

## MSC SUPPLIER CODE OF CONDUCT

This Supplier Code of Conduct applies to those contracting with MSC Industrial Direct Co., Inc., including its fully integrated subsidiaries and business divisions ("MSC"), supplying products and services for use in the United States ("Supplier(s)").

### INTRODUCTION

At MSC we recognize environmental impact, social responsibility, and corporate governance ("ESG") as critical factors in ensuring ethical and responsible practices within our sourcing and procurement processes. We therefore require that our Business Partners and Suppliers meet or exceed our requirements of providing fairness in human rights, employment practices, environmental stewardship and safe working practices.

### HUMAN RIGHTS AND LABOR PRACTICES

MSC respects the human rights of all individuals within its workforce and is committed to providing dignity and respect within all of its business operations and relationships. It is expected that all Suppliers and those in association with MSC will ensure due diligence is taken in its supply chains to eliminate human rights violations, including but not limited to modern slavery, child labor and discriminatory practices.

#### **Modern Slavery, Human Trafficking and Child Labor**

MSC is committed to responsible corporate citizenship and to eliminating all forms of human trafficking and modern slavery from our supply chain. We expect all our suppliers to operate their businesses with the utmost integrity and in compliance with all applicable laws and regulations, including those addressing Modern Slavery, Human Trafficking (including forced or indentured labor) and Child Labor. For more information see MSC's [Anti-Slavery/Anti-Human Trafficking Policy](#). Suppliers are expected to support and respect internationally proclaimed human rights and to ensure that they are not complicit in human rights abuses.

#### **Wages and Benefits**

Wages and benefits shall be paid in a timely manner for a standard working week to meet, at a minimum, legal requirements, and the basic living needs of workers. Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Use of temporary and outsourced labor will be within the limits of the local law.

## **Treatment of Workers**

Suppliers will not subject their workers to harsh or inhumane treatment, including violence of any kind, sexual harassment or abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers. There should be no threat of any such treatment by the Supplier to any of its workers. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to all workers.

## **Non-Discrimination/Non-Harassment**

MSC is committed to a workplace where all individuals are treated with respect and dignity, in a professional atmosphere that promotes equal employment opportunities and prohibits unlawful discriminatory practices, including harassment. Suppliers should be committed to a workplace free of harassment and unlawful discrimination and shall not knowingly engage in or permit discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity, ethnicity or national origin, pregnancy, disability, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Suppliers shall also provide reasonable accommodation to workers for religious practices and as required under applicable law.

## **Freedom of Association/Collective Bargaining**

Suppliers shall respect the rights of all workers to freely associate with others and join trade unions of their choice, and seek representation to bargain collectively, as legally permitted. Suppliers shall allow employees to express their concerns about working conditions or potentially unlawful practices with management without threats of discrimination, intimidation, retaliation or harassment.

## **Responsible Material Sourcing (Conflict Minerals)**

Supplier agrees it will not knowingly supply to MSC any product that contains any Conflict Minerals that originate from mines or trading in any Democratic Republic of the Congo (DRC) conflict areas and that directly or indirectly finance or benefit armed groups in any covered conflict country.

Supplier agrees to work within its supply chain to provide MSC with requested information on the smelters and refineries that process any Conflict Minerals in its products supplied to MSC, as well as the countries of origin of such Conflict Minerals, as required. Suppliers will implement a policy committing to the responsible sourcing of all minerals and materials in line with MSC's [Conflict Minerals Policy](#).

## **HEALTH & SAFETY**

Providing a safe and healthy work environment, and living environment if applicable, shall be a priority for Suppliers and their workforce. Suppliers shall recognize the importance of minimizing incidents of work-related injuries and providing a safe and healthy work environment to enhance the quality of products and services provided to MSC and increase worker retention and morale.

### **Occupational Safety**

Suppliers will comply with all applicable safety and health laws and regulations. Additionally, they will provide workers with appropriate health and safety information and training, which includes information on risks they are exposed to and relevant control measures. Workers are to be provided with appropriate, well-maintained, personal protective equipment, and educational materials. Supplier facilities shall operate in accordance with Occupational Health and Safety (OHS) standards or the local equivalent. Equipment and tools shall be in good condition and suitable for the relevant work being performed. The correct handling and marking of chemicals and proper use of machinery and tools shall also be covered in Supplier's health and safety training and documentation. Procedures must be in place to arrange for safe facility evacuations and to prevent, track, manage and report occupational incidents (injuries, illnesses). Suppliers will encourage reporting of incidents, investigating, classifying, and recording cases, providing medical treatment, implementing corrective actions, and facilitating workers' return to work following an incident.

### **Emergency Preparedness**

Suppliers will identify and assess potential emergency situations to minimize their impact on their workers and business through the creation of Emergency Action Plans and Associate training. Emergency plans should include scheduled emergency fire drills, appropriate fire detection and suppression equipment, clear and unobstructed emergency exits, adequate exit facilities, contact information for emergency responders, and recovery plans.

### **Occupational Injury and Illness**

Suppliers will have procedures and systems in place to prevent, investigate, manage, track, and report occupational injury and illness, including provisions to encourage worker reporting, provide necessary medical treatment, investigate cases and implement corrective actions to prevent recurrence, and facilitate the return of workers back into the workplace.

