

Combating Human Trafficking

One of our core values expressed in the MTS Code of Conduct is recognizing and respecting people. In support of this core value, MTS is committed to upholding the protection of Human Rights. In accordance with Federal Acquisition Regulation 52.222.50 Combating Trafficking in Persons, MTS has communicated the policy below, prohibiting trafficking in persons, to our employees and actions that will be taken if there is a violation.

Policy. The United States Government has adopted a policy prohibiting trafficking in persons including the trafficking-related activities of this clause. Contractors, contractor employees, and their agents shall not—

- (1) Engage in severe forms of trafficking in persons during the period of performance of the contract;
- (2) Procure commercial sex acts during the period of performance of the contract;
- (3) Use forced labor in the performance of the contract;
- (4) Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;
- (5)
 - (i) Use misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work;
 - (ii) Use recruiters that do not comply with local labor laws of the country in which the recruiting takes place;
- (6) Charge employees recruitment fees;
- (7)
 - (i) Fail to provide return transportation or pay for the cost of return transportation upon the end of employment--
 - (A) For an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working on a U.S. Government contract or subcontract (for portions of contracts performed outside the United States); or
 - (B) For an employee who is not a United States national and who was brought into the United States for the purpose of working on a U.S. Government contract or subcontract, if the payment of such costs is required under existing temporary worker programs or pursuant to a written agreement with the employee (for portions of contracts performed inside the United States); except that--
 - (ii) The requirements of paragraphs (b)(7)(i) of this clause shall not apply to an employee who is--

- (A) Legally permitted to remain in the country of employment and who chooses to do so; or
- (B) Exempted by an authorized official of the contracting agency from the requirement to provide return transportation or pay for the cost of return transportation;

(iii) The requirements of paragraph (b)(7)(i) of this clause are modified for a victim of trafficking in persons who is seeking victim services or legal redress in the country of employment, or for a witness in an enforcement action related to trafficking in persons. The contractor shall provide the return transportation or pay the cost of return transportation in a way that does not obstruct the victim services, legal redress, or witness activity. For example, the contractor shall not only offer return transportation to a witness at a time when the witness is still needed to testify. This paragraph does not apply when the exemptions at paragraph (b)(7)(ii) of this clause apply.

- (8) Provide or arrange housing that fails to meet the host country housing and safety standards; or
- (9) If required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing. Such written work document shall be in a language the employee understands. If the employee must relocate to perform the work, the work document shall be provided to the employee at least five days prior to the employee relocating. The employee's work document shall include, but is not limited to, details about work description, wages, prohibition on charging recruitment fees, work location(s), living accommodations and associated costs, time off, roundtrip transportation arrangements, grievance process, and the content of applicable laws and regulations that prohibit trafficking in persons.

A violation of the policy prohibiting trafficking in persons may include disciplinary action up to and including termination.

California Transparency in Supply Chain Act

In addition, the California Transparency in Supply Chains Act requires retailers and manufacturers doing business in California to disclose efforts to eradicate slavery and human trafficking from its direct supply chain. MTS is committed to ensuring that its employees and suppliers take appropriate steps to mitigate the risk of human trafficking and slavery from occurring in any aspects of its supply chain. In accordance with the Act, MTS makes the following disclosures:

Verification of Supply Chain

MTS verifies product supply chains through several methods, including site evaluations, inspections, verification of government debarred and denied parties lists and other means. Third parties are not utilized for verification. MTS requires all suppliers to agree as a condition of receiving a contract that they will comply with all applicable laws and regulations. With respect to suppliers outside the United States, suppliers are required to comply with their local laws as well as applicable laws of the United States.

Evaluation of Supplier Compliance

MTS does not conduct audits of suppliers to evaluate supplier compliance with company standards specifically for trafficking and slavery in supply chains. For anyone who observes conduct contrary to the principles set forth in MTS's Code of Conduct, MTS maintains an ethics AlertLine at 1-888-321-5562. Callers may remain anonymous without fear of retaliation.

The Code of Conduct is referenced in the MTS Terms and Conditions. MTS promptly investigates all reported matters and takes action as needed, including disclosure to governmental authorities as appropriate.

Supplier Certification

MTS requires as a condition of contract that all suppliers commit to comply with applicable laws and regulations, but does not require suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.

Internal Accountability Standards

MTS maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking. MTS has implemented several internal policies addressing this requirement. Corporate Policy HR-024 Global Human Rights states: "One of our core values expressed in the MTS Code of Conduct is recognizing and respecting people. In support of this core value, MTS is committed to upholding the protection of human rights of all workers. MTS also expects our suppliers to conduct themselves in a manner consistent with MTS's Code of Conduct and the principles expressed in HR-024.

Management Training

MTS provides company employees and management, who have direct responsibility for supply chain management, training on human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products. MTS sends periodic communications to suppliers informing them about the risk of human trafficking and slavery and their obligations to comply with all applicable laws and regulations.