



Kilda Group LLC

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# *Supplier Code of Conduct*

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**Version 1.0**

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Implemented By:

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Kilda Group strives to achieve and maintain the highest standards for how business operations are conducted. In doing so, we have adapted the Electronic Industry Citizenship Coalition's (EICC) Electronic Industry Code of Conduct (Version 3.0, 2009) to serve as the basis for the Kilda Group Supplier Code of Conduct (Code).

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**1.0 CHANGE HISTORY**

Version	Version Date	Summary of Changes
V1.0	11/15/2011	Version 1.0; Approved by Kilda Group President: /GLM/ 15NOV2011

## **2.0 INTRODUCTION**

Kilda Group strives to achieve and maintain the highest standards for how business operations are conducted. In doing so, we have adapted the Electronic Industry Citizenship Coalition's (EICC) Electronic Industry Code of Conduct (Version 3.0, 2009) to serve as the basis for the Kilda Group Supplier Code of Conduct (Code). This Code is a total supply chain initiative, meaning that we require our suppliers to acknowledge and implement a code or set of principles to foster corporate and social responsibility in the domains of Labor, Health and Safety, the Environment, and Business Ethics (to include compliance with all applicable laws and regulations). As an IT and Management Consulting services small business, Kilda Group understands that not all aspects of the EICC's Electronic Industry Code of Conduct are applicable to all businesses, but with that being said, many aspects of this code should be common to all companies. Kilda Group's Code addresses the commitments we have made, and continue to strengthen, to our planet, our society, clients, our company, our people, and ourselves.

Our goal is to work with our suppliers to ensure implementation of a code or set of principles to strengthen corporate and social responsibility based on the EICC's Electronic Industry Code of Conduct.

## **3.0 LABOR**

Kilda Group is committed to uphold the human rights of workers and to treat them with dignity and respect as understood by the international community.

### **3.1 Freely Chosen Employment**

Kilda Group and its suppliers will not use forced or involuntary labor of any type (e.g., forced, bonded, indentured or involuntary prison labor); employment is voluntary.

### **3.2 Child Labor Avoidance**

Kilda Group and its suppliers will not use child labor. The term “child” refers to any person employed under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. We support the use of legitimate workplace apprenticeship programs which comply with all laws and regulations applicable to such apprenticeship programs.

### **3.3 Working Hours**

Studies of business practices clearly link worker strain to reduced productivity, increased turnover and increased injury and illness. Kilda Group and its suppliers will not exceed maximum work hours set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Workers shall be allowed at least one day off per seven-day calendar week.

### **3.4 Wages and Benefit**

Kilda Group and its suppliers will, at a minimum, comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime hours, piece rates and other elements of compensation, and provide legally-mandated benefits. Deductions from wages as a disciplinary measure shall not be permitted. The basis on which workers are being paid is to be provided in a timely manner via pay stub or similar documentation.

### **3.5 Humane Treatment**

Kilda Group and its suppliers will treat all employees with respect and will not use harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers: nor is there to be the threat of any such treatment.

### **3.6 Non-Discrimination**

Kilda Group and its suppliers are committed to a workforce free of harassment and unlawful discrimination. We do not engage in discrimination based on race, social upbringing, age, gender, sexual orientation, ethnicity, gender identity or expression, disability, pregnancy, religion, political affiliation, union membership, military status, veteran status or marital status in hiring and employment practices such as promotions, salary actions, rewards, and access to training.

### **3.7 Freedom of Association**

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace, benefits, and compensation issues. Kilda Group and its suppliers promote favorable employment conditions and to maintain effective employee communication channels as a means of promoting positive employee relations that make employees view third-party representation as unnecessary. We strengthen a worker's ability to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment, and respect the legal rights of employees to join or to refrain from joining worker organizations.

## **4.0 HEALTH AND SAFETY**

Kilda Group and its suppliers recognize that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, consistency of production, and worker retention and morale. Participants also recognize that ongoing worker input and education is essential to identifying and solving health and safety issues in the workplace.

Recognized management systems such as OHSAS 18001 and ILO Guidelines on Occupational Safety and Health may be useful sources of additional information.

Kilda Group and its suppliers provide their employees with a safe and healthy workplace in compliance with all applicable laws and regulations.

Many of the following health and safety standards are generalized for manufacturing environments however many aspects are still applicable for IT and Management Consulting services depending on client and worksite location:

### **4.1 Occupational Safety**

Worker exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicles, and fall hazards) are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures, and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment. Workers shall not be disciplined for raising safety concerns.

### **4.2 Emergency Preparedness**

Emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans.

### **4.3 Occupational Injury and Illness**

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness, including provisions to: a) encourage worker reporting; b) classify and record injury and illness cases; c) provide necessary medical treatment; d) investigate cases and implement corrective actions to eliminate their causes; and e) facilitate return of workers to work.

### **4.4 Industrial Hygiene**

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Engineering or administrative controls must be used to control overexposures. When hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal protective equipment programs.

### **4.5 Physically-Demanding Work**

Worker exposure to the hazards of physically-demanding tasks is to be identified, evaluated and controlled.

