

SHI Partner Code of Conduct and Sustainability Policy

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SHI's commitment to sustainability starts within our company and extends to our supply base and their suppliers, ultimately to remain competitive, resilient, and compliant. We expect SHI vendors to conduct their worldwide operations in a socially and environmentally responsible manner and to provide the assurances and information, when requested, set forth in this SHI Partner Code of Conduct and Sustainability Policy ("Policy").

This Policy consists of the standards of operations for SHI International Corp., including all affiliates and subsidiaries ("SHI"), and for SHI's vendors, consultants, suppliers, contractors, agents, and all other members of the supply chain ("partners"). The current global business climate, vigorous enforcement efforts by government agencies, ethical and environmental standards, and our customers' expectations and requirements oblige SHI to obtain such assurances and information from our partners and maintain such documentation in our company records.

Introduction

SHI is committed to acting ethically and responsibly throughout our operations and value chain, including how we operate, buy, and with whom we work.

This Policy aligns with our internal corporate policies and procedures, including those in our Employee Handbook, Policies, and Guidelines. The Policy requires that we act with honesty and integrity and when faced with hard choices, we do the right thing. We expect those who work with us or on our behalf to comply with the law, meet the obligations outlined in their contracts with us, and honor the principles outlined in this Policy.

This Policy sets out the general ethical principles and minimum standards SHI will follow to ensure we contribute to sustainability through our purchasing decisions and managing relationships with our partners. We evaluate and select our partners based on economic criteria and consider diversity, equity, inclusion, environmental protection, compliance with human rights, labor and social standards, and practices to tackle fraud, bribery, and corruption, as well as protect data privacy and the safety of our customers.

We are committed to sustainability at a corporate, cultural, and policy level. We hold ourselves accountable for being proactive and solution-oriented to advance sustainable long-term growth in the world in which we live.

Our approach is guided by the principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

Scope

This Policy applies to SHI, but also to our partners. Our partners are expected to accept this Policy and adhere to its principles when an SHI entity is directly or indirectly involved. Our partners should strive to provide appropriate training to enable their managers and employees to have an adequate level of knowledge and understanding of applicable laws, regulations, generally accepted standards, and the standards expected by SHI.

SHI is committed to:

- Setting targets and action plans to support this Policy and continuously improve practices.
- Preferring partners with sustainable and ethical practices that drive such practices in their supply chain.
- Supporting diversity and minority suppliers through our sustainable procurement team.

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- Identifying and mitigating higher risk areas within our supply chain.
- Complying with applicable laws, the ten principles of UN Guiding Principles on Business and Human Rights, the International Labor Organization ILO Declaration on Fundamental Principles and Rights at Work, and guidelines from The Responsible Business Alliance.

Governance

The SHI ESG Committee steers the development and implementation of our ESG strategy and this Policy for sustainability performance, and the implementation of goals and directions.

The SHI ESG Working Group is responsible for developing strategic recommendations and facilitating initiatives aimed at achieving ESG compliance. The group regularly monitors the Policy, which is reviewed and updated as necessary every two years.

Human rights and labor standards

SHI respects human rights and we require our employees to treat others with fairness, respect, and equality. We expect our partners to respect the rights of their employees and contractors and to comply with all relevant laws, regulations, and policies of the countries in which they operate. Where such relevant local laws do not exist, partners are expected to comply with this Policy in all cases.

The requirements listed below cover SHI's expectations in relation to a range of human rights issues. SHI also expects partners to provide opportunities for their employees, contractors and other stakeholders to report concerns or potentially unlawful practices in the workplace.

Forced labor, child labor, human trafficking, and slavery

SHI expects contractors and partners to:

- Never use any form of forced or involuntary labor.
- Never engage in human trafficking, including improper recruitment, transportation, or harboring of persons.
- Never employ or use workers (child labor) below the local minimum age or ILO minimum age requirements.
- Never source minerals from conflict-affected (conflict minerals) areas without mitigating risks of violence and forced labor.

SHI's Modern Slavery Act Transparency Statement is available [here](#).

Working hours, wages, and benefits

SHI expects partners to:

- Pay workers the legal minimum wage or local industry standards, whichever is higher.
- Ensure wages meet basic needs if no legal minimum wage exists.
- Adhere to local laws on working hours, overtime, and benefits.

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Non-discrimination and professional standards

SHI expects partners to:

- Maintain the highest professional standards and respectful relationships with all stakeholders.
- Ensure all interactions are free from harassment, abuse, and inhumane treatment.
- Avoid discrimination based on personal characteristics such as gender, sexual orientation, race, and ethnicity.
- Comply with local laws and regulations.

