CQC Ltd

Integrity & Corporate Responsibility Charter

Partners & Suppliers

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ARMED FORCES COVENANT
EMPLOYER RECOGNITION SCHEME
BRONZE AWARD

Devon Chamber of Commerce

ISO 14001 SGS
UKAS MANAGEMENT SYSTEMS 0005
ISO 9001 SGS
UKAS MANAGEMENT SYSTEMS 0005

CQC LTD PARTNERS AND SUPPLIERS COMMITMENTS TO INTEGRITY & CORPORATE RESPONSIBILITY CHARTER

The relationship between CQC Partners and Suppliers (as defined below) is an important component for building sustainable business success. CQC expects from its Partners and Suppliers full compliance with all applicable laws and regulations of the countries where they are registered, as well as where operations are managed or services provided. In this respect, the CQC Ltd Partners and Suppliers Integrity & Corporate Responsibility Charter represents a minimum standard of best practice.

For the purpose of the CQC Ltd Integrity & Corporate Responsibility Charter (ICRC), Partners and Suppliers shall encompass suppliers, sub-contractors, distributors, resellers, or any company CQC enters into a partnership agreement (such as a member of an economic interest grouping, a shareholder in a joint venture, a non-profit organisation).

CQC Partners and Suppliers hereby acknowledge that they have read and understood the terms and conditions as provided in the CQC Ltd ICRC and must comply with them.

CQC Partners and Suppliers adhere and commit themselves to respecting the CQC Ltd ICRC, their non-compliance constituting a breach of their contractual obligations which could entail, according to its gravity, the termination of their contractual relationship with CQC Ltd.

CQC Partners and Suppliers ensure that their own suppliers and sub-contractors, partners and associates comply with the same requirements.

CONSEQUENCES FOR VIOLATING THE CQC LTD INTEGRITY & CORPORATE RESPONSIBILITY CHARTER

In the event that the requirements of the CQC Ltd ICRC are not met, **CQC may decide to review the business relationship with the concerned Partner or Supplier and pursue corrective actions** and either suspend or terminate immediately the business relationship without prejudice to any other remedies that CQC would be entitled to pursuant to legal or contractual provisions.

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COMPLIANCE WITH LAWS

CQC Partners and Suppliers shall comply with all applicable laws and regulations including, without limitation, laws and regulations aiming to protect human rights, fight against corruption, money laundering, terrorism, as well as laws and regulations related to antitrust, data protection, international trade compliance, health, workplace safety, and environment.

HUMAN RIGHTS

Partners and Suppliers are expected to share CQC's commitment to **Human Rights** and particularly to treat people with respect and dignity, encourage diversity, remain receptive to diverse opinions, promote equal opportunity for all, and foster an inclusive and ethical culture, in accordance with the relevant International Labour Organization (ILO) Conventions.

Child Labour

Partners and Suppliers must ensure that illegal child labour is not used in the performance of work.
The term "child" refers to any person under the minimum legal working ages defined by the International Labour Organization (ILO) or, if older, under the minimum legal working age for employment in the country or jurisdiction where the work is effectively performed.

Human Trafficking, including Forced or Indentured Labour

Partners and Suppliers must adhere to regulations prohibiting human trafficking and comply with all applicable local laws in the country or countries in which they operate.
Partners and Suppliers must refrain from violating the rights of others and address any adverse impact their operations may have on human rights.

EMPLOYMENT PRACTICES

Harassment and healthy working environment

Partners and Suppliers are expected to ensure that their employees are afforded an employment environment that is free from physical, psychological, and verbal harassment or other abusive conduct. Furthermore, Partners and Suppliers must provide a safe and healthy working environment for their employees.

Wage and Benefits

Partners and Suppliers must pay workers at least the minimum compensation required by local law and provide all legally mandated benefits. In addition to payment for regular hours of work, workers must be paid for overtime at such premium rate as is legally required or, in those countries where such laws do not exist, at least equal to their regular hourly payment rate. Deduction from wages as a disciplinary measure should not be permitted.

Partners and Suppliers must operate a health protection system within the applicable statutory requirements.

EMPLOYMENT PRACTICES

Weekly rest period

Partners and Suppliers must provide a weekly rest period of at least twenty-four consecutive hours to all employees.

Social dialogue

Partners and Suppliers are expected to respect the rights of workers to associate freely and communicate openly with management regarding working conditions without fear of harassment, intimidation, penalty, interference or reprisal.

Partners and Suppliers are also expected to recognise and respect any rights of workers to exercise lawful rights of free association, including joining or not joining any association of their choosing.

Non-discrimination

Partners and Suppliers are expected to provide equal employment opportunity and treatment of employees through non-discrimination on the grounds of especially ethnic origin, sex, age, sexual orientation, trade-union membership, personal political or religious beliefs.

Partners and Suppliers also endeavour to provide a working environment that encourages the employment of people with disabilities (subject to local legislation). Partners and Suppliers are also expected to treat applicants for employment without discrimination.

