



Principles

Running our business responsibly

For SHI's board and senior management, upholding the highest standards of ethics is crucial. Our ethics management approach is grounded in our core values, formalized through our Code of Conduct, and supported by comprehensive policies and procedures. We are dedicated to operating responsibly and transparently by strengthening our internal control framework, including risk management, internal audits, and collaboration with external auditors. We set high ethical standards for both employees and suppliers through sustainable supply chain management and engagement, ensuring alignment across our business ecosystem with our commitment to integrity and transparency.

Highlights

98.9%

of employees trained on anti-bribery and corruption¹

Top 15%

ranking among all organizations assessed by EcoVadis

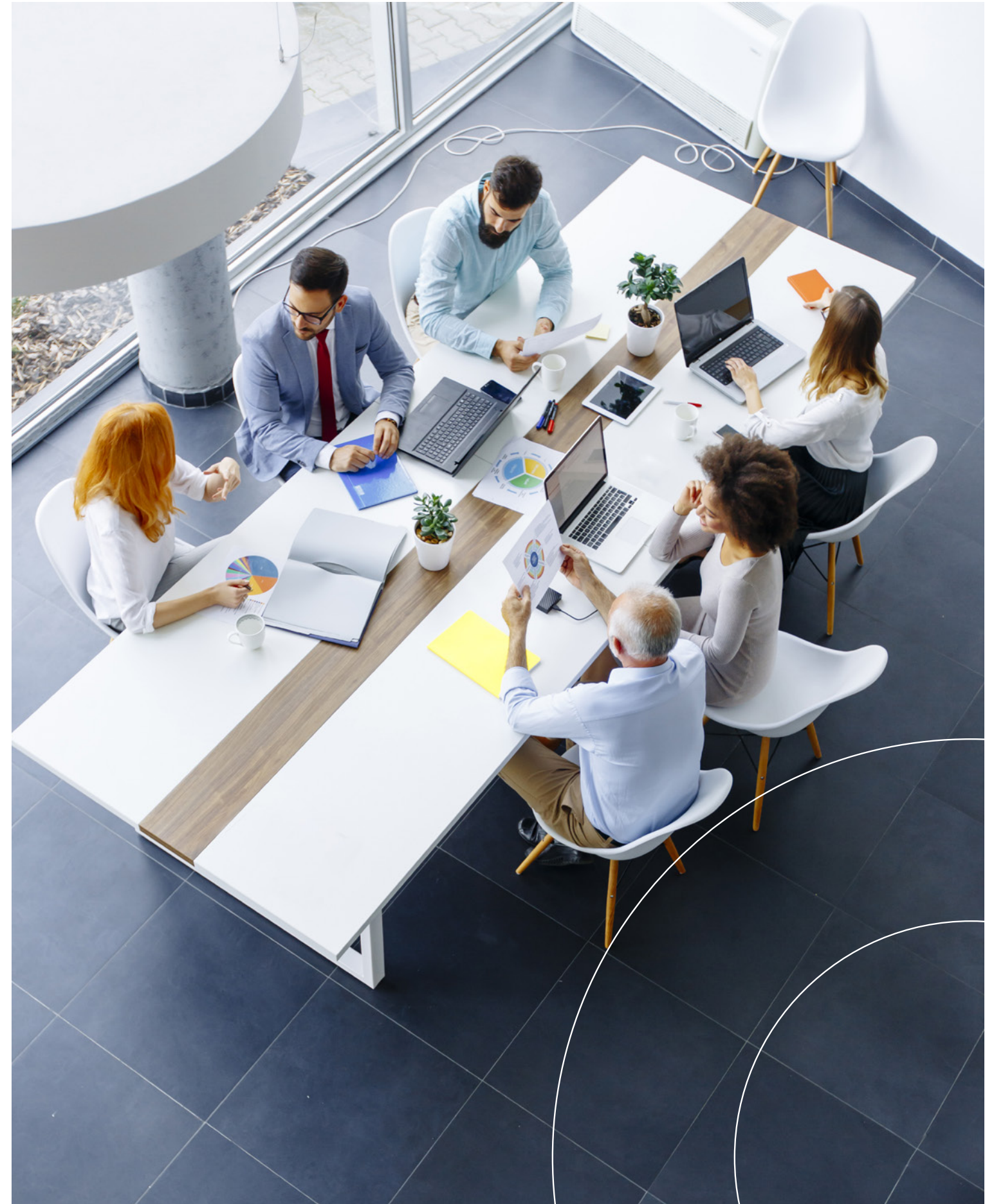
¹As of end of year

Corporate governance

At SHI, we prioritize accountability and transparency to achieve our strategic goals in the interests of our founders, employees, customers, and broader stakeholders. As a private company, our board consists of two co-founders, with Thai Lee, co-founder and CEO, leading SHI's management team. This team is comprised of leaders who are well-equipped to drive SHI towards success.

Our corporate governance framework emphasizes the importance of having reliable data, foresight into risks, and the ability to make balanced and informed decisions. Central to this framework is our Audit Committee, chaired by CFO James Prior and comprising members of our Executive Leadership team. Meeting quarterly, the Audit Committee plays a vital role in ensuring the integrity of our financial reporting, internal controls, and compliance with laws and regulations. This committee is fundamental to our dedication to maintaining ethical practices and high standards of corporate governance.

The Business Assurance function within our Finance department, reporting directly to the CFO, includes our Internal Audit, Risk Management, and ESG teams. These teams lead efforts to improve data quality, streamline processes, and effectively manage risks.



Ethics policies

At SHI, we prioritize ethical conduct through comprehensive entity-level controls that shape our corporate culture and guide employee behavior. Our senior management sets a strong tone at the top for ethical conduct, and our employees are required to read and acknowledge key ethics policies and complete mandatory annual training to reinforce ethical standards. We also provide anonymous reporting channels via whistleblower policies to protect against retaliation, conduct regular assessments of ethical and information security risks, and ensure ongoing communication and updates to our policies.

