

# Supplier Code of Conduct

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## INTRODUCTION

Maples Industries, Inc. is committed to ensuring that working conditions throughout its supply chain are safe, that workers are treated with respect and dignity, and that manufacturing processes are environmentally responsible. Maples Industries, Inc. (herein referred to as either "Maples Industries", "Maples", "Maples Rugs") feels its suppliers ("Suppliers") are obligated, in all of their activities, to operate in full compliance with the laws, rules, and regulations of the countries in which they operate. This Supplier Code of Conduct ("Code") goes a step further, drawing upon internationally recognized standards, in order to advance social and environmental responsibility.

The Maples Supplier Code of Conduct is modeled on and contains language from recognized standards. The International Labour Organization Standards (ILO), Universal Declaration of Human Rights (UDHR), Social Accountability International (SAI), and the Ethical Trading Initiative (ETI) were used as references in preparing this Code and may be useful sources of additional information. A complete list of references is provided at the end of this Code. As an extension of this Code, Maples Industries, Inc. maintains a series of detailed Standards that clarify our expectations for compliance.

## ENVIRONMENT

At Maples Industries, Inc., environmental considerations have become an integral part of our business practices. Suppliers must be committed to reducing the environmental impact of their designs, manufacturing processes, and waste emissions. At Maples Industries, Inc., we are committed to working with our suppliers through this process and ask that those who need assistance make a formal request to Maples Industries, Inc..

### Greenhouse Gas Emissions

Suppliers are encouraged to plan for forthcoming legislation on the regulation of Greenhouse Gas Emissions. Suppliers should establish and calculate its Greenhouse Gas Emissions in order to establish a baseline measurement. This measurement should be done in accordance with the World Resources Institute Greenhouse Gas Emissions Protocol. All Scope 1 and Scope 2 emissions should be accounted for under this protocol. Suppliers should establish greenhouse gas reduction targets and report these targets publicly via the Carbon Disclosure Project.

### Lifecycle Assessment Process

Suppliers are encouraged to study and understand the environmental impacts of their products from a comprehensive lifecycle perspective ranging from the product's beginning of life throughout the manufacturing process until its end of life. Maples Industries recognizes that that perspective requires collaboration and the use lifecycle assessment processes. Maples Industries offers open collaboration to our Suppliers and will work to minimize our impacts, not only as a company, but as an entire industry.

### Company Commitment

A corporate social and environmental responsibility statement affirming the

Supplier's commitment to compliance and continual improvement, to be posted in the primary local language at all of the Supplier's worksites.

### Hazardous Substance Management and Restrictions

Suppliers must comply with any applicable laws and regulations prohibiting or restricting specific substances. To ensure safe handling, movement, storage, recycling, reuse, and disposal, Suppliers must identify and manage substances that pose a hazard if released to the environment and comply with applicable labeling laws and regulations for recycling and disposal.

### Wastewater and Solid Waste Emissions

Wastewater and solid waste generated from operations, industrial processes, and sanitation facilities must be monitored, controlled, and treated as required by applicable laws and regulations before discharge or disposal.

### Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals, and combustion by-products generated from operations must be characterized, monitored, controlled, and treated as required by applicable laws and regulations before discharge.

### Environmental Permits and Reporting

Suppliers must obtain, maintain, and keep current all required environmental permits (e.g. discharge monitoring) and registrations and follow the operational and reporting requirements of such permits.

### Pollution Prevention and Resource Reduction

Suppliers must endeavor to reduce or eliminate waste of all types, including water and energy, by implementing appropriate conservation measures in their facilities, in their maintenance and production processes, and by recycling, re-using, or substituting materials

## LABOR & HUMAN RIGHTS

Suppliers must uphold the human rights of workers, and treat them with dignity and respect as understood by the international community.

### Anti-discrimination

Suppliers shall not discriminate against any worker based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring and employment practices such as applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline, and termination. Suppliers shall not require a pregnancy test or discriminate against pregnant workers except where required by applicable laws or regulations or prudent for workplace safety. In addition, Suppliers shall not require workers or potential workers to undergo medical tests that could be used in a discriminatory way except where required by applicable law or regulation or prudent for workplace safety.

### Fair Treatment

Suppliers must be committed to a workplace free of harassment. Suppliers shall not threaten workers with or subject them to harsh or inhumane

treatment, including sexual harassment, sexual abuse, mental coercion, physical coercion, verbal abuse or unreasonable restrictions on entering or exiting company provided facilities.

### Prevention of Involuntary Labor

Suppliers shall not use any form of forced, bonded, indentured, or prison labor. All work must be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment. Suppliers shall ensure that third party labor agencies providing workers are compliant with the provisions of the Code and sending country and receiving country laws, whichever is more stringent in its protection of workers. Suppliers shall ensure that contracts for both direct and contract workers clearly convey the conditions of employment in a language understood by the worker. Suppliers shall be responsible for payment of all fees and expenses. Such fees and expenses include, but are not limited to expenses associated with recruitment, processing or placement of both direct and contract workers.