ANTI-CORRUPTION

Partners and Suppliers are required to comply in all situations with foreign and domestic laws and regulations against bribery, corruption and influence peddling, such as **the US Foreign Corrupt Practices Act** ("FCPA"), **the UK Bribery Act 2010** ("UKBA"), and other relevant or applicable anti-corruption and influence peddling laws and regulations.

Partners and Suppliers are required to implement governance rules within their organisation in order to comply with the applicable laws and regulations. Partners and Suppliers are expected to provide on a regular basis adequate training to their employees and executives, and in particular the most exposed employees.

Whether directly or through third parties, Partners and Suppliers will not propose any offer, promise, gift, present or benefit to any person for themself or for others, with the purpose that this person abuses, or because this person would have made illegitimate use of, their real or supposed influence in order to obtain distinctions, jobs, contracts or any other favourable decision.

This includes, but is not limited to, offering or making improper payments of money or offering anything of value to government officials, political parties, candidates for public office, or other persons.

ANTI-CORRUPTION

Partners and Suppliers will not solicit or accept for themselves any offer, promise, gift, present or benefit whatsoever, to make illegitimate use of their influence with a view to taking or obtaining any favourable decision.

Partners and Suppliers are expected to compete on the merits of their products and services. The exchange of business courtesies may not be used to gain an unfair competitive advantage. In any business relationship, Partners and Suppliers must ensure that the offering or receipt of any gift or business courtesy is permitted by law and regulation, that these exchanges do not violate the rules and standards of the recipient's organisation, and are consistent with reasonable marketplace customs and practices.

Partners and Suppliers undertake to exert reasonable due diligence to prevent and detect corruption and influence peddling in all business arrangements, including partnerships, joint ventures, offset agreements, and the hiring of intermediaries such as agents or consultants.

They undertake in particular to cascade all their commitments related to Compliance and Corporate Responsibility as specified in the CQC Ltd ICRC to their subcontractors, suppliers or service providers, if and when applicable.

OTHER ILLEGAL PRACTICES

Competition and antitrust

Partners and Suppliers are required to comply with laws and regulations aiming at the protection of competition and prohibiting antitrust practices. They must respect the principle of free price-setting and not fix prices or rig bids with their competitors. They must not share the market with competitors. They must not exchange current, recent, or future competitively sensitive information (including, but not limited to, pricing information) with competitors.

Partners and Suppliers must refrain from participating in a cartel.

Partners and Suppliers holding a dominant position must not fix commercial conditions that could be characterised as excessive, discriminatory or loyalty-inducing or otherwise abusing their dominant position. They must enable access to essential technology or infrastructure.

Insider trading

Partners and Suppliers and their personnel must not use any material or non-publicly disclosed information obtained in the course of their business relationship with CQC as a basis for trading or for enabling others to trade in the stock or securities of any company.

Fraud and deception

Partners and Suppliers must not seek to gain advantage of any kind by acting fraudulently, deceiving people or making false claims, or allow anyone else to do so. This includes defrauding or stealing from the company, a customer or any third party, and any kind of misappropriation of property.

CONFLICT OF INTEREST

Partners and Suppliers are required to implement policies intended to avoid all conflicts of interest or situations which could lead to a potential conflict of interest, including policies enabling employees in situations of conflict of interest (whether actual or potential) to provide notification to their line managers.

This includes a **conflict between the professional activities of the Suppliers and Partners' employees and their personal interests or those of their close relatives, friends or associates.**

Partners and Suppliers are expected to provide adequate training to employees who may be exposed to the risk of conflict of interest.

MAINTAIN ACCURATE RECORDS AND AUDIT RIGHTS

Partners and Suppliers are expected to create accurate records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. Records should be retained based on the applicable retention requirements.

Partners and Suppliers will provide reasonable records to CQC upon request with prior notice and authorise CQC, as well as external auditors or counsels, to perform audits to verify their compliance with the CQC Ltd Integrity & Corporate Responsibility Charter.

PROTECTION OF INFORMATION

Confidential/Proprietary Information

Partners and Suppliers shall properly handle sensitive information, including confidential, proprietary, and personal information. Information should not be used for any purpose (e.g. advertisement, publicity, and the like) other than the business purpose for which it was provided, unless there is prior authorisation from the owner of the information.

In regard to the protection of proprietary information, Partners and Suppliers must comply with all applicable laws governing intellectual property rights assertions, including protection against disclosure, patents, copyrights, and trademarks.

Information Security

Partners and Suppliers must protect the confidential and proprietary information of others, including personal information, from unauthorised access, destruction, misuse, modification and disclosure, through appropriate technical, physical, organisational and electronic security measures which shall be revised from time to time to reflect at all times, at a minimum, industry standards.

Protection of Personal Data

Partners and Suppliers and their subcontractors, suppliers or other service providers, shall comply with (i) the European Regulation 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (GDPR); (ii) the laws and regulations adopted to implement the GDPR and (iii) any other applicable regulation (including laws, rules, governmental requirements, codes as well as international, federal, state, provincial laws).

ENVIRONMENT, HEALTH AND SAFETY

Partners and Suppliers shall establish an appropriate management system for Environment, Health and Safety (i.e. ISO 14001, ISO 45001, ISO 50001, etc.) and promote the awareness of those policies amongst workers and suppliers.

