

Transparency in Ethics

Taylors International Services, Inc.



Foreign Corrupt Practices Act Compliance & Policy Statement **and** Compliance Plan for Human Trafficking

July-2020

“*It is of vital importance to Taylors that all of our suppliers adhere to our ethical values*”



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Foreign Corrupt Practices Act Compliance & Policy Statement

Introduction

The United States Foreign Corrupt Practices Act as amended by the International Ant-bribery and Fair Competition Act of 1998 (collectively, "FCPA") was enacted to prohibit bribes and other illegal payments to officials of foreign government, public international organization or foreign political party by American companies and by foreign persons present in the United States to obtain or retain business or to secure any improper advantage. The FCPA is part of the Securities and Exchange Act of 1934 and contains provisions concerning record keeping and accounting as well as penalties for violations.

The FCPA is generally designed to prohibit corporate bribery of foreign officials and to assure the adequacy and integrity of the financial statements, reports and internal procedures of public corporations. As with all applicable laws and regulations, Taylors International Services, Inc. (TIS, Inc.) and its personnel strictly comply with the FCPA.

The anti-bribery provisions of the FCPA prohibits any offer, payment, promise or authorization to pay money or anything of value to foreign officials, foreign political parties, or candidate for public office, intended to influence any act or decision in order to assist in obtaining or retaining business.

Full access to the United States Department of Justice website concerning the FCPA may be obtained at <http://www.justice.gov/criminal/fraud/fcpa/> which includes the full text of the FCPA as well as a lay-person's guide to the FCPA.

Policy Statement

It is the unalterable policy of Taylors International Services, Inc. and its subsidiaries and affiliates to comply with the provisions of the FCPA policy. Compliance with this Policy is mandatory. No company officer, employee or agent has authority to offer, promise, make or facilitate the making of payments to a foreign official to induce that official to affect any government act or decision in a manner that will assist Taylors International Services, Inc. or any of its affiliates, subsidiaries or divisions to obtain or retain business or any advantage. Furthermore, every officer, employee and agent is obligated by company policy and federal law to keep books, records, and accounts that accurately and fairly reflect all transactions and disposition of Taylors' assets.

Any employee who has knowledge of facts or incidents, no matter how seemingly insignificant, which he or she believes may be in violation of this Policy has an obligation, promptly after learning of such fact or incident, to review the matter with TIS, Inc. Senior Management or the Taylors' Ethics Director. Any employee who violates this Policy, who orders another to violate this Policy, or who knowingly permits a subordinate to violate this Policy, will be subject to appropriate disciplinary action. As long as a report is made honestly and in good faith, TIS, Inc. will take no adverse action against any person based on the making of such a report. Employees must note, however, that failure to report known or suspected wrongdoing of which an employee has knowledge may, by itself, subject that employee to disciplinary action.

Questions & Concerns

Any person who has any questions about how to comply with this guide, with this Policy Statement or about a specific transaction should obtain guidance from Taylors International Services, Inc.'s counsel through any of Taylors' Senior Management or Taylors' Ethics Director. Remember, however, that the ultimate responsibility for adhering to this Policy Statement, and avoiding improper transactions, rest with you.



ETHICS HOTLINE

If improper or illegal conduct is suspected in any form,
contact the Hotline either by
emailing: ETHICS@taylors-international.com
or by calling the Hotline number: +1 844-314-1500

Compliance Plan for Human Trafficking

Introduction

Taylors International Services, Inc. (Taylors) is committed to ethical conduct and the elimination of all forms of compulsory labor. To ensure that slavery and human trafficking does not take place in any part of our business or supply chain, we manage risk across the company through a combination of policies, procedures, training and committees which monitor incidents and report to the Executive Committee. We impose the same, or similar, contractual obligations on our suppliers.

Scope

Taylors is committed to ensuring compliance with the Human Trafficking Regulations. Through our ongoing training, frequent communications on prevention, a 24/7 internationally accessible ethics hotline, and more, Taylors strives to serve as an example in our industry to promote and secure the basic rights of our human values. Pursuant to the President's Executive Order - *Strengthening Protections against Trafficking in Persons in Federal Contracts, dated 9/25/12, FAR 52.222-50, Combating Trafficking in Persons*, and this compliance plan, applies to all contracts outside the U.S. with estimated values exceeding \$500,000 for services performed, or non-Commercial-off-the-Shelf (non-COTS) supplies. Taylors is committed to operating our business in accordance with these rules.

