

 SINCERUS	Title: Combating Human Trafficking Compliance Plan				Number: 3.4
	Unit Issuing: Compliance	Approved by: COO	Date Issued: 04/17/2021	Date Revised:	Version #: 1.0

I. INTRODUCTION Benefits of a Compliance Program.

The responsibility to respect human rights is a global standard of expected conduct for all business enterprises wherever they operate. It exists independently of States' abilities and/or willingness to fulfill their own human rights obligations. Further, it exists over and above compliance with national laws and regulations protecting human rights. Addressing adverse human rights impacts requires taking adequate measures for their prevention, mitigation and, where appropriate, remediation. Business enterprises may undertake other commitments or activities to support and promote human rights, which may contribute to the enjoyment of rights. But this does not offset a failure to respect human rights throughout their operations.

To demonstrate our commitment to honest and responsible conduct, decrease the likelihood of unlawful and unethical behavior, and encourage employees to report potential problems to allow for appropriate internal inquiry and corrective action, Sincerus has completed this Compliance Plan and will perform regularly scheduled compliance audits.

The following is the Sincerus Compliance Plan structured to meet the guidelines as set forth in the Federal Acquisition Regulation, subpart 22.17 and Contract Clause 52.222.50.

II. Sincerus will Prohibit Labor Trafficking and Child Labor in its Operations.

A. Sincerus will:

1. Adopt a policy prohibiting the use of Labor Trafficking and Child Labor in its Operations;
2. Not knowingly tolerate any Labor Trafficking or Child Labor in its Operations; and
3. Comply with the laws regarding Labor Trafficking and Child Labor in the country or countries in which Sincerus has Operations.

B. Sincerus will encourage and, where appropriate, require that its first tier Suppliers adopt the Model Supplier Policy set forth in Part VI.

D. Sincerus will include a provision in its supply contracts that Sincerus's policies, including this Policy, are essential to the contract, and that Supplier agrees to strictly adhere to each and every such policy, and that such adherence is critical to contract performance. Further, Supplier will agree to indemnify Sincerus and hold it harmless with respect to any violation of relevant laws and regulations, or for any civil or criminal liability arising from the contravention of the Sincerus's Policies by Supplier or any of its Suppliers, including, but not limited to, indemnification for Remedies paid to any victim or any other Remediation hereunder. In the event that Sincerus determines that Supplier has not complied with contractual and policy requirements, or has failed

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to Remedy or Remediate any potential violation or contravention in order to comply with the law and/or the Sincerus’s Policy, then Sincerus may terminate its Supplier contract immediately, and such termination will be with cause for default.

III. Sincerus will conduct a Risk Assessment of the Risk of Labor Trafficking and Child Labor and Continually Monitor Implementation of this Policy.

A. Sincerus will:

1. Conduct ongoing Risk Assessments of the risk of Labor Trafficking and Child Labor in its Operations. In conducting Risk Assessments, Sincerus should identify general areas where the risk of Labor Trafficking and Child Labor is more significant in terms of severity, scale, or probability and prioritize those for greater Due Diligence, Monitoring, Verification or other appropriate action under a given Principle, and
2. Require its Suppliers to conduct ongoing Risk Assessments.
3. Sincerus may draw on internal or external human rights expertise and, as appropriate to the size and the nature and context of its operations, engage relevant stakeholders in conducting all Risk Assessments.

B. Based on the result of the Risk Assessment, Sincerus will examine areas of Sincerus’s Operations, its Suppliers and other parts of the Supply Chain with a material risk of Labor Trafficking and Child Labor to identify the extent to which it should:

1. Monitor its Suppliers’ implementation of this Policy;
2. Perform Due Diligence on Suppliers; and
3. Adopt a Verification and certification program to ensure its own implementation of this Policy with appropriate executive oversight based on its governance structure.

IV. Sincerus will conduct training, improve continuously, and communicate effectively.

A. Sincerus will train relevant employees, engage in continuous improvement, and maintain effective communication mechanisms with its Suppliers.

B. Sincerus will communicate this Policy to key Stakeholders, including:

1. Employees, including managers, supervisors, and other staff with Supply Chain oversight;

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2. Suppliers or agents, if applicable; and

3. Labor brokers, recruiters, and employment agencies, if used by Sincerus.

C. Sincerus will also publish this Policy or otherwise make it available to the public such as by posting this Policy on Sincerus’s website so that it is available to relevant Stakeholders.

D. Sincerus will implement a system that allows Employees, and Employee representatives where applicable, to raise issues regarding Labor Trafficking and Child Labor acts with Sincerus anonymously, without fear of reprisal, and in accordance with applicable privacy laws. In addition to establishing this system, Sincerus should publicize the availability of the system, such as by posting it on its website and requiring its prominent display at the workplace so that it is readily available to Supplier Employees at all levels.