Key policy provisions

The Code of Conduct forms a comprehensive framework that upholds our commitment to integrity and ethical behavior across all organizational levels. These guidelines, which are applicable to every employee, are designed to prevent misconduct and ensure compliance with relevant laws and standards.

The General Counsel's oversight guarantees these policies are readily accessible to all team members, reinforcing our dedication to ethical practices and regulatory adherence. The Code of Conduct is complemented by employee handbooks and policies of individual SHI entities that reflect local regulations and customs.

Anti-Bribery and Anti-Corruption: We strictly prohibit any form of bribery, kickbacks, or unethical inducements. To reinforce this, all employees are required to undergo annual training on identifying and preventing corrupt practices. Additionally, we ensure that all business practices comply with applicable competition laws, promoting fairness and transparency in the marketplace.

Anti-Fraud: All employees serve as the first line of defense against fraud by staying vigilant and following comprehensive training programs. We have a detailed fraud checklist for detecting suspicious activities and a clear protocol for reporting suspected fraud immediately to a dedicated email alias and managers. Upon detection, a formal, confidential investigation is initiated. Repercussions may range from disciplinary actions to financial penalties and potential legal proceedings.

Anti-Competition: We aim to foster ethical, fair and vigorous competition. SHI prohibits anti-competitive practices such as price fixing and bid rigging and mandates independent decision-making. Employees are encouraged to report suspected violations via dedicated channels, with anonymous options available. Violations lead to thorough investigations and potential disciplinary actions including termination. The policy is reviewed annually to remain effective and compliant with relevant laws.



Key policy provisions (continued)

Whistleblowing: Our policies enable employees and external stakeholders to report ethical concerns. SHI has set up multiple channels, including a secure and confidential email and an anonymous hotline, to ensure concerns are submitted safely and securely.

