



Our Commitment to Compliance and Quality



www.rs-online.com

How we deliver value with integrity

Contents

- 3** Messages from Lindsley Ruth & Ian Haslegrave
- 4** Code of conduct
- 5** Bribery and corruption
- 6** Modern slavery and human trafficking
- 7** Data protection and cyber security
- 8** Competition law
- 9** Trade compliance
- 10** EU REACH Regulation
- 11** EU RoHS Directive
- 12** Conflict minerals
- 13** Counterfeit goods
- 14** Quality
- 15** RS Pro
- 16** "Speaking Up" at RS

About RS Components

RS Components is a trading brand of Electrocomponents Plc, a FTSE 250 company listed on the London Stock Exchange that has been serving engineers and procurement specialists for over 80 years.

With operations in 32 countries, we offer more than 500,000 products sourced from 2,500 leading suppliers. Over a million customers worldwide count on us to deliver the high-quality parts they need on time and on budget.



A message from Lindsley Ruth, CEO

At RS, we are taking our business and our customers to some exciting places.

Our vision is to provide innovative, high-performance products and solutions that meet our customers' needs and it's a vision we will relentlessly pursue as the world and our business continue to develop.

We want every customer and supplier to know what we are doing but how we go about doing things is important too. This booklet gives an overview of our commitment to operating with integrity and in a legal and ethical manner. We believe in doing the right thing. It's part of our culture, and our reputation rests on it.

A message from Ian Haslegrave, General Counsel and Company Secretary

The world of compliance is evolving.

Expanding regulations, tough enforcement and reputation risk are all board-level concerns and the arguments for having a robust compliance approach have never been stronger. Our customers and suppliers recognise this and are increasingly asking questions about the compliance approach we adopt.

At RS, customers and suppliers are at the heart of all we do and we welcome the opportunity to tell you more. This booklet is just one of the steps we are taking to make our compliance program more visible to you.



As an executive team, we take seriously our responsibility to drive a culture of compliance and encourage you to let us know if you ever believe our high ethical standards have not been met. You can report concerns using our "Speak Up" facility, details on the back cover.

Code of conduct

The starting point for compliance at RS is our code of conduct, which outlines our position on key governance areas and provides guidance to support our people and our partners in maintaining the highest standards of ethical and legal conduct.

We believe that a code of conduct tells a story about a company's approach to compliance. Our code is designed to be accessible, clear and linked to our Group strategy and culture, much like our compliance program.

Compliance is everyone's responsibility. We seek to embed our code of conduct using training, policy communications and a continuous improvement approach.

We take a "zero tolerance" approach to compliance failures. Our code of conduct is designed to demonstrate that senior leaders at RS have a clear commitment to ethics and compliance. Our CEO Lindsley Ruth's introduction to the code of conduct is just one example of "tone from the top" support for compliance at RS.



You can view our code of conduct at:

<http://www.electrocomponents.com/investor-centre/corporate-governance/code-of-conduct>



Bribery and corruption

Anti-bribery continues to be a key compliance focus on the global stage.

In recent years, we have seen increasing co-operation across borders as more and more countries strengthen their anti-corruption laws and enforcement.

We embed our anti-bribery policy internally through a risk-based program of training, controls and leadership. Our policy requires that suppliers, distributors and other third parties also meet comparable ethical and legal standards.

We take a zero tolerance approach to all forms of bribery and corruption. This includes operating sensible gift and hospitality limits, prohibiting facilitation payments and ensuring that strict processes govern marketing incentive campaigns (such as average order value campaigns).



You can read our anti bribery policy at:

<http://www.electrocomponents.com/investor-centre/corporate-governance/anti-bribery>



"Believe you can and you're halfway there"

In every market, in every industry, we're making it happen for our customers every day.

"Simplify with all your mind, achieve with all your heart. Achieve with all your might."

