

Direct Components Code of Conduct describes ways in which we operate ethically, socially, and environmentally to give our employees, partners, customers, & suppliers clear messages about how we conduct ourselves in various situations. We expect our suppliers to adhere to our business principles, as set out in this Code, and to share our commitment to ethical business conduct & sustainability.

Direct Components Core Values of **Dependable, Integrity, Respect, Excellence, Commitment, & Teamwork** are the cornerstone of who we are and what we stand for as a company. These Core Values serve as the backbone of our company and lay the foundation for the way we conduct our business thereby enabling our customers to meet current and future needs of society.

Suppliers are encouraged to share the Code with their employees, partners, sub-contractors and suppliers that are involved in the supply of goods or services to Direct Components and to emphasize the importance of compliance with the standards set out in the Code.

1. COMPLIANCE WITH LAWS AND REGULATIONS

All Direct Components suppliers and their employees must, as a minimum standard, comply with all applicable laws and regulations of the countries in which they operate.

Suppliers must:

- Not engage in anti-competitive behavior, bribery or corruption, tax evasion, nor must they permit anyone acting on their behalf to engage in such activities.
- Ensure that all products, services, and shipments for Direct Components adhere to all applicable international trade compliance and export laws, rules, and regulations.

2. EMPLOYEES

Direct Components suppliers are expected to provide an inclusive working environment in which their employees should feel respected and valued, and in which they are able to make the best use of their skills, free from discrimination and harassment.

Suppliers must:

- Employ only workers who meet the minimum applicable legal age requirement. Suppliers must comply with all applicable child labor laws.
- Set employees' working hours and pay in compliance with all applicable laws. Employees should be paid at least the minimum legal wage or a wage which reflects local industry standards, whichever is greater.
- Not engage in or support the use of forced or compulsory labor including modern slavery and human trafficking. Suppliers must not procure work or service from any person under the threat of any menace. Suppliers' employees must be free to leave their employment with reasonable notice, and they must not be required to surrender any passports or work permits as a condition of employment.
- Not discriminate against employees on the grounds of race, nationality, gender, sexual orientation, gender identity, marital status, religion, political belief, disability, or age.
- Treat their employees with dignity and respect, and not display behavior which offends, humiliates, or threatens others.
- Enable employees and other stakeholders to report concerns or potentially unlawful practices at the workplace.

3. HEALTH AND SAFETY

Direct Components is committed to always ensuring the safe and responsible operation of its business. Direct Components expects its suppliers to demonstrate a similar regard for the health and safety of its employees and to users of any materials supplied to Direct Components.

Suppliers are expected to:

- As a minimum, comply with all applicable health and safety laws, regulations and standards, and any additional health and safety requirements stipulated by local laws and regulations as a condition of supply.
- Ensure a safe work environment, and minimize physical and chemical hazards through proper design, engineering and process controls, preventative maintenance, and safe work procedures.
- Provide employees with applicable appropriate personal protective equipment, and adequate training.

4. ENVIRONMENT

Direct Components believes that protecting the environment by minimizing its environmental impact will help to secure the long-term future of its business. Direct Components expects environmental protection to be a similar priority for its suppliers in all significant aspects of their activities.

Suppliers are expected to:

- As a minimum, comply with all applicable environmental laws, regulations, and standards, and maintain all required environmental permits and licenses.
- Control pollution, consume resources effectively and use materials that minimize the environmental impact of operations.
- Endeavour to reduce or eliminate solid waste, wastewater, and air emissions by implementing appropriate conservation measures in their production and facility processes.

5. ETHICS

Direct Components expects its suppliers to commit to the highest standards of ethical behavior when dealing with their employees, their own suppliers, and their customers.

Suppliers are expected to:

- Prohibit all forms of fraud, deception, corruption and extortion by their employees, officers, directors, or agents.
- Not partake in, facilitate, or assist in tax evasion in any form.
- Adhere to standards of fair business and competition.
- Accurately report information regarding their business activities and performance in accordance with all applicable laws and regulations.
- Respect intellectual property rights and safeguard third parties' confidential information.
- Access, collect, store and process personal data about individuals only in accordance with the laws of the country in which they operate.
- Uphold all internationally recognized human rights wherever their operations are based.
- Ensure their products do not incorporate "conflict minerals" (minerals mined in conditions of armed conflict and human rights abuses, and which are sold or traded by armed groups) and perform sufficient due diligence on their own supply chains to ensure that any materials sold to Direct Components containing tin, tantalum, tungsten, or gold are sourced from conflict-free smelters.

6. ANTI-CORRUPTION

Direct Components suppliers and their employees, as a minimum standard, comply with all anti-corruption laws that prohibit bribes, kickbacks, and other corrupt actions to obtain or retain business or obtain any improper advantage.

Suppliers must:

- As a minimum, comply with all applicable anti-corruption laws, with regard for the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act 1977, when conducting business with Direct Components.
- Not, directly, or indirectly, accept or offer any form of bribe, kickback, or other corrupt payment from or to any person or organization, including government agencies, private companies, and their respective employees.
- Ensure any gifts or hospitality offered to Direct Components employees are customary and reasonable in terms of value and frequency, and not intended to improperly influence a business decision or impair independence or judgment.
- Ensure any third parties who provide goods or services on their behalf always operate in accordance with these standards.

7. COMPLIANCE MANAGEMENT

Direct Components has implemented a Quality Management System, which facilitates compliance with applicable laws, regulations, and standards. Ensuring the principles of sustainable development in our supply chain is important to us.

Suppliers are expected to:

- Acknowledge the principles stated above or demonstrate their commitment via compliance with your own code of conduct or company policies that embrace these standards and comply with applicable laws and regulatory requirements.

Direct Components reserves the right to conduct audits or assessments to ensure compliance and will take appropriate steps regarding our relationship if there is a reason for concern. Direct Components reserves the right to discontinue any relationship for non-adherence to international principles, failure to correct violations, or displaying patterns of non-compliance with these standards.

8. REPORTING

Direct Components fosters a culture of ethical conduct through our core values & training. Everyone is given an opportunity to report any suspicions of serious improprieties or deviations from this Code of Business Ethics, Conduct, and Sustainability. This applies to all employees, partners, customers, & suppliers.

We encourage employees to first turn to their supervisors. If they feel they cannot openly report their information, they also have the opportunity to report suspicions to the Human Resources Department.

Others can raise ethics and compliance related concerns by reporting to our quality department at qc@directics.com.

Access to raised issues is tightly restricted, secure and, confidential. Thank you in advance for your continued commitment to conducting business with Direct Components.