

## Human Rights Policy

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**Ferguson plc** (including all of its subsidiaries worldwide, the “**Company**”) is committed to acting with integrity and in compliance with applicable laws and regulations in all its business dealings. The purpose of this Policy is to help ensure compliance with applicable U.K. and U.S. legal requirements that prohibit forced labor, child labor, or human trafficking related activities.

The Policy applies to all Ferguson **Associates** worldwide (full-time, part-time, interns and temporary), including all wholly owned subsidiaries. Compliance with this Policy is a condition of employment for all Associates. Failure to comply may result in disciplinary action, up to and including termination of employment.

### **POLICY PRINCIPLES**

#### UK Modern Slavery Act

Pursuant to the UK Modern Slavery Act, the Company will issue a UK Modern Slavery Act Statement annually that describes the steps the Company has taken during the most recent fiscal year to prevent slavery and human trafficking in our global supply chain. (See Appendix A for the most recent MSA Statement as of the effective date of this Policy.)

#### Supplier Code of Conduct

The Company will maintain (and periodically refresh) a Supplier Code of Conduct that requires that any human rights violations or human trafficking be reported to the Company, and that suppliers provide fair working conditions, hours and compensation, and prohibit child, forced or prison labor in their operations or supply chains. (See Appendix B for the most recent Supplier Code of Conduct as of the effective date of this Policy.) Should there be a violation of our Supplier Code of Conduct, the Company may terminate the relationship with the supplier. As a matter of general practice, the Company’s higher risk suppliers will be asked to sign the Supplier Code of Conduct or incorporate the Supplier Code of Conduct clauses into the supply contracts.

#### U.S. Prohibition of Human Trafficking, Forced Labor, and Child Labor

The Company and Associates must adhere to the laws and regulations described in Appendix C, U.S. Prohibition on Human Trafficking, Forced Labor, and Child Labor. Associates must know, understand, and comply with such requirements when the Company is (a) the U.S. importer of record for products, (b) when working under a contract made directly with the U.S. Federal Government, and/or (c) when working in connection with a contract with a customer or subcontractor in the U.S. Federal Government supply chain.

### **APPLICATION OF THIS POLICY**

Any conflict between this Policy and the laws of any country in which the Company operates shall be referred to the Group General Counsel.

The Board of Directors authorizes the Policy Owner (or delegate) to establish additional policies, procedures and guidelines (including updates to appendices) to help implement this Policy. Any exceptions to this Policy must be approved by the Group General Counsel (or delegate). All exceptions shall be documented in writing as a corporate record in compliance with the Company's Records Retention Policy.

## **GUIDANCE**

For questions regarding this policy, please contact your business group's Legal Business Partner or [Legal Compliance & Risk](#).

Associates having reason to believe that a violation of this Policy may have occurred are required to report the activity and have several methods of reporting perceived or suspected wrongdoing. Please raise your concerns to your Legal Business Partner or to [Legal Compliance & Risk](#). You may also report your concerns to the Ferguson Ethics Helpline. For information on how to report misconduct, including contact information for the [Ethics Helpline](#), please see the [Internal Reporting & Anti-Retaliation Policy](#), Appendix A and the Ferguson [Code of Conduct](#).

This Policy is owned and issued by the Group General Counsel.

Policy Category: Legal

Approved by the Ferguson plc Board of Directors: July 28, 2022

Issue Number 1

Previously Issued: N/A

# Appendix A

## UK Modern Slavery Act Statement

### UK MODERN SLAVERY ACT Statement for the financial year ending July 31, 2021

This statement is made pursuant to the UK Modern Slavery Act 2015, Section 54 (“MSA”), and describes the steps that Ferguson plc and its subsidiaries (collectively, “Ferguson”) have taken during the fiscal year ending July 31, 2021 to prevent slavery and human trafficking in our global supply chain.

#### **Overview**

Ferguson plc is the world’s leading specialist distributor of plumbing, heating (HVAC), and waterworks products serving residential, commercial, civil, and industrial customers in the Repair, Maintenance, and Improvement (“RMI”), industrial and waterworks markets. Our plumbing product category includes residential and commercial plumbing fixtures and pipe, appliances, lighting fixtures and fire protection products.