"Don't worry about failure, worry about the chances you miss when you don't even try"



You can read our latest Modern Slavery Act statement at:

<http://www.electrocomponents.com/corporate-responsibility/our-business-practices/modern-slavery-act-transparency-statement>

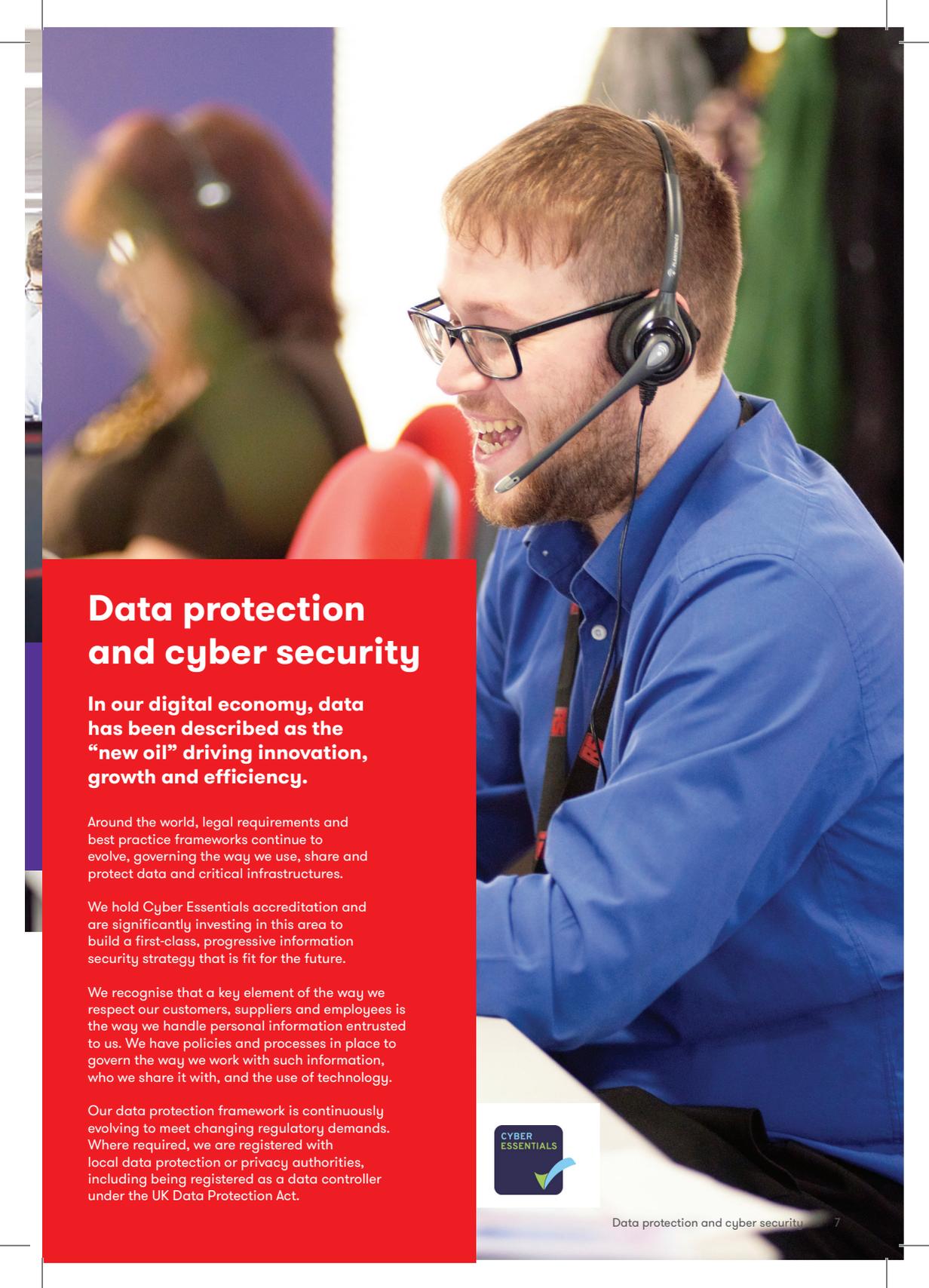
Modern slavery and human trafficking

Modern slavery has received attention from both the media and governments in recent years, including the Modern Slavery Act which was passed in the UK in 2015.

One aim of the Modern Slavery Act is to increase transparency in how businesses approach this complex supply chain issue by requiring an annual statement to be published.

At RS, we are committed to conducting our business in a way that is socially responsible and respects the rights and dignity of all people. We seek to create a positive working environment for our people and will not allow any form of slavery, human trafficking or child labour to take place in our business.

We take steps to assess and manage supply chain risk and source products and services from organisations that are willing to meet our high ethical standards.



Data protection and cyber security

In our digital economy, data has been described as the “new oil” driving innovation, growth and efficiency.

Around the world, legal requirements and best practice frameworks continue to evolve, governing the way we use, share and protect data and critical infrastructures.