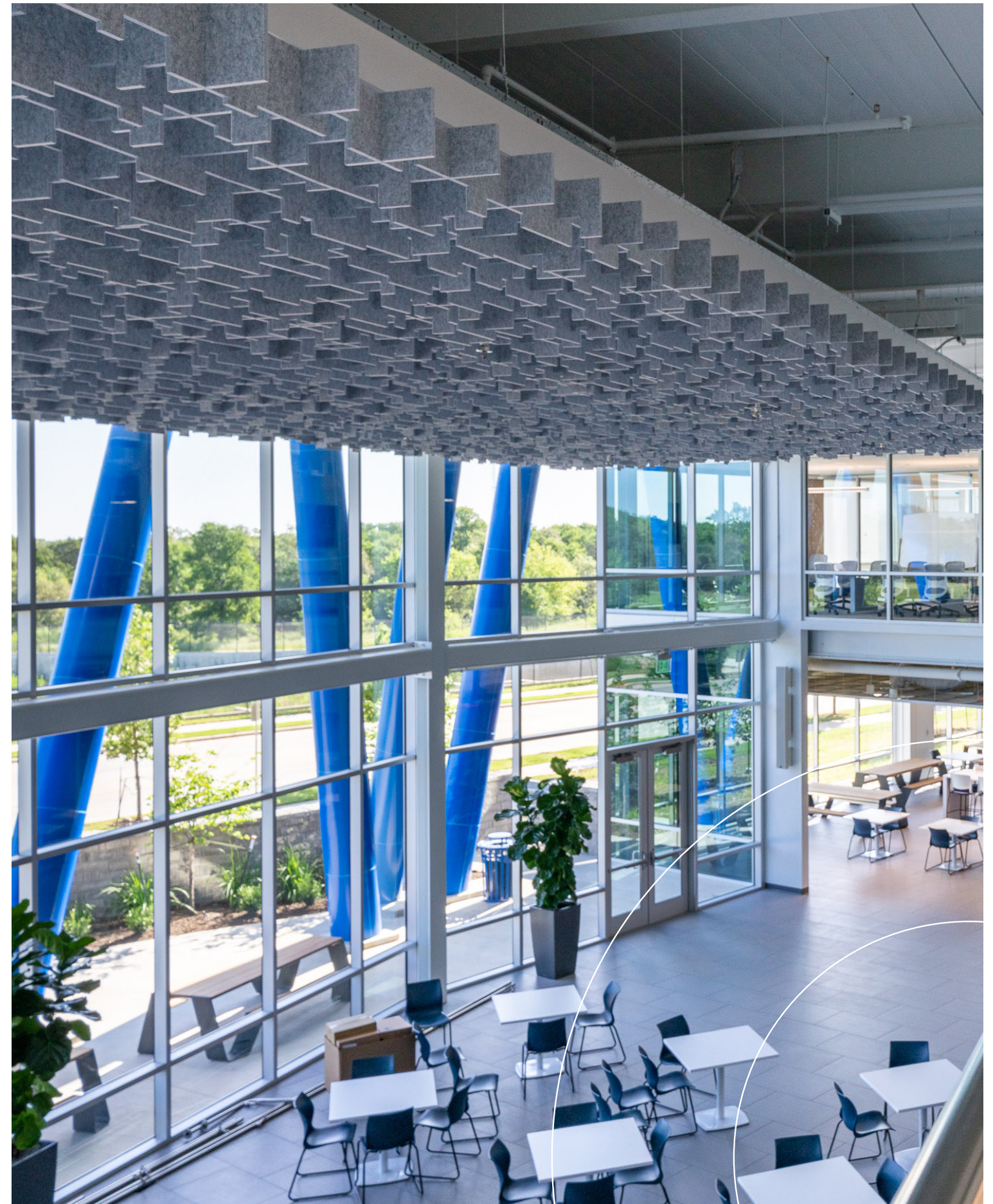
When a report is received, SHI follows a structured process for investigation and resolution. The Ethics team conducts thorough and impartial investigations, gathering evidence and interviewing involved parties. Disciplinary actions are taken according to the severity of the violation and may result in termination of employment. All findings are evaluated to determine the need for follow-up measures, such as additional training or policy revisions, to prevent future occurrences.

