

# Hydrofarm Supplier Code of Conduct

At Hydrofarm, we strive to work with suppliers who treat their workers with dignity and respect, adhere to applicable laws and regulations, and make their products in an environmentally sustainable manner. Accordingly, we require each supplier providing us with products and services to comply with the following Hydrofarm Supplier Code of Conduct (“HSCC”), and to certify that said products were produced and provided in accordance with these guidelines.

**1. Forced Labor:** Suppliers shall not use forced labor, whether in the form of prison labor, indentured labor, bonded labor, or otherwise. All work shall be voluntary. Suppliers must allow employees to keep their own identification documents and to resign from their positions at any time upon reasonable notice.

**2. Child Labor:** Suppliers shall not employ people younger than the minimum age for the completion of compulsory education, or the minimum age of employment required by law in the country of manufacture, whichever is highest.

**3. Harassment and Abuse:** Suppliers shall treat every employee with respect and dignity, and shall not subject any employee to physical, sexual, psychological, or verbal harassment or abuse.

**4. Nondiscrimination:** Suppliers shall not subject any person to discrimination in employment (including hiring, salary, benefits, advancement, discipline, termination, or retirement) on the basis of gender, marital status, race, religion, age, disability, sexual orientation, nationality, political opinion, social or ethnic origin or any other condition that could give rise to discrimination.

**5. Health and Safety:** Suppliers shall provide a safe and healthy environment to prevent accidents and injury to health from occurring and comply with applicable laws and regulations. Suppliers shall identify, assess and minimize the impact of emergency situations by implementing emergency plans and response procedures. These plans and procedures must include the following: emergency exits are accessible and fully functional at all times, fire extinguishers must be visible, accessible, present and charged, evacuation plans must be posted and drills must be conducted annually. Supplier shall identify, evaluate and control exposure to hazards and ensure the use of any applicable personal protective equipment.

**6. Freedom of Association and Collective Bargaining:** Suppliers shall recognize and respect the right of employees to freedom of association and collective bargaining in accordance with all applicable laws and regulations.

**7. Wages and Benefits:** Suppliers shall pay employees at least the minimum wage required by local law, or the prevailing industry wage if no minimum wage law applies, and shall provide legally mandated benefits.

**8. Hours of Work/Compensation:** Employees should not be required to work more than the maximum number of work hours per week permitted in the applicable country of manufacture, except in extraordinary business circumstances. Employees should be granted at least one day off in every seven-day period. In addition to their compensation for regular hours of work, suppliers shall compensate employees for overtime hours at the applicable premium rate in their country. In countries that have not established premium overtime rates, suppliers shall not pay employees less than their regular hourly rate for overtime hours.

**9. Ethical Standards:** Suppliers are held to the highest standards of integrity. Corruption, bribery and extortion are strictly prohibited. Suppliers must respect all intellectual property rights and applicable regulatory requirements of the countries from and to which they ship.

**10. Environmental Impact:** Suppliers must meet all applicable environmental laws and regulations in their country to manage hazardous materials and all waste and emissions materials. In addition, suppliers are encouraged to have environmental policies, and environmental management systems containing goals with targets that are focused on the continuous improvement of overall environmental performance.

**11. Supplier Internal Accountability:** Suppliers must inform all employees and subcontractors of the content of the HSCC and ensure compliance with the content of this guideline.

### **Monitoring and Compliance**

To ensure compliance with the HSCC, Hydrofarm shall have the right to monitor suppliers' factories through audits by third parties and visits by Hydrofarm personnel. We seek relationships with suppliers that are committed to manufacturing products under fair and safe labor conditions and sound environmental practices. If we determine that a particular factory does not comply with the HSCC, we typically strive to work with the supplier to develop and implement an appropriate corrective action plan. Nevertheless, depending upon the circumstances, Hydrofarm may elect to end its relationship with a supplier at any time for failing to adhere to our Code. Hydrofarm will provide factories with a copy of the Code upon completion of the first audit and will post the code on the Hydrofarm website for future reference.

