



CSW
INDUSTRIALS

2023

Business Partner Code of Conduct



Integrity

Respect

Excellence

Stewardship

Citizenship

Accountability

Teamwork



BUSINESS PARTNER CODE OF CONDUCT

I. INTRODUCTION

CSW Industrials, Inc. (including all of its global subsidiaries, “CSWI”) is committed to conducting business according to the highest ethical standards and believes that a strong relationship with our business partners¹ is the key to ensuring CSWI's success.

This Business Partner Code of Conduct (this “Code”) was created to communicate our expectations to our business partners and establishes the minimum standards that business partners are expected to meet regarding ethical business practices, treatment of workers, workplace safety and environmental impact of business partner activities.

To all CSWI business partners:

We are proud of the strong culture we have built at CSWI, which has at its foundation our core values of: Integrity, Respect, Excellence, Stewardship, Citizenship, Accountability and Teamwork. Preserving and strengthening our culture remains a top priority, and we have a responsibility to all our stakeholders and each other to live out these values every day.

Our internal Code of Business Conduct represents our shared commitment to living out these core values with the highest level of ethical conduct. This guiding principle applies not only to our employees, but extends to our business partners and their employees. Accordingly, this Business Partner Code of Conduct is designed to help us meet the highest ethical standards possible.

It is the responsibility of our business partners to implement management systems that (1) ensure compliance with this Code and all applicable local, state, federal, and international laws and regulations, including but not limited to the labor and employment, health and safety, and environmental laws and regulations of the region where they operate; (2) mitigate related operational risks; and (3) facilitate continuous improvement.

Creating a mutual understanding of CSWI's core values and beliefs and ensuring consistent compliance with these values and beliefs, as well as applicable legal requirements is the underlying foundation of this Code.

Thank you for contributing to the legacy of integrity we enjoy at CSWI.

Sincerely,

CSWI Senior Management

II. COMPLIANCE WITH LAWS GENERALLY

Where this Code requires a business partner to meet a higher standard than set out by applicable law, the business partner should endeavor to meet such higher standard and will notify CSWI if it unable to do so. CSWI expects its business partners to maintain systems and controls to promote compliance with applicable laws and the principles set forth in this Code, including policies, training, monitoring and auditing mechanisms. Business partners should also apply these or similar principles to any subcontractors they work with that have a hand in the business relationship between the business partner and CSWI.

We have included a list of recognized laws, regulations, rules and other recognized standards at the end of this Code for reference. This is not an exhaustive list, and CSWI expects each business partner to be fully aware of the laws, regulations, rules and standards that apply to its business operations.

¹ For purposes of this Code, the term “business partners” refers to CSWI's customers, manufacturers, supplier, distributors, vendors, independent contractors and other third parties with whom it conducts business.

III. ETHICS, LEGAL REQUIREMENTS AND BUSINESS INTEGRITY

Commensurate with CSWI's internal Code of Business Conduct, CSWI expects its business partners to conduct their business as CSWI strives to conduct its business: ethically in all aspects of their business, practices, operations and relationships, and in compliance with all laws, rules and regulations applicable to their country of operation and wherever CSWI operates. CSWI holds all of its business partners to the highest ethical standards. Business partners may not engage in bribery, embezzlement, extortion or other corrupt practices.

CSWI expects its business partners to:

Conflicts of Interest: (a) exercise sound judgment and avoid engaging in any activities that would create an actual, potential and apparent conflict of interest regarding their duties, interests and obligations to CSWI; (b) base their business decisions and actions wholly on the best interests of CSWI and not be motivated by personal considerations or relationships; (c) disclose if they are either a relative of, or in a close relationship with, a member of CSWI's Board of Directors or senior management; and (d) immediately notify CSWI if any conflicts of interest arise.

Anti-Bribery and Anti-Corruption: (a) never engage in any form of commercial bribery or otherwise offer any incentive to any CSWI employee (or the employee's family or friends) in order to obtain or retain CSWI business; (b) never engage in any kind of bribery or kickbacks, including promising, offering, providing, or authorizing anything of value to a government official or political entity to gain an unfair business advantage; and (c) comply with all foreign and domestic anticorruption laws, including, but not limited to, the US Foreign Corrupt Practices Act and the UK Bribery Act.

Fair Competition, Fair Dealing and Antitrust: (a) comply with all applicable laws regarding fair competition and antitrust in the jurisdictions in which they operate; (b) deal fairly with CSWI and their employees, competitors and other business partners; and (c) never take advantage of anyone or try to obtain competitive advantages through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair or illegal dealing practice.

