
Corporate Social Responsibility and Business Ethics

GSW is committed to be a responsible company and community partner. We strive for the highest standards of business ethics and require that all associates conduct themselves with honesty and integrity, - both inside and outside of the workplace. It is a core responsibility of all GSW associates to conduct business in an open, honest, and ethical manner. This includes ethical handling of actual or apparent conflicts of interest, compliance with federal, state, and local laws, and following the rules and regulations of government agencies. This is important so that we can earn the trust of our customers and community and grow our business.

Every associate should endeavor to deal fairly and ethically with GSW's customers, suppliers, competitors, and other associates.

Your Responsibility

By reading these Company policies and signing the Employee Handbook Acknowledgement, you agree to follow these guidelines to help enhance our reputation as an outstanding corporate citizen and protect yourself from possible criminal penalty. Being ignorant of a policy is not an acceptable excuse. Any associate participating in unlawful activity or bribery will be subject to termination and legal prosecution.

Following is a list of unethical and/or illegal practices that are prohibited by the Company. This list is not all inclusive and may change with government and local regulation standards and laws.

- 1) Violation of GSW policies in respect to individual rights, equal opportunity, and diversity, working conditions, child labor and forced labor laws, harassment and discrimination policies, open communications policy, substance abuse, health and safety, and environment management.
- 2) Asking for or accepting gifts costing more than \$25, favors, or bribes from an individual or organization that does business with GSW or is actively seeking to do business with the Company.
- 3) Misuse of Company assets or data.
- 4) Inappropriate communication that harms the reputation of the Company, or misrepresentation of the Company.
- 5) Misuse or improper disclosure of confidential Company, supplier, vendor, customer, and employee information.
- 6) Entering into fixed pricing agreements with competitors.
- 7) Agreements with competitors to restrict competition, limit production or supply, or divide allocate sales according to customers, territories, or products.
- 8) Discussing cost, pricing information, profit margins, credit terms, and avoiding price war with competitor.
- 9) Failure to report known violations of Company policy or illegal acts to the General Manager or Human Resources Manager.
- 10) Removing Company property from the workplace without prior authorization from Management.
- 11) Acquiring, or attempting to acquire confidential information in an unethical manner from customers, suppliers, and other companies or individuals.
- 12) Deliberate falsification of business records, financial data, or attempting to conceal errors.
- 13) Failure to return Company property and/or Company owned information upon termination of employment.

14) Violation of any and all rules and guidelines set forth in this policy.

You are expected to act, at all times and in all circumstances, with the highest sense of integrity on behalf of the Company. It is the responsibility of all employees to act on behalf of the Company's best interests, and to exercise sound judgment unclouded by personal interest or divided loyalties. If you are involved in activities that have a financial or personal interest that might interfere with your objectivity in performing Company duties and responsibilities, you may have a conflict of interest.

It is your responsibility to report known violations of this policy to the General Manager or Human Resources Manager. Company policy prohibits retaliation against individuals who, in good faith, report suspected violations. Any employee who violates the provisions set forth in this policy, or otherwise is involved in any improper activity affecting GSW, is subject to disciplinary action up to and including immediate termination.

Gifts, Bribes, and Favors

It is against GSW policy to accept or offer bribes in exchange for obtaining business, retaining business, or receiving an improper advantage or circumstance. Associates must not offer or receive gifts, kickbacks, favors, or compensation from customers, vendors, suppliers, sales representatives, or any other individual/company doing business with GSW. Gifts are anything of value including money, gift cards, vouchers, rebates, entertainment, donations, hospitality, sponsorship, fees, discounts, job opportunities, and more. Return inappropriate gifts with a polite note explaining the Company's policy. If it is not possible or practical for you to return the gift, consult with your Human Resources Manager or General Manager to determine what to do.

It is prohibited to accept the following gifts or favors from an individual or organization that does business, or is actively seeking business, with the Company:

- Cash or gift cards
- Packaged alcohol.
- Tickets to any event, unless the supplier is in attendance and the situation meets all other entertainment and social event limitations
- A loan, unless from a regular financial institution on normal terms
- Discounts on goods or services, unless the supplier makes it generally available to all employees of the Company
- Frequently occurring meals, events, or gifts without a valid business purpose
- Points applied to purchase of items at discount or for free

On occasion, the Company may receive promotional items from customers, vendors, suppliers, sales representatives, or any other individual/company doing business with GSW. These items should be immediately reported to the Human Resources Manager or General Manager. If considered appropriate to accept, the Company will offer these items randomly as associate "giveaways."

Giving gifts, just like receiving gifts, can harm the Company's reputation by creating the appearance of impropriety. In some situations, giving gifts or favors can violate the law; for example, when dealing with government officials. You should avoid:

- Giving gifts that are too costly or frequent to be within the customs of the marketplace
- Giving any gift to reward a government employee.
- Giving gifts that influence or give the appearance of influencing business judgment.
- Offering a gift if you know it would violate the recipient's policy to accept it
- Giving entertainment, such as tickets to a sporting event, where a representative of the Company offering the gift will not be accompanying the recipient to the event
- Giving money or other cash equivalents as a business gift

Entertainment and Social Events

Socializing with suppliers and other business contacts can be helpful in developing a good working relationship. You must always remember to act in a way that promotes the Company's best interest and protects the Company's reputation.