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#### **4.6 Machine Safeguarding**

Machinery is to be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

#### **4.7 Sanitation and Facilities**

Kilda Group and its suppliers will provide employees with ready access to clean and safe facilities with potable water and an appropriate emergency egress. Facilities will have adequate heat, cooling, and ventilation.

#### **4.8 Ergonomics**

Kilda Group and its suppliers will support the implementation of sound ergonomics to promote health and productivity. Proper ergonomic design is necessary to prevent repetitive strain injuries, which can develop over time and can lead to long-term disability.

## **5.0 ENVIRONMENTAL**

Kilda Group and its suppliers will operate in a manner that is protective of the environment. At a minimum, we will comply with all applicable environmental laws and regulations.

### **5.1 Pollution Prevention and Resource Reduction**

Waste of all types, including water, paper, and energy, are to be reduced or eliminated at the source or by practices such as conservation, recycling and re-using materials.

### **5.2 Hazardous Substances**

Chemical and other materials posing a hazard if released to the environment (e.g., batteries, monitors, computers) are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

### **5.3 Energy Conservation**

Efforts to monitor and reduce energy consumption will be made. Specifically, Kilda Group and its suppliers will target the reduction of printing and bottled water, along with purchasing more energy-efficient equipment at the time of equipment refreshes.

## **6.0 ETHICS**

Kilda Group and its suppliers will conduct their business in accordance with the highest ethical standards. We will comply with all laws and regulations on corruption, bribery, and prohibited business practices.

### **6.1 Business Integrity**

The highest standards of integrity are to be expected in all business interactions. Kilda Group and its suppliers will prohibit any and all forms of corruption, extortion and embezzlement. Monitoring and enforcement procedures shall be implemented to ensure conformance.

### **6.2 No Improper Advantage**

Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted.

### **6.3 Disclosure of Information**

Information regarding business activities, structure, and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.

### **6.4 Intellectual Property**

Intellectual property rights are to be respected; transfer of technology and know-how is to be done in a manner that protects intellectual property rights, company policies, and company/employee agreements.

### **6.5 Fair Business, Advertising and Competition**

Standards of fair business, advertising and competition are to be upheld. Appropriate means to safeguard customer information must be available.

### **6.6 Protection of Identity**

Programs that ensure the confidentiality and protection of supplier and employee whistleblower are to be maintained.

## **7.0 MANAGEMENT SYSTEM**

Kilda Group and its suppliers will adopt or establish a management system whose scope is related to the content of this Code. The management system shall be designed to ensure (1) compliance with applicable laws, regulations and customer requirements related to the participant's operations and services; (2) conformance with this Code; and (3) identification and mitigation of operational risks related to this Code. It should also facilitate continual improvement.

The management system should contain the following elements:

### **7.1 Company Commitment**

Kilda Group and its suppliers will establish corporate social and environmental responsibility policy statements affirming our commitment to compliance and continual improvement, endorsed by executive management.

### **7.2 Management Accountability and Responsibility**

Kilda Group and its suppliers will identify company representative(s) responsible for ensuring implementation of the management systems and associated programs. Senior management will review the status of the management system on a regular basis.

### **7.3 Legal and Customer Requirements**

Kilda Group and its suppliers will identify, monitor, and understand applicable laws, regulations and customer requirements.

### **7.4 Issue and Risk Management**

Kilda Group and its suppliers will establish a process to identify the environmental, health and safety, and labor practice and ethics issues and risks associated with business operations. They will determine the significance for each issue and risk, and implement the appropriate controls to manage the identified issues and risks while ensuring regulatory compliance.

### **7.5 Improvement Objectives**

Kilda Group and its suppliers will write performance objectives, targets, and implementation plans to improve social and environmental performance, including a periodic assessment of our performance in achieving those objectives.

### **7.6 Awareness and Understanding**

Kilda Group and its suppliers will communicate and educate stakeholders on their expectations, policies, procedures, improvement objectives, and applicable legal and regulatory requirements.

### **7.7 Worker Feedback and Participation**

Kilda Group and its suppliers will assess employees' understanding of and obtain feedback on practices and conditions covered by this Code and foster continuous improvement.

### **7.8 Audits and Assessments**

Kilda Group and its suppliers will perform periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the Code, and customer contractual requirements related to social and environmental responsibility.

### **7.9 Corrective Action Process**

Kilda Group and its suppliers will implement processes for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

### **7.10 Documentation and Records**

Kilda Group and its suppliers create and maintain documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.

## **8.0 COMPLIANCE**

Kilda Group and its suppliers will comply with all applicable laws and regulations in all locations where they conduct business. Company policies, procedures, contracts, and agreements will not contradict or circumnavigate local, state, and federal laws.

## **9.0 TRANSPARENCY**

Kilda Group and its suppliers will make their supplier code/principles and other relevant information easily accessible and in a format understood by the employees.

## **10.0 MONITORING AND CONTROLLING**

Kilda Group and its suppliers must maintain the documentation necessary to demonstrate compliance with Kilda Group's Supplier Code of Conduct, and suppliers must provide Kilda Group with access to their documentation upon Kilda Group's request.