

COX AUTOMOTIVE

COMPANY ETHICS, SUSTAINABILITY AND DIVERSITY STANDARDS

Cox Enterprises, Inc. and its affiliates (collectively, “Cox”) are committed to honesty, integrity and fair dealing in all of our business operations. Accordingly, Cox has implemented standards for its contractors, consultants, suppliers and suppliers (“Suppliers”) addressing our core values with respect to Ethics, Sustainability and Diversity. Cox values our relationship with your business and trusts that your company, as a Supplier, shares our commitment to doing business right.

Effective as of the date of this Agreement, you agree and acknowledge that:

1. **Ethics.** You will perform to the highest level of business and professional ethics, and adhere to the following guidelines for ethical business conduct:

Compliance with Anti-Trust and Fair Competition Laws. Supplier will comply with all applicable laws governing Supplier’s services, work or business, including, without limitation, compliance with any Antitrust and state uniform pricing laws, or any other anti-competition laws.

Conflicts of Interest. Supplier will avoid any activity or appearance of impropriety, employment or acceptance of any contribution, if it would reasonably appear that such activity, employment, interest or contribution could compromise Supplier’s professional judgment or prevent or materially impair the Supplier from serving the best interests of Cox.

Gifts and Entertainment. Promotional items of nominal value such as a pen, key chain or cups with the Supplier’s logo are acceptable.

Financial Integrity. Supplier shall provide and maintain honest and accurate reports and records regarding its financial and other performance on behalf of Cox, including without limitation, any invoicing, billing practices, charges and accounting in connection with Supplier’s performance of any contracts, including government contracts, or in the provision of services or supplies to Cox.

Proprietary Information. Supplier shall take all actions and steps necessary to protect and safeguard the property and information of Cox, and Cox’s customers that might be shared with Supplier in accordance with our Agreement. Cox respects the same confidence you place in us.

Work Environment. Harassment or discrimination toward an individual because of race, color, creed, religion, sex (including pregnancy), national origin, gender, sexual orientation, age, disability or any other “protected status” as defined in Cox’s Code of Excellence is unacceptable in Cox’s work environment. Supplier agrees to provide for a safe and professional environment which promotes the values of teamwork, diversity and trust.

2. **Sustainability.** Cox is committed to partnering with suppliers to create a more sustainable supply chain. With a focus on conserving and protecting the environment, Cox seeks to work with suppliers that employ best-in-class sustainable business practices.

Environmentally Preferred Purchasing (EPP) refers to the procurement of goods and services from suppliers that employ manufacturing and distribution processes that have a lesser or reduced impact on the environment when compared with competing suppliers that provide the same goods and services. Cox supports the following specific EPP principles:

- Reduction of the amount of energy and water in manufacturing and distribution;
- Affirmative actions to prevent the creation of air and/or water pollution and waste products;
- Minimization of packaging and the use of materials or processes which compromise the environment;
- Availability of recycled and/or recyclable content in products and packaging, and other

remanufacturing opportunities (including use of materials that are non-toxic, durable, reusable and/or bio-based; device remanufacturing; take-back provisions and other re-use strategies; support for surplus equipment and supplies policies);

- Investment in the use of alternative energy sources for manufacturing and distribution;
- Use of sustainable and renewable raw materials;
- Support of organizations that extend the life of surplus equipment and supplies; and
- Transportation practices that are environmentally friendly.

EPP principles will be weighed with other quality, service, and total cost components in supplier selection. Whenever possible, preference will be given to suppliers that adhere to the above EPP principles. In addition, preference will be given to the local or regional production of goods and services when price, quality, and delivery method are equal among competing suppliers.

3. **Diversity.** Supplier shall participate in and fulfill the requirements of Cox's Tier II Reporting Initiative (the "Initiative") as described in **Attachment A** hereto, unless one or more of the exceptions set out in **Attachment A** apply.

Attachment A

Tier II Initiative

1.0 Definitions

1.1 A “Minority-Owned Business Enterprise” (MBE) is a “for profit” business, physically located within the United States or its trust territories, that is at least 51 percent owned, and whose management and daily business operations are controlled, by one or more members of a socially and economically disadvantaged minority group — namely, U.S. citizens who are Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, or Asian-Indian Americans.

1.2 A “Woman-Owned Business Enterprise” (WBE) is a “for profit” business, physically located within the United States or its trust territories, that is at least 51 percent owned by a woman (or women) who is a U.S citizen, controls the business by exercising the power to make policy decisions, and operates the business by being actively involved in its day-to-day management.