Gifts and Entertainment: (a) never offer or accept anything of value to obtain unfair business advantages; and (b) ensure that any gifts or entertainment² comply with both applicable laws and regulations and CSWI's policies.

International Trade and Sanctioned Parties: (a) comply with all applicable laws governing international trade, including import/export control regulations; (b) provide CSWI with documentation necessary for CSWI to comply with these applicable laws; (c) maintain practices and procedures to ensure compliance of their 3rd party contractors with these applicable laws; (d) refrain from using any provider of services or equipment, engage in commercial activity or otherwise conduct business with any person or entity which (X) is located in any country subject to United Nations, US or EU economic sanctions (or acting on behalf of persons or entities located in such countries); or (Y) appears on lists of restricted or prohibited persons maintained by the United Nations, US, EU or other applicable local government; and (e) maintain appropriate procedures to screen the individuals and entities they engage with, the commercial transactions they carry out and other business operations, including locations thereof (i.e., ship to addresses) to ensure compliance with this requirement.

Conflict Minerals Sourcing: (a) commit to abide by all applicable laws related conflict minerals³; (b) source conflict minerals only in compliance with applicable laws (including any bona fide compliance verification or assessment protocols); (c) refrain from sourcing any conflict minerals from the Democratic Republic of the Congo, the adjoining countries or any other location that from time to time is identified by applicable governmental authorities as an area of armed conflict where the illicit trading of conflict minerals is used directly or indirectly to finance the conflict or otherwise benefit armed groups in these identified areas; (d) agree to provide all necessary information requested by CSWI to enable CSWI to complete its reasonable country of origin inquiries and due diligence with respect to conflict minerals; and (e) meet the conflict reporting requirements as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Securities and Exchange Commission.

Accurate Accounting and Business Records and Money Laundering: (a) accurately record and disclose information regarding their business activities, without falsification or misrepresentation, to all appropriate parties and as required by law; (b) maintain accurate and up-to-date business and financial books, records and statements to demonstrate compliance with applicable laws and to evidence all matters related to their business with CSWI; (c) never engage in any form of money laundering; (d) never knowingly accept funds acquired through illicit means; and (e) provide CSWI copies of their relevant accounting and business records upon request.

Confidential and Proprietary Information and Privacy: (a) protect and hold CSWI's confidential and proprietary information in strict confidence using in any case, the same degree of care used to protect their own confidential and proprietary information of a like nature, which in no event will be less than a reasonable degree of care; (b) take all reasonable steps necessary to protect CSWI's confidential and proprietary information from unauthorized and/or inadvertent disclosure, misuse, theft, fraud or improper use; (c) never disclose CSWI's confidential and

² The term "gifts and entertainment" includes anything of value, such as loans, prizes, meals, tickets, or gift certificates.

³ The term "conflict minerals" include tin, tantalum, tungsten, gold, and other metals or minerals as well as any derivatives thereof that have been identified as such by applicable governmental authorities.

proprietary information unless given written permission from CSWI; (d) comply with all applicable laws related to data privacy and the protection of sensitive information, including personal and protected health information; and (e) take all due care in handling, discussing or transmitting sensitive or confidential information that could affect CSWI, its employees, its other business partners, the business community or the general public.

Intellectual Property: (a) respect CSWI's intellectual property rights, including processes, information, technology, and customer information; and (b) take all reasonable efforts and necessary precautions to safeguard their knowledge and protect CSWI's intellectual property rights.

Financial Analysts, Media, Non-Disparagement and Insider Trading: (a) comply with all securities laws and regulations with respect to fair disclosure and insider trading; (b) never provide CSWI's confidential and proprietary information to financial analysts outside of CSWI; (c) refrain from responding to media inquiries (including blogs or any other Internet forum) that relate to CSWI, its operations, employees or other business partners; (d) refer any analysts or media inquiries to CSWI's designated spokesperson; (e) never not directly or indirectly issue or communicate any public statement, or statement likely to become public, that maligns, denigrates or disparages CSWI or its directors, executives, employees or other business partners; and (f) never purchase, sell or trade CSWI's securities if they are in possession or aware of non-public material information⁴ about CSWI.

Anonymous Complaints and Whistleblower Protection: (a) maintain an anonymous complaint system for managers and workers to report workplace complaints; and (b) protect whistleblower confidentiality and prohibit retaliation.

