



## **Knight Electronics, Inc. Statement Against Slavery & Human Trafficking**

**Knight Electronics, Inc.™**  
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### **Complying with the U.S. Federal Acquisition Regulation (FAR) Final Rule on Combating Trafficking in Persons (52.222-50)**

#### **OUR COMPANY & OPERATIONS**

Knight Electronics, Inc. ("Knight Electronics"), together with its subsidiaries ("Orion Fans", "Io Audio Technologies", "we", "us", or "our"), is committed to operating responsibly and sustainably throughout the world. Knight Electronics has a history of operating with the highest ethical standards and integrity. The way our employees and business partners manage social, environmental, and economic impacts is critical to our long-term business success.

Knight Electronics is a global electronics manufacturing leader known for providing innovative and cost-effective products that exceed the expectations of our customers by providing on-time performance, quality, supply, continuous improvement, and customer satisfaction. We rely on a global supply chain to source our materials and to manufacture and deliver our products. Through our extended supply chain, our large-scale manufacturing facilities, and raw materials suppliers help deliver affordable, reliable, and quality electronic components, finished goods, and sub-assemblies.

#### **POLICIES & GOVERNANCE**

Knight Electronics recognizes that issues like child labor<sup>1</sup>, forced labor<sup>2</sup>, human trafficking, and other forms of modern slavery are less likely to occur in environments where human rights are respected, governance, and economic development policies are strong, and corruption levels are low. As a result, we have several foundational standards and

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<sup>1</sup> Child Labor is defined by ILO Conventions 138 on the Minimum Age for Admission to Employment and 182 on the Worst Forms of Child Labor.

<sup>2</sup> Forced Labor is defined by ILO Convention 29.



expectations that guide our programming and activities in this space, including the following key policies and programs.

### **Code of Conduct**

Knight Electronics' and Supplier Code of Conduct sets forth the standards by which we conduct our operations and establishes a clear expectation that the standards be followed in all job-related activities, regardless of business pressure. It further memorializes our guiding principles to act lawfully, ethically and in the best interests of Knight Electronics.

### **Human Rights Policy**

Knight Electronics' human rights policy outlines our broader commitment to respect human rights throughout our supply chain, including efforts to prevent and address modern slavery and forced labor. Our policy was informed by undertaking a United Nations Guiding Principles ("UNGP")-guided saliency assessment that included consultation with internal stakeholders.

### **Supplier Code of Conduct**

The backbone of Knight Electronics' commitment to a responsible and sustainable supply chain is our Supplier Code of Conduct ("Supplier Code"). This document sets forth Knight Electronics' standards and expectations with respect to environmental, social, and governance issues in our supply chain. Our Supplier Code prohibits forced labor and human trafficking, including but not limited to, any form of prison, slave, bonded, or forced indentured labor. Our Supplier Code also emphasizes responsible recruitment practices, including prohibiting recruitment fees and withholding of identity documents, as well as freedom of movement, as these issues often contribute to forced labor. Finally, we communicate our Supplier Code through multiple channels, including through (i) language in Knight Electronics' contracts that requires Supplier Code of Conduct compliance, and (ii) our website where our Supplier Code is publicly available.

### **Responsible Recruitment & Employment Policy**

Knight Electronics does not tolerate child or forced labor in our operations and in our supply chain. One of the ways Knight Electronics combats forced labor is through our commitment to responsible recruitment and employment and our endorsement of the Priority Industry Principles and the Employer Pays Principle. Our Responsible Recruitment & Employment Policy is our global standard for responsibly recruiting workers employed by third parties that support Knight Electronics operations. It is meant to be used in conjunction with and to provide additional guidance beyond our Supplier Code to third-party labor providers.



## Living Wage & Income Statement

Knight Electronics believes that all individuals deserve the opportunity to earn a decent standard of living. We recognize the concepts of living wage and living income as human rights for people that work for Knight Electronics directly or are within our extended organization – and that poverty increases the risk of human rights violations such as child or forced labor. Our Living Wage & Income Position Statement is our global commitment to pay a living wage to full-time Knight Electronics employees as well as to establish new partnerships to measure the incomes of other workers in our supply chain to better target our investments on improving incomes.