### **Industrial Hygiene**

Worker exposure to chemical and physical agents will be identified and controlled by the Supplier. If any potential hazards are identified, Suppliers will look for opportunities to

eliminate and/or reduce the potential hazards. When hazards cannot be adequately controlled by engineering and administrative means, workers will be provided with appropriate personal protective equipment.

### **Physically Demanding Work**

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

### **Machine Safeguarding**

Production and other machinery shall be evaluated for safety hazards by the Supplier. Physical guards, safety interlocks, and barriers are to be provided by the Supplier and properly maintained where machinery presents an injury hazard to workers.

### **Health and Safety Communication**

Suppliers shall provide workers with appropriate workplace health and safety information and training in the language of the worker or in a language the worker can understand. All identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards must be included within the safety information and training. Health and safety related information shall be clearly posted in the Supplier's facility or placed in a location identifiable and accessible by all workers. Training is to be provided to all workers. Workers shall be encouraged to raise any health and safety concerns without retaliation.

## **ENVIRONMENTAL STEWARDSHIP**

Environmental responsibility is an integral part of our MSC's mission. MSC strives to minimize environmental impacts from our operations to the communities in which we operate, as well as natural resources, and has the expectation that our Suppliers will do the same. Supplier will notify MSC immediately to report any infractions against applicable environmental regulations, to which MSC will take appropriate actions.

### **Environmental Permits and Reporting**

Supplier will obtain, maintain and keep current all required environmental permits and registrations necessary to conduct business and will follow their operations and reporting requirements.

## **Pollution Prevention and Reduction**

Emissions and discharges of pollutants and generation of waste are to be minimized or eliminated at the source by the Supplier or by practices such as adding pollution control equipment, modifying production, maintenance, and facility processes, or by other means. Suppliers will routinely monitor and disclose, control, minimize and work to eliminate contributing pollution, as required by and in accordance with applicable law.

## **Hazardous Substances**

Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.

## **Waste Reduction and Recycling**

Suppliers should make efforts to minimize the use of energy, water, and raw materials; where possible, these should be renewable or sustainably sourced. Suppliers shall make efforts to eliminate or reduce levels of generated waste and should reuse and recycle waste materials wherever possible. The handling, storage, movement, treatment and disposal of all waste must be carried out in accordance with applicable regulations and in an environmentally responsible manner.

## **Air Emissions**

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting substances, and combustion byproducts generated from operations are to be characterized, routinely monitored, controlled, and treated as required prior to discharge by Supplier. Ozone depleting substances are to be effectively managed in accordance with applicable regulations and commonly acknowledge standards. Suppliers shall conduct routine monitoring of the performance of its air emission control systems.

## **Material Restrictions**

Suppliers shall adhere to all applicable laws, regulations, and MSC requirements regarding the prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

## **COMPLIANCE PROCEDURES**

### **Business Integrity**

Suppliers will avoid the appearance of conflicts of interest in their services to MSC and will immediately disclose any relationships with MSC employees that may create an unfair advantage or perceived influence on the Supplier's relationship with us. Suppliers shall not knowingly participate in activities involving forms of bribery, corruption, or extortion for business gain.

### **Antitrust and Unfair Trade Practices**

Suppliers are required to comply with the antitrust and unfair competition laws of the United States and the countries where MSC does business. These laws prohibit agreements with competitors that harm customers, including price fixing and allocations of customers or contracts. Under the Federal Trade Commission Act of 1914, as amended, and various state laws, unfair methods of competition and unfair or deceptive acts or practices are unlawful. These laws prohibit a wide range of deceptive, unfair and unethical practices, including such activities as false or misleading advertising, the use of lotteries in the sale of products, bribery of MSC Associates, competitors or customers, unfair disparagement of competitors or customers, unfair disparagement of a competitor's products, and stealing trade secrets or customer lists. Suppliers will also implement monitoring, record keeping, and enforcement procedures to comply with anticorruption laws.

### **Transparency and Grievance**

Suppliers will be transparent in all business dealings and will provide accurate records and disclosures pursuant to this Code and other contractual requirements as requested.

Supplier will have a process to collect and assess workers' complaints, feedback and reports of violations of practices covered in this Code to ensure continuous improvement. Workers will be provided a safe environment for providing grievance and feedback without fear of retaliation or penalty.

### **Reporting and Assessment**

MSC may perform periodic Supplier evaluation to ensure conformity to contractual, legal and regulatory requirements, as well as requirements outlined in this Code and other Supplier policies.

## **Compliance with Code**

Suppliers will develop and implement processes and procedures to ensure conformity to MSC agreements in accordance with applicable laws and the content of this Code. Upon written request of MSC, Supplier will be able to demonstrate compliance with this Code and in the case of non-compliance, will take immediate and appropriate remedial measures to correct said non-compliance. MSC reserves the right to take appropriate actions, up to and including discontinuation of purchases, if it is determined that Supplier is not compliant nor has taken sufficient corrective actions to mitigate risks related to this Code.

For more information or questions regarding this Supplier Code of Conduct, please contact [ReduceRiskNow@mscdirect.com](mailto:ReduceRiskNow@mscdirect.com).