### Prevention of Under Age Labor

Child labor is strictly prohibited. Suppliers shall not employ children. The minimum age for employment or work shall be 15 years of age, the minimum age for employment in that country, or the age for completing compulsory education in that country, whichever is higher. This Code does not prohibit participation in legitimate workplace apprenticeship programs that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

### Juvenile Labor

Suppliers may employ juveniles who are older than the applicable legal minimum age for employment but are younger than 18 years of age, provided they do not perform work likely to jeopardize their health, safety, or morals, consistent with ILO Minimum Age Convention No. 138.

### Working Hours

Except in emergency or unusual situations, a workweek shall be restricted to 60 hours, including overtime, workers shall be allowed at least one day off every seven- days, and overtime shall be voluntary. Under no circumstances will workweeks exceed the maximum permitted under applicable laws and regulations. Suppliers must offer vacation time, leave periods, and holidays consistent with applicable laws and regulations.

### Wages and Benefits

Suppliers must pay all workers at least the minimum wage required by applicable laws and regulations and provide all legally mandated benefits. In addition to their compensation for regular hours of work, workers must be compensated for overtime hours at the premium rate required by applicable laws and regulations. Suppliers shall not use deductions from wages as a disciplinary measure. Workers must be paid in a timely manner, and the basis on which workers are being paid must be clearly conveyed to them in a timely manner.

### Freedom of Association

Suppliers must respect the rights of workers and employers to bargain collectively and to form and join organizations of their own choosing. Further, Suppliers must not interfere with, restrain, or prevent concerted activity as protected by the National Labor Relations Act.

## HEALTH & SAFETY

Maples Industries recognizes that integrating sound health and safety management practices into all aspects of business is essential to maintain high morale and produce innovative products. Suppliers must be committed to creating safe working conditions and a healthy work environment for all of their workers.

### Occupational Injury Prevention

Suppliers must eliminate physical hazards where possible. Where physical hazards cannot be eliminated, Suppliers must provide appropriate engineering controls such as physical guards, interlocks, and barriers. Where appropriate engineering controls are not possible, Suppliers must

establish appropriate administrative controls such as safe work procedures. In all cases, Suppliers must provide workers appropriate personal protective equipment. Workers must have the right to refuse unsafe working conditions without fear of reprisal until management adequately addresses their concerns.

### Prevention of Chemical Exposure

Suppliers must identify, evaluate, and control worker exposure to hazardous chemical, biological, and physical agents. Suppliers must eliminate chemical hazards where possible. Where chemical hazards cannot be eliminated, Suppliers must provide appropriate engineering controls such as closed systems and ventilation. Where appropriate engineering controls are not possible, Suppliers must establish appropriate administrative controls such as safe work procedures. In all cases, Suppliers must provide workers appropriate personal protective equipment.

### Emergency Prevention, Preparedness, and Response

Suppliers must anticipate, identify, and assess emergency situations and events and minimize their impact by implementing emergency plans and response procedures, including emergency reporting, worker notification and evacuation procedures, worker training and drills, appropriate first-aid supplies, appropriate fire detection and suppression equipment, adequate exit facilities, and recovery plans.

### Occupational Safety Procedures and Systems

Suppliers must establish procedures and systems to manage, track, and report occupational injury and illness. Such procedures and systems should encourage worker reporting, classify and record injury and illness cases, investigate cases and implement corrective actions to eliminate their causes, provide necessary medical treatment, and facilitate the workers' return to work.

### Ergonomics

Suppliers must identify, evaluate, and control worker exposure to physically demanding tasks, including manual material handling, heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks.

### Dormitory and Dining

Suppliers must provide workers with clean toilet facilities, access to potable water, and sanitary food preparation and storage facilities. Worker dormitories provided by the Supplier or a labor agent must be clean and safe and provide adequate emergency egress, adequate heat and ventilation, reasonable personal space, and reasonable entry and exit privileges.

### Communication

In order to foster a safe work environment, Suppliers shall ensure that workers receive appropriate workplace health and safety information and training, including written health and safety information and warnings in the primary language of its workers. Suppliers must post Material Safety Data Sheets in the primary language of its workers for any hazardous or toxic substances used in the workplace and properly train workers who will come into contact with such substances in the workplace.

### Worker Health and Safety Committees

Suppliers are encouraged to initiate and support worker health and safety committees to enhance ongoing health and safety education and to encourage worker input regarding health and safety issues in the workplace.

## ETHICS & COMPLIANCE

Our company values integrity, fairness, and transparency in all supplier relationships. This policy ensures that business decisions are based solely on merits of products, services, quality and cost - not undue influence. Suppliers must be committed to the highest standards of ethical conduct when dealing with workers, suppliers, and customers.

