



# GROUP

# Ethical Trading Policy

## Introduction

RS Group plc is committed to achieving the highest ethical and legal standards across its Group companies and supply chain and our commitment to do so is set out in our Group Code of Conduct, available [here](#). It places corporate responsibility at the centre of its operations and as a signatory to the United Nations Global Compact upholds its principles of human rights, labour, environment, sustainability and anti-corruption.

The relationship between RS Group and its suppliers and business partners is an important component of our commitment to trading ethically and sustainably. As part of this commitment, we seek to extend these standards across our supply chains. This policy therefore applies to all RS Group suppliers, distributors, agents, and third-party providers. It sets out the minimum mandatory requirements for doing business with any company that is part of RS Group. We continue to work with our suppliers and business partners to not only to meet these minimum requirements but also continuously improve in line with industry best practice.

This Ethical Sourcing Policy covers:

- Section A – Compliance
- Section B – Ethical and Environmental Standards

## Section A: Compliance

All suppliers and business partners to RS Group are required:

### 1. Legal Compliance

- to comply with all applicable national and international laws and regulations including without limitation, regulations aiming to protect human rights, health, the environment, anti-trust, data protection, international trade compliance and workplace safety, and regulations aiming to combat corruption, money laundering, terrorism.

### 2. Anti-bribery and Corruption

- to have in place adequate procedures to manage the risk of bribery and corruption in its business and supply chains including regular training of employees
- to comply with the RS Group Anti-Bribery Policy, available [here](#), as if it applied to the supplier or to have equivalent principles in place through its own policies

Specifically, the supplier will;

- employ reasonable due diligence when entering into business relationships to detect and prevent all forms of corruption
- not accept or offer improper gifts and hospitality that could affect or appear to affect impartial business decision making
- not engage in any form of bribery or corruption either directly or indirectly or through a third-party
- not make facilitation payments or offer other gifts to government officials, candidates for public office or other persons
- not use third parties or business partners as a channel to make improper payments



### 3. Competition and Anti-trust and Competitor Information

- to comply with the RS Group Competition Law Compliance Policy, available [here](#), as if it applied to the supplier or to have equivalent principles in place through its own policies
- to abide by all laws and regulations pertaining to the protection of competition and prohibiting anti-trust activities
- to respect the principles of free price setting and not fix prices or collude with competitors to share the market
- not participate in a cartel
- not disclose commercially sensitive information about the RS Group to a competitor of RS Group
- not solicit commercially sensitive information about its competitors from RS Group

### 4. Conflicts of interest

- to have policies in place to avoid conflicts of interest and provide a mechanism for employees to report potential conflicts of interest between them, or any relative, close friend or associates and RS Group
- notify the RS Group without delay of any conflicts of interests or potential conflicts of interest including but not limited to:
  - family and personal relationships with RS Group employees or others acting on the behalf of the RS Group
  - previous employment between RS Group and supplier or third-party employees
  - Any other interest (for example a major shareholding or position of influence) by relevant persons in the business which may (or which appears likely to) affect impartial decision making

### 5. Modern Slavery and Child Labour

- to comply with the RS Group Anti-Slavery and Human Trafficking Policy, available [here](#) as if it applied to the supplier or to have equivalent principles in place through its own policies
- to comply fully with the International Labour Organisation Forced Labour Convention and Abolition of Forced Labour Convention
- to comply fully with the International Labour Organisation Minimum Age Convention

Specifically, the supplier will;

- not allow any form of modern slavery or human trafficking including forced or bonded labour
- ensure all work or service carried out is performed without threat of penalty and on a voluntary basis
- not require workers to lodge deposits or identity papers with the Supplier as a condition of employment
- not employ or use child labour under the age of 15 or the local legal minimum age whichever is the greater or in any event younger than the completion age of compulsory education
- if employing a young worker (under age of 18) ensure all work carried out is not or does not have the potential to be harmful or dangerous to their physical or mental health, safety or morals
- hold their own third parties and suppliers to the same standards

### 6. Human Rights

- not to discriminate on the grounds of gender, gender identity, sexual orientation, ethnic or national status, race, colour, religion, marital or civil partnership status, pregnancy, parental status, dependants, age, disability, social class, union membership, political views or educational background
- to treat employees with respect and dignity
- to ensure no worker is subjected to physical, sexual, psychological, or verbal harassment or abuse
- to allow workers freedom of association and collective bargaining through the formation or membership of Works Councils and Trade Unions of their own choosing
- to provide time off in accordance with minimum regulatory requirements and laws and ensure all overtime is voluntary and paid at the legally mandated overtime or supplementary rate
- to provide a fair compensation package to include wages and benefits with paid leave and working hours with appropriate rest periods which meets or exceeds the legal minimum standard



