTING CONCERNS**

Actual, or suspected, material violations by a Supplier of this Supplier Code of Conduct or any other severe violations potentially harming our clients, H&S's employees or H&S as a firm should be raised to your H&S contact. Similarly, if you are a Supplier to H&S and suspect that a H&S employee, or anyone acting on behalf of the firm, has engaged in illegal or otherwise improper conduct, you should report the matter to your H&S contact.

## **21. CHANGES TO THE SUPPLIER CODE OF CONDUCT**

This Supplier Code of Conduct may be revised or updated by H&S from time to time. To the extent there is a conflict between this Supplier Code of Conduct and any applicable law or provision of any agreement between H&S and Supplier, the applicable law or agreement shall apply.