Health and Safety

SHI expects partners to:

- Create a safe and healthy working environment, proactively preventing injuries and illnesses.
- Identify and eliminate workplace health and safety hazards and risks.
- Continuously improve workplace health and safety management.
- Implement an adequate health and safety management system, especially when dealing with hazardous materials.
- Be proactive in identifying, reducing, or avoiding risks to people.

Freedom of association

SHI expects partners to uphold workers' rights to freedom of association and the right to collective bargaining under applicable laws.

Environmental impact

All employees must complete annual training on key provisions of the Code of Conduct.

SHI is committed to preserving the environment and combating climate change. SHI has a longstanding commitment to environmental sustainability. Setting and implementing global environmental policies, management systems, and key performance metrics enables SHI to continually integrate and drive environmental stewardship in our business globally, assuring consistency and innovative environmental thinking.

In alignment with SHI's commitment to the Science Based Targets initiative, SHI is committed to reducing our environmental impact and has set near-term climate targets to support this, SHI measures our scope 1, 2 and 3 emissions in accordance with the Greenhouse Gas Protocol. We expect our partners to report on their Scope 1 and Scope 2 footprints and savings initiatives upon request and provide product-level lifecycle greenhouse gas (GHG) emissions data (product carbon footprint). We promise to work with organizations that share our commitment to science-based climate targets.

At a minimum, we expect our partners to:

- Comply with all applicable environmental laws and regulations.
- Minimize negative environmental impacts by using resources efficiently, applying energy-efficient and environmentally-friendly technologies, and reducing air pollution, GHG emissions, water discharges, and hazardous waste.
- Use recycled content in manufacturing and partner with recycling and redeployment services where possible, contributing to a circular economy.
- In cases where our partners' activities involve chemicals or other materials that pose an environmental risk, our partners must comply with all requirements listed.
- Ensure an adequate environmental, health, and safety management system is in place.
- Proactively identify, reduce, or avoid risks to the environment and people.

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Conflict minerals

SHI is a global value-added reseller and provider of IT (information technology) solutions with a portfolio of commercially available hardware and software products manufactured by other companies. SHI does not directly purchase or source conflict minerals and has no control over the manufacture or design of the products that we resell. While SHI is not subject to conflict minerals reporting requirements, we recognize our responsibility to avoid contributing to conflict through our purchasing decisions and practices.

The SHI U.S. Conflict Minerals Statement is available [here](#).

We require vendors and contractors to abide by The Responsible Business Alliance (RBA) guidelines to ensure working conditions in their supply chains are safe and that business is conducted responsibly, ethically, and with respect for human rights and the environment. We also require vendors and contractors to conduct due diligence in line with the RBA and its standards by establishing an effective management system.

The Responsible Business Alliance is available [here](#).

Anti-bribery and anti-corruption

SHI does not tolerate any form of bribery or corruption. Offering or accepting bribes in any form, directly or indirectly, is strictly prohibited. SHI and our partners are expected to fully comply with applicable national and international regulations and to conduct business in a professional, fair, and lawful manner. Our partners are therefore expected to have procedures for strict controls and regulations to prevent bribery and corruption.

Conflict of interest

A conflict of interest may arise at any time when competing loyalties could cause someone to pursue a personal benefit that is inconsistent with the responsibilities of his/her position. Partners are expected to take reasonable steps to avoid any conflict of interest, real or apparent, in connection with their cooperation with SHI. Partners must never enter into any relationship with SHI or its employees, financial or otherwise, that creates any actual or potential conflict of interest for SHI or its employees. All such conflicts of interest must be disclosed and corrected. Even the appearance of a conflict of interest can be damaging to SHI and our partners.

Unfair business practices

SHI competes vigorously in the sectors in which it operates but is committed to doing so in a fair, honest, ethical, and legal manner. We expect all partners to conduct their activities in compliance with applicable antitrust and competition laws, which are designed to promote and protect free and fair competition.

SHI prohibits practices that include:

- Any agreements or understandings with competitors that restrict competition, such as price fixing, bid rigging, customer or territory allocation, or agreements not to do business with third parties.
- Practices that unduly affect competition, including requiring exclusivity, overcharging, tying/bundling products, or imposing non-compete obligations.