Ferguson principally operates in North America<sup>1</sup> through over 1,600 branches spread across the United States and Canada. We employ approximately 31,000 associates and supply over one million customers, primarily local tradespeople who operate within 20 miles of our branch locations.

Ferguson buys products from approximately 34,000 suppliers. Over 95% of the products sold in the United States are sourced from US-based suppliers. Over 91% of the products sold in Canada are sourced from Canada-based suppliers. Other countries where we principally source from include China, India, Taiwan, Thailand, Vietnam, and Italy.

Key areas of focus in FY’21 included the enhancement of due diligence activities performed on global suppliers by (a) strengthening our ethical audit mechanisms; and (b) incorporating additional ethical business conduct and anti-slavery components into our international product supplier onboarding process.

#### ***Ferguson’s Policies to Combat Modern Slavery***

##### *A. Our Workforce*

Ferguson holds itself to high standards of business integrity and ethical conduct. Committed to extending the principles of the UN Global Compact and Universal Declaration of Human Rights to our workforce, we have adopted policies to seek to foster a respectful environment where associates have a right to freedom of association and are treated humanely and free from harassment or discrimination in safe and secure workplaces.

These principles are embedded in Ferguson’s Code of Conduct, which applies to anyone who works on behalf of Ferguson and any agents, consultants, and contractors. The Code of Conduct was updated in FY20 and includes Ferguson’s commitment to protecting human rights and ensuring our suppliers adopt fair labor practices. Our associates, including those employed by our Asia-based sourcing subsidiaries, are trained on the Code of Conduct and are encouraged to “speak up” about any situation or condition believed to violate our fundamental employee welfare standards. Moreover, our Internal Reporting and Anti-Retaliation Policy and Ethics Helpline offer a confidential mechanism for associates (as well as other stakeholders in our supply chain) to report (anonymously, if requested) any incidents of unfair treatment – protected from retaliation by

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<sup>1</sup> This statement excludes the Wolseley UK business unit, which was sold in January 2021.

management. During this past fiscal year, no reports were received by Ferguson that involved a potential modern slavery or human trafficking incident at any Ferguson location.

Compliance to our policies is monitored via financial controls, internal audit, management oversight, security procedures and via the Ethics Helpline reporting. Corrective action for non-compliance with Ferguson policies depends on the severity of the situation and can range from counseling and training to termination of an associate's employment.

Of the more than 31,000 workers at Ferguson, less than 5% are supplier contracted workers and 2% are temporary employees. Mostly located in the United States, temporary employees fill numerous functions across the organization and contracted workers fill mainly IT, security, and financial functions.

### *B. Our Supply Chain*

Ferguson also holds our suppliers to high standards of ethical conduct and treatment of workers. Ferguson's Supplier Code of Conduct codifies our commitment to source from ethical suppliers to ensure the products we supply are safe, reliable, and manufactured by companies that share Ferguson's values of integrity and respect for the human dignity of workers. Our Supplier Code of Conduct specifically requires that any human rights violations or human trafficking is reported to Ferguson, and that suppliers provide fair working conditions, hours and compensation, and prohibit child, forced or prison labor in their operations or supply chains. Should there be a violation of our Supplier Code of Conduct, the relationship with the supplier may be terminated.

As a matter of general practice, higher risk suppliers (as determined by our Third-Party Risk Matrix described below) ("Higher Risk Suppliers") are asked to sign our Supplier Code of Conduct or we seek to incorporate the Supplier Code of Conduct clauses into supply contracts with them. By doing this, Ferguson seeks to ensure that our Higher Risk Suppliers are contractually obligated to provide fair working conditions, hours and compensation, and to prohibit child, forced or prison labor in their operations or supply chains. Among other terms, the Supplier Code of Conduct sets forth minimum standards of human rights and working conditions that are subject to on-site inspections and audits. Ferguson carries out periodic audits of Higher Risk Suppliers for compliance to Ferguson's standards of product quality, safety, labor practices (including human rights: modern slavery / trafficking / forced labor) and security.