V. Sincerus will Devise a Remediation Policy and Plan that Addresses Remediation for Labor Trafficking or Child Labor in its Operations.

A. Sincerus will consult with relevant Stakeholders to devise a Remediation policy and plan that addresses:

1. Remedies for individual victims where Sincerus itself directly caused the Labor Trafficking or Child Labor; and
2. Remediation of broader patterns of non-conformance with the Policy caused by deficiencies in Sincerus’s systems or processes.

B. The remediation policy and plan may appropriately vary depending on the Risk Assessment conducted in a given case.

C. The Remediation policy and plan of Sincerus will take into consideration all findings reported through Monitoring, Due Diligence, and Verification efforts or other sources.

D. Remediation for individual victims will include protocols for appropriate immediate action to eliminate the Labor Trafficking and Child Labor and resources for reasonable and appropriate victim services designed to offset the harm experienced.

1. Sincerus enterprise immediately responsible for the Labor Trafficking or Child Labor should remediate any harm to the individual victims.
2. To the extent that the responsible business enterprise is unwilling or unable to provide such Remediation, then Sincerus may choose to do so itself in coordination with a number of others including:
 - a. the Supplier and other business enterprises in the Supply Chain;

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- b. other Businesses that utilize the responsible business enterprise; and
- c. local government, NGOs and other Stakeholders.

3. If Sincerus chooses to provide all or part of the victim Remediation, then it may be able to rely on the indemnification recommended in Principle 1 for reimbursement.

VI. The Supplier will Prohibit Labor Trafficking and Child Labor in its Operations.

A. The Supplier shall:

- 1. Adopt a policy prohibiting the use of Labor Trafficking and Child Labor in its Operations;
- 2. Not knowingly tolerate any Labor Trafficking or Child Labor in its Operations; and
- 3. Certify to Sincerus that the product or service provided to Sincerus complies with the laws regarding Labor Trafficking and Child Labor of the country or countries in which Sincerus and Supplier has Operations relating to the products or services being provided by the Supplier to Sincerus.

B. The Supplier shall notify Sincerus immediately if it learns of instances of Labor Trafficking or Child Labor.

C. The Supplier shall encourage and, where appropriate, require its first-tier Suppliers to adopt the Model Supplier Policy set forth in this Part VI.

D. Where part of a supplier contract, the Supplier agrees that failure to comply with the relevant provisions is grounds for immediate termination of the contract.

E. The Supplier agrees to indemnify Sincerus and hold it harmless with respect to any violation of relevant laws and regulations, or for any civil or criminal liability arising from the contravention of Sincerus’s Policy by Supplier or any of its Suppliers of goods or services, including, but not limited to, any Remediation. Supplier also agrees that, in the event that Sincerus determines that a violation or contravention of relevant laws and regulations or Sincerus’s Policies may have occurred, Sincerus shall notify Supplier and Supplier shall immediately Remedy or Remediate or cause to be Remedied or Remediated, the potential violation or contravention. In the event that Sincerus determines that Supplier has not made a good faith effort to Remedy or Remediate the potential violation or contravention in order to comply with the law and/or Sincerus’s Policies, then Sincerus may terminate its Supplier contract immediately, and such termination will be with cause. In the event that Sincerus determines that Supplier has acted in good faith but has nonetheless failed to Remedy or Remediate the potential violation or contravention, Sincerus may execute any other appropriate remedy, including but not limited to the training and capacity building called for in Part VII.

VII. The Supplier will conduct training, improve continuously, and communicate effectively.:

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- A. The Supplier shall train relevant employees, engage in continuous improvement, and maintain effective communication mechanisms.
- B. The Supplier shall communicate the Policy to key Stakeholders, including:
 - 1. Employees, including managers, supervisors, and other staff with Supply Chain oversight;
 - 2. Suppliers or agents, if applicable; and
 - 3. Labor brokers, recruiters, and employment agencies, if used by the Supplier.
- C. The Supplier shall also publish this Policy or otherwise make it available to the public such as by posting this Policy on the Supplier’s website so that it is available to relevant Stakeholders.
- D. The Supplier shall implement a system that allows Employees, and Employee representatives where applicable, to raise issues regarding Labor Trafficking or Child Labor with Sincerus anonymously, without fear of reprisal, and in accordance with applicable privacy laws. In addition to establishing this system, Sincerus should publicize the availability of the system, such as by posting it on its website and requiring its prominent display at the workplace so that it is readily available to Business and Supplier Employees at all levels.

VIII. The Supplier will Devise a Remediation Policy and Plan that Addresses Remediation for Labor Trafficking or Child Labor in its Operations.

