Position on Slavery and Human Trafficking

The California Transparency in Supply Chains Act of 2010 (SB 657) is effective January 1, 2012. This law requires certain retailers and manufacturers doing business in the state of California, with gross worldwide receipts of over 100 million U.S. dollars (USD), to disclose the efforts they have undertaken to eradicate slavery and human trafficking in their direct supply chains for tangible goods offered for sale.

As an active member of the Electronic Industry Citizenship Coalition (EICC), SMART has adopted the requirements of the EICC Code of Conduct, which prohibits the use of forced, bonded, indentured or involuntary prison labor, as well as slavery and human trafficking. The EICC Code of Conduct also covers other environmental and social responsibility topics.

Our focus on slavery and human trafficking is part of a larger effort around supply chain transparency and accountability. In addition to EICC membership and audits we have undergone, SMART has taken multiple actions in attempts to verify the absence of forced labor, slavery and human trafficking in our supply chain. These efforts include but are not limited to requesting our suppliers to certify compliance with SMART's Code of Business Conduct and with the EICC Code of Conduct by signing a supplier declaration. This declaration outlines our requirements regarding workers at supplier facilities having the right to freely choose their employment. Forced, bonded (including debt bondage) or indentured labor, or involuntary prison labor, slavery, or trafficking of persons are not allowed. The supplier certification also covers other topics including prevention of discrimination, prevention of child labor, and management of wages, hours and working conditions.

You may view <u>SB657</u>, The California Transparency in Supply Chains Act of 2010 <u>here</u>.