

	Ace Computers EPEAT 7.1.3 Social responsibility performance audits of high-risk suppliers Audit Methodology & Results Report Publication Date: July 17, 2026 Auditor: Daniel Baugh
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FORWARD

Ace Computers has completed the following “Supplier Labor Rights and OHS Audit” in compliance with EPEAT Criteria for “7.1.3 Required – Social responsibility performance audits of high-risk suppliers”.

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SECTION 1: Risk Assessment Background

1.1: Background

Ace Computers participates in the online Registry of products covered under the EPEAT ecolabel. EPEAT is the leading global Type-1 ecolabel in hardware. The Global Electronics Council (GEC) manages the EPEAT ecolabel, including the Conformity Assurance Bodies that provide 3rd party verification of the products listed in this Registry. Products must meet certain required and optional EPEAT criteria to be considered "EPEAT-registered" and be listed on this site. The specific EPEAT tier achieved by a product aligns with the number of optional criteria the product meets.

1.2: Defining Risk and Risk Assessment

Ace Computers performs a supply chain Risk Assessment in conformance with the EPEAT criterion "7.1.3 Required – Social responsibility performance audits of high-risk suppliers". Under this criterion supplier risks in Labor Rights and Occupational Health and Safety (OHS) are investigated, analyzed, and quantified according to Ace's Risk Assessment.

Guidance and requirements of the Risk Assessment are outlined by EPEAT "Responsible Supply Chains Criteria" 2025 Annex B (Normative): Labor Rights and Occupational Health and Safety Requirements and Annex C (Normative): Factors to determine prioritized manufacturer and/or supplier facilities.

To meet EPEAT criteria 7.1.3., Ace must assess risk for key suppliers to determine as In-scope or Out-of-scope. Out-of-scope suppliers are reasonably above the threshold of risk for Labor and OHS nonconformance, and as such require no further action or corrective action. In-scope suppliers that are deemed high risk are required to perform corrective action. This includes providing evidence of audits which prove key facilities have acquired management systems that reduce potential risks that were identified during the Risk Assessment process. The latter designation is known as "Prioritized".

1.3 Definitions

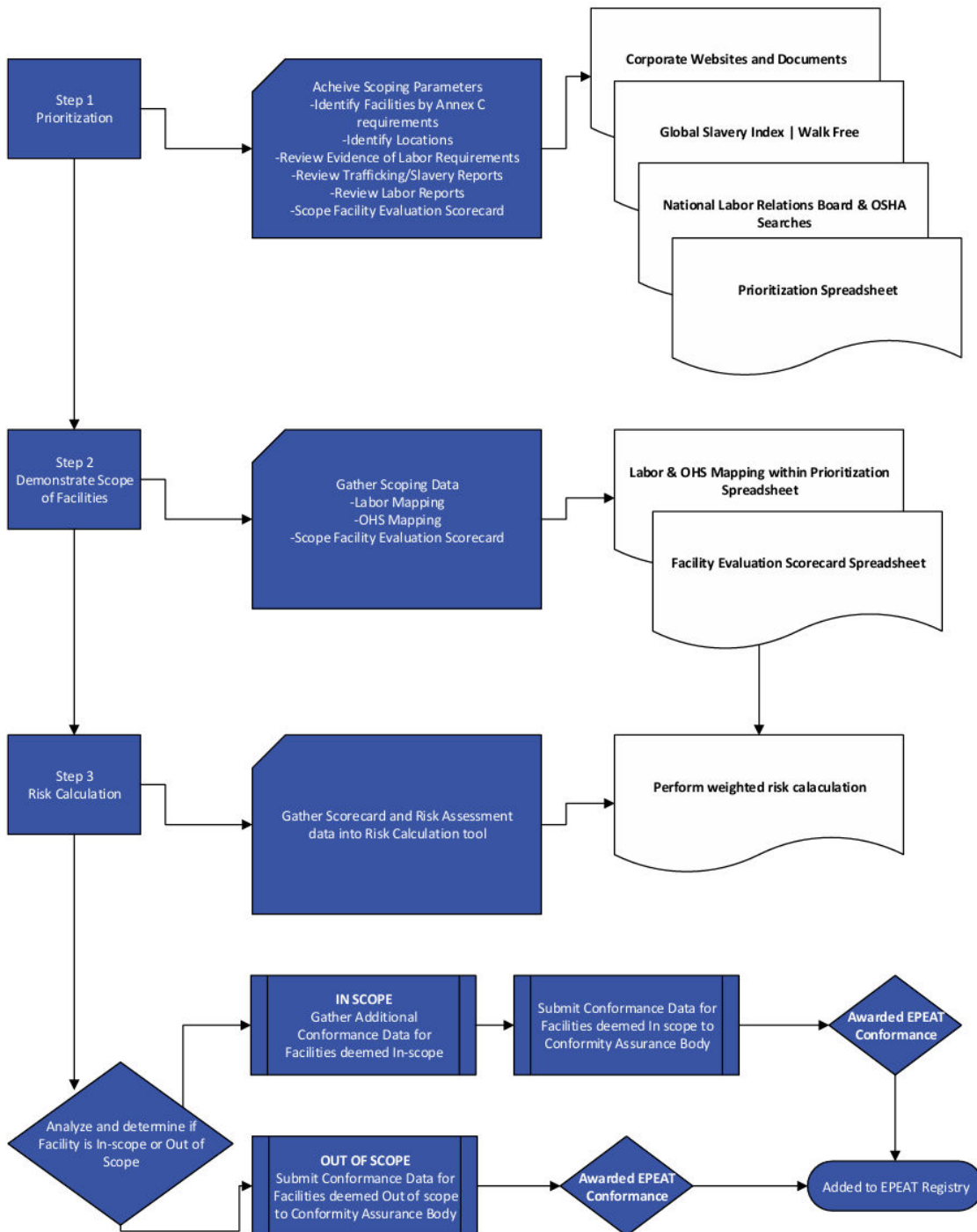
audit: Audits against labor and OHS requirements.