Implementation

The United States Government has a **zero-tolerance** policy regarding trafficking in persons. Under this policy, which is described in Federal Acquisition Regulation ("FAR") 52.222-50, contractors and contractor employees may not:

- a) Engage in "severe forms of trafficking in persons," which generally is defined to include any conduct or condition that involves sex trafficking or involuntary servitude;
- b) Procure "commercial sex acts," which are defined as "*any sexual activity* on account of which *anything of value* is given to or received by any person"; or,
- c) Use "forced labor" in the performance of a government contract. Forced labor generally includes any circumstances where labor or services are obtained from a person using acts or threats of serious harm, physical restraint, or abuse of law or the legal process.

The Taylors Compliance Plan has been, and will remain, in effect during all Taylors International Operations. The following requirements of Taylors' model Compliance Plan on Human Trafficking shall be carried out by Taylors vendors, subcontractors and labor brokers and overseen by the Taylors US Management team, the Taylors President of International Operations – EMEA and all members of our International Operations, Contracts, and legal departments.

Subcontractors & Labor Brokers

Subcontractors and labor brokers shall:

- a) Only utilize trained employees, not agents or subagents, during performance of contract and will comply with local labor laws of the country in which recruiting takes place;

- b) Not charge recruitment fees to the employee;
- c) Provide wages which meet applicable host country legal requirements or provide an explanation for any variance;
- d) Not use misleading or fraudulent recruitment practices, including those prohibited in Fraud in Foreign Labor Recruiting, 18 U.S.C §1351, to solicit, recruit or retain workers, including, but not limited to, misrepresentations concerning the location of the work site, the amount of compensation to be received and employee skills based on the type of work required on the contract;
- e) Provide a written employment contract, recruitment agreement or similar work paper if required by law or contract, in the employee's native language at least in a language the employee understands, (5) days prior to the employee departing from his or her country of origin. Specifically, the document shall contain:
 - details about work description,
 - wages,
 - the prohibition on recruitment fees,
 - work location(s),
 - living accommodations and associated costs,
 - time off,
 - round trip transportation arrangements,
 - grievance process,
 - the content of applicable trafficking laws and
 - any applicable benefits employee is to receive.

Vendor, Subcontractor & Labor Broker

Vendor, subcontractor or labor brokers shall:

- a) Not engage in severe forms of trafficking;
- b) Where a commercial sex act is induced by force, fraud or coercion or the person induced to perform is a minor or;
- c) The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
- d) Not procure commercial sex act during the period of performance of a contract;
 - Where anything of value is given in exchange for sexual favor.
 - Contractors, agents and subcontractors are prohibited from procuring commercial sex acts during the period of performance of a contract.
- e) Not use forced labor in the performance of a contract
 - Any circumstances where labor or services are obtained from a person using acts or threats of serious harm to the person or their family, physical restraint, or abuse of law or the legal process.
- f) Not destroy, conceal, confiscate or deny employees' access to identify documents;
- g) Provide the return transportation or pay the cost of return transportation costs to the country from the employee was recruited from upon the end of employment 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. Such arrangement shall not obstruct the victim services, legal redress, or witness activity;
- h) Provide reasonable access to site, living quarters, employment records to allow Taylors, contracting agencies and other responsible enforcement agencies to conduct audits and investigations. The vendor, subcontractor or labor broker will not obstruct or influence the investigation or audit; will provide timely and complete responses to government auditors and

investigators and all relevant internal/external party requests, as applicable, for documents; will cooperate fully in providing reasonable access to facilities and staff and will protect suspected employee-victims.