- Only accept invitations that are business related, freely offered, and are infrequent in occurrence
- You may accept a gift at a supplier-paid event, such as low-cost promotional items, and souvenirs, as long as it is of nominal value
- You may accept simple meals, provided it has a valid business purpose, is appropriate in timing, and not lavish or extravagant in nature

Company Assets and Data

We are all responsible for protecting the Company's assets and ensuring that they are used for Company business purposes and in accordance with Company policies. Resources such as computers, telephones, electronic mail (e-mail), reproduction equipment, and similar technologies are provided to enable you to perform your work in support of Company business.

All electronic data stored on Company computers or similar assets are the property of the Company. You should have no expectations of privacy when using Company computers or other resources. The Company has a right to monitor and access documents on its systems at any time, within the limits of existing laws.

If you drive a Company vehicle, you are required to be properly licensed and to operate the vehicle safely, which includes using safety belts and obeying traffic rules in accordance with the law. Texting while driving is strictly prohibited.

- Do not use Company resources to run personal business or similar venture.
- Do not access, reproduce, display, distribute, or store any materials that are sexually explicit, obscene, defamatory, harassing, illegal, or otherwise inappropriate when using Company assets, or when performing your job.
- Do not use Company resources to reproduce, display, distribute, or store any materials that violate trademark, copyright, licensing, or intellectual property of any party.

Careful Communication

You are responsible for ensuring that your communication is clear, correct, and appropriate. Responsible and appropriate communication is essential to conducting business, and to the Company's reputation. Copies of communication may be used in a courtroom, in submission to government agencies, in development of articles by media, and determine corrective actions or discipline by the Company. Communications include, but are not limited to, written materials, notes, drawings, email, computer files, voicemail, and photographs.

- State the facts clearly to ensure that the content of the communication is not misunderstood.
- Be specifically careful in public places or when using public forums, including those on the World Wide Web. Be careful not to disclose non-public information, state or imply that you are speaking on behalf of the Company, or do anything that would harm the reputation of the Company.
- Immediately forward contact from government agencies or media to the General Manager.
- Immediately forward contact from police or law enforcement agencies to the General Manager or Human Resources Manager.

Integrity of Financial Data

It is important that all financial records be accurate and complete. Companies face severe consequences if they provide inaccurate financial statements to their shareholders and government authorities.

- Record all Company information for accounting, taxation, and financial reporting accurately and completely.
- Notify management of any accounts that cannot be reconciled. Management should take immediate steps to reconcile such accounts.
- Notify the Company of any errors, so they can be addressed and corrected. The Company recognizes that errors can and do occur, however, they should be handled properly once they are found.
- Do not deliberately falsify business records or conceal any errors. Such actions not only violate Company policy, but also may constitute a violation of law, and will be dealt with appropriately, up to and including termination and/or legal action.

Intellectual Property

The Company's various types of intellectual property are highly valuable assets. They are key to our strategy of using innovation to sell world-class products. Intellectual property includes copyrights, patents, trade secrets, and trademarks.

A trade secret is any information that is sufficiently valuable and secret that gives us an actual or potential advantage over others. The copyright is a right that prevents others from copying artistic, literary, and other works such as photographs, music, articles, and computer programs.

It is the Company's policy to secure and protect its intellectual property rights and take appropriate action against any individual or group making unauthorized use of our rights. Just as we expect others to respect our intellectual property rights, we are committed to respecting the intellectual rights of others.

Company Associates Serving on Outside Board of Directors

The Company encourages associates to serve as board members for outside corporate boards as well as non-profit organizations. Serving on outside boards provides GSW associates opportunities for professional development, as well as more visibility for GSW within the business and charitable communities. However, serving on a board, preparing for meetings and committees, as well as fundraising, may entail a large investment of personal time and legal responsibility. As a representative of GSW, consideration should be given to the required investment for the board's functions that may interfere with your job's responsibilities. Also, serving on an outside board must not place you or the Company in a potential conflict of interest situation, and must meet all regulatory and legal requirements, and must be appropriately disclosed to all relevant parties. There are certain laws and regulations that may impact this service, and you must discuss the situation with the General Manager to receive appropriate approvals prior to accepting a position on an outside board.

Governments and Political Activities

The Company has a long-standing policy not to engage in any act that could possibly be construed as giving or receiving a bribe. This is especially true when dealing with government officials. Not only is it against Company policy, but it is against the law.

Most countries have laws that prohibit bribing local or foreign officials; this is true in most countries where it seems that payments to government officials are a normal part of doing business. Sometimes we hire an agent or others outside the Company to assist with our business. In this situation, we must take measures to guard against using agents that give bribes. The Company can be held liable for the actions of the agents it hires.