supplier: An entity that provides goods or services to the manufacturer.

product: A marketing model and chassis type associated with a unique product registration, including accessories and peripherals, integral to the operation of the product and contained by default in the point of sale (POS) packaging associated with the unique product registration, excluding consumables in imaging equipment.

SECTION 2: Methodology

2.1: Audit Diagram



2.2: Supplier Risk Identification

Our EPEAT Conformity Assurance Body issued guidance to devise a tool to determine if the significant suppliers were in-scope or out-of-scope. To qualify as out-of-scope, the frequency and likelihood of a violation by an entity of its legal obligations had to be within an acceptable risk level. If a supplier is assessed to higher than acceptable risk, they are in-scope and must meet additional “requirements for facilities in scope” according to EPEAT Criterion 7.1.3. See Section 2: Methodology for further detail on rationale and Risk Assessment Calculations.

2.3: Risk Analysis

Ace’s Supply Chain Risk Assessment is carried out by the Supplier Risk Assessment. The Supplier Risk Assessment, or Risk Assessment, is applied across Ace’s supply chain. Based on Annex C Categories, Geographic-specific, Labor and OHS, Enterprise Conduct, and Materiality risk, data is collected on all material suppliers.

Based on the quality, availability, and conformity of the resulting data collected, Risk Scores are assigned to each category. Each risk category is given a result based on its “evidence of compliance” as listed from 1-5. This is called Risk Score. This score, out of 15, is multiplied against the Materiality Score (1-5) for the supplier. Materiality is determined on the basis of significance (see Section 2.4 for Score Keys). Significance is defined in this criterion as factors that include size of organization, workforce, and percentage of manufacturer spend to supplier (Annex C). The higher the score, the higher the risk for a facility. The threshold for risk yielding an in-scope designation is a Scope Score of 45/75. In or out of scope determination is based on the Scope Score. Lower than a Scope Score of 45 is considered not Prioritized and higher is Prioritized (see Section 2.4 for details on Scope Score).

ACE IMS document SUS002 guides this process in further detail.

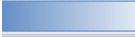
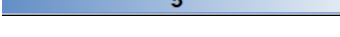
Ace Computers Supplier Risk Assessment for Labor and OHS Rights is conducted annually.

