



Honest Components

Supplier Code of Conduct Terms and Conditions as specified in AS9100/9120:

Background

Honest Components is committed to conducting business honestly and fairly and in compliance with all laws and regulations. Honest Components also has a strong commitment to sustainability, promoted through a positive impact on the environment, society and economy in which we operate.

This Supplier Code of Conduct sets out Honest Components' expectations of its Suppliers. It applies to all Suppliers, including all organizations and sub-contractors providing goods and services to Honest Components, based in the United States and overseas. We expect Suppliers to drive these expectations throughout their own supply chains. Honest Components may provide support to Suppliers with development of their capabilities in these areas.

Our expectations

Suppliers must comply with local, national and international laws and regulations that apply, have established sustainability requirements for their tier-1 agents and/or suppliers, and Honest Components expects Suppliers to adhere to the following standards:

Fair operating practices - Honest Components will only conduct business by lawful and ethical means, including respect of payment terms, equal access to business opportunities for all suppliers, fair contractual terms, respect of property rights, prevention of fraud, corruption and conflicts of interest. We expect the same behavior from our Suppliers. Suppliers are expected to avoid any situations involving divided loyalty or a conflict between their personal interests and those of Honest Components.

Workplace health and safety - Honest Components expects Suppliers to provide a safe and healthy workplace for their employees and contractors, and to have documented health and safety policies and procedures in place, together with appropriate safety equipment.

When on Honest Components site, all Honest Components' policies must be complied with, and hazards and incidents relevant to Honest Components' operations and supply chains must be reported. Honest Components will not tolerate anyone taking illegal drugs onto our site, nor anyone carrying out Honest Components' business while impaired by drugs including alcohol.

Discrimination - We expect equal opportunity in employment of Suppliers, and we do not tolerate any discrimination or harassment or any type of abuse. No direct or indirect discrimination shall take place based on any professionally non-relevant trait or circumstance, like gender, marital status, age, national or social or ethnic origin, color, religion and political opinion, disability, sexual orientation, employee representation, property, birth or other status. Any kind of discriminatory behavior, harassment, bullying or victimization by our Suppliers is prohibited.

Environment - Honest Components' goal is to protect the environment in which it operates by minimizing the impact of our activities, and we expect Suppliers to do the same. Suppliers must manage their environmental impacts including, but not limited to, waste reduction, energy efficiency, renewable energy, and sustainable resources management, and have documented environmental policies and procedures in place.

Human rights - Honest Components is committed to upholding human rights and understands that operations and supply chains are complex. We are firmly opposed to our Suppliers employing or contracting child or slave labor or any form of forced or compulsory or bonded labor. We condemn all forms of illegal, unfair, unethical labor practice that exploits workforce, destroys social security or serves as tax evasion, including but not limited to undeclared and "gray" work or holding back wages.

We expect our Suppliers to identify any potential or actual adverse impacts their operations may have on human rights and to implement prevention, mitigation and remediation processes. Suppliers should maintain a complete set of records to trace the supply chain of all goods and services provided to Honest Components.

Diversity and inclusion - Honest Components is committed to providing an environment where people are treated fairly, with respect and free from discrimination, harassment, bullying or victimization. We expect this of our Suppliers too. Suppliers should commit to employing and developing a diverse and inclusive workforce.

Health and Safety - We expect our Suppliers to provide clean, safe and healthy work conditions and are dedicated to maintaining a healthy environment. We expect our Suppliers to be committed to minimize the impact on the natural environment of their operations.

Material Suppliers - Material Certifications must accompany all product shipped for all Purchase Orders fulfilled stating that all materials supplied meets specification and purchase order requirements. Supplier shall ensure that the data sheets match product purchased, and The Supplier shall comply with any special requirements requested by Honest Components regarding the control of drawings and specifications.

Packaging - All material must be packaged suitably for ground or air transportation and must provide protection from in-transit damage. As a minimum, the Supplier shall package all material in a manner that will ensure protection against corrosion, oxidation, deterioration, and physical damage during shipment. Electrostatic sensitive products shall be packed in an Electrostatic Discharge (ESD) protective bag. In addition, when materials delivered are lot-controlled and multiple material lots are shipped, each lot shall be separately packaged and identified. Suppliers are also responsible for handling damage that occurred at their location. Failure to comply to this will result in a rejection of product or parts. Honest Components reserves the right to make a disposition on any damaged product to determine whether parts will be returned for credit or deemed usable. If Honest Components determines the product or parts are damaged and dispositioned as not usable, we reserve the right to reject the shipment and return it to sender at the senders cost for reprocessing or sorting of damaged product or parts.

Shipping - All shipping documents (bills of lading, etc.) must reference Honest Components or Customer Purchase Order Number. All material shipments must comply with our Packaging Requirements. Every shipment must be protected to ensure the quality, preservation, and safety of the shipment. All freight instructions must be executed. All goods shall be suitably packed and properly marked (including notice of hazardous substances) or otherwise prepared for shipment to secure the lowest transportation rates and to meet carrier's requirements. Shipments shall be shipped via carrier listed on the Purchase order. Packing list delivered with the ordered product shall have: Seller name and address, ship to address, purchase order number, part number ordered, no pricing or cost information, purchase order line number, item description, quantity being shipped, serial number if applicable, shelf life, date of manufacture and expiration date, manufacture batch or lot number, country of origin, HTS code, and hazardous un number if applicable. Seller shall ensure that all items are correctly classified on the bill of lading to obtain minimum freight rates. All goods must be shipped using ESD compliant packaging standards. Failure to follow these instructions will result in Honest Components' non-liability for freight charges and freight charges will be billed to vendor or supplier. The above instructions apply only to products/ materials being delivered to Honest Components or Global ETS, unless drop shipment authorization is given.

Counterfeit Part - If applicable, you are required to have a Counterfeit part program to eliminate the use of any unauthorized copy, imitation, substitute, or modified part (e.g., material, part, component), which is knowingly misrepresented as a specified genuine part of an original or authorized manufacturer. If Counterfeit parts are detected in product procured, you must notify HONEST COMPONENTS within 24 hours.

FOD-Foreign Object Debris - You must ensure processes and products are free of FOD. A substance, debris or article alien to any raw materials purchased.

Data Retention - All records must be retained for 5 years and disposal required after 5 years based on the requirements of customer. This includes electronic files, emails, voicemails, letters and other correspondence, audio and video recordings, contracts, purchase orders, invoices, proforma invoices, instant messenger conversations such as Skype, WhatsApp, WeChat and performance reviews.