## KNIGHT ELECTRONICS' HUMAN RIGHTS DUE DILIGENCE APPROACH

Knight Electronics' approach to human rights due diligence is guided by the UNGPs and is an ongoing risk management process that allows us to identify, prevent, and mitigate human rights risks throughout our organization. As identified by our materiality assessment as well as our human rights saliency assessment, forced labor, child labor, and human trafficking remain priorities for Knight Electronics' human rights due diligence efforts, along with related topics, such as living wage & income, and access to grievance mechanisms. Knight Electronics continues to rely on and adapt the human rights risk assessment approach that allows us to dynamically identify current and future human rights risks across our supply chain and geographic footprint even as our business changes.

## DUE DILIGENCE

Knight Electronics performs due diligence on our own facilities and on our suppliers based on the results of our internal risk assessment process.

### **Knight Electronics Owned Operations:**

- Onsite internal Audits: Knight Electronics facilities undergo internal audits by a certified ISO auditor on a yearly basis, and more frequently as needed.
- Employee Surveys: On a regular basis we conduct anonymous employee surveys in our organization. The surveys target different types of employees and proved to be an effective way to better understand the employees within our organization and offer an anonymous grievance mechanism.



## Suppliers:

Responsible Sourcing Supplier Program: Our Responsible Sourcing Supplier Policy verifies our suppliers' compliance with our Supplier Code. The program is aligned with our saliency assessment of our most significant human rights issues and leverages third-party verification tools, including self-assessment questionnaires and independent third-party audits. The Supplier Program also promotes ongoing training and capability-building and works to drive suppliers' continuous improvement.

If a Supplier Code violation is identified, the Knight Electronics Compliance and Auditing Departments review the findings and suppliers are required to develop a corrective action plan that includes addressing the root cause of the issues. A follow-up audit is then required to verify that the non-conformity has been addressed.

In instances where a supplier is unwilling or unable to remediate violations in the appropriate time frame, Knight Electronics reserves the right to suspend or remove the supplier.

Responsible Recruitment: Knight Electronics currently does not utilize any recruitment agency or provider, but if we did, Our Responsible Recruitment and Employment Policy verifies labor service providers' compliance with our Responsible Recruitment Policy and our commitment to the Employer Pays and Priority Industry Principles. Suppliers in the program are required to complete a recruitment specific self-assessment questionnaire and corrective action plan for identified instances of non-compliance and receive access to training through the Knight Electronics Compliance Department. Suppliers are further assessed via audits of Knight Electronics' own facilities.

More details on our Code of Conduct and Responsible Recruitment & Employment Policy are available on our website.

## ENGAGING AFFECTED STAKEHOLDERS

Knight Electronics recognizes the importance of directly engaging with workers who are impacted by our supply chain. Factory workers and their communities remain a priority stakeholder group. Within Knight Electronics factories, our team members maintain schedules for yearly and sometimes bi-annual visits. These visits are an opportunity to gain insights into the effectiveness of our sustainability programs and investments. They also help continue the important work of raising awareness among workers and communities on topics like child labor.

## TRAINING AND CAPACITY BUILDING

### **Knight Electronics Employees**

Knight Electronics' Code of Conduct is distributed to all Knight Electronics employees and is supplemented by targeted training and communications addressing the principles set forth within it. Non-compliance with the Code of Conduct and related company policies may subject employees to discipline, up to and including termination. Knight Electronics employees are also instructed to report anything that may be considered a violation via our human resources department. We maintain our commitment to train 100% of our workforce as well as our members of our international organization on human rights.

### **Supplier Training**

Knight Electronics recognizes that our suppliers have different levels of expertise when it comes to sustainability, human rights and broader responsible business practices, and we actively seek opportunities to support suppliers on their journey of continuous improvement. We hold yearly training sessions with our suppliers on how to prevent forced labor and other human rights abuse. We also strongly recommend our suppliers continuously improve their own processes to comply with our Code of Conduct.

## ASSESSING EFFECTIVENESS

We continue to develop policies and practices that will help us assess and understand our effectiveness when it comes to addressing key human rights topics, including forced labor, and modern slavery. We will continue to explore more specific KPIs that will help us track effectiveness in our efforts to promote human rights and address child labor and forced labor.

## LOOKING AHEAD

Respecting human rights is a continuous effort and we are committed to revisiting and reassessing our approach considering new best practices, changes in the external environment, and landscape and the evolution of our business model and footprint. Should any employee, customer, consumer, or business partner have concerns about the conduct of Knight Electronics or its partners, they may confidentially report concerns at [compliance@knightelectronics.com](mailto:compliance@knightelectronics.com).

A handwritten signature in black ink, appearing to read "John Knight", is positioned above the name and title.

*John Knight*  
**President of Knight Electronics, Inc.**