Ferguson has achieved notable success during FY'21 to bring Higher Risk Suppliers of its regional operations under contractual human rights commitments. Over 1,100 suppliers have contractually pledged to abstain from use of child, forced, or involuntary labor in their operations (7% increase over FY'20). Approximately twenty four percent (24%) of these suppliers are in countries with a prevalence of modern slavery according to The Global Slavery Index<sup>1</sup>.

### ***Managing the Risks of Modern Slavery in Ferguson's Global Supply Chain***

Ferguson primarily sources manufactured goods from suppliers based in North America, where the risk of forced, involuntary, or child labor in manufacturing activities is relatively small. Thus, while we have included domestic suppliers in our modern slavery risk analysis, effective risk management calls for focused attention on our international suppliers. This year, we continued to deploy our risk assessment tool to prioritize our MSA compliance activities.

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<sup>1</sup> This statement is exclusive of Wolseley UK which was sold in January 2021.

Using extensive research published by human rights NGOs and the U.S. Department of Labor<sup>1</sup>, the tool employs three criteria:



Suppliers are rated using these criteria, with the level of engagement correlated to the supplier’s rating. For example, elements 1 and 2 above rate *countries* based on their risk for modern slavery or corruption and element 3 rates the *product* for risk of forced / child labor. Ferguson does not source any products that are linked to a higher risk for slavery, as determined by the U.S. Department of Labor. Therefore, application of this tool directs engagement to Higher Risk Suppliers located in countries known to be a higher risk for corruption or slavery, such as China or India. High priority engagement generally entails a review of the supplier’s employment practices, increased frequency of on-site monitoring and audits, the development of corrective action work plans (if/when needed), and capacity building activities to support the supplier’s adoption of specific anti-slavery controls. Prioritization of engagement with Higher Risk Suppliers helps to ensure the effective deployment of resources in our MSA compliance program.

**Ongoing Due Diligence and Monitoring of Suppliers**

Ferguson’s supplier due diligence program consists of three elements. First, corruption and adverse media screening is carried out, which includes checking for any adverse media that might link a Higher Risk Supplier to allegations of modern slavery. Second, site audits of production facilities are performed on our Own Brand suppliers and include a review of product quality, safety, ethical labor practices (including human rights: modern slavery / trafficking / forced labor) and security. And third, as set out above, we seek a contractual commitment to our ethical standards from our Higher Risk Suppliers. If a modern slavery incident were to be identified, Ferguson would complete additional due diligence requiring the supplier in question to complete a detailed questionnaire, provide evidence of their anti-slavery program or practices, and develop a corrective action plan to be tracked for completion and impact.

Ferguson screens new and existing Higher Risk Suppliers on an on-going monthly basis using a third-party software program for reports of modern slavery incidents (based on the level of risk, as described above). The monthly screens help to ensure that we capture any new information that might come to light. During FY’21, approximately 2,500 suppliers were screened.

Ferguson also has incorporated ethics and anti-slavery elements in our supplier audit methodologies. Our Ferguson Global quality associates (based in Asia) receive on-going audit training that includes modern slavery issues. In FY’21 we continued to develop the centralized auditing team’s capabilities through training and practical experience, which has further illuminated our understanding of our Asia-based suppliers’ operations beyond quality considerations. In addition, we are gradually expanding our audit team and recently added two third-party firms to list of our approved international compliance auditors.

Beyond on-site audits of potential new Higher Risk Suppliers, we also visit and re-audit our suppliers periodically based on risks associated with product assurance and our risk assessment tool described above. These additional touchpoints allow us to monitor our suppliers’ continued commitment to our Supplier Code of Conduct.

In FY21, our supplier risk assessment processes were formalized into a standard operating procedure and live training was provided to all sourcing associates. In addition, the MSA-related elements contained in our

<sup>1</sup> Sources relied upon in Ferguson’s assessment include Country Profiles in The Global Slavery Index; U.S. Department of Labor “List of Goods Produced by Child Labor or Forced Labor”; and Transparency International’s Corruption Perceptions Index.

supplier audit protocols were reviewed and updated to broadly cover working conditions, presence of child labor, working hours and wages, freedom of association, freedom to leave the worksite, worker retention of personal documents, and the ability of workers to evacuate the building under emergency situations. While the outbreak of the coronavirus temporarily suspended our ability to conduct on-site audits, they resumed once it was deemed safe for our associates to return to a normal on-site audit program.

