

VERGENT

PRODUCTS

PROCUREMENT STANDARDS OF BUSINESS CONDUCT

Procurement personnel and others that communicate with suppliers occupy a special position of trust and responsibility at Vergent Products. In order to avoid the potential problems of unethical supplier relationships a strict adherence to this code of ethics is required and practiced.

Ethics demand that we, as employees of Vergent Products, who make or influence procurement decisions take special care to ensure our decisions are made with utmost integrity and respect for our supply base.

We base our approach on accountability and transparency to build stakeholder trust and encourage collaboration that benefits the entire industry and community.

Therefore we have adopted the following standard:

- ✧ Strive to conduct all business with consistency, honesty, fairness, integrity and loyalty to Vergent Products and our clients. We will conduct business in such a manner as to merit the respect of our employer, co-workers, peers, suppliers, and community.
- ✧ Exercise skill and good judgment to obtain the maximum value for each dollar of expenditure.
- ✧ The confidentiality of information received in the course of duty must be respected and should not be used for personal gain; information given in the course of duty should be true and fair and not designed to mislead.
- ✧ When we share target price, lead time, delivery requirements, performance targets, or a change in business strategy then we share it equally with all legitimate competitive qualified suppliers and grant these suppliers equal consideration.
- ✧ To preserve the image and integrity of Vergent Products business gifts other than items of small intrinsic value should not be accepted. Reasonable hospitality, not exceeding \$50 total value, is an accepted courtesy of a business relationship. However, the value, frequency and nature of gifts or hospitality accepted is not allowed if the recipient might be or might be perceived by others to have been influenced in making a business decision as a consequence of accepting such hospitality or gifts.
- ✧ Vergent Products shall conduct business without creating any conflict of interest. Personal or outside interests or relationships must not influence procurement decisions. Employees should notify the President regarding any possible conflicts of interests and excuse themselves from involvement in decisions.
- ✧ Vergent Products does not tolerate act of discrimination or harassment towards any person or entity.
- ✧ We will not do business with suppliers that are involved in unethical or illegal activities including but not limited to environmental, health, safety, discrimination, human rights, or exploitation of workers.
- ✧ We strive to award business close to home to support the communities in which we live and work.
- ✧ We seek to develop an ethical, sustainable, efficient, environmentally friendly and socially responsible supply chain.