The Information Security Management System (ISMS) Policy safeguards data and ensures business continuity, aligning with ISO 27001 to reflect our commitment to high-security standards. 96% of all SHI locations are covered by at least one of the following security audits: ISO, SOC 2, PCI DSS, and/or Cyber Essentials. SHI has established, documented, and regularly tested internal control procedures on information security.

The ISMS Policy is communicated through regular training, accessible documentation, and direct channels for reporting concerns. Enforcement is maintained via management oversight, regular audits, and disciplinary actions for non-compliance. Key measures include strict access to controls, effective cryptography, physical security, incident management, and ongoing compliance checks to protect sensitive information and ensure data privacy and security.

Regular information security risk assessments are integral to SHI's security strategy. These assessments identify potential risks, evaluate their impact, and determine their likelihood. We also conduct information security audits to assess the effectiveness of existing controls and identify areas for improvement, ensuring that security measures are up to date and effective against evolving threats. Additionally, SHI's Resale system, comprising software licensing, hardware procurement, and IT services, adheres to SOC 2 standards, encompassing employees across SHI's locations.

The Supplier Code of Ethics and Sustainability Policy sets expectations of SHI's suppliers, mirroring the company's ethics policies. Suppliers are required to acknowledge that they agree to abide by social, environmental, and ethics standards and practices. SHI's standard Purchase Order templates include clauses on ethics, including anti-bribery and corruption.



Policy enforcement

Our policies and procedures have significantly enhanced SHI’s security and compliance measures, fostering a culture of integrity and accountability. By ensuring confidentiality and protection against retaliation, SHI has built trust among stakeholders, reinforcing our commitment to ethical practices and transparency.

SHI effectively communicates our policies through onboarding processes, our intranet, and mandatory annual training sessions. Based on risk assessments, internal audits are used to design control procedures that ensure the enforcement of these policies.

Our Code of Conduct is rigorously enforced through regular reviews, continuous improvement, and clearly defined roles and responsibilities across all organizational levels. In 2024, our Risk Management department conducted a comprehensive risk assessment focused on anti-bribery, corruption, and anti-competition measures, covering 100% of operational sites.

The company frequently communicates updates and reminders about ethical policies and practices through internal communication channels.

SHI’s Code of Conduct guarantees thorough and confidential investigations while protecting whistleblowers from victimization. Additionally, support is always available through HR and the WeCare program, ensuring employees feel safe and supported when raising concerns.

