Human Trafficking Compliance Plan

Scope
This compliance plan applies to Fairbanks Morse, LLC and all subsidiaries (collectively "FMD") employees, officers, directors, board members, agents, consultants, suppliers, subcontractors, and others who represent or act on behalf of FMD. It is the responsibility of all personnel to understand and comply with these requirements to prevent trafficking in persons, including the tracking-related activities.

Process Owner
Primary Responsibility – Director, Government Compliance and Director, Legal
Functional Responsibility – Director, Human Resources and Vice President, Supply Chain

Purpose
As outlined in the Federal Acquisition Regulation (FAR) 52.222-50, FMD is required to develop and maintain a compliance plan during the performance of contract(s) or subcontract(s) as applicable. In accordance with FMD's Human Trafficking and Forced Labor Policy, this document represents FMD's compliance plan to be provided to the Contracting Officer upon request, in support of contracts that are for supplies, other than COTS, acquired outside the United States, or services to be performed outside the United States, valued greater than $550,000. Additionally, this compliance plan will be posted on our website.

Basis of Requirements
FAR 52.222-50, Combating Trafficking in Persons
DFARS 222-17, Combating Trafficking in Persons

Roles and Responsibility

Key Stakeholder	Responsibility
Director, Government Compliance	• Oversee the implementation and adherence to this Compliance Plan. • Inform Contracting Officer(s) of the reported violation(s), and any action(s) taken pursuant to FAR 52.222-50.
Manager, Government Compliance	• Provide training and guidance to employees and subcontractors regarding FAR 52.222-50 requirements. • Support local procedure and work instruction development to ensure compliance with related regulations.
Director, Legal	• Support FMD Human Resources and Supply Chain in investigations of reported violations regarding the Human Trafficking and Forced Labor Policy, Trafficking in Persons regulations, or Supplier Code of Conduct. • Notify Director, Government Compliance when violations of this Compliance Plan are substantiated. • Draft and prepare the final report of the reported violation, investigation findings, and remedies for relevant submission to the U.S. Government.
Director, Human Resources	• Receive notification and investigate reported violations of the Human Trafficking and Forced Labor Policy. • Ensure appropriate disciplinary actions are taken for violations taken by an employee, officer, director, or board member.

Key Stakeholder	Responsibility
VP, Supply Chain / SIOP	• Oversee the adherence to this policy. • Ensure procedures are established to ensure compliance with this policy and regulations. • Impose suitable remedies for agent, consultant, subcontractor, or other who represents or acts on behalf of FMD and was found to violate Trafficking in Persons regulation.
Manager(s), Supply Chain / SIOP	• Oversee procedures are followed to ensure compliance with related policy and regulations. • Communicate requirements with subcontractors to ensure compliance with requirements. • Conduct self-surveillance audits to ensure supplier compliance.
Employees with Procurement Authority	• Understand and comply with the requirements of the related policy. • Conduct purchasing in alignment with procedures, ensuring appropriate supplier selection based on compliance with related policy.

FMD Requirements

1. Employee Awareness Program
   FMD's corporate policy on Human Trafficking and Forced Labor is published in the FMD Employee Handbook on FMD's corporate Human Resources website. The FMD Employee Handbook is the primary tool implemented for employee awareness. The policy requires all FMD employees, officers, directors, board members, agents, consultants, and others who represent or act on behalf of FMD to comply with FMD's support in the elimination of human trafficking and forced labor throughout its businesses and supply chains.

2. Training and other Assistance
   FMD has developed an initial overview training on human rights protections to recognize red flags that may indicate possible human rights violations, including human trafficking, forced labor, and other forms of modern slavery. FMD will continue to develop and maintain training modules that support our commitment to human rights.