- A. The Supplier shall consult with relevant Stakeholders to devise a Remediation policy and plan that addresses:
 - 1. Remediation for individual victims where the Supplier itself directly caused the Labor Trafficking or Child Labor; and
 - 2. Remediation of broader patterns of non-conformance with this Policy caused by deficiencies in the Supplier’s systems or processes.
 - 3. The Remediation policy and plan may appropriately vary depending on the Risk Assessment conducted in a given case.
- B. The Remediation policy and plan of the Supplier shall take into consideration all findings reported through Monitoring, Due Diligence, and Verification efforts or other sources.
- C. Remediation for harm to individual victims should include protocols for appropriate immediate action to eliminate the Labor Trafficking and Child Labor and resources for reasonable and appropriate victim services designed to offset the harm experienced.

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1. The Supplier enterprise immediately responsible for the Labor Trafficking or Child Labor should remediate any harm to the individual victims.
2. To the extent that the responsible business enterprise is unwilling or unable to provide such Remediation, then the Supplier may choose to do so itself in coordination with a number of others including:
 - a. the Supplier and other business enterprises in the Supply Chain;
 - b. other Businesses that utilize the responsible business enterprise; and
 - c. local government, NGOs and other Stakeholders.

Definitions

“Business” – Sincerus Global Solution Inc The term “business enterprises” refers to businesses generically.

“Child Labor” - Work performed by a person who is under the minimum legal working age to be employed as determined by (i) a Sincerus’s or Supplier’s policy, (ii) the law of the jurisdiction in which the work will be performed, or (iii) the International Labor Organization Minimum Age Convention No. 138 - whichever indicates the higher minimum age requirement.^{xiii}

“Due Diligence” - The ongoing process of investigating the facilities, policies, and labor practices of potential and contracted Suppliers to help confirm that no Supplier engaging in Labor Trafficking or Child Labor enters Sincerus’s Supply Chain.

“Labor Trafficking” - The act of recruiting, harboring, transporting, providing, or obtaining a person for involuntary labor or services by means of force or physical threats, fraud or deception, or other forms of coercion.^{xiv} Labor trafficking shall also include:

- **“Trafficking-Related Activities”** – All activities that directly support or promote Labor Trafficking or Child Labor, including but not limited to: (i) using misleading or fraudulent recruitment practices during the recruitment of employees, such as failing to disclose basic information or making material

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misrepresentations regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, living conditions and housing (if employer-provided or employer-arranged), any significant costs to be charged to the employee, and, if applicable, the hazardous nature of the work; (ii) charging employees recruitment fees; and (iii) destroying, concealing, confiscating, or otherwise denying access by an employee to the employee's identity documents, such as passports or drivers' licenses.^{xv}

“Monitoring” - The process of investigating and evaluating the implementation of these Policies by the Supplier(s) of Sincerus or Supplier through announced and unannounced visits conducted on randomly selected Suppliers and carried out by (i) specially trained Employees of Sincerus or Supplier or (ii) Qualified Independent Third-Party Monitors.

“Operations” – Activities involved in the day-to-day functions of Sincerus conducted for the purpose of generating profits, including, but not limited to, its employment-related and Supply Chain practices.

“Qualified Independent Third-Party Monitors” – An organization with no affiliation with Sincerus Supplier or their Employees, that has a demonstrated expertise in conducting qualitative and quantitative reviews of potential Labor Trafficking and Child Labor within the Operations of Business or Supplier.

“Remediation” - Activities, systems policies or procedures that Sincerus or Supplier establishes to address and remedy confirmed instances of Labor Trafficking or Child Labor in its operations.

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“Remedies” - Financial or nonfinancial compensation awarded to victims of Labor Trafficking or Child Labor.

“Risk Assessment” - An ongoing analysis conducted by a Business to ascertain whether or not in a given circumstance there is a significant risk of Labor Trafficking or Child Labor by considering such factors as the type and location of Sincerus being conducted, the history of Labor Trafficking and Child Labor in the industry or sector, the Operating context, the particular products or services involved, and other relevant factors.

“Stakeholder” - Any individual or entity having an interest in Sincerus developing and maintaining a Supply Chain free of Labor Trafficking or Child Labor including but not limited to Employees, labor service intermediaries, non-governmental organizations and governments.

“Supplier” - Organizations and individuals in Sincerus’s Supply Chain who contracts directly with Sincerus or a Supplier.

“Supply Chain” - Any organizations or individuals involved in providing services to Sincerus or producing, processing, or distributing Sincerus’s products from the product’s point of origin to Sincerus or point of sale, as applicable.

“Verification” - Process by which Sincerus or Supplier evaluates itself or is evaluated by a Qualified Independent Third-Party to determine its degree of success in implementing and enforcing this Policy. This includes an evaluation of (1) data gathered through Monitoring activities to ensure results are reliable, objective and obtained via a credible process; and (2) whether any Remediation has been implemented, and if so, if such Remediation is objective and effective. The scope of Verification may appropriately vary depending on the Risk Assessment