In FY'21, this ongoing screening process identified no red flags of modern slavery incidents involving any of the screened suppliers and none of the FY'21 supplier audits identified any modern slavery or human trafficking risks or incidents.

### ***Effectiveness of Ferguson's Anti-Slavery Measures and Corrective Action Approach***

Our risk-based supplier due diligence and engagement is designed to ensure on-going interaction with Higher Risk Suppliers, which should assist us in monitoring their adoption of anti-slavery controls. To date, our due diligence program assessments have not identified any modern slavery or human trafficking risks or incidents. We assess our progress based on increases in audit capacity and results and with the increased adoption of our Supplier Code of Conduct by our Higher Risk Suppliers.

We also continue to monitor best practices as they develop in sectors relevant to our business, consulting with external stakeholders as appropriate to help strengthen our efforts. We are members of CSRBoard.org, and Boston College Center for Corporate Citizenship. These groups provide resources and guidance regarding detecting and eliminating human rights abuses both throughout the business and in the supply chain.

If confirmed cases of modern slavery or human trafficking were found within any of our contracted suppliers, we would take immediate action to notify appropriate authorities and work with the supplier to understand the situation. We would work with the supplier to ensure that corrective actions were implemented to help any affected employees and to seek to and prevent further harm. Unwillingness of the supplier to cooperate and implement improvements could result in termination of their contract and selection of an alternate source.

### ***Building Upon Our Progress***

Ferguson remains steadfast in our commitment to help combat modern slavery. We will continue to monitor compliance with our internal policies to help us identify and address modern slavery risks in our own business and to engage with our suppliers in an effort to identify and mitigate modern slavery risks in our supply chains. In the coming year, we will continue to require Higher Risk Suppliers to sign our Supplier Code of Conduct or seek to incorporate our Supplier Code of Conduct clauses into their contracts, and will provide further modern slavery-related training to our audit teams to help ensure that modern slavery risks in our supply chain can be identified and mitigated effectively.

By working with our suppliers to identify and address any modern slavery risks, they will know that the humane treatment of their workers is just as important as the quality of goods supplied to Ferguson.

*This statement is made on behalf of all subsidiaries of Ferguson plc pursuant to section 54(1) of the Modern Slavery Act. It has been approved by the Ferguson plc Board of Directors and signed on its behalf by:*

Kevin Murphy  
**Chief Executive Officer**

## Appendix B

# Supplier Code of Conduct



### Supplier Code of Conduct

This Supplier Code of Conduct (“SCOC”) is directed at any entity within the Supplier’s group of companies and its subcontractors and agents (together, the “Supplier Group” and individually, “Supplier”) who manufacture Goods for or is a supplier to Ferguson plc or any of its subsidiary companies (together, the “Ferguson Group” and individually, “Ferguson”). The Supplier Group accepts and confirms the validity of this SCOC with respect to the manufacture of any Goods offered to the Ferguson Group.

If, at its sole discretion, Ferguson determines that credible evidence exists that Supplier has or may have violated this SCOC and/or gives incorrect, wrong or false information to Ferguson or the Ferguson Group, Ferguson may - without notice – cancel any order and reject receiving Goods from Supplier and/or return any Goods in stock – and demand full compensation from Supplier or the Supplier Group, and may terminate its business relationship with Supplier on notice effective immediately, or may require, as a condition of continuing to do business with Ferguson, Supplier to remediate through policy development, training, recertification or such other steps as Ferguson deems appropriate.

Once a year, upon request from Ferguson, Supplier shall complete an agreement form confirming Supplier’s and the Supplier Group’s compliance with this SCOC.

#### General Terms

Supplier’s business activities must comply with all the relevant and applicable laws and regulations, including those concerning Supplier’s employees and their welfare and safety and the working environment, in order to do business with Ferguson.

