



**COMFORT  
SYSTEMS USA**

---

# **SUPPLIER CODE OF CONDUCT**

---

SEPTEMBER 9TH, 2021

---

# CONTENTS

---

1

**INTRODUCTION**

2

**GENERAL  
REQUIREMENTS**

3

**ENVIRONMENTAL  
REQUIREMENTS**

4

**SOCIAL  
REQUIREMENTS**

6

**GOVERNANCE  
REQUIREMENTS**

8

**VIOLATIONS  
OF THE CODE**

8

**DOCUMENT CONTROL**



# Introduction

Comfort Systems USA, Inc. and its family of operating companies (collectively, "CSUSA") are committed to operating at the highest ethical and professional standards, and we hold our suppliers to the same standards. Our Supplier Code of Conduct (this "Code") sets out our expectations of suppliers regarding:

- **Environmental Responsibility**
- **Diversity, Equity, and Inclusion**
- **Health and Safety**
- **Prevention of Financial Crime**
- **Data Protection and Information Security**

CSUSA procures goods and services from many suppliers and recognizes that each supplier may have their own standards and ambitions for the above practices. We expect all our suppliers to meet the requirements set out below and ensure that their suppliers do the same. Working together across our supply chains, we will encourage and enable sustainability and long-term positive impacts on the global community. As a participant of the UN Global Compact, this Code and the actions derived from it align and advance the 10 universal principles on human rights, labor, environment, and anti-corruption. The following requirements also align to the United Nations Sustainable Development Goals and helps CSUSA to achieve a net positive impact for our environment and society.

# General Requirements

CSUSA expects its suppliers to behave ethically, apply high standards of corporate conduct, and to fully comply with all relevant law. CSUSA has zero-tolerance for improper business conduct of any sort, and all of our suppliers are required to confirm that their business practices meet, at a minimum, the standards set out in this Code.

Suppliers must demonstrate, through supply chain transparency, that people are treated ethically and lawfully and that goods are traded fairly and meet the environmental aims detailed in this Code. This Code encourages suppliers to go beyond legal compliance, drawing upon internationally recognized standards, in order to advance social and environmental responsibility and business ethics.

Suppliers will be notified of all changes to this Code and must comply with any new requirements that are relevant to their business within one year from receiving notification of such changes.

Additionally, Suppliers are expected to follow the spirit of CSUSA's Code of Conduct; please [click here](#) for further information.



# Environmental Requirements

1.1 Suppliers must comply with all relevant law pertaining to the environment and should operate their businesses in an environmentally responsible way.

1.2 Suppliers should take a proactive approach to reducing their environmental impact.

1.3 Suppliers should:

1.3.1 adopt practices and utilize systems that minimize the use of resources (e.g. water efficiency, energy efficiency);

1.3.2 ensure that all materials are traceable and, where practicable, that materials originate from a sustainable or recycled source;

1.3.3 ensure there are facilities or arrangements in place to return used packaging for recycling, reuse, or environmentally friendly disposal; and

1.3.4 ensure that any hazardous or toxic waste that is produced be properly identified and disposed of by licensed and competent bodies via authorized and/or licensed means.

1.4 Suppliers should have a written environmental / sustainability policy appropriate to the size and nature of their operation which addresses preventing, mitigating, and controlling serious environmental and health impacts from their operations.

1.5 Suppliers should monitor, and actively work toward, reducing their greenhouse gas emissions.

1.6 Suppliers should implement a program to strictly monitor and record the use of refrigerant chemicals, to account for every unit that is handled and to regularly audit, maintain controls and review compliance with such programs.

1.7 Suppliers should implement green and sustainable business practices and shall strive to conduct their businesses in a sustainable and energy efficient manner.

# Social Requirements

2.1 It is our commitment and policy to conduct our business in a manner that respects the human rights and dignity of all, and we support international efforts to promote and protect human rights, including the United Nations Universal Declaration of Human Rights. Suppliers must also respect the human rights of their employees, other personnel, and local communities, and must comply with all relevant law pertaining to human rights.

2.2 CSUSA has an absolute opposition to slavery and human trafficking and is taking steps to identify and eradicate modern slavery in its business and supply chains. This policy applies to all of our operations regardless of geographic location. Suppliers should also take appropriate steps to identify and eradicate modern slavery, in all its forms, including slavery, servitude, forced and compulsory labor and human trafficking, which have in common the deprivation of a person's liberty by another to exploit him or her for personal or commercial gain.

2.3 CSUSA is an equal opportunity employer in all aspects of employment and prohibits discrimination and harassment of any type to all individuals regardless of race, sex, sexual orientation, national origin, age, disability, veteran status, genetic information, or any other characteristic protected by international, federal, state or local laws. This policy applies to all terms and conditions of employment, including recruiting, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation and training. As such, we expect our suppliers to be committed to the same principles and expect them to have policies against any form of discrimination or harassment in their workplace.