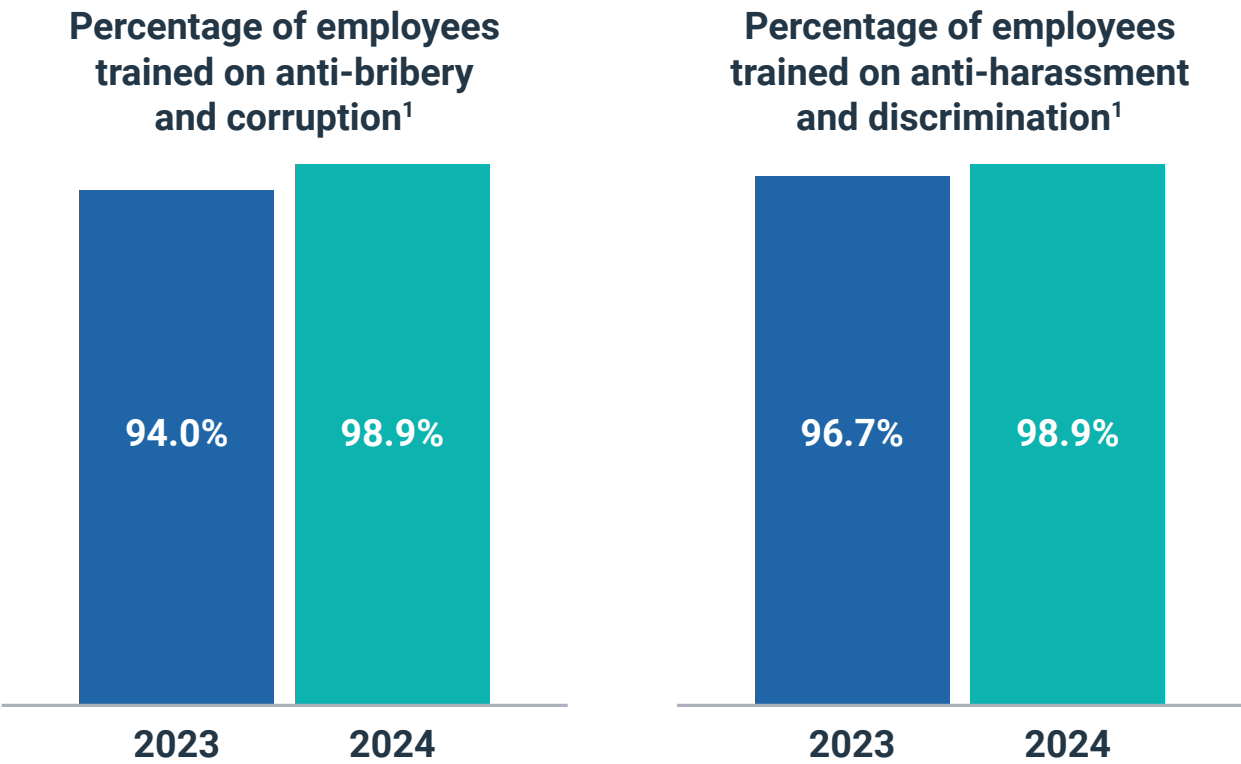


Mandatory ethics training

SHI has developed a comprehensive ethics training program to uphold high ethical standards among our employees. New employees receive this training during onboarding, while all other staff participate in annual refresher sessions. To reinforce these lessons, SHI conducts quarterly awareness campaigns focusing on key ethical issues and best practices.

The training covers essential topics, such as general ethical conduct, fraud prevention, compliance with anti-bribery and anti-corruption laws, adherence to fair competition regulations, and information security. By doing so, SHI fosters a culture of security awareness, ensuring employees understand their roles in protecting sensitive information and responding to potential threats.

Participation is mandatory for all employees, with HR monitoring completion and addressing non-compliance. Severe non-compliance can result in termination, emphasizing the importance SHI places on ethical conduct.



¹As of end of year

Sustainable supply chain management

Embedding sustainability in procurement and supply chain management helps SHI mitigate risks associated with regulatory compliance, reputational damage, and supply chain disruptions. It aligns with SHI’s sustainability strategy, particularly our science-based climate targets, and helps us meet our customers’ sustainability requirements.

By sharing our sustainability expectations with suppliers, we help our suppliers positively influence their own suppliers by adhering to social, environmental, and ethical standards. This drives innovation and competitiveness by encouraging suppliers to develop more sustainable products and processes.

Sustainable supply chain management is driven by SHI’s purchasing team, which is supported by the ESG team.

Supplier risk assessments

SHI has been on a journey to develop our approach to sustainability due diligence of suppliers, moving from desk-based assessments to automation of supplier due diligence.

Risk assessment studies

Between 2022 and 2023, we conducted a supplier review with an external provider, examining sustainability reports and external ESG databases to evaluate the sustainability maturity of our direct and indirect suppliers. The study covered 40 direct suppliers (such as equipment manufacturers), accounting for 70% of spend, and 14 indirect suppliers (such as distributors), accounting for 66% of spend in this category. Additionally, in 2023 all 145 purchasing team buyers completed Sustainable Supply Chain Training.

The 2022-23 supplier review was complemented with desk research on SHI’s top suppliers by spend, focusing on a broad range of ESG metrics. Moreover, as part of developing science-based climate targets, we conducted a screening of our supplier base against the Science-Based Target initiative (SBTi) dashboard.

Supplier engagement

Our primary goal for supplier engagement is to have 70% of suppliers by spend establish science-based climate targets by 2029. Since at least 60% of our suppliers by spend either already have science-based targets or commitments to set them, we will focus on the remaining suppliers to help them understand the importance of setting science-based targets and provide necessary support. Addressing Scope 3 emissions in their value chain is particularly important as they advance or develop their science-based targets.