#### Social Responsibility – Human Rights and Labour Standards

Supplier supports and wishes to comply with the United Nations Universal Declaration of Human Rights and Modern Slavery Act 2015.

Supplier shall adhere to the following:

1. Supplier shall treat its employees with respect and dignity.
2. Supplier must not discriminate on the basis of race, color, ethnicity, nationality, religion, gender, age, sexual orientation, marital status, pregnancy, veteran status or a disability that does not prevent the individual from performing essential duties of employment.
3. Employment with Supplier must be voluntary. Supplier must not use any form of forced, bonded, indentured, trafficked, involuntary or slave labour.
4. Supplier shall at all times be able to verify the age of an employee.
  - a. Supplier shall not use persons at an age younger than 15 in production or anywhere else in the business.
  - b. Use of child labour is prohibited. The definition of a “child” is based on ILO’s (International Labour Organization) Convention no. 138 and ILO’s Recommendation no. 146 (Minimum Age and Recommendation), which state that a child is a person at an age younger than 15 unless national law stipulates an age greater than that or requires completion of compulsory education. Supplier shall treat minor employees in compliance with all applicable national and local regulations.

5. Supplier shall comply with applicable laws and industry standards on working hours including overtime. Working hours must be planned in such a way that the employee can plan his/her own leisure time.
6. Supplier shall comply with current law concerning wages. The wages must meet the industry minimum standards of the specific country. Withholding wages must not be used as a disciplinary measure.
7. Supplier acknowledges the right of its employees to join legal associations and unionisation.
8. Accommodation, if provided, should be clearly segregated from the factory or production area.

#### **The Working Environment**

The Supplier shall treat its employees with respect and dignity and ensure a healthy and safe working environment where the sources of noise and air pollution are under control.

The Supplier shall adhere to the following:

1. Supplier's factory facilities must be well-maintained and kept in clean condition.
2. Supplier's employees will be protected against noise, air pollution, etc. by mandatory use of protective equipment against injuries to hearing, eyesight, respiratory passages, etc. Supplier's safety measures shall at a minimum require use of appropriate protective equipment for jobs that require exposure to hazardous work conditions and procedures for handling serious accidents that require treatment outside Supplier's premises.
3. Supplier shall ensure that passages, stairways and exits are unobstructed and the main exits are unlocked to facilitate emergency evacuation by its employees.
4. Supplier shall have procedures for handling of serious accidents that may require medical treatment outside of the Supplier's premises.
5. Supplier's employees shall not be subject to any physical, psychological or sexual harassment, punishment or abuse.
6. Supplier's employees shall have reasonable and acceptable access to drinking water and toilet facilities. Sanitary conditions should be satisfactory and kept clean.

#### **The External Environment**

The Supplier shall comply with applicable national laws and regulations for protecting the environment.

#### **Anti-Bribery and Corrupt Acts**

Supplier must not engage in any form of corrupt practices, including without limitation, extortion, fraud, false declarations, bribery, or money laundering.

Supplier must prohibit its employees, subcontractors, or others operating under Supplier's control from offering or accepting any cash payment, gift (other than promotional items or gifts of nominal value) or gratuity to or from any employee, subcontractor, or agent of Ferguson to secure an improper advantage or inappropriately influence the recipient, including but not limited to influencing the outcome of any audits and/or site inspection visits conducted by or on behalf of Ferguson. In addition, Supplier shall not pay for travel (public transportation, including airfare, hotel, etc.) or entertainment for any Ferguson associates or agents who are conducting an audit or site inspection visit of Supplier, nor provide meals unless provided on-site or due to limited dining option availability, in which case Ferguson may reimburse Supplier for such meal expense.

Supplier shall report to Ferguson any solicitation or acceptance by a Ferguson employee or agent of a cash payment, gift or gratuity from an employee or agent of Supplier in violation of this SCOC.

### Supply Chain Security and Transparency

Supplier must have in place security measures to prevent unauthorized items from being introduced into shipments destined for Ferguson Group or its customers. Ferguson expects its product Suppliers to have written procedures for container inspection and seal security, physical security, access controls, personnel security, information security, and training.