2.4 CSUSA strives to foster a work environment that includes and embraces racial, ethnic, and gender diversity and other individual differences. Our commitment to diversity and inclusion helps us attract and retain the best talent, enables employees to realize their full potential, and drives high performance through innovation and collaboration. As such, we expect our suppliers to be committed to the same principles and require them to have policies in place to promote diversity and inclusion within their own organizations and supply chain. Further, we expect suppliers to agree to provide evidence of their commitment upon reasonable request.

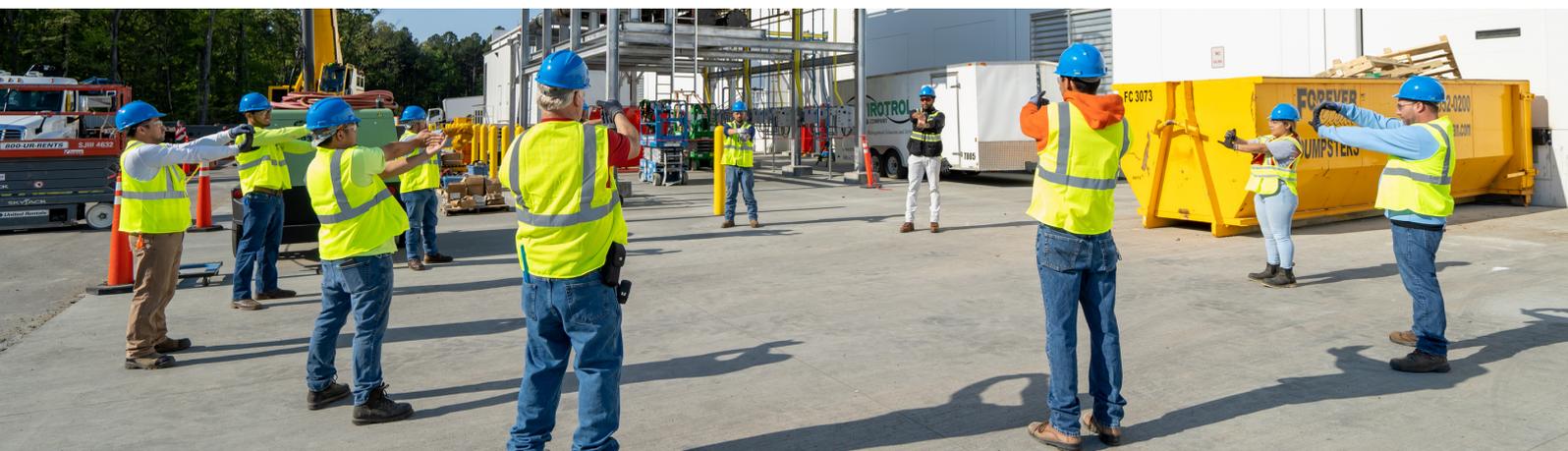
2.5 All terms and conditions of employment must be made clear to the supplier's workforce in a manner which is easily understood by that workforce. The supplier must fully comply with all applicable laws and regulations when setting employee conditions on working hours, benefits, and wages (such as minimum legal wages).

2.6 Suppliers should provide workers with clear, fair, and uniformly applied disciplinary practices and grievance procedures.

2.7 Training, including that required under relevant law and industry specific training (whether mandatory or best practice) should be provided to workers and regular refresher training provided on a timely basis.

2.8 CSUSA requires that a safe and healthy workplace is provided for all supplier personnel and that all relevant law pertaining to health and safety is complied with at all times.

2.10 Suppliers should have clear roles and responsibilities of their management teams to ensure the health and safety of their personnel.



# Governance Requirements

In this section, the term “Financial Crime” includes, but is not limited to, bribery, corruption, money laundering, terrorist financing, tax evasion, and the failure to prevent the criminal facilitation of tax evasion.

3.1 Suppliers must comply with all relevant law pertaining to Financial Crime and must not do or omit to do anything which would cause CSUSA to be in breach of such law.

3.2 As part of the prevention, identification and detection of Financial Crime issues, suppliers should implement mandatory training for workers, appropriate oversight, regular risk assessments, appropriate due diligence, and procedural audits.

3.3 Suppliers should encourage workers to promptly report to an appropriate senior manager if they know of or suspect any business activity that is in contravention of the supplier's Financial Crime procedures and should implement disciplinary action for any worker failing to comply with such procedures.

3.4 Suppliers should ensure that workers do not suffer any adverse consequences for making a report under the Financial Crime policies, whistleblowing, or refusing to pay a bribe, even if such refusal may result in the supplier losing business.

3.5 The supplier should keep sufficiently detailed records relating to the identification and prevention of Financial Crime and should promptly notify CSUSA upon becoming aware of any instance or suspected instance of Financial Crime connected to the business relationship between CSUSA and the supplier.

3.6 CSUSA has a responsibility to detect and prevent Financial Crime; accordingly, suppliers must comply with CSUSA's procedures relating to due diligence and the verification of the legitimate nature of:

3.6.1 supplier entities;

3.6.2 payment processes and funding arrangements; and

3.6.3 upon notice from CSUSA, any other reasonably relevant aspects of the goods and services provided by the supplier.