## 7. Environment, Health and Safety

- to provide a safe and healthy working environment for all employees including providing free of charge appropriate personal protective equipment where applicable
- to have policies and procedures in place to prevent accidents and injury when undertaking duties related to supplier's business
- to have risk identification and mitigation procedures in place
- to have health and safety targets which are measured and reported on
- to provide training and education for all workers on health and safety issues
- to take all commercially reasonable steps to minimise detrimental effects of supplier's business and operations on the environment
- to ensure all products and services supplied RS Group are safe when put to intended use used according to supplier specifications
- to provide on request all relevant safety data sheets

## 8. Taxation and Fraud

- not to engage in or facilitate any form of tax evasion
- not to engage in or facilitate any activity that is designed, or can reasonably be construed as being designed, to perpetuate a fraud

## 9. Supply Chain

- to take all reasonable steps to ensure the principles of this Ethical Sourcing Policy are adhered to by its own suppliers and third parties
- to have in place auditable due diligence processes for legal and ethical compliance across the supplier's supply chain

## 10. Conflict Minerals

- to make all reasonable efforts to avoid the use of materials which either directly or indirectly finance armed groups or others who violate human rights
- to provide on request the conflict mineral status of any products supplied using the Responsible Minerals Initiative's Conflict Minerals Reporting Template (template available [here](#))

## Section B: Ethical and Environmental Standards

### 1. Sustainability

RS Group is committed to enhancing the sustainability of its business and encourages all suppliers and business partners to strive to:

- conserve energy and natural resources, preventing pollution and environmental incidents and promoting sustainable transportation, production and consumption
- reduce scope 1,2 and 3 Green House Gas emissions
- reduce total waste and waste intensity, increase recycling, minimise landfill and to offer product end-of life take-back and recycling options where appropriate
- reduce total water-use and intensity across all sites
- reduce packaging use and to increasing recycled and recyclable packaging where appropriate
- ensure all sites have environmental management systems in place, where appropriate certified to ISO 14001 and other standards
- to set annual and longer-term environmental and sustainability targets to continually improve environmental performance
- where appropriate suppliers should adopt Science Based Targets to reduce their Scope 1 and Scope 2 Greenhouse Gas emissions and to address Scope 3 emissions in their supply chain. These targets should be aligned with the current guidance from the Science Based Targets initiative (SBTi) and where possible approved by the SBTi. Where appropriate, preference will be given to suppliers with or committed to Science Based Targets and where possible RS Group will work with suppliers to encourage and facilitate this



## 2. Whistleblowing 'Speak Up'

We are committed to an open and accountable culture where employees and others can express concerns in the knowledge they will be taken seriously and treated fairly without retaliation. Our Speak Up policy and facility encourage reporting of concerns about an illegal act or a breach of our Code of Conduct. Suppliers and other business partners can confidentially report any serious concerns by email to: [SpeakUp@RSComponents.com](mailto:SpeakUp@RSComponents.com). Reports are treated in accordance with our Speak Up policy, acknowledged and acted upon as appropriate.

## 3. Associated Policies

This Ethical Trading Policy is a fundamental part of the RS Group's Code of Conduct along with other policies including, but not limited to, the Anti-Bribery and Corruption Policy, Competition Law Compliance Policy, Conflicts of Interest Policy and Speak Up (Whistleblowing) Policy. These are published on the RS Group plc corporate website <http://www.rsgroup.com>. They should be read and complied with in conjunction with this policy.

**Policy last updated:** January 2023

## Declaration

RS Group is committed to working with companies who meet the requirements and standards in Section A and Section B of the RS Group plc Ethical Trading Policy. Please sign below to confirm that:

1. You are duly authorised to sign this acknowledgment form on behalf of your Company;
2. You have read and understood, and agree that your Company will comply with the legal and ethical requirements set out in Section A and Section B of the Ethical Trading Policy;
3. Your company has not committed any breach of the legal and ethical requirements set out in Section A and Section B of the Ethical Trading Policy and, to the best of your knowledge, there is no modern slavery taking place within your business or supply chains;
4. RS Group representatives may access Company facilities, employees and records as necessary to determine compliance with the requirements of the Ethical Trading Policy;
5. RS Group may terminate any and all agreements in place with your Company with immediate effect in the event that the Company fails to comply with any of the requirements in Section A of the Ethical Trading Policy; and
6. On request, you will provide RS Group with evidence to demonstrate compliance with the ethical and environmental standards in Section B of the Ethical Trading Policy. If you are unable to demonstrate compliance to our reasonable satisfaction, we will work with you to achieve compliance. If we have material concerns which cannot be resolved within a reasonable timeframe, RS Group may return all stock to you.

Signature:	
Name / Position:	
Company Name: ("Company")	
Date:	