3. Process for Reporting Violations
   Any credible information received from any source that an employee, officer, director, board member, agent, consultant, supplier, or other who represents or acts on behalf of FMD has violated FAR 52.222-50 must be reported immediately to:

   - Director of Legal;
   - Director of Government Compliance;
   - Director of Human Resources;
   - Lighthouse, via anonymous report (Note: Lighthouse (Syntrio) is FMD's third-party independent organization that assists FMD in identifying improper activity and Lighthouse can be found at this hyperlink or found on the Fairbanks Morse SharePoint site under *Legal/Compliance > Whistleblower/Lighthouse Integrity Services Link*);

   - Global Human Traffic Hotline (reached at +01 (844) 888-FREE or email help@befree.org); or
   - DoD Inspector General Hotline at (800) 424-9098 or http://www.dodig.mil/hotline/

4. Investigations
   FMD will investigate all evidence or allegations of human trafficking violations and make appropriate disclosures to the U.S. Government of violations and cooperate with any Government investigation.

5. Remedies
   If a violation of this policy or FAR 52.222-50 is substantiated:

   - FMD Human Resources, in consultation with FMD Legal, will take appropriate disciplinary action, if the violation involved an employee, officer, or director, or board member. Violations may result in disciplinary action, including termination of employment, and appropriate legal action.
   - FMD VP of Supply Chain and SIOP, in consultation with FMD Legal shall impose suitable remedies, up to and including termination, if the violation involved an agent, consultant, supplier, or other who represents or acts on behalf of FMD.
   - FMD Director of Legal shall notify FMD Director of Government Compliance and prepare the final report for submission to the cognizant Contracting Officer, and the cognizant Inspector General.
   - FMD Director of Government Compliance shall inform the Contracting Officer of the violation, and any actions taken pursuant to FAR 52.222-50.

6. Supply Chain Transparency and Subcontracting
   As a prime contractor and subcontractor, FMD uses subcontractors in the performance of its contracts and subcontracts. To minimize the risk of human trafficking in its supply chain, and to comply with contractual requirements and support the elimination of human trafficking and forced labor, FMD has multiple approaches to address the risk, including contractual requirements for compliance with applicable laws, subcontractor flowdowns, and a Supplier Code of Conduct.

Subcontracting Requirements

1. Contractual Requirements for Compliance with Applicable Laws
   FMD's subcontract terms and conditions require subcontractors to comply with applicable laws and regulations. A typical provision reads as follows:

   Seller warrants and certifies it has complied and will comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, programs, plans, and orders (collectively referred to as "Laws") in its performance of this PO and that all Work delivered hereunder complies with all applicable Laws.

2. Subcontractor Flowdowns
   All subcontracts include mandatory flowdown clauses necessary to ensure compliance with this Plan and the requirements of Prime contracts. This includes the following clauses:

   - FAR 52.222-50, Combating Trafficking in Persons
   - DFARS 252.203-7004, Display of Hotline Posters
   - DFARS 252.225-7040, Contractor Personnel Supporting U.S. Armed Forces Deployed Outside the United States

3. Supplier Code of Conduct
   FMD suppliers and subcontractors are expected to comply with the Supplier Code of Conduct which is published on FMD's website and referenced on all purchase orders.

4. Subcontractor Certifications & Compliance Plans
   FMD will obtain Human Trafficking certifications from subcontractors required to certify under FAR 52.222-50 as applicable. Additionally, FMD will require subcontractors to provide copies of their Human Trafficking plans, upon request of either the Contracting Officer or FMD. Plans may also be required in conducting due diligence of supplier compliance.

FMD Responsibilities for Subcontracting

1. Monitoring of Contracts Performed Outside the U.S.
   FMD will monitor contracts issued to subcontractors outside the United States to ensure compliance with FAR 52.222-50.

2. Subcontractor Investigations & Remedies
   FMD will take appropriate action when subcontractors are found to engage in prohibited conduct, including the remedies specific in FAR 52.222-50. FMD will make appropriate disclosures to the U.S. Government and where appropriate or required, coordinate with the U.S. Government before implementing remedies against subcontractors.

Periodic Reassessment of Compliance Plan

This compliance plan will be reviewed periodically. Updates to this compliance plan will be implemented as necessary to ensure compliance with applicable regulations.

Date	Author	Comments
12/01/2025	J. Borst	Initial publication