



## SUPPLIER CODE OF CONDUCT

## **PURPOSE: ETHICAL BEHAVIOR – A SHARED COMMITMENT**

This Supplier Code of Conduct from Madison Indoor Air Quality, together with its subsidiaries (collectively, “MIAQ” or the “Company”) sets forth the principles and ethical standards we strive to achieve and describes our expectations for supplier adherence to the same standards. We are committed to operating our business with integrity, respect, accountability, and honor. Ethical business practices are expected every day at MIAQ. Our Core Values define who we are, what we do, and how we do it and guide our actions and interactions each day. Accordingly, we choose to do business with suppliers who demonstrate a strong commitment to ethical behavior.

## 1. Code of Conduct and Corporate Social Responsibility Standards

**1.1. Code of Conduct** The Supplier acknowledges that the Buyer (i) desires to conduct business with suppliers that conduct business in accordance with Buyer's ethical values, (ii) has a no tolerance policy towards bribery and corruption and (iii) Buyer has adopted a code of Business Conduct and Ethics which, as amended from time to time, addresses many important ethical issues, such as gifts, entertainment, business courtesies, Supplier paid travel expenses, conflicts of interest, and anti-corruption laws. These standards extend to all Buyer's business dealings and transactions in all countries in which it or its affiliates or associates operate.

**1.2.** Supplier hereby covenants, represents, and warrants that:

1.2.1. It has read and understands the code of conduct

1.2.2. It will not engage in any conduct that violates the code

1.2.3. Will not encourage or tempt any employee or agent of Buyer to violate the code

**1.3. Social Responsibility Standards** In addition to any other obligation that the Supplier may have pursuant to this Agreement or otherwise, Supplier represents, warrants and covenants that the products that it provides to Buyer will be manufactured only in accordance with Buyer's social accountability standards including, but not limited to the following:

1.3.1. **No Child Labor:** All employees engaged in the production of products for Buyer must be at least 16 years of age, or the age required by the applicable law if higher.

1.3.2. **No Forced Labor:** Supplier will not use forced or involuntary labor.

1.3.3. **No Harassment or Abuse:** Supplier will not tolerate or condone physical, sexual, psychological, or verbal harassment or abuse of any Supplier employee.

1.3.4. **No Discrimination:** Supplier employees must be employed, paid, promoted, and terminated based on occupational availability and not based on personal characteristics and beliefs.

1.3.5. **Fair Compensation:** Supplier will fairly compensate its employees, providing wages and benefits that comply with the local and country laws.

1.3.6. **Appropriate Working Hours:** Supplier will comply with all applicable legal limits for working hours.

1.3.7. **Commitment to Health and Safety:** Supplier will demonstrate commitment to the health and safety of employees to prevent accidents and injury occurring in the course of work.

1.3.8. **Safe Housing:** If Supplier provides residential housing for employees, Supplier must ensure the housing is healthy and safe.

1.3.9. **Environmental:** Suppliers recognize that environmental responsibility is integral to producing world class products. In manufacturing operations, adverse effects on the community, environment and natural resources are to be minimized while safeguarding the health and safety of the public.

## **2. Supplier/Service Provider Code of Conduct**

Supplier must pass pre-qualification evaluation and comply with all local labor laws in region of factory location. Failure to support the Code of Conduct could result in ‘auto-failure’ as noted below.

### **Employee Rights:**

#### **Discrimination**

Suppliers/Service Providers shall not discriminate against any worker based on race, color, ethnicity, age, gender, sexual orientation, disability, religion, political affiliation, union membership or marital status in hiring and employment practices such as job assignments, promotions, rewards, training, wages, benefits, discipline and termination.

#### **Harassment**

Suppliers/Service Providers shall provide a work environment free of harassment. The work environment shall be free of or threats of harsh or inhumane treatment, sexual harassment, sexual abuse, corporal punishment, mental coercion, verbal abuse, or unreasonable restrictions on entering or leaving the work site.

#### **Involuntary Labor (failure to support will result in auto-fail)**

Suppliers/Service Providers shall not use any form of forced, bonded, indentured, or prison labor.

#### **Child Labor (failure to support will result in auto-fail)**

Suppliers/Service Providers shall not use child labor. The minimum allowable age shall be the oldest age allowable under the local, regional, or federal legal statute. Legal documentation is required for proof of age of all employees.

#### **Health and Safety**

##### **Prevention of Injury/Illness**

Suppliers/Service Providers shall provide a safe and clean work environment.

#### **Security**

Suppliers/Service Providers must have physical and procedural controls at all facilities to provide a safe work environment for all employees. The physical and procedural controls must prevent the introduction of non-manifested cargo from entering our supply chain. MIAQ will communicate with Supplier (factory) on the following in support of C-TPAT:

- 1) Supplier requirements for C-TPAT compliance,
- 2) Risk assessment survey
- 3) Supplier survey

## **Environmental**

Suppliers/Service Providers must comply with any applicable federal, regional, or local laws regarding the purchase, use and disposal of hazardous chemicals. Suppliers recognize that environmental responsibility is integral to producing world class products. In manufacturing operations, adverse effects on the community, environment and natural resources are to be minimized while safeguarding the health and safety of the public. Recognized management systems such as ISO 14001, the Eco Management and Audit System (EMAS) were used as references in preparing the Code and may be a useful source of additional information.

*The environmental standards are:*

**1) Environmental Permits and Reporting:**

All required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained, and kept current and their operational and reporting requirements are to be followed.

**2) Pollution Prevention and Resource Reduction:**

Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

**3) Hazardous Substances:**

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

**4) Wastewater and Solid Waste:**

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled, and treated as required prior to discharge or disposal.

**5) Responsible Sourcing of Minerals:**

Suppliers shall have a policy to reasonably assure that the tantalum, tin, tungsten and gold in the products they manufacture does not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of the Congo or an adjoining country. Suppliers shall exercise due diligence on the source and chain of custody of these minerals and make their due diligence measures available to customers upon customer request.

**6) Air Emissions:**

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, monitored, controlled, and treated as required prior to discharge.

**7) Product Content Restrictions:**

Suppliers are to adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances, including labeling for recycling and disposal.

**Ethics**

Suppliers/Service Providers shall not engage in any corruption, extortion, embezzlement, or bribery in any form. Violations will result in immediate termination of business.

**Protection & Complaints**

Suppliers/Service Providers who are approached by any party (including MIAQ employees, customers, third party auditors, etc.) and requested to provide a service (monetary, meal, lodging, transportation, etc.) in order to obtain a favorable event or ruling should immediately contact:

Name	Position	Email
Kait Rogstad	Director of Human Resources	krogstad@thermastor.com