- Never give anything of value to a government official in order to obtain or retain business, or to gain preferential treatment. This includes offering or promising to give gifts, entertainment, travel, and favors.
- Remember, the term "government official" can include:
 - Officials and employees of any government-controlled business entity
 - Political parties
 - Party officials
 - Political candidates
 - Employees of government departments or agencies
- If you must use an agent when dealing with government officials, be sure you investigate the integrity of the agent you hire.
- Do not offer employment to, or even discuss potential employment with, someone who is currently working in a government position that has any business with the Company. Even after individuals leave their government positions, there may be local restrictions on their ability to be employed by the private sector.

The Company encourages you to participate as an individual citizen in political and government affairs. The Company respects your right to use your own time and resources to support the

political activities of your choice. However, the Company itself operates under legal limitation on its ability to engage in political activity.

Even when there are no legal restrictions, the Company has a policy that restricts the Company from making contributions (both cash and other assets) to political candidates or political organizations.

At times, candidates for public office may ask to campaign on Company property. The Company does not normally permit campaigning on its property by candidates or persons working on their behalf. In addition, some locations may have additional requirements, such as giving candidates an equal opportunity. Inquiries from candidates should be given to the General Manager, who will consult with our corporate office and legal counsel.

- Do not use Company funds or assets to make contributions to political candidates or parties.
- Do not allow candidates for political office to campaign on Company property.
- Do not allow candidates to use Company vehicles.

Government agencies may contact Company personnel in an effort to obtain information. It is Company policy to cooperate with government investigations and to answer all inquiries truthfully and completely. Legal inquiries can take the form of phone calls, letters, and delivery of legal documents or even personal visits. These inquiries may or may not involve allegations that the Company has violated laws. Private attorneys may contact you about a legal matter involving the Company. If you are contacted by a government agency, department, or private attorney, it is important that you contact the General Manager before responding on behalf of the company. This is to ensure that your rights and the Company's rights are protected. If you are asked to participate as part of an inquiry, do not hide anything that relates to the investigation. Contact the General Manager directly for instructions on how to proceed. Of course, nothing in this section is intended to prevent, or should be interpreted as preventing, an employee from raising complaints with governmental agencies or being retaliated against for cooperating in their investigations.

It is also important that you do not destroy any documents related to government inquiries or lawsuits. Destroying such documents is against Company policy, and, depending on the circumstances, may be against the law.

Competition and Antitrust Laws

The Company is committed to complying with competition laws, also known as antitrust laws. These laws which exist in nearly all of the countries in which we do business, are intended to protect vigorous, open, and fair competition from improper, collusive, and anticompetitive restraint.

Violations of competition laws, such as agreements amongst competitors to fix prices, are prosecuted as serious crimes. Employees and others acting on the Company's behalf who participate in such activities are subject to large fines and imprisonment in the United States and certain other jurisdictions. The Company could be obligated to pay damage awards as a result of anticompetitive practices.

- Do not enter into price fixing agreements between the Company and its competitors.
- Do not enter into agreements with competitors that improperly restrict competition, such as agreements to limit production or supply, or agreements to divide or allocate sales according to customers, territories, or products.
- Do not discuss cost or pricing information with competitors. This includes, for example, profit margins, costs, credit terms, and avoiding price war.

International Trade Practices and Importing

In all countries in which the Company does business there are extensive government regulations of the importation and exportation of goods and services across their respective boundaries. The international trade law and regulations cover: revenue collection, including import duties, taxes, transfer pricing, Federal Trade Agreements (FTA), and value-added taxes (VAT); restrictions and conditions on what goods may be imported or exported; and commercial activity with certain persons, entities, and countries.

Government authorities worldwide are increasingly viewing importation, exportation, and restricted commercial activity as a national security concern. Failure to comply with the applicable laws and regulations in this area exposes the Company, and in some instances the individuals involved, to severe civil or even criminal penalties, and also to reputation risk.

Customs authorities are increasingly enforcing laws on a post-importation basis. This means that customs are less likely to stop or detain shipment at the time of arrival in the importing country, however, will expect the importer to be able to answer any questions, and provide documents about the shipment, upon clearing customs. The most typical areas that authorities will look into are tariff classifications, customs value, and compliance with applicable trade programs and benefits.

It is neither uncommon nor inappropriate for importers to engage the customs authorities in discussions to seek the customs authorities' agreement and approval for particular position on interpretation of the customs laws and regulations.

In order to protect the Company from an approval not honored by the government in the future, any arrangements and understanding reached with customs or some other government agency should be fully documented, and the file properly maintained. This is especially true when customs officials do not put their approval or understanding in writing.

- Be aware of, and comply with, all applicable laws and regulations relating to international trade if your group is involved in products and materials that travel across borders.
- Maintain records of all import and export transactions, including purchase orders, contracts, invoices, payment records, FTA program paperwork (example: NAFTA, USMCA, etc.), and follow proper record retention rules.
- Use an authorized freight forwarder, customs broker and logistics company that has been approved by the Company's Corporate Purchasing Manager.
- It is Company policy to use U.S. Government certified business partners in our supply chain, based on the security program of Customs and Trade Partnership Against Terrorism (C-TPAT)
- The benefits of C-TPAT compliance are rapid customs clearance at ports, airports, and border crossings and increased security of the cargo.