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Due diligence and prevention of financial crimes

SHI is committed to the prevention of all forms of financial crime, including money laundering, terrorist financing, sanctions violations, trade embargoes, and fraud. Our partners are expected to submit to any SHI review aimed at detecting, disrupting, and deterring them. SHI exercises due diligence in the selection of our partners. Our procurement process is based on objective and traceable criteria and a documented procedure. We always want to ensure our partners follow the same high ethical principles of conduct as we do at SHI. Therefore, our partners are required to conduct appropriate due diligence within their supply chain.

Economic sanctions

SHI and our partners must always comply with international export controls, sanction laws, and regulations. SHI and our partners agree to comply with all applicable international, national, and local sanctions, trade embargoes, and export control laws and regulations, including but not limited to those administered by the United Nations Security Council Resolutions' prohibitions on trade, financial transactions, travel, designated individuals, entities, and countries, and the freezing of assets and economic resources and other relevant national and international authorities (collectively, "Sanctions Laws").

Management systems

Our partners are expected to have rigorous monitoring and control processes in place, including functional controls with clearly assigned responsibilities that are appropriately documented. Partners are also expected to implement local rules and regulations, including tax laws, to ensure compliance with the principles of this Policy.

Protection of intellectual property/company assets

SHI's assets include intellectual property, business strategies, financial data, and other confidential information and tangible assets. Partners are expected to protect and respect the intellectual property and corporate assets of SHI. Any disclosures to third parties require the prior written consent of SHI, and required disclosures to authorities due to applicable laws or regulations should be notified to SHI in advance, to the extent permitted by law.

Data protection and security

Partners shall provide complete and accurate information to facilitate third-party due diligence conducted by SHI and comply with applicable laws and regulations of the country or countries in which they operate. Partners are required to handle personal data and confidential information provided by SHI during their business relationship with SHI and to protect it from unauthorized access, unlawful use, disclosure, loss, alteration, damage, and destruction.

Partners are expected to implement security controls to maintain and protect information received from SHI, including physical and digital assets. Partners are responsible for keeping technical and organizational measures up to date and confirming compliance regularly.

Partners must inform SHI of any suspected or actual data breach in connection with the services provided. Third parties shall assist SHI in any investigation into a data or information breach.

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Authenticity of products (counterfeit protection)

Partners must ensure that all goods and software supplied to SHI and our customers are authentic, genuine, and sourced exclusively through authorized channels. This includes full compliance with OEM/Publisher requirements and applicable laws governing intellectual property and trade.

SHI prohibits practices that include:

- Counterfeit products or items falsely represented as OEM/Publisher goods.
- Grey market goods diverted from unauthorized territories or channels.
- Tampered, refurbished, or re-marked products unless expressly approved in writing.
- Unlicensed or improperly licensed software, including keys or entitlements obtained outside official programs.

Partners must ensure verification and documentation:

- Maintain and provide chain-of-custody documentation, including invoices, serial numbers, and proof of OEM/Publisher authorization.
- For software, provide valid license entitlements and comply with all publisher terms.
- Support SHI's right to audit and verify authenticity at any time.

Partners must immediately notify SHI of any suspected counterfeit, grey market, or unauthorized goods/software and cooperate fully in investigations and corrective actions.

Violations of SHI's Counterfeit Protection Policy may result in:

- Rejection or return of goods/software at Partner's expense.
- Indemnification for any losses, claims, or regulatory actions arising from non-compliance.
- Termination of partnership and removal from SHI's approved vendor list.

For further details and clarification around this topic, please refer to [SHI's Counterfeit Protection Policy](#).

Whistleblower Policy

SHI provides confidential reporting channels that enable employees, partners, customers, and other stakeholders to raise concerns about ethics, legal compliance, and misconduct.

Stakeholders are expected and encouraged to report in good faith any conduct that violates SHI's policies, values, or applicable laws. Misconduct may include, but is not limited to, fraud, bribery or corruption, legal violations, unethical behavior, or other improper business practices.

Reports may be submitted via the following channels:

Confidential Email: ethics@shi.com

Anonymous Whistleblower Hotline: U.S. +1 (732) 377-2300 | U.K. +44 (0) 1908 75 3306

All reports are reviewed by appropriate internal functions, including Compliance, Legal, or Human Resources, and are addressed in a fair and consistent manner. Where appropriate, investigations are conducted and corrective actions are taken.

SHI International Corp has a strict Anti-Retaliation Policy and will not tolerate retaliation against any employee who brings a good faith report of misconduct or participates in any investigation.

Partners are expected to maintain appropriate processes within their own operations to enable the reporting and escalation of concerns and are required to cooperate with SHI in the investigation of any reported issues.