Partners and Suppliers shall take appropriate measures to operate in a manner that:

- **limits the environmental impact of their operations**, particularly by reducing consumption of energy and production of waste and by improving prevention and control of all other potential forms of pollution;
- **actively manages, prevents and mitigates environmental and health & safety risks** (avoid as much as possible use & exposure to hazardous materials, mitigate risks regarding storage conditions, manage possible re-use, re-cycle, transportation or disposal of waste, mitigate exposure to radiation, etc.);
- **conserves natural resources**, promotes valorisation and recycling of materials;
- **protects the environment in the communities** within which they operate and all along their area of impact;
- **ensures that their goods, works or services do not have a negative/ detrimental impact on biodiversity;**
- **develops a positive contribution** to the fight against climate change;

And, more generally, implement all protective measures to prevent any potential risk of damage to human or animal health and to the environment. Partners and Suppliers should protect the health, safety, and the welfare of their employees, contractors, visitors, suppliers and others who may be affected by their activities.

Finally, as stated in chapter. “Compliance with Laws” of this Charter, Partners and Suppliers shall ensure that all their operations, including their own supply chain, comply with all applicable environmental, health and workplace safety laws and regulations.

GLOBAL TRADE COMPLIANCE

Import

Partners and Suppliers must ensure that their business practices are in accordance with all national applicable laws, directives and regulations governing the import of parts, components, and technical data in the Supplier's jurisdiction, as well as with other foreign trade controls and/or other trade & economic sanctions or restrictions from the United States of America, the European Union, or from international trade organizations (including but not limited to those of the European Union and the United Nations).

Counterfeit Parts

Partners and Suppliers are expected to develop, implement, and maintain effective methods and processes appropriate to their products to minimise the risk of introducing counterfeit hardware parts and materials into deliverable products.

In addition, Partners and Suppliers shall provide notification to recipients of counterfeit product(s) when warranted and exclude them from the delivered product.

GLOBAL TRADE COMPLIANCE

Export control and sanctions

Partners and Suppliers must ensure that their business practices are in accordance with all applicable national laws, directives and regulations governing the export or re-export of parts, components, and technical data in the Supplier's jurisdiction as well as with other foreign trade controls and/or other trade & economic sanctions or restrictions from the United States of America, the European Union or from international trade organizations (including but not limited to those of the European Union or the United Nations).

Partners and Suppliers shall provide truthful, accurate and regularly updated information (including the collection of signed Commodity Export Classification Certificates or CECC where applicable) and shall apply for and obtain export licenses, permits and/or other consents required, where necessary for the export of products from their country(ies) of manufacture.

No transaction (including import, export or re-export operations of the products) shall be conducted by the Suppliers and Partners, whether on behalf of CQC or not, with any denied or restricted entity or individual or any destination country that may be prohibited under the applicable laws and regulations of the United Kingdom, United States of America, the European Union, or international trade organisations (including but not limited to those of the European Union and the United Nations).

EU REACH

Partners and Suppliers must ensure that their business practices are in accordance with REACH and RoHS regulations. If products contain any substances not regulated under REACH, these must be listed clearly along with their composition and concentration.

GLOBAL TRADE COMPLIANCE

Responsible Sourcing of Minerals

Partners and Suppliers must comply with applicable laws and regulations regarding the sourcing of minerals such as, tin, tungsten, tantalum and gold, from conflict areas ("Conflict Minerals").

As such, Partners and Suppliers should establish a responsible purchasing & sourcing policy and audit, reviewing its supply chain on a regular basis to ensure that there is no risk of conflict minerals being embedded in the Client's product or in the system equipment or systems they manufacture or sell. In particular, they must ensure that they do not, directly or indirectly, finance or provide any benefit to armed groups that are perpetrators of human rights violations.

Partners and Suppliers should exercise, as may be directed by law or regulation, due diligence on the source and chain of custody of these minerals and therefore at a minimum require the same from their next-tier Suppliers and Partners.

ETHICS AND COMPLIANCE PROGRAM REQUIREMENTS

Ethics and Compliance Policies

Partners and Suppliers are expected to establish management systems, commensurate with the size and nature of their risks and business, to support compliance with laws and regulations, as well as the requirements expressed within the CQC Integrity & Corporate Responsibility Charter.

Partners and Suppliers are encouraged to implement their own written code of conduct and to flow down their principles to the entities that furnish them with goods and services.

CQC expects its Partners and Suppliers to maintain effective programs to encourage their employees to make ethical, values-driven choices in their business dealings - beyond compliance with laws, regulations and contract requirements.

Ethics & Compliance alerts

CQC Partners and Suppliers undertake to notify CQC promptly and by all means at their disposal of any suspected violation of the CQC Ltd ICRC that might impact their relationship with CQC, whether it is allegedly committed by CQC employees or CQC Partners or Suppliers employees, as well as their own subcontractors, suppliers and service providers.

Partners and Suppliers are expected to provide their employees with avenues for raising legal or ethical issues or concerns without fear of retaliation. Partners and Suppliers are also expected to take action to prevent, detect, and correct any retaliatory actions, in accordance with any applicable domestic status and regulation.