IV. HUMAN RIGHTS AND LABOR

CSWI adopted a Human Rights Policy to formalize its commitment to respecting internationally recognized human rights principles aimed at promoting and protecting human rights in all of the countries in which we operate. This Code is rooted in this commitment. CSWI expects all business partners to commit to human rights and honor this highest standard when applicable laws and regulations differ. Furthermore, CSWI is committed to providing equal employment opportunities and complying with fair employment practices and appropriate workplace conduct. Business partners are required to follow all general workplace standards and must comply with all applicable laws and regulations, including those that relate to labor, wage, working hours, discriminatory hiring and employment practices and health and safety. This commitment establishes and ensures a safe working environment for all employees.

CSWI expects its business partners to:

Terms of Employment and Appropriate Work Practices: (a) provide their employees an environment respectful of human dignity and their fundamental rights; and (b) ensure their employees have the right to freedom of movement and freedom to terminate their employment without restriction or the threat or imposition of any discipline, retaliation or other penalty.

Appropriate Work Hours, Wages and Benefits: (a) comply with all applicable laws regarding work hours, overtime, paid or unpaid leave, rest and lunch breaks, as well as all applicable laws on compensation and benefits including minimum wages and mandated benefits in any jurisdiction where they and CSWI operates; (b) never require any employee to work additional hours to earn minimum wage for a day's work; and (c) maintain appropriate systems to track and document their compliance with these requirements.

No Forced and Compulsory Labor: ensure that all work is on a voluntary basis and may not use or tolerate the use of any illegal form of forced, compelled or involuntary labor, including trafficked, bonded, slave, indentured or prison labor.

No Child Labor: (a) never use child labor and will comply with all applicable child labor laws to ensure all employees are of at least the legal age established by working age laws of their and CSWI's country of operation (if the local law does not set a minimum age, employees must be at least 16 years of age); and (b) maintain official and verifiable documentation of each of their employees' ages to ensure compliance.

No Discrimination, Harassment or Abuse: (a) comply with all applicable employment discrimination laws; (b) neither engage in hiring, compensation, training, advancement or promotion, termination, retirement, or any other employment practice nor tolerate any discriminatory conduct against any person on any basis, including age, race, color, national origin, gender, gender identity, sexual orientation, military status, veteran status, nationality, political opinion, religion, marital status, pregnancy status, disability, HIV/AIDS status, trade union membership, or any other personal characteristic or any other class protected by law; (c) comply with all applicable laws on harassment and abuse of employees; and (d) prohibit all types of harassment including, but not limited to psychological, verbal, sexual or physical harassment or any other form of abuse. CSWI favors business partners who nurture and sustain an inclusive and diverse environment.

Freedom of Association and Collective Bargaining: recognize, respect and protect employees' lawful right of free association, including their right to join (or not) or form a labor or trade union and engage in collective bargaining without fear of retaliation.

⁴ The term "non-public material information" means information which is not available to the general public and which could influence an investor to buy, sell, or hold securities.

Immigration: (a) comply with applicable immigration laws and regulations in any jurisdiction where they and CSWI operate; and (b) only employ workers with a legal right to work in the relevant location.

No Substance Abuse: maintain a workplace free from the illegal use, possession, sale, or distribution of controlled substances.

Subcontractors / 3rd Party Employment Agencies: (a) inform CSWI of all subcontractors engaged by them partners to perform any of their obligations with respect to CSWI's business arrangements; (b) be responsible for educating and training their subcontractors and ensuring they are compliant with the provisions of this Code and all applicable laws and regulations; and (c) particularly, with respect to business partners who are third-party employment agencies, consistently promote fair and ethical recruitment and employment practices, due to their role in the marketplace and the nature of their business sourcing candidates and assisting jobseekers.

V. ENVIRONMENTAL, HEALTH AND SAFETY

CSWI adopted an Environmental, Health & Safety Policy to formalize its commitment to operating its facilities in compliance with all applicable environmental, health and safety ("EHS") laws and regulations as a minimum acceptable standard, while at the same time striving to achieve best industry practices for the benefit of the health and safety of its employees, surrounding communities, and the environment. This commitment includes sustainability efforts for the efficient use of resources. CSWI expects its business partners to not only comply with all applicable EHS requirements wherever they operate, but to also be committed to improving their EHS performance to ensure employees have a healthy and safe workplace, including access to clean and reasonable working conditions.

