



Supplier Code of Conduct

1. Purpose

Lacks is committed to conducting business ethically, responsibly, and in compliance with all applicable laws and regulations. We expect every supplier, subcontractor, service provider, and business partner ("Suppliers") to share these values.

This Supplier Code of Conduct establishes the minimum standards Suppliers must meet as a condition of doing business with Lacks. It is supplemental to any contractual requirements, such as Lacks Enterprises Terms and Conditions of Purchase. In the event of a conflict between this document and defined contractual requirements, the contractual requirements shall prevail.

Suppliers are expected to establish policies and procedures to ensure these requirements are communicated and followed within their own organization and throughout their own supply chains.

2. Legal and Regulatory Compliance

- Comply with all applicable federal, state, local, and international laws.
- Comply with import/export regulations.
- Maintain all required permits, licenses, and registrations.
- Comply with sanctions and trade restrictions.
- Maintain records as required to demonstrating legal compliance.

3. Business Ethics

- Conduct business with integrity and honesty.
- Prohibit bribery, corruption, extortion, and embezzlement.
- Comply with all anti-corruption laws, including the U.S. Foreign Corrupt Practices Act (FCPA) and applicable international laws.
- Never offer, solicit, or accept improper gifts, payments, favors, or entertainment intended to influence business decisions. Any gifts or entertainment offered or accepted must:
 - Be infrequent.
 - Be of modest value.
 - Comply with applicable laws and company policies.
 - Never be in the form of cash or cash equivalents.
- Avoid conflicts of interest or disclose them promptly.
- Maintain accurate financial and business records.

4. Human Rights and Labor Practices

4.1 Forced Labor

- Prohibit all forms of forced, bonded, prison, trafficked, or involuntary labor.
- Allow workers to terminate employment at any time with reasonable notice.
- Never retain employee passports or identity documents.

4.2 Child Labor

- Child labor cannot be utilized in any form.
- Meet or exceed the minimum employment age established by applicable law and ILO conventions.

4.3 Working Hours

- Comply with applicable laws governing working hours and overtime.
- Ensure overtime is voluntary where applicable.

4.4 Wages and Benefits

- Pay wages and benefits that comply with legal requirements.
- Provide overtime compensation as legally required.
- Clearly communicate wage calculations.
- Never use wage deductions as a form of punishment.



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4.5 Non-Discrimination/Harassment

- Cannot discriminate in hiring, employment, promotion, rewards, or access to training for any reason
- Provide equal employment opportunities regardless of any legally protected characteristic, including, but not limited to;
 - Race
 - Color
 - Religion
 - Sex
 - Gender identity
 - Sexual orientation
 - Age
 - National or ethnic origin
 - Disability
- Maintain a workplace free from harassment, abuse, threats, intimidation, physical or mental punishment, psychological coercion.

Suppliers are required to respect all internationally recognized human rights.

5. Health and Safety

- Provide a safe and healthy workplace.
- Identify workplace hazards.
 - Implement risk controls.
 - Maintain emergency preparedness procedures.
 - Provide appropriate personal protective equipment.
 - Train employees on workplace hazards.
- Maintain accident reporting procedures.
- Comply with OSHA or equivalent regulations.
- Promote continual improvement in workplace safety.

6. Environmental Responsibility

- Operate in an environmentally responsible manner.
- Comply with environmental laws.
- Maintain environmental permits.
- Reduce waste generation.
- Reduce greenhouse gas emissions where practical.
- Conserve energy and water.
- Prevent pollution.
- Manage hazardous materials safely.
- Promote recycling.
- Support continual environmental improvement.

Suppliers are encouraged to implement environmental management systems consistent with ISO 14001.

7. Responsible Sourcing and Material Compliance

- Comply with all applicable chemical and material regulations where applicable, including, but not limited to;
 - IMDS reporting
 - REACH
 - RoHS
 - TSCA
 - PFAS regulations
 - California Proposition 65



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- Other applicable regional requirements
- Exercise due diligence regarding conflict minerals and responsible mineral sourcing.
 - Upon request, provide current reporting (such as CMRT or EMRT) consistent with Responsible Minerals Initiative (RMI) guidance.
 - Cooperate with customer reporting requirements.
- Never use counterfeit parts.
- Adhere to all technical specifications.
- Provide required material declarations upon request.

8. Information Security and Confidentiality

- Protect confidential, proprietary, or personal information regarding Lacks or its employees and business partners (including its customers), including intellectual property.
 - Comply with contractual confidentiality obligations.
 - Prevent unauthorized disclosure, destruction, or alteration through appropriate technical and organizational safeguards.
 - Ensure any information is used only for legitimate business purposes.
 - Comply with applicable privacy and data protection laws.
- Maintain appropriate cybersecurity controls.
- Promptly notify Lacks of any cybersecurity incident or other unauthorized disclosure of information or intellectual property.

Suppliers are encouraged to implement information security practices consistent with ISO/IEC 27001.

9. Competition and Antitrust

- Comply with all applicable laws.
- Never engage in prohibited acts with competitors, including, but not limited to;
 - Price fixing
 - Coordinating bids
 - Market allocation
 - Improper exchange of competitive information

10. Monitoring and Compliance

- Provide mechanisms to allow employees to report concerns without fear of retaliation.
- Assess internal and supplier compliance through the use of;
 - Established policies and procedures
 - Audits (on-site or remote)
 - Investigation
 - Due diligence
- Investigate all instances of reported or suspected non-compliance
- Implement corrective actions as necessary
- Report any violation of this code promptly to your primary Lacks contact.
 - If unsure who to contact, submit an inquiry through the contact us feature on our website, <https://lacksenderprises.com>.
 - Supplier reports of violation made in good faith will not result in punitive actions.
- Failure to report and/or address violations may result in punitive actions, including suspension or termination of the business relationship.

Suppliers are required to participate in periodic inquiries from Lacks, such as surveys, audits, and reviews, to demonstrate compliance to these Code of Conduct minimum standards.