

## Armatura Modern Slavery Statement 2025

### Introduction

Armatura opposes all forms of modern slavery and human trafficking and is committed to ensuring these practices do not occur in any part of our business or supply chain. We recognize that modern slavery is a pervasive global issue, affecting an estimated 50 million people worldwide in 2021. As a provider of security technology solutions, we take seriously our responsibility to prevent exploitation. This statement, for the financial year ending December 31, 2025, outlines Armatura's efforts and plans to identify and mitigate the risk of modern slavery in our operations and supply chain. It has been prepared in line with global best practices and relevant legislation (such as the UK Modern Slavery Act 2015 and Australia's Modern Slavery Act 2018) and reflects our commitment to continuous improvement in this critical area.



### Company Structure and Operations

**Our Business:** Armatura is a global provider of cutting-edge Access Control and Biometrics Technology solutions, specializing in secure entry management, time attendance systems, and security inspection devices. We primarily serve the security industry by providing advanced hardware and software solutions to local distributors and system integrators, who in turn implement our systems for end-users in various sectors (commercial, government, and industrial facilities). Our mission is to deliver

innovative security technologies while upholding the highest ethical standards in all aspects of our operations.

**Corporate Profile:** Headquartered in Atlanta, Georgia (USA), Armatura has over 100 employees worldwide. We operate globally, with regional offices, representatives, or affiliate operations supporting customers and partners across the United States, the European Union, Hong Kong, Australia, New Zealand, the United Arab Emirates (UAE), Thailand, Vietnam, Indonesia, and South Africa. Our presence in these diverse markets enables us to provide local support and technical expertise to our distributors and integrators. Armatura's organizational structure is relatively streamlined due to our size, but we maintain dedicated functions for product development, sales and marketing, customer support, and supply chain management. Armatura, LLC is the ultimate parent company, and where we have smaller international subsidiaries or branches (for example, in the EU or Asia-Pacific regions), they operate under Armatura's group policies and oversight.

**Operations:** Armatura's day-to-day operations consist of research and development, product assembly (largely through contract manufacturers), distribution, and customer support. We do not operate large-scale manufacturing plants of our own; instead, we partner with contract manufacturers for the production of our hardware devices. Our direct employees are primarily professionals in engineering, technical support, sales, and administration. The majority of our staff work in the United States and other low-risk jurisdictions. In higher-risk locations (such as parts of Asia and the Middle East/Africa where we have a presence), our footprint is small and generally limited to sales or support offices. All Armatura employees, regardless of location, work under formal employment contracts with fair compensation, and we adhere to local labor laws or better. Responsibility for addressing modern slavery risks within our operations is shared across multiple departments: Human Resources (for labor practices), Operations & Procurement (for supply chain oversight), Legal & Compliance, and the Executive Management team. This cross-functional approach ensures that ethical considerations, including anti-slavery measures, are integrated into hiring, procurement, and overall business strategy.



## Our Supply Chain

Armatura sources raw materials, components, and contract manufacturing services globally. Our Thailand manufacturing sites play a central role in our supply chain, representing a significant portion of our procurement expenditure. These sites are heavily supplier-dependent, with **over 100 suppliers**, though procurement is **highly concentrated**: approximately **30 suppliers account for 90% of total expenditure**. This concentration allows Armatura to maintain closer oversight of its key partners, while still recognizing the breadth of our supply chain footprint.

Within the top 90% of expenditure, the most common categories of goods and services we procure (including through contract manufacturers supporting the Thailand sites) are:

- **Electronic components** (e.g., biometric sensors, PCBs, processors)
- **Steel** (pipes, wire, and fasteners used in enclosures and mechanical assemblies)
- **Plastic resin** (used for device housings and parts)
- **Print and packaging** (for product boxes, manuals, and branding)
- **Freight and logistics** (international and regional distribution services)





## Geographic Spread of Suppliers

Our Thailand-based supply chain partners source materials and components from multiple countries, spanning Asia-Pacific, North America, and Europe. Based on procurement data, suppliers are headquartered or operate in at least **10–15 countries**, with common sourcing origins including China, Vietnam, Taiwan and Indonesia, as well as lower-risk jurisdictions like the United States, Germany, and Australia.