- 1.3 A “Veteran-Owned Business Enterprise”(VBE) is a for-profit business physically located within the United States or its trust territories, that is at least 51 percent owned by a veteran who is a Be at least 51 percent owned, operated, managed, and controlled by individuals with a disability or service-disabled veterans who are either U.S. citizens or lawful permanent residents;
- 1.4 A ‘Lesbian Gay Bisexual Transgender Business Enterprise’ (LGBTBE) is a for-profit business that is at least 51% owned, managed, operated and controlled by an LGBT individual(s) who are either US citizens or lawful permanent residents whose business was formed as a legal entity and principal place of business is headquarters in the United States, exercises independence from any non-LGBT business enterprise
- 1.5 A ‘Disability-Owned Business Enterprise (DOBE) is a for-profit business whose business was formed as a legal entity and principal place of business is headquarters in the United States, exercises independence from any other business enterprise and is at least 51% owned and operated , managed, and controlled by individuals with a disability or service-disabled veterans who are either U.S. citizens or lawful permanent residents

1.6 A “Certified Diverse Supplier” means a supplier that has been certified by an official independent third party agency as one or more of the following;

- Woman-Owned Business Enterprise (WBE)
- Minority-Owned Business Enterprise (MBE)
- Veteran-Owned Business Enterprise (VBE)
- Lesbian Gay Bisexual Transgender Business Enterprise (LGBTBE)
- Disability-Owned Business Enterprise® (DOBE)

1.7 A “Second Tier Company” is a Certified Diverse Supplier that is used by Supplier to provide goods and/or services under this Agreement.

1.8 A “Direct Contractor” is a Certified Diverse Supplier that is used by Supplier to provide goods and/or services directly related to this Agreement (i.e. the subcontractor is solely used by the supplier to fulfill the specific Agreement)

1.9 An “Indirect Contractor” is a Certified Diverse Supplier that is used by Supplier to provide goods and/or services as a general supplier to the Supplier and is not directly related to this Agreement (i.e. the subcontractor is used by the Supplier to support the operations of the company – office supplies, marketing, etc.)

2.0 Requirements

Ethics, Sustainability and Diversity Standards 6-12-17

2.1 Diverse Contractor Utilization Requirement

Each calendar year of the period of performance, Supplier is required to use reasonable efforts, as defined by Cox, to meet the minimum diverse supplier utilization goal of ten percent (10%) of the total of that year's value of this Agreement with Certified Diverse Suppliers (the "Goal") either annually, or if this Agreement is for a specific term less than one year, over the term of the Agreement. Supplier recognizes and agrees that the spending requirement referenced above may be achieved by using Direct and Indirect Contractors. Notwithstanding the foregoing, the responsibility for achieving its Goal shall remain with Supplier, who shall not be excused by reliance upon any other entity.

2.2 Certification and Reporting Requirement

Supplier shall supply to Cox's Diversity Group copies of official certification documentation for itself. Supplier shall also report quarterly and provide applicable copies of certification to Cox's supplier diversity Tier II reporting tool for diverse suppliers providing goods and/or services.

2.3 Supplier Diversity Subcontracting Plan

If by the mid-term of each year of this contract Supplier is not on target to meet its M//W/V/LGBT/DOBE subcontracting goals, Supplier will fully complete an M/W/V/LGBT/DOBE subcontracting plan and activity report that itemizes activities taken or to be taken to comply with the subcontracting requirements of this contract. However, Cox may request a fully-completed subcontracting plan at any time during the term of this Agreement. Supplier will be provided a 30 day period to fully complete such plan when requested.

2.4 Reasonable Efforts

Supplier must make reasonable efforts, as defined by Cox, to meet its Diverse Company Utilization Requirements. Supplier's failure to comply in good faith with this provision of this Agreement, including Supplier's failure to provide quarterly reports, fully complete a subcontracting plan at the request of Cox, or to cooperate in any investigation conducted by Cox of Supplier's performance under this provision of the Agreement, shall be deemed a material breach of this Agreement by Supplier.

2.5 Requirement Exceptions

Subcontracting requirements do not apply to Supplier if:

- (1) The total Cox contractual commitment does not meet the \$500,000 minimum contract value threshold.
- (2) It is determined by Cox that subcontracting possibilities do not exist by considering relevant factors such as:
 - a. Whether firms in the industry of the product or service procured by Cox customarily subcontract part of the work or maintain sufficient in-house capability to perform the work;
 - b. The availability of diverse businesses in the commodity areas of subcontracting need; and
 - c. The availability of diverse businesses in the commodity areas that can support daily operations of the supplier (i.e. "indirect" spending such as office supplies / equipment, marketing, printing services, etc. that is not "directly" related to the Cox contract)
- (3) Cox deems that M/WBE subcontracting is not required for a particular contract; as determined by the Cox Supplier Diversity Manager
- (4) For contracts or contract modifications that will be performed entirely outside of the United States and its outlying areas