Supplier must ensure that all merchandise is accurately marked or labeled with the country of origin in compliance with the laws of the country of manufacture and in compliance with the laws of the country of import for all orders by Ferguson being exported from the country of manufacture. Supplier must respond promptly to Ferguson requests for country of origin certifications or declarations and ensure that any such documents are accurate and complete and that all records substantiating the origins are maintained and available.

Supplier shall provide information requested by Ferguson related to the use of conflict minerals, as defined by Section 1502 of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act, in products supplied to Ferguson.

Supplier shall provide information requested by Ferguson related to the use of wood (timber) materials, as defined by the United States Lacey Act, in wood-based products supplied to Ferguson.

### Monitoring and Compliance

The Ferguson Group, by itself or with the assistance of a third party, may take affirmative measures to ensure compliance with this SCOC. Such measures may include, but are not limited to, on-site inspections, audits, and requests for information. Supplier must maintain all documents to demonstrate compliance with this SCOC and agrees to cooperate with all such processes.

If Supplier becomes aware of any violation of this SCOC, Supplier should report such concerns to the [Ferguson Ethics Helpline](#). Ferguson's Ethics Helpline is a third-party administered hotline in which individuals can report suspected violations of law, Ferguson's Code of Conduct and corporate policies anonymously. If Supplier has any trouble accessing the Ethics Helpline, alternatively, concerns could be reported by sending an email to: [ethics@ferguson.com](mailto:ethics@ferguson.com).

**BY SIGNING BELOW, SUPPLIER HEREBY ACKNOWLEDGES ITS UNDERSTANDING OF THIS SUPPLIER CODE OF CONDUCT AND AGREES TO ABIDE BY ITS STANDARDS.**

**Supplier Name:**

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:**

## Appendix C

# U.S. Prohibition on Human Trafficking, Forced Labor, and Child Labor

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The U.S. Federal Government imposes several penalties for human-trafficking, forced labor, and child labor violations. U.S. Federal regulations seek to prevent U.S. Federal contractors, employees, agents, product vendors, and subcontractors from engaging in human-trafficking activities by requiring contractors to: (1) inform their employees, agents, and subcontractors of the human- trafficking, forced labor, and child labor prohibitions, (2) report and act on “credible information” suggesting a violation has occurred, and (3) implement a compliance plan and monitor compliance, when required. In addition, U.S. Federal regulations prohibit the importation of goods produced or manufactured wholly or in part by convict, forced, indentured or child labor.

### A. Definitions

**Agent** (for purposes of this Appendix) means any individual, including a director, an officer, an associate, or an independent contractor, authorized to act on behalf of the Company.

**Child Labor** means any work or service that is:

(1) Exacted from any person under the age of 18 under the menace of penalty for its non-performance and for which the worker does not offer himself voluntarily; or (2) Performed by any person under the age of 18 pursuant to a contract the enforcement of which can be accomplished by process or penalties.

**Commercial sex act** means any sex act on account of which anything of value is given to or received by any person.

**Contracting Officer** means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings.

**Forced Labor** means knowingly providing or obtaining the labor or services of a person—

- By threats of serious harm to, or physical restraint against, that person or another person;
- By means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint; or
- By means of the abuse or threatened abuse of law or the legal process.
- A worker can be considered to be in forced labor even if his or her consent was given, if that consent was obtained through the use of force, abduction, fraud, deception, or the abuse of power or a position of vulnerability, or if the consent has been revoked.

**Severe forms of trafficking in persons** means:

(1) Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or (2) The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

**Recruitment Fees** includes, but is not limited to, fees, charges, costs, assessments, or other financial obligations assessed against employees or potential employees, associated with the recruiting process for:

- soliciting, identifying, interviewing, transferring, or training employees or potential employees;
- covering the cost of advertising;
- processing petitions;
- visas, including appointment and application fees;
- government-mandated costs, including border crossing fees;
- procuring photographs and identity documentation;
- facilitating a condition of access to the job opportunity, such as medical examinations, immunizations, security clearance checks;
- compensating an employer's recruiters, agents, or attorneys; or
- hiring language interpreters or translators.

Additionally, a fee qualifies as a recruitment fee regardless of whether it is collected by the employer or a third party, including (but not limited to) agents, recruiters, and subcontractors.