CSWI expects its business partners to:

Occupational Safety: (a) comply with all applicable workplace occupational, health and safety laws; (b) provide a safe, healthy and sanitary working environment for their employees, including appropriate controls, health and safety inspections, equipment maintenance, training, personal protective equipment, and work procedures and safeguards to prevent workplace hazards and work-related accidents and injuries, as well as protect workers from exposure to chemical, biological, and physical hazards, in addition to on-site accidents; and (c) ensure their facilities comply with applicable building codes, construction, zoning and use permits, and industry design and construction standards.

Emergency Prevention, Preparedness and Response: (a) identify and assess potential emergency situations in the workplace; (b) maintain emergency plans and response procedures, including but not limited to fire alarms, fire drills, exit facilitates, fire detection and suppression equipment and recovery plans to minimize harm to life and property; (c) maintain a program to prepare for, prevent, and respond to the potential of an infectious disease outbreak among their employees; and (d) regularly test their methods for prevention, preparedness and response to ensure that they are in working order.

Incident Management: (a) maintain procedures to prevent, manage, track and report employee safety incidents; and (b) implement corrective action plans to mitigate risks, provide necessary medical treatment and facilitate employees' return to work.

Housing Facilities: (a) meet CSWI's standards when providing housing facilities to employees; (b) comply with legal requirements for the amount of living space in sleeping quarters, clean toilet facilities, potable water and sanitary food preparation and eating facilities; and (c) maintain living spaces separated by gender and distinct from factory/production areas.

Sustainability: (a) apply a continuous improvement approach to enhance their environmental performance and reduce their environmental footprint; (b) adopt efforts for the efficient use of resources; and (c) follow all applicable laws and regulations regarding environmental practices. CSWI will favor business partners who seek ways to minimize the use of nonrenewable resources, use all resources more efficiently and minimize the environmental impact of their operations.

Hazardous and Toxic Materials: (a) maintain systems to ensure the safe handling, movement, storage, and disposal of hazardous and toxic materials; and (b) train employees on how to handle hazardous material.

Wastewater and Solid Waste Emissions: (a) monitor, treat, control, manage, and properly dispose of wastewater and solid waste; and (b) comply with all applicable waste management laws and regulations.

Air Emissions: (a) identify, manage, reduce, and properly dispose of air emissions that pose a hazard to the environment; and (b) conduct routine monitoring of the performance of their air emission control systems.

Pollution Prevention: (a) strive to reduce consumption of resources, including raw materials, energy and water; and (b) implement improvement plans for waste reduction, recycling and energy conservation policies and seek ways to use cleaner sources of energy.

Permits and Reporting: (a) maintain all required environmental permits; and (b) comply with the reporting requirements of applicable permits and regulations.

VI. REPORTING VIOLATIONS AND MISCONDUCT

Business partners who believe that a CSWI employee or anyone acting on behalf of CSWI has engaged in illegal or otherwise improper conduct with respect to their business with the business partner should report the matter to CSWI. Business partners should also report any potential violation of this Code.

Reports may be made through the CSWI Ethics Hotline online at cswi.ethicspoint.com or by calling 1-844-932-1018. CSWI prohibits all forms of retaliation against business partners who in good faith report dishonest/illegal business activities or potential misconduct.

VII. AUDIT, COMPLIANCE AND CORRECTIVE ACTION

The fundamentals set forth in this Code form a part of CSWI's global ethics and compliance program and operate as important tools to monitor the impact that CSWI's business has on social and environmental issues. Business partners' adherence to this Code is essential. CSWI will not only use these guiding principles as part of its initial due diligence process to determine the business partner's eligibility, but CSWI also reserves the right to audit business partners at any time to ensure compliance with the standards in this Code. This includes the right to inspect a business partner's factories and other operations.

CSWI expects its business partners to (a) maintain processes that identify risks in all areas addressed in this Code; (b) assess the significance of each risk; and (c) implement appropriate procedures and controls to minimize the identified risks. Furthermore, CSWI not only requires business partners to outline performance objectives and implementation plans, including assessments of performance against those specified objectives, but also expects them to maintain documentation to verify compliance with this Code and applicable laws and regulations as well as communicate their continued compliance with this Code when requested.

CSWI will monitor business partners' performance against this Code as deemed necessary and encourages business partners to periodically assess themselves and their respective business partners for continued compliance. If a violation of this Code is detected, CSWI will attempt to work with the business partner to develop the appropriate action plan to correct the situation. If a business partner (a) does not develop a remediation plan; (b) fails to implement its remediation plan; or (c) denies CSWI permission to conduct an audit, CSWI may, depending on the severity of the situation, and in its sole discretion, terminate the business relationship or preclude the business partner from consideration of future business. Business partners that demonstrate continued compliance with this Code, as well as additional dedication to improving the sustainability of their operations, will positively distinguish themselves from their competition.