## Supply Chain Risk Focus

The **electronics and raw materials sectors** (particularly steel and resin) have recognized vulnerabilities to modern slavery risks, especially where migrant or temporary labor is involved. Countries in Southeast Asia and South Asia, which are part of our upstream supply chain, are assessed as **moderate to high risk**. Conversely, suppliers based in the EU, North America, and Australia present a **low risk** environment.

Given this profile, Armatura’s supply chain risk management will prioritize:

1. **Enhanced oversight of high-spend suppliers in Asia-Pacific** (where labor exploitation risks are more prevalent).
2. **Deeper engagement with contract manufacturers in Thailand**, ensuring that labor practices are transparent and compliant with Armatura’s Supplier Code of Conduct.
3. **Mapping and assessing sub-suppliers** for steel and resin, which may involve raw materials with higher risk exposure further upstream.

## Assessing Modern Slavery Risk

We have begun a thorough assessment of modern slavery risk within our operations and supply chain to inform our strategy. This assessment draws on both internal analysis and external data (including the **Global Slavery Index 2023** and the U.S. Department of Labor’s reports on goods produced by forced labor) to identify areas of higher vulnerability.

## Risk in Our Operations

Armatura assesses the risk of modern slavery within our own operations as **relatively low**. The majority of our employees are based in low-risk countries with strong labor laws and enforcement (such as the United States, Western Europe, Australia, New Zealand, and Hong Kong). We maintain rigorous HR practices that further reduce risk, including verifying each employee’s identity, age, and right to work, and ensuring all staff are employed of their own free will under clear employment terms. We do not employ anyone under the age of 18, and we have no

significant populations of temporary, casual, or migrant workers in manual labor roles internally. In our smaller offices in higher-risk countries (for example, in Southeast Asia, the Middle East, or Africa), our roles are primarily professional and managerial, and we hire local talent at competitive wages. Nonetheless, we remain vigilant and ensure that any third-party service providers we engage for office support (such as cleaning or security services) are also vetted for fair labor practices. Based on our current review, we have not identified indications of forced labor, excessive overtime, unlawful wage withholding, or other red flags among Armatura's direct employees. We will continue to monitor our operational workforce closely, but overall, **the risk of modern slavery within our direct operations is considered low.**



## Risk in Our Supply Chain

The risk of modern slavery in our **supply chain** is recognized as **higher** than in our direct operations, due to the international scope and multi-tiered nature of the supply chain. We conducted a risk mapping of our top suppliers (covering approximately 75% of our procurement spend) against country risk indices for modern slavery. This analysis looked at where our suppliers (and in some cases, their sub-suppliers) manufacture the components or products we purchase. We found that our suppliers' manufacturing spans over a dozen countries. For each of these countries, we reviewed indicators such as the prevalence of forced labor, the strength of labor laws, and any known issues in relevant industries.

**Key Geographic Risks:** Several of the countries in which our components are produced are in regions with elevated risks of forced labor or human trafficking. Notably, parts of Asia (Southeast Asia and South Asia) and certain Middle

Eastern/African countries have higher vulnerability. Conversely, some manufacturing takes place in countries with lower risk profiles (for instance, in Europe or North America). The table below maps the main countries involved in Armatura’s supply chain manufacturing and an indicative modern slavery risk level for each:

Country (Supplier Manufacturing)	Modern Slavery Risk Level
China	Moderate risk (significant manufacturing sector with known labor rights concerns)
Thailand	Moderate risk
Vietnam	Moderate risk
Indonesia	Moderate risk
Mexico	Moderate risk
United Arab Emirates	High risk (migrant labor in industrial sectors)
South Africa	Moderate risk
Taiwan	Low risk (strong regulations, high-income economy)
South Korea	Low risk
United States	Low risk
Germany	Low risk
Australia	Low risk