2.4: Risk Assessment Methodology

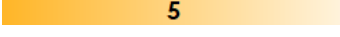
Risk Calculation

Calculation Methodology
Risk Calculation per supplier
$\text{Risk} \times \text{Materiality} = \text{Scope}$
Risk Calculation Expanded
$(\text{Risk Category Score a} + \text{Risk Category Score b} + \text{Risk Category Score c}) \times (\text{Scope Multiplier Score}) = \text{Supplier Scope Score}$

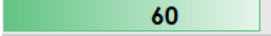
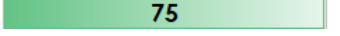
Risk Calculation Score Keys

RISK SCORE KEY	
 1	Very Low: Complete evidence of compliance
 2	Low: Strong evidence of compliance
 3	Standard: Sufficient evidence of compliance
 4	High: Missing evidence of compliance
 5	Very High: Evidence against compliance

Rationale: The Risk Score is defined by three main categories outlined in Annex C (Sections 1–3). Suppliers are scored 1-5 in each category. The sub-points in each category inform the scoring process. Stronger evidence of compliance directly correlates to a low risk score, and vice versa.

MATERIALITY SCORE KEY	
 1	Very Low Significance
 2	Low Significance
 3	Below Average Significance
 4	Average Significance
 5	High Significance

Rationale: Materiality is defined in Annex C, section 4. It reflects the significance of the manufacturer–supplier relationship. Annex C, part 4c, identifies annual percentage spend as a key variable. This value is weighted in the assessment due to impact on materiality. CAB: See Materiality Risk Calc tab for more detail.

SCOPE SCORE KEY	
 15	Very Low Risk Relationship: Out of Scope Supplier, Unprioritized
 30	Low Risk Relationship: Out of Scope Supplier, Unprioritized
 45	Medium Risk Relationship: In Scope Supplier, Prioritized
 60	High Risk Relationship: In Scope Supplier, Prioritized
 75	Very High Risk Relationship: In Scope Supplier, Prioritized

Rationale: Scope score is determined by the materiality score and the risk score (both defined to the left). Suppliers must be in scope to for supplier facilities to be prioritized. The score starts at 1 and may increase up to 75. If a supplier score over 45, the supplier is deemed a significant risk. The supplier's high risk facilities become Prioritized, warranting follow up actions in Part B and C.

SECTION 3: Results

3.1: Materiality Risk Results

Materiality Risk Calculation

Annex C Risk Categories												
Supplier	1. Geographic-specific		2. Labor and OHS				3. Enterprise-specific			4. Materiality		
	Trafficking Tier (Nation); Section 1.a.i	Corruption Perceptions Index Score; Section 1.a.ii	Flexible/non-standard labor agreements, migrant workers, restriction of audits/unions; Section 2.a.i	Outstanding Annex B nonconformance issued by applicable authorities (2024-2025); Section 2.a.ii	OSHA complaints (2024-2025); Section 2.b	Public allegations (2024-present); Section 2.c	Ace Computers Internal "EPEAT" Supplier Ranking" Risk Score	Ace Supplier Code of Conduct Stipulation Agreement	ILAB List of Goods Produced by Child Labor or Forced Labor; Section 3.d	Size of supplier	Size of Workforce; Section 4.b	Percentage of Annual Spend; Section 4.c
Supplier A	Tier 1	64	No major public disputes found	None found	Historical safety-related penalties exist in Violation Tracker, but no 2025-2026 OSHA action located.	Limited employment litigation history	Not listed (distributor)	Agreed	Electronics supply-chain exposure only	Large-cap; ~\$62.5B	~24,000	25%
Supplier B	Tier 1	64	None found	None found	No credible OSHA enforcement actions located for the past year.	None significant found	Not listed (distributor)	Agreed	Distribution-only exposure	Small-cap; ~\$370-433M	~700	19%
Supplier C	Tier 1	64	No major public disputes found	None found	OSHA history exists at some facilities, but the records found were years old, not from the last year.	Minimal	Not listed (distributor)	Agreed	Distribution-only exposure	Mid-cap; ~\$6.8B	~1,800	17%
Supplier D	Tier 1	64	No major current disputes found	None found	OSHA citations located were historically (2019 and earlier). No 2025-2026 enforcement found.	Isolated employment claims historically	Not listed (distributor)	Agreed	Distribution exposure only	Large-cap; ~\$56.2B	~24,000+	3%
Supplier E	Tier 1 Tier 2	76 62 64	Not highly unionized in U.S.	None found	Some historical OSHA inspections and citations exist, but no OSHA action from the last year was located.	Layoffs drew criticism	91 - Green	Agreed	supply-chain risk exists; no ILAB listing	Large-cap; ~\$52.9B	~100,000+	16.59
Supplier F	Tier 1	68	No significant issues found	None found	No OSHA enforcement news or citations from the past year located.	None significant found	92 - Green	Agreed	supply-chain exposure	Large-cap; ~\$10-14B	3,000-5,000	16.16
Supplier G	Tier 1	64 66 68	None found	None found	OSHA citations found were from 2009-2011. No recent actions identified.	None significant found	75 - Yellow	Agreed	Electronics supply-chain exposure	Small-cap; ~\$150-270M	~500	14.15
Supplier H	Tier 1 Tier 3	68 43 32	None found	None found	No OSHA enforcement records or news located. limited U.S. manufacturing presence.	None significant found	86 - Green	Agreed	electronics supply chain exposure	Small-cap; ~\$650M	150-4,000	12.28
Supplier I	Tier 1 Tier 2 Tier 3	68 43 41	None found	None found	OSHA records and citations from 2022 and prior. No 2025-2026 OSHA action found.	Limited OSHA history noted previously	67 - Red	Agreed	supply-chain exposure	Large-cap; ~\$117B	Hundreds to thousands	6.55
Supplier J	Tier 1	68 64	No major labor disputes found	None found	No OSHA enforcement actions identified in the last year.	No major labor findings	89 - Green	Agreed	Publishes controls and supply-chain due diligence	Large-cap; ~\$35B	~31,000	6.53
Supplier K	Tier 3	43 68	No reports alleging interference found	None found	no U.S. OSHA enforcement records were identified.	No labor-related controversies were found.	56 - Red	Agreed	No violations were identified during this review.	Small-cap; ~\$250M-\$499M	~3,000+	6.49