- i) Provide, arrange and outline a housing plan in accordance with host country housing or safety standards or provide adequate reimbursement for living, if the vendor, subcontract, labor broker intends to provide housing. Where there are no host country standards or where the Company determines the host country standards to be inadequate, the IFC worker Accommodation standards will apply. A housing plan will be established to ensure ongoing compliance with host country or IFC accommodation standards;
- j) Post ethics hotline information in appropriate living, dining and office quarters of the program site so that employees can report any suspected violations without fear of retaliation. If vendor, subcontractor or labor broker does not have an ethics hotline number, it shall post:
 - Taylors Ethics & Compliance hotline number: INTERNATIONAL TOLL FREE +1 844-314-1500
 - e-Mail HOTLINE@taylors-international.com.
 - Taylors will also post the Global Human Trafficking Hotline information: 1-844-888-FREE and help@befree.org, along with the link to the Department of State's Office to Monitor and Combat Trafficking Persons, located at <http://www.state.gov/j/tip>
- k) Post the Taylors Compliance Plan at the workplace. If posting at the worksite or on the website is impracticable (i.e., the work is to be performed in the field or not in a fixed location and there is no website available), the relevant contents of the compliance plan may be presented to the employee in writing, with an option for the employee to request and receive additional details. The relevant contents are:
 - An awareness program to inform contractor employees about the policy on prohibiting trafficking-related activities. Additional information about Trafficking in Persons and examples of awareness programs can be found at the website or the Department of State's Office to Monitor and Combat Trafficking in Persons at <http://www.state.gov/j/tip>.
 - A process for employees to report without fear of retaliation (*see above hotline information for reporting*)
 - A recruitment and wage plan that only permits the use of recruitment companies with trained employees prohibits charging recruitment fees to the employee and ensures that wage meet applicable host-country legal requirements or explains variance
 - A housing plan, if the Contractor or subcontractor intends to provide or arrange housing, that ensures that the housing meets host-country housing and safety standards
 - Procedures to prevent agents and subcontractors at any tier and at any dollar value from engaging in trafficking in persons and to monitor, detect, and terminate any agents, subcontracts, or subcontractor employees that have engage in such activities.
- l) Flow Down the following policies, processes, rules/regulations to prevent subcontractors at any tier from engaging in trafficking in persons:
 - FAR 52.222-50 and other applicable clauses (e.g., JCC-I/A 952.222-0001 – Prohibition Against Human Trafficking, Inhumane Living Conditions, and Withholding of Employee Passports)
 - Taylors' Third-Party Code of Conduct
 - Require that Subcontractors provide access to and allow Taylors to monitor and audit compliance with this Plan and provide plans, policies, procedures, and reports to ensure and certify compliance.
 - Subcontractors may retain the worker's passport if requested to do so by the worker for safekeeping, but must make it available upon the worker's request.
 - Subcontractors shall not assign performance to subagents without prior written approval from Taylors.

- m) Require subcontractor to post ethics hotline information in appropriate living, dining and office quarters of the program site so that employees can report any suspected violations without fear of retaliation. If vendor, subcontractor or labor broker does not have an ethics hotline number, it shall post the Taylors Ethics & Compliance hotline number:
 - INTERNATIONAL TOLL FREE 1-844-314-1500
 - E-MAIL Ethics@taylors-international.com
- n) Vendor, subcontractor and labor broker shall also post the Global Human Trafficking Hotline information: 1-844-888-FREE and help@befree.org, along with the link to the Department of State's Office to Monitor and Combat Trafficking Persons, located at <http://www.state.gov/j/tip>.
- o) Subcontractor's Compliance Plan for contracts outside the U.S. with estimated values exceeding \$500,000 for services performed, or non-COTS supplies.
- p) Report any violations of this compliance plan to the Taylors Management team or Senior Executive. Violations of this Compliance Plan can result in termination of subcontract agreement.

Defense Federal Acquisition Regulation Supplement (DFARS)

- a) For Department of Defense (DoD) contracts for a non-commercial item with a value exceeding \$5M, Taylors compliance measure will:
- b) Prominently display the DoD Combating Trafficking in Persons and Whistleblower Protection hotline posters in employee work spaces in English and in any foreign language(s) spoken by a significant part of the workforce (DFARS 252.203-7004)
- c) Provide and post an employee bill of rights in employee workspaces in English and any foreign languages spoken by a significant portion of the workforce (DFARS 252.225-7040). Specifically, contractors must ensure that their employees are aware of their rights to:
 - Hold their own identity or immigration documents, such as a passport or driver's license;
 - Receive agreed upon wages on time;
 - Take lunch and work breaks;
 - Elect to terminate employment at any time;
 - Identify grievances without fear of reprisal;
 - Have a copy of their employment contract in a language they understand;
 - Receive wages that are not below the legal in-country minimum wage;
 - Be notified of their rights, wages, and prohibited activity.
- d) DoD Contractors are required to:
- e) Notify employees and subcontractors regarding their obligation to report human trafficking violations and that they will be afforded whistleblower protection (see 48 C.F.R. 252.222-7007).



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