VIII. ACKNOWLEDGMENT

The business partner named below, hereby certifies that it:

1. has read and understands its obligations as set forth in the Code;
2. acknowledges the importance of the Code to the proper conduct of business for and with CSWI;
3. has reported (if applicable), and will continue to report as required, any conflicts of interest as described in the Code;
4. understands that it has a shared duty to prevent, correct and, if necessary, report suspected Code violations; and
5. is in compliance with the Code and commits to conducting itself in accordance with the Code at all times.

Please fill in the blanks, execute, and send a copy of the signed Acknowledgement (this page only) to your business contact at CSWI.

Business Partner's Name

Authorized Representative's Signature

Authorized Representative's Name

Authorized Representative's Title

Date (mm/dd/yyyy)

IX. REFERENCES

- Australian Modern Slavery Act 2018 <https://www.legislation.gov.au/Details/C2018A00153>
- California Transparency in Supply Chains Act of 2010 https://oag.ca.gov/sites/all/files/agweb/pdfs/cybersafety/sb_657_bill_ch556.pdf
- Convention on the Rights of the Child (UN 1989) <http://www.un-documents.net/crc.htm>
- International Labour Standards (ILO) <http://www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm.ilo.org> and <http://www.ilo.org/dyn/normlex/en/f?p=1000:12000::NO::>
- Forced Labour Convention (ILO 1930, No. 29) http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312174:NO
- Freedom of Association and Protection of the Right to Organise (ILO 1948, No. 87) http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312232:NO
- Right to Organise and Collective Bargain Convention (ILO 1949, No. 98) http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312243:NO
- Equal Remuneration Convention (ILO 1951, No. 100) http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312245:NO
- Abolition of Forced Labour Conventions (ILO 1957, No. 105) http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312250:NO
- Discrimination (Employment and Occupation) Convention (ILO 1958, No. 111) http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312256:NO
- Minimum Age Convention (ILO 1973, No. 138) http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312283:NO
- Worst Forms of Child Labour Conventions (ILO 1999, No. 182) http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312327:NO
- ILO Declaration on Fundamental Principles and Rights at Work (ILO 1998) <http://www.ilo.org/declaration/thedeclaration/textdeclaration/lang--en/index.htm>
- The Johannesburg UN World Summit on Sustainable Development (UN 2002) <http://www.un-documents.net/jburgdec.htm>
- Occupational Safety and Health Convention (ILO 1981, No. 155) http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312300
- OECD Guidelines for Multinational Enterprises <http://www.oecd.org>
- The EU Eco-Management and Audit Scheme (EMAS) http://ec.europa.eu/environment/emas/index_en.htm
- The Rio Declaration on Environment and Development (UN 1992) <http://www.un-documents.net/rio-dec.htm>
- The SA8000® Standard <https://sa-intl.org/programs/sa8000/>
- The Ten Principles of the United Nations Global Compact (UN 2000) <https://www.unglobalcompact.org/what-is-gc/mission/principles>
- The Universal Declaration of Human Rights (UN 1948) <https://www.un.org/en/about-us/universal-declaration-of-human-rights>
- The United Nations Guiding Principles on Business and Human Rights https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf
- The UN Convention Against Corruption https://treaties.un.org/doc/source/RecentTexts/Corruption_E.pdf
- UK Modern Slavery Act 2015 (Section 54) [https://www.legislation.gov.uk/ukpga/2015/30/section/54/enacted#:~:text=54Transparency%20in%20supply%20chains%20etc&text=\(1\)A%20commercial%20organisation%20within,financial%20year%20of%20the%20organisation.&text=\(b\)has%20a%20total%20turnover,by%20the%20Secretary%20of%20State](https://www.legislation.gov.uk/ukpga/2015/30/section/54/enacted#:~:text=54Transparency%20in%20supply%20chains%20etc&text=(1)A%20commercial%20organisation%20within,financial%20year%20of%20the%20organisation.&text=(b)has%20a%20total%20turnover,by%20the%20Secretary%20of%20State)



The CSWI Ethics Hotline is available globally, year-round, 24 hours a day.

Access the CSWI Ethics Hotline as follows:

Email: cswi.ethicspoint.com

Phone: 844-932-1018