**Subcontractor** means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime contractor or another subcontractor, as defined by FAR 22.1702.

**Product Vendor** (for purposes of this Appendix) is a vendor to the Company that supplies products that (a) the Company offers to customers through its various sales channels, including the sourcing of own brand, commodity, pipe/valves/fittings (PVF), or other trade goods, and/or (b) the Company uses for its own internal use.

**US Human Trafficking, Forced Labor and Child Labor laws** means the US Trafficking Victims Protection Act (Pub. L 106-386) (2000); Title XVII of the National Defense Authorization Act (NDAA) for FY 2013; the Federal Acquisition Regulation (FAR) Subparts 22.15 and 22.17, FAR 52.222-50 (2021), FAR 52.222-56 (2020), FAR 52.222-18 (2021) and FAR 52.222-19 (2022); the Defense Federal Acquisition Regulation Supplement (DFARS) 252.225-7040 (2015), and DFARS 252.203-7004 (2019); 19 U.S.C. 1307, The Trade Facilitation and Trade Enforcement Act of 2015, Uyghur Forced Labor Prevention Act, and other applicable civil and criminal laws and regulations.

## **B. Prohibited Activities**

While it is not possible to develop a comprehensive list of every situation, relationship, and activity, below are examples of prohibited activities:

1. engaging in any and all forms of human trafficking;
2. importing goods produced or manufactured wholly or in part by convict, forced, indentured or child labor
3. procuring commercial sex acts (even if permitted under the laws of the local jurisdiction);
4. using forced labor;
5. destroying, concealing, confiscating, or otherwise denying an associate access to the associate's identity or immigration documents, such as passports or drivers' licenses;
6. using misleading or fraudulent recruiting practices;

7. using recruiters that do not comply with local labor laws in the country where the recruiting takes place;
8. charging associates or potential associates recruitment fees;
9. failing to provide return transportation for an associate who is not a national of the country where the work is taking place and the associate has been brought into the that country for the purpose of working on a U.S. Federal Government contract or subcontract;
10. providing or arranging housing for an associate that fails to meet the host country housing and safety standards;
11. limiting movement or freedom of communication or isolating the worker
12. withholding or delaying of payment of wages
13. failing to provide an employment contract or recruitment agreement, if required by law or contract; and
14. recruiting, harboring, transporting, provisioning, or obtaining of a person for labor or services through the use of force, fraud, coercion, involuntary servitude, or debt bondage during contract performance.

### **C. Associate Responsibility**

Associates are responsible for immediately notifying their customer group or function's Legal Business Partner or [Legal Compliance & Risk](#) when encountering any of the above situations when working in connection with a contract directly with the U.S. Federal Government or when working in connection with a contract with a customer or subcontractor in the U.S. Federal Government supply chain. Associates may also report concerns to the Company's [Ethics Helpline](#).

### **D. Company Responsibility**

In addition to prohibiting the activities and behaviors listed above, the Company shall:

1. Inform its Associates and agents of all legal requirements related to the prohibition of human trafficking, forced labor, or child labor and related penalties;
2. Protect Associates suspected of being victims of or witnesses to prohibited human trafficking, forced labor, or child labor activities, and shall not prevent or hinder the ability of these Associates from cooperating fully with government authorities;
3. Take appropriate disciplinary action, up to and including termination, against Associates, subcontractors, and agents that engage in human-trafficking, forced labor, or child labor activities;
4. Inform the U.S. Federal Contracting Officer and agency Inspector General, and, if appropriate, law enforcement of any credible information it receives regarding a human trafficking, forced labor, or child labor violation and any action taken in response to the violation; and
5. Fully cooperate with government investigations, including providing timely and complete responses to government requests, sufficient information, and reasonable access to its facilities and staff.

If Combatting Human Trafficking and Forced Labor-related FAR clauses (including but not limited to 52.222-50 and 52.222-18) are included in a Company contract or subcontract, those clauses must be included in subcontracts with vendors and/or subcontractors from whom we procure supplies or services directly pursuant to a U.S. Federal Government contract or a subcontract with a Federal government contractor.