We also plan to use a risk-based approach to engage suppliers on a broader set of sustainability topics as we implement our due diligence system.

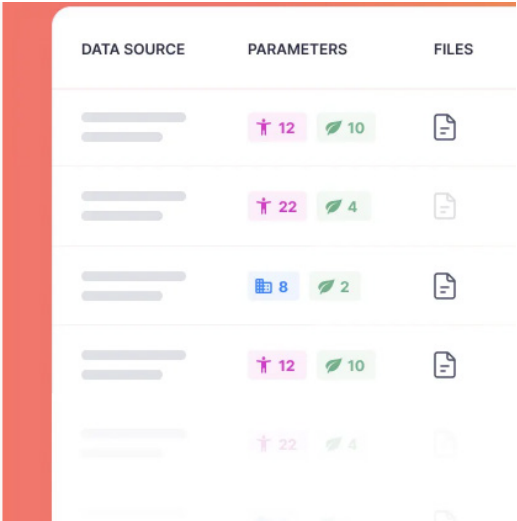
Supplier due diligence platform

In 2024, we decided to enhance our supplier reviews by implementing an AI-enabled platform to conduct sustainability due diligence of our supplier base. The platform will be fully rolled out in 2025.

The platform will allow us to understand our suppliers’ risk profiles by aggregating information from the following sources:

- **Risk resources:** Over 50 industry and geographical risk data resources, as well as previous violations.
- **Third-party databases:** 600 accreditations, disclosures, audits, lawsuits, and sanctions.
- **Supplier communication:** Content on suppliers’ websites, reports, and press releases.
- **Adverse news:** 300,000 historical news sources spanning over 20 years.

Our review will focus on key topics in the supply chain, such as climate and human rights, identified through the double materiality assessment exercise. In 2025, we will focus on key suppliers representing at least 90% of our expenditure and then consider extending the scope to the whole supplier base. We will also be able to share outcomes of our due diligence with customers upon request.



Sustainability compliance and transparency

SHI is committed to strict compliance with applicable laws and regulations. Accordingly, we provide information to regulatory authorities worldwide, including:

- GHG emissions disclosures in the U.K. (SECR and ESOS)
- Gender pay gap reporting in the U.K.
- Packaging reporting in Singapore
- Modern slavery statement in the U.S. and U.K.

As a private enterprise, we have fewer disclosure mandates than public corporations, but we choose to align our sustainability strategy and reporting with a range of voluntary standards.



Science-based targets provide companies with a clearly defined path to reduce emissions in line with the Paris Agreement goals. In early 2025, [SBTi validated SHI's near-term climate targets](#).



The United Nations Global Compact (UNGC) is a voluntary initiative that encourages businesses and organizations to adopt sustainable and socially responsible policies and practices. In 2022, SHI signed up with the UNGC and publicly declared our commitment to sustainable development and responsible business practices.



The Sustainability Development Goals (SDGs) are a set of 17 global objectives focused on tackling global issues. We have aligned ourselves with five of these goals:



SASB Standards enable organizations to provide industry-based disclosures about sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flow, access to finance, or cost of capital over the short, medium, or long term. SHI reports select indicators from the SASB Standard for Software and IT Services.



CDP is a global nonprofit that helps organizations disclose their environmental impacts, focusing on climate change, water security, and deforestation. SHI participates in the annual CDP climate and water assessment, and our 2024 assessment results are as follows:

Climate Change score: C (2023)¹

Water Security score: C (2024)



EcoVadis is a platform that assesses and rates companies' sustainability practices. In 2024, SHI successfully retained our Silver EcoVadis badge, significantly increasing our score from 62 to 73. This accomplishment places SHI in the 93rd percentile, demonstrating that we outperformed 93% of all assessed organizations. SHI continues to lead in the IT hardware and software wholesale sector.



The GHG Protocol is a globally recognized initiative establishing standardized frameworks for measuring and managing GHG emissions. SHI's GHG Accounting Policy is aligned with the GHG Protocol.

¹The 2024 score is under review by CDP