We hold Cyber Essentials accreditation and are significantly investing in this area to build a first-class, progressive information security strategy that is fit for the future.

We recognise that a key element of the way we respect our customers, suppliers and employees is the way we handle personal information entrusted to us. We have policies and processes in place to govern the way we work with such information, who we share it with, and the use of technology.

Our data protection framework is continuously evolving to meet changing regulatory demands. Where required, we are registered with local data protection or privacy authorities, including being registered as a data controller under the UK Data Protection Act.



Trade compliance

Global governments, most notably the US and EU, strictly regulate the export and import of products, technology, and software, as well as the movement of certain (US) country of origin commodities between countries and persons.

Our policy requires strict compliance with all global trade controls and regulations, including those of the US and EU. We do this by retaining teams of experts that apply our approach through policies, management control, defined procedures, audit and robust systems controls.

In 2015 we made an investment decision to expand our use of Amber Road, the leading provider of global trade management solutions. We implemented Amber Road's Trade Automation solution to undertake on-demand real time denied party screening and license determination.



EU REACH Regulation

The EU REACH Regulation was enacted to protect human health and the environment from risks that chemicals may pose. We support the objectives of the EU REACH Regulation and other similar regimes that exist and are developing around the world.

The effects of REACH and the obligations arising for industry will continue to develop over many years. We welcome dialogue with customers on areas of compliance that we may be able to support. Areas of interest typically include the following:

- Continuity of supply: RS maintains an active dialogue with suppliers to minimise disruption to the supply of any products affected by REACH
- Substances of Very High Concern (SVHCs) - we will inform customers of the presence of SVHC's if present at > 0.1% by weight of a product as soon as this information is available from our suppliers
- Registration obligations - RS has no registration obligations, as we do not undertake activities such as manufacturing in the EU or importing substances into the EU of >1 tonne per annum



EU RoHS Directive

The RoHS Directive was introduced by the EU to reduce toxic waste from electrical and electronic equipment. Since the RoHS Directive came into effect in 2006, a number of other countries including Norway, China, Japan and Korea have also introduced their own version of RoHS.

As you might expect of RS, we monitor legislation that will impact the electronics industry and, in 2005, were one of the first companies to be awarded the BSI "RoHS Trusted" kitemark.

On our website we publish the RoHS status of products, based on information provided by our manufacturer partners. You will find over half a million products flagged as RoHS compliant, with RoHS certificates available to download.

If you require a RoHS compliant version of a product for which a certificate is not available, you can contact our technical helpline or speak to your local customer services team. We will endeavour to support your request, including carrying out in-house compliance verification where appropriate.



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Conflict minerals

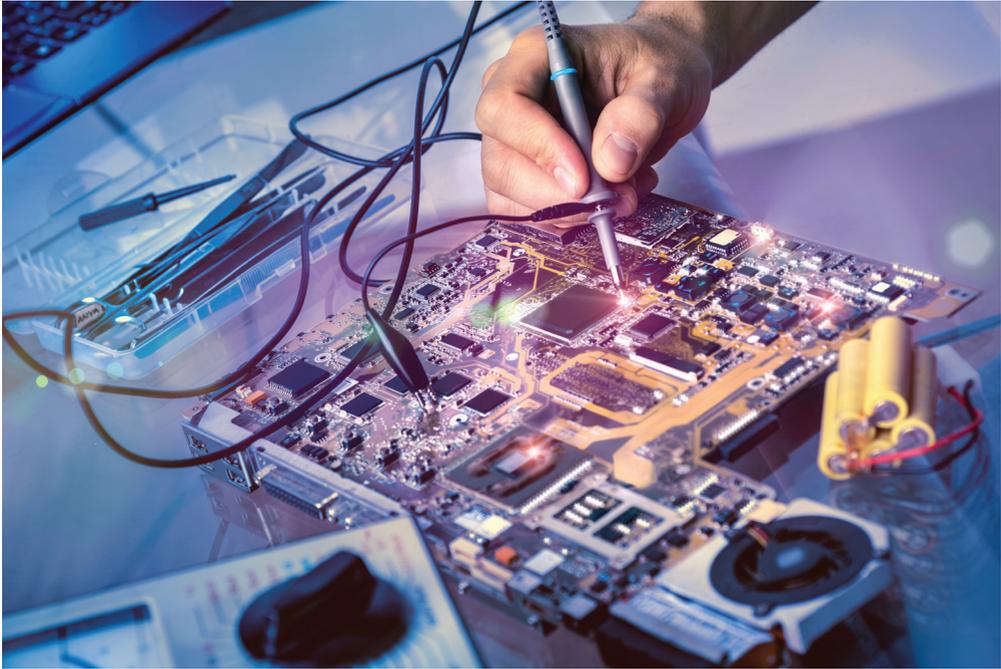
Conflict minerals, such as those originating in the Democratic Republic of Congo or surrounding areas, are contentious because their sale can be used to support armed groups and facilitate human rights violations.