### Corruption, Extortion, or Embezzlement

Corruption, extortion, and embezzlement, in any form, are strictly prohibited. Suppliers shall not engage in corruption, extortion or embezzlement in any form and violations of this prohibition may result in immediate termination as a Maples Supplier.

**Disclosure of Information**

Suppliers must disclose information regarding its business activities, structure, financial situation, and performance in accordance with applicable laws and regulations and prevailing industry practices.

**No Improper Advantage**

Suppliers shall not offer or accept bribes or other means of obtaining undue or improper advantage.

**Fair Business, Advertising, and Competition**

Suppliers must uphold fair business standards in advertising, sales, and competition.

**Community Engagement**

Suppliers are encouraged to engage the community to help foster social and economic development and to contribute to the sustainability of the communities in which they operate.

**Protection of Intellectual Property**

Suppliers must respect intellectual property rights; safeguard customer information; and transfer of technology and know-how must be done in a manner that protects intellectual property rights.

**GIFTS & SOLICITATION POLICY**

**1. Gifts and Entertainment**

- Supplier must not offer, promise, or provide any gift, entertainment, or hospitality that could be perceived as influencing a business decision.
- Modest, customary, and infrequent business courtesies (e.g. light refreshments during meetings, small promotional items of nominal value) may be acceptable if they:
  - Are lawful and consistent with business practices,
  - Are not cash or cash equivalents
  - Are not excessive, frequent, or lavish in nature,
  - Cannot be construed as an attempt to secure an improper advantage.
- Any gift exceeding nominal value must be declined or, if culturally inappropriate to refuse, reported immediately to company management.

**2. Solicitation**

- Suppliers must not directly or indirectly solicit donations, contribution, or sponsorships from employees of the company.
- Suppliers must not pressure employees to purchase goods or services for personal benefit.
- Charitable or community requests must be communicated only through official company channels and require prior written approval.

**3. Conflicts of Interest**

- Suppliers are expected to avoid any situation that could create, or appear to create, a conflict of interest.
- Any potential conflict (e.g., personal relations with company employees, financial interests, outside business activities) must be disclosed promptly in writing.

**4. Compliance**

- Failure to comply with this policy may result in corrective action, including suspension or termination of the business relationship. Suppliers are responsible for ensuring that their employees, subcontractors, and agents are aware of and comply with these requirements.

**5. Reporting Concerns**

- Suppliers who believe they have been asked to provide an inappropriate gift, solicitation, favor, or who become aware of any violation of this policy are encouraged to report the matter.

- Reports may be made:
  - Directly to Company Management
  - Anonymously through the Company's reporting form. To access the form visit [www.maplesrugs.com](http://www.maplesrugs.com). In the Resources section tab, choose "Anonymous Reporting for Vendors and Suppliers."

**REFERENCES**

Maples Industries, Inc. consulted the following references in preparing this Code.

Eco Management & Audit System [www.quality.co.uk/emas.htm](http://www.quality.co.uk/emas.htm)

Electronic Industry Code of Conduct, October 2004 [www.hp.com/hpinfo/globalcitizenship/environment/pdf/supcode.pdf](http://www.hp.com/hpinfo/globalcitizenship/environment/pdf/supcode.pdf)

Ethical Trading Initiative [www.ethicaltrade.org/](http://www.ethicaltrade.org/)

ILO Code of Practice in Safety and Health [www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf](http://www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf)

ILO International Labor Standards [www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm](http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm)

ISO 14001 [www.iso.org](http://www.iso.org)

National Fire Protection Agency [www.nfpa.org/catalog/home/AboutNFPA/index.asp](http://www.nfpa.org/catalog/home/AboutNFPA/index.asp)

OECD Guidelines for Multinational Enterprises [www.oecd.org](http://www.oecd.org)

OHSAS 18001 [www.bsi-global.com/index.xalter](http://www.bsi-global.com/index.xalter)

SA 8000 [www.cepaa.org/](http://www.cepaa.org/) SAI [www.sa-intl.org](http://www.sa-intl.org)

United Nations Convention Against Corruption [www.unodc.org/unodc/en/crime\\_convention\\_corruption.html](http://www.unodc.org/unodc/en/crime_convention_corruption.html)

United Nations Global Compact [www.unglobalcompact.org](http://www.unglobalcompact.org)

Universal Declaration of Human Rights [www.un.org/Overview/rights.html](http://www.un.org/Overview/rights.html)

UN Norms on the Responsibilities of Transnational Corporations and other Business Enterprises with Regard to Human Rights [www.ohchr.org](http://www.ohchr.org)

**QUESTIONS OR CONCERNS?**

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**Anonymous Vendor Reporting: [www.maplesrugs.com](http://www.maplesrugs.com)**