## Data Protection and Information Security

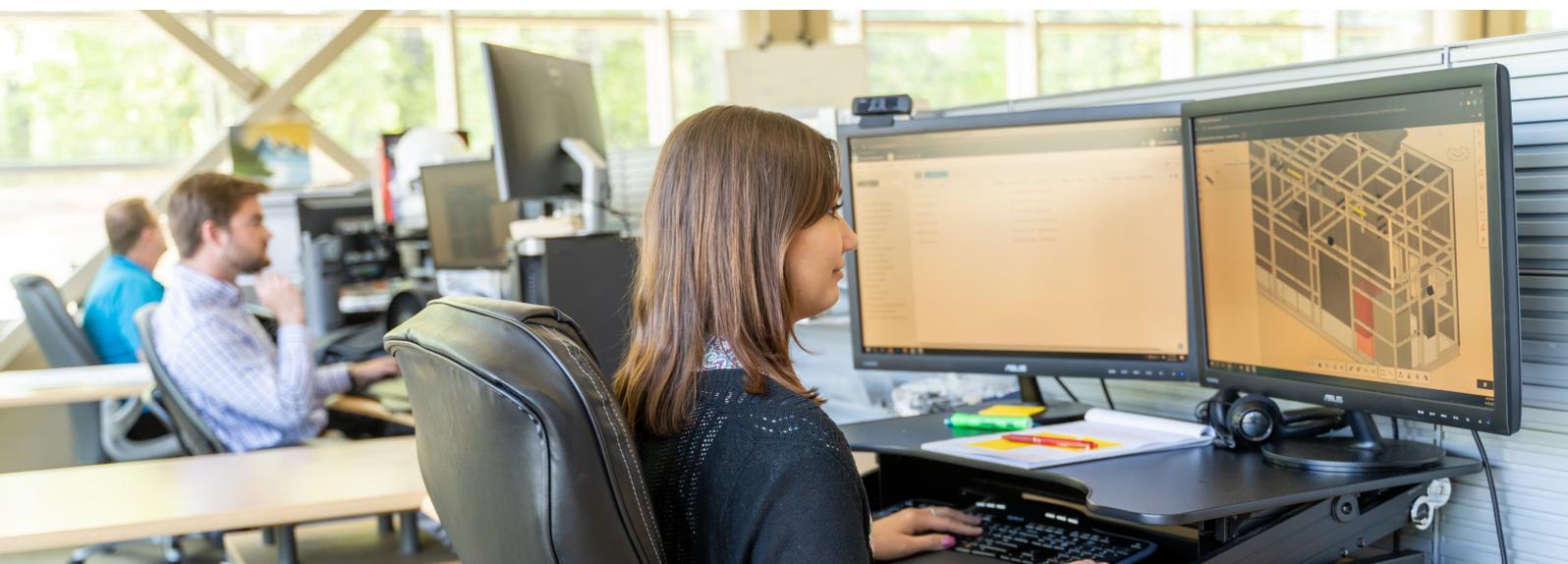
3.7 Suppliers must comply with all relevant law pertaining to data protection and must not do or omit to do anything which would cause CSUSA to be in breach of such law.

3.8 Suppliers should not share or exchange any price, cost or other competitive information or undertake any other collusive conduct with any other third party to CSUSA with respect to any proposed, pending or current CSUSA procurement.

3.9 Suppliers should respect intellectual property rights and safeguard customer information. Transfer of technology and know-how shall be done in a manner that protects intellectual property rights.

3.10 Suppliers should protect the reasonable privacy expectations of personal information of everyone suppliers do business with, including sub-suppliers, vendors, customers, consumers, and employees. Suppliers shall comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

3.11 Suppliers should implement processes to address the confidentiality and protection of an employee whistleblower who raises a concern in good faith, makes a report, or assists with an investigation related to potential ethical or criminal violations.



## Violations of the Code

Suppliers must promptly report to CSUSA any known breach of this Code. Upon discovery of any breach of this Code or other observed misconduct, either by a supplier or by CSUSA, suppliers shall implement a corrective action plan to cure the non-compliance within a specified time period. If a supplier fails to meet a corrective action plan commitment, CSUSA may terminate any agreement and/or the business relationship with such supplier. CSUSA reserves the right to hold suppliers responsible for reasonable costs of investigating non-compliance.

### **Violations, questions, or concerns regarding this Procurement Policy can be directed to:**

*Comfort Systems USA  
Office of the General Counsel  
675 Bering Drive, Suite 400  
Houston, Texas 77057  
713-830-9600  
legal@comfortsystemsusa.com*

## Document Control

The Code is reviewed periodically (at least annually) and will be revised as necessary to ensure that this document helps us become a more sustainable business, delivering continuous improvement for our clients, our stakeholders, and the communities in which we operate.

Document: Supplier Code of Conduct
Supplier Name:
Supplier Contact Name:
Supplier Signature:
Date:

**COMFORT  
SYSTEMS USA.**