We are committed to ethical practices and seek to keep our supply chain and products free from conflict minerals. We expect suppliers to have due diligence processes in place to identify and verify the source of conflict minerals contained in their products.

As a distributor that does not directly purchase or import tin, tungsten, tantalum or gold or report to the US Securities and Exchange Commission, RS is not subject to US requirements (including those in the Dodd-Frank Act) or the recently published EU Conflict Minerals Regulation.

We look to suppliers to advise the conflict mineral status of products and welcome dialogue from customers on areas of their conflict minerals compliance that we may be able to support.





Counterfeit goods

We value the confidence that customers place in our business and the products that we sell.

We partner with a trusted supply chain network of original manufacturers and a select group of authorised and accredited distributors.

Should counterfeit product ever be suspected, we have processes and contingencies in place to ensure affected deliveries are withdrawn from sale and securely quarantined. Where needed, we will also work with suppliers to implement a product recall.

In-house methods for testing the authenticity of suspected counterfeit products will, where needed, be complemented by independent third party experts and laboratory tests.





Quality

We are proud to provide high quality products and solutions to our customers.

Quality systems at RS are fully embedded in our overall business management systems. We strive for the highest levels of customer satisfaction, ensuring that products and solutions meet expectations, requirements and specifications.

We operate our quality, environment and health & safety management systems in accordance with international standards and hold ISO 9001, ISO 14001 and BS 18001 certification for our core activities with independent certification through a number of bodies globally.

We have a long history of quality and are proud to have held the ISO 9001 certification for over 30 years. We are in the process of consolidating into a single global RS Components quality management system certification through a single body. Please contact your local office or see our website for more details.





You can learn more
about RS Pro at:

www.rspro.com

RS Pro

RS Pro provides our customers with an ever-expanding range of over 50,000 high quality, competitively priced products that we are happy to put our name to.

Detailed reviews are carried out with manufacturers of RS Pro goods to check adherence to our ethics and compliance standards. These are scheduled using a risk based approach and include visits to vendors' premises. The employees responsible for these reviews receive ISO auditor training to ensure industry standards and good practice are embedded in their approach.

RS engineers in our labs ensure RS Pro products have been subjected to rigorous compliance

tests, inspections and audits, and are certified to the appropriate industry standards.

Every RS Pro product receives the RS seal of approval. It's our guarantee of quality, performance, service and our high ethical standards.





"Speaking Up"

At RS, we have a dynamic and diverse network of experts and leaders overseeing our compliance efforts.

We hope the brief summaries in this booklet give you a flavour of the high standards of ethical and legal conduct that we are passionate about.

We understand that our people are the best way to detect and avoid compliance failures. We seek to promote an open, honest and accountable "Speak Up" culture where employees can express concerns about our ethics or compliance without fear of victimisation.

Our Speak Up hotline is also available to any customer or supplier who is ever concerned that our high ethical and legal standards have not been met. To make a report, simply dial the relevant in-country number below.

Please note that these numbers are for reporting ethics/compliance concerns only. For other queries, please see our website or contact your local customer services team

- Australia: 1800 121 889
- Austria: 0800 281700
- Belgium: 0800 71025
- Canada: 1888 268 5816
- Chile: 12300200412
- China: 00 800 3838 3000
- Denmark: 8088 4368
- France: 0800 900 240
- Hong Kong: 800 930770

- Republic of Ireland: 1800 567 014
- Italy: 800 783776
- Japan: 00531 78 0023
- Malaysia: 1800 805 597
- Netherlands: 0800 022 9026
- New Zealand: 0800 443 816
- Norway: 800 14870
- Philippines: 1800 1442 0076
- Poland: 00800 441 2392

- Singapore: 800 4411 140
- South Africa: 0800 990520
- Spain: 900 944401
- Sweden: 0200 285415
- Switzerland: 0800 563823
- Taiwan: 0080 104 4202
- Thailand: 001 800 442 078
- UK: 0800 374199
- USA: 1877 533 5310