3.2: Risk Calculation Results

Risk Calculation

Risk Calculation - Annex C	Risk Categories			Risk Score	Materiality Score
	Geographic-specific Risk	Labor and OHS Risk	Enterprise Conduct		
A	1	1	1	3	5
B	1	1	1	3	5
C	1	1	1	3	5
D	1	1	1	3	5
E	3	1	1	5	5
F	2	1	1	4	5
G	1	1	2	4	5
H	3	1	1	5	5
I	3	1	3	7	5
J	1	1	1	3	5
K	4	1	3	8	5

Final Risk Score Results

Risk Results	Scope Score		Scope Determination
	75		
	15		Unprioritized
	15		Unprioritized
	15		Unprioritized
	15		Unprioritized
	25		Unprioritized
	20		Unprioritized
	20		Unprioritized
	25		Unprioritized
	35		Unprioritized
	15		Unprioritized
	40		Unprioritized

3.3: General Audit Results and Risk Determination

Ace Computer's suppliers were selected for auditing based on the specific requirements as set forth by GEC EPEAT Criterion 7.1.3. All of Ace's assessed suppliers scored low enough in their Risk Assessments to be determined Not Prioritized.

Although posing a strong relationship to Ace as determined by high annual spend percentage and the reflecting high Materiality Score, the facilities did not create the size or scope of compliance breach necessary for the manufacturer to pursue corrective action.

The high conformance identified in the above data is a product of well-vetted supplier partnerships. Ace has historically based its purchasing practices on factors including the labor rights and OHS compliance of an organization and its contracted facilities. This includes actions such as the cessation in business between the manufacturer and poorly performing suppliers.

Engagement between stakeholders within Ace's supply chain with EPEAT Responsible Supply Chains Criteria is constantly in development. Ace endeavors to be ahead of all requirements in labor rights and OHS in their supply chain.

ANNEXES

I: List of Related Documents

[ACE150_Supplier-Code-of-Conduct_251230.pdf](#)

II: Sources of Information

EPEAT Responsible Supply Chains Criteria:

https://globalelectronicscouncil.org/wp-content/uploads/EPEAT_RSC_2025.pdf

Ace Computers Official Website:

[IT Services Company Solutions | Ace Computers](#)

III: Whom to contact

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