



INNOVATIVE ADHESIVES, LLC

PO BOX 1719, CARY, NC USA

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www.innovativeadhesives.com

August 2021

To: Employees and Vendors of Innovative Adhesives, LLC.

From: Gary Ban, Owner, Managing Partner

Re: Innovative Adhesives, LLC Code of Conduct

Innovative Adhesives supports and is committed to a set of ethical standards which include, but are not limited to, honesty, integrity, trustworthiness, and respect for the unique intrinsic value of each human being. We have adopted this policy of acceptable business practices that we follow internally and expect our supplier partners to adhere to completely. We have made some modifications to update our policy that we feel are valuable in running our organization. Should you have any questions regarding this policy please do not hesitate to ask. Please acknowledge receipt of this policy by signing you have reviewed and understand all aspects of the policy and that your organization is in full compliance.

Preamble

The Innovative Adhesives Workplace Code of Conduct defines labor standards that aim to achieve decent and humane working conditions. The Code's standards are based on International Labor Organization standards as well as our own commitment to supporting internationally accepted quality labor practices.

This code shall apply to all management, employees and suppliers of Innovative Adhesives, LLC who manufacture products bearing the name, trademark or licensed marks of the Company or its licensed products. Additionally, this Code shall apply to all of the employees, contractors or subcontractors that are engaged in any aspect of the manufacturing and/or packaging of our products. For the purposes of this Code, our partners, vendors, contractors, and subcontractors shall be defined as "IA Partners" throughout the Code

We will monitor compliance of Workplace Code by carefully examining adherence to the Compliance Benchmarks and the Principles of Monitoring. The Compliance Benchmarks identify specific requirements for meeting each Code standard, while the Principles of Monitoring guide the assessment of compliance.

Innovative Adhesives, LLC expects its IA Partners to adhere 100% to this Code of Conduct. If it is determined that there has been a breach of the Code, the issue will be examined, and the appropriate course of action will be determined. Innovative Adhesives, LLC has zero tolerance for any breach of the Code involving child labor or forced labor. A breach of the Code in these two instances will result in the immediate loss of the business relationship with Innovative Adhesives, LLC. Other breaches of the code will place the IA Partner at risk of losing the business relationship with Innovative Adhesives, LLC.

Standards: IA Partners must operate workplaces, and ensure that their partners operate workplaces, that adhere to the following minimum standards and practices:

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Legal Compliance: IA Partners must comply with all applicable legal requirements of the country in which products are manufactured. Where this Code and the applicable laws of the country of manufacture conflict or differ, the higher standard shall prevail. Such compliance shall include compliance with all applicable environmental laws.

Ethical Principles: IA Partners shall commit to conduct their business according to a set of ethical standards which include, but are not limited to, honesty, integrity, trustworthiness, and respect for the unique intrinsic value of each human being.

Employment Standards: Innovative Adhesives, LLC will do business only with companies whose workers are present to work voluntarily, are not at undue risk of physical harm, are fairly compensated, and are not exploited in any way. In addition, the following specific guidelines must be followed:

Wages and Benefits: IA Partners must provide wages and benefits which comply with all applicable laws and regulations and which match or exceed the local prevailing wages and benefits in the relevant industry or which constitute a "living wage," whichever provides greater wages and benefits. Wages must be paid on a timely basis. IA Partners must maintain accurate records of workers' wages and benefits.

Working Hours: Except in extraordinary circumstances, employees shall not be required to work more than 40 hours per week and shall not exceed 48 hours per week. Workers shall be entitled to at least 24 hours of consecutive rest in every 7 day period. All hours worked will be governed by laws established in the United States and state of manufacture.

Overtime Compensation: In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such a premium rate as is legally required in that country, but not less than at a rate equal to their regular hourly compensation rate. All overtime shall be consensual.

Child Labor: No person shall be employed at an age younger than 18. Where the age for completing compulsory education is higher than the standard for the minimum age of employment stated above, the higher age for completing compulsory education shall apply to this section.

Forced Labor: There shall not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise (March 1977 Regents' Action, University Policy on the Procurement of Foreign-Made Equipment, Materials, or Supplies Produced by Forced Labor, Convict, or Indentured Labor and Administrative Guidelines issued April 7, 1998).

Health and Safety and Environment: IA Partners must provide workers with a safe and healthy work environment and must, at a minimum, comply with local and national health and safety laws. If residential facilities are provided to workers, they must be safe and healthy facilities. IA Partners shall adopt responsible measures to mitigate negative impacts that the workplace has on the environment.

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Nondiscrimination: IA Partners shall employ individuals solely on the basis of their ability to perform the job. IA Partners may not discriminate against employees in subsequent personnel decisions. Women workers shall receive equal remuneration including benefits, equal treatment, equal evaluation of the quality of their work, and equal opportunity to fill all positions as male workers. The pregnancy of an employee shall not be used as a basis for disciplinary treatment or termination of employment. IA Partners shall use their best efforts to reinstate workers who have taken maternity leave to the same or similar position at the same rate of pay and benefits. No employee or prospective employee shall be subjected to involuntary use of contraceptives or pregnancy testing.

Harassment or Abuse: Every employee shall be treated with dignity and respect. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse. Licensees will not use or tolerate any form of corporal punishment.

Freedom of Association: IA Partners shall recognize and respect the right of employees to freedom of association and collective bargaining with bargaining representatives of their own choice. No employee shall be subject to harassment, intimidation or retaliation as a result of his or her efforts to freely associate or bargain collectively.

Compliance: Innovative Adhesives reviews its policies on an annual basis. We require that all IA Partners sign-off that their respective organizations adhere to the minimum requirements as set forth in this document. Innovative Adhesives, LLC reserves the right to audit and verify that each IA Partner is 100% compliant on an annual basis and expects the full cooperation of each IA Partner throughout the audit process. Innovative Adhesives, LLC cooperates with independent labor rights monitoring organizations such as the Worker Rights Consortium that conducts investigations of working conditions in factories.

Sincerely,

Gary Ban
President – Innovative Adhesives

ACKNOWLEDGED: _____

DATE: _____

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