

1. Introduction

The following Code of Conduct establishes the framework for Carolina Components Group's commitment to a more sustainable world and defines the minimum standards that all our suppliers must meet.

2. Compliance with Law

Carolina Components Group will only do business with suppliers that adhere to rules and conditions of employment that respect workers and, at minimum, protect their worker's rights under their national and international labor and social security laws and regulations.

Suppliers must comply with all export/import laws and regulations, customs duties, and all other laws applicable to their international business activities.

3. Child Labor Principle

Suppliers will employ only workers who have achieved at least 15 years of age, the minimum legal age for employment, or the applicable age for completion of compulsory education, whichever is higher. Suppliers may offer legitimate apprenticeship programs for educational benefits consistent with the ILO Minimum Age Convention¹.

4. Forced Labor Principle

Suppliers must not traffic persons or use any slave, indentured, forced, bonded, or prison labor, including the transportation, harboring, transfer, recruitment, or receipt of persons utilizing threat, coercion, force, abduction, fraud, or payments to any person having control over another person for exploitation.

Suppliers shall not source materials or work with manufacturers that use any forced or involuntary labor, whether imprisoned, bonded, slave, trafficked, indentured, or other.

5. Non-Discrimination Policy

Suppliers must not discriminate against any worker in their hiring or employment practices, including salary, benefits, advancement, discipline, termination or retirement, or other based on race, ethnic origin, national origin, religion, age, marital status, capacity to bear children, pregnancy, HIV or any other medical status, sexual orientation, gender, political opinion, social status, legal migrant worker status, disability, or other legally protected category.

6. Abuse and Harassment Policy

Suppliers must treat each employee with dignity and respect. Suppliers must not use corporal punishment, threats, or other forms of unlawful, physical, sexual, psychological, or verbal harassment, abuse, or coercion, whether mental or physical.

7. Wages & Benefits

Suppliers must ensure payment of at least the minimum wage or the prevailing wage, whichever is higher. They must also comply with all legal wage requirements and provide benefits legally or contractually required.

Suppliers must comply with applicable work hours laws and regulations, including, but not limited to, work hours, overtime, maximum hours, rest days, and holidays.

8. Health and Safety Policy

Suppliers must comply with health and safety laws and regulations relevant to their business, creating and maintaining a safe and healthy workplace management system to prevent workplace accidents, injuries, and illnesses.

9. Diversity, Equity, and Inclusion

Suppliers must ensure inclusive and equal employment practices are implemented in their operations. This includes recruitment, hiring, promotions, career development, and training. Suppliers must also promote a work environment free from harassment, discrimination, and unfair treatment.

10. Environment

Suppliers must work to minimize the negative environmental impact of their operations. This includes conserving natural resources, decreasing energy consumption, reducing gas emissions, and lowering water usage through sustainable practices.

11. Anti-Corruption

Suppliers must not engage in corruption, extortion, or embezzlement. Suppliers must comply with applicable anti-corruption and bribery laws and regulations in the countries of their operations and relevant international anti-corruption conventions, including the U.S. Foreign Corrupt Practices Act², the UK Anti-Bribery Act³, and the OECD Anti-Bribery Convention⁴. Suppliers are prohibited from offering or accepting bribes or using any means to gain an improper or undue advantage. Bribes, kickbacks, facilitating payments, and similar transactions with government officials or Carolina Components Group employees or agents are strictly forbidden.

12. Competition and Anti-Trust

Suppliers must adhere to applicable competition laws ("antitrust laws") and avoid any agreements or arrangements with competitors that unfairly restrict competition, including price fixing, bid rigging, cartel participation, and exchanging pricing information with competitors. We are committed to ensuring fair and lawful competition and expect full compliance from all our suppliers as a condition of our partnership.

13. Intellectual Property

Suppliers must respect and avoid violating other's intellectual property rights, including patents, trademarks, copyrights, and other proprietary rights.

14. Fair dealings and Competition Laws

Suppliers must not take advantage of others through manipulation, deception, or unfair dealing. They are prohibited from engaging in collusive bidding, price fixing, price discrimination, or any practices that violate antitrust and competition laws. Suppliers must maintain fair business practices in advertising, sales, and competition.

15. Conflicts of Interest

Suppliers are required to adhere to ethical business practices in all advertising, sales, and competitive activities. Regarding conflicts of interest, suppliers must avoid any situations that might be perceived as a conflict or that could lead to a conflict between their interests and those of the company. This includes potential conflicts involving employees, close relatives, friends, or associates. Should a conflict of interest arise, it must be disclosed and addressed immediately.

16. Confidentiality

Suppliers must protect the confidential information that Carolina Components Group, its affiliates, customers, or other suppliers entrusted. This information should only be used and disclosed if formally authorized by Carolina Components Group. Confidential information includes any nonpublic business-related details of Carolina Components Group, its customers, or suppliers.

17. Whistleblower Protection and Non-Retaliation

Suppliers are expected to provide their employees with channels for raising legal or ethical concerns without fear of retaliation. Suppliers must also prohibit retaliation against workers who report possible violations of Carolina Components Group's code of conduct.

18. Documentation and monitoring

Suppliers must effectively monitor compliance with the Carolina Components Group Supplier Code of Conduct.

Suppliers should maintain all documentation to prove compliance with this code of conduct and, upon request, provide evidence of compliance to Carolina Components Group. Suppliers should also grant Carolina Components Group auditors or representatives access to manufacturing facilities to conduct factory inspections, review employment records, and interview employees.