



## Anti-Forced Labor and Child Labor Policy

### 1. Introduction

At Diverse Electronics, we are committed to upholding the highest standards of ethical conduct and human rights across our operations and supply chain. We recognize the gravity of forced labor and child labor and stand firmly against these abhorrent practices. This policy outlines our commitment to eradicating forced labor and child labor within our sphere of influence.

### 2. Scope

This policy applies to all employees, contractors, suppliers, and partners associated with Diverse Electronics, encompassing our entire supply chain.

### 3. Prohibition of Forced Labor and Child Labor

- **Forced Labor:** We strictly prohibit any form of forced, involuntary, or bonded labor, including human trafficking, debt bondage, and slavery. This encompasses coercion, physical or psychological intimidation, or any form of exploitation.
- **Child Labor:** We vehemently oppose the employment of individuals below the legal minimum working age defined by applicable laws and international standards. We do not tolerate the exploitation of children in any form within our operations or supply chain.

### 4. Supplier Expectations

We expect our suppliers and business partners to adhere to the same ethical standards and to implement their own policies prohibiting forced labor and child labor. We prioritize collaboration with partners who share our commitment to human rights.

### 5. Due Diligence and Risk Assessment

- We conduct regular risk assessments and due diligence to identify and mitigate risks associated with forced labor and child labor within our supply chain.
- We implement audits, evaluations, and monitoring mechanisms to ensure compliance with our policies.

### 6. Training and Awareness

- We provide comprehensive training to employees, suppliers, and stakeholders on recognizing, preventing, and reporting instances of forced labor and child labor.

### 7. Reporting Mechanisms and Investigation

- We encourage and facilitate the reporting of any suspected cases of forced labor or child labor through confidential channels.



- An established investigation process ensures prompt and thorough action against reported incidents.

## 8. Remediation and Corrective Action

- In the event of a confirmed violation, we take immediate remedial action to mitigate harm to affected individuals. We also enforce appropriate corrective measures against non-compliant parties.

## 9. Monitoring, Review, and Continuous Improvement

- We continuously monitor and review our policies and practices, seeking opportunities for improvement and innovation in combatting forced labor and child labor.

## 10. Public Disclosure

- We commit to transparently sharing our efforts and progress in addressing forced labor and child labor within our supply chain through periodic reports.

## Conclusion

Diverse Electronics is unwavering in its dedication to eradicating forced labor and child labor. We hold ourselves accountable to the highest ethical standards and actively work towards a supply chain free from these abhorrent practices.

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## Practical Guide

Performing a risk assessment for identifying and mitigating the risks associated with forced labor and child labor within the supply chain involves a structured process. Here's an expanded approach:

### 1. Mapping the Supply Chain

- **Identify Suppliers and Sub-Suppliers:** Compile a comprehensive list of all suppliers directly involved in providing Components or PT&E. Extend this mapping to include sub-suppliers and subcontractors, creating a clear picture of the entire supply chain. ( Where Possible )

### 2. Risk Identification

- **Country and Region Analysis:** Assess the countries and regions where suppliers operate. Consider geographical locations known for higher risks of forced labor or child labor based on reports from organizations like the International Labour Organization (ILO) or the U.S. Department of Labor.
- **Product or Service Analysis:** Identify products or services within your supply chain that might have higher risks due to the nature of their production or raw materials involved.
- **Supplier Evaluation:** Develop a criteria-based assessment of suppliers considering factors such as geographical location, labor practices, compliance history, and adherence to international labor standards.

### 3. Risk Mitigation

- **Supplier Collaboration:** Encourage open communication with suppliers to understand their own efforts in preventing forced labor and child labor. Collaborate to address any identified risks jointly.
- **Monitoring and Follow-up:** Implement ongoing monitoring mechanisms to track and verify compliance improvements.

### 4. Data Collection and Analysis

- **Gather Information:** Collect data from various sources, including supplier **self-assessments**, third-party audits, and reports on labor practices.
- **Data Analysis:** Analyze the collected information to identify trends, patterns, or areas of concern within the supply chain.

### 5. Documentation and Reporting

- **Maintain Records:** Keep detailed records of assessments, audit reports, and any actions taken in response to identified risks.
- **Reporting:** Integrate findings into regular reporting mechanisms, providing insights into the company's efforts to address forced labor and child labor risks within the supply chain.

A thorough risk assessment process helps in understanding the potential vulnerabilities within the supply chain and allows for proactive measures to prevent and address instances of forced labor or child labor effectively. Regular reviews and updates to the risk assessment strategy ensure its relevance and effectiveness over time.