*Table 1: Countries where Armatura’s suppliers (or their upstream providers) manufacture components, and the assessed modern slavery risk level. Risk levels are based on public indices and reports (e.g., Global Slavery Index and U.S. Department of Labor data) and are categorized as Very High, High, Moderate, or Low relative to global norms.*

From this assessment, we note that a majority of our direct procurement spending is in countries rated as **Moderate risk**. A smaller portion of our supply chain (estimated at less than 5% of our spend) involves countries rated **High risk** for modern slavery. We currently do not source directly from any country rated as **Very High risk**. This risk mapping exercise highlights where we need to focus our due diligence and supplier engagement efforts. For example, China and several Southeast Asian countries are prominent in our supply chain; while these countries have robust manufacturing capabilities, we acknowledge the potential for exploitative labor practices and will prioritize them in our risk mitigation actions. On the other hand, our suppliers in low-risk jurisdictions (like the US or EU countries) still require oversight, but the immediate risk of forced labor in those facilities is comparatively low.

It is important to emphasize that **modern slavery can occur in any country** if proper safeguards are not in place. Therefore, we treat this country risk analysis as one tool among many. We remain aware that even suppliers in low-risk countries might source parts or materials from higher-risk areas further upstream. Our ongoing and future efforts (described below) aim to deepen our visibility beyond tier-1 suppliers and address risks throughout the supply chain.

## Identified Issues to Date

As of this reporting period, **Armatura has not identified any confirmed instances of modern slavery or human trafficking** in our operations or among our direct suppliers. This includes no reports of forced labor, debt bondage, or illegal child labor in the parts of our supply chain we have examined. However, we acknowledge that our visibility is limited, especially deeper in the supply chain, and undetected issues could exist. The absence of identified cases thus far reinforces the need for continued vigilance rather than complacency. We are committed to improving our detection and prevention mechanisms to ensure that if any issues do exist, they are uncovered and addressed promptly. We also encourage an open environment where concerns can be raised (by employees or suppliers) without fear of retaliation, as discussed under our whistle-blower policy below.

## Actions Taken and Planned to Mitigate Modern Slavery Risks

Armatura is in the process of strengthening its policies and practices in 2025 to better prevent and address modern slavery risks. Being a relatively smaller organization, we recognize that up until now our anti-slavery measures have been informal or ad-hoc. **This year (2025) marks a turning point** as we formalize our approach. The following outlines the actions we have implemented or initiated recently, as well as further measures planned:

- **Human Resources Policies (Operations):** We have reinforced our HR practices to protect workers' rights within Armatura. This includes thorough **pre-employment screening** to ensure all new hires are of legal working age and recruited ethically. Every Armatura employee works under a **written employment contract** stipulating fair wages (always at or above the legal minimum or prevailing industry standard) and key conditions like working hours, leave, and benefits. We conducted an **internal audit of labor practices** this year, confirming that all staff salaries meet or exceed minimum wage requirements in their respective countries and that no irregular deductions or withholding of passports/IDs are occurring. Moving forward, we will perform annual reviews of our employment terms and employee demographics (e.g. checking if any staff are on temporary visas or contracts) to identify any potential vulnerabilities (such as reliance on third-party labor or migrant workers) early. Our goal is to maintain a work environment where **no form of forced, bonded, or involuntary labor** can take root.
- **Procurement and Supplier Standards:** In 2025 we introduced a new **Supplier Code of Conduct** that sets out Armatura's expectations for all suppliers and contractors in terms of labor rights, ethics, and compliance. This Code of Conduct explicitly **prohibits the use of forced labor, bonded labor, involuntary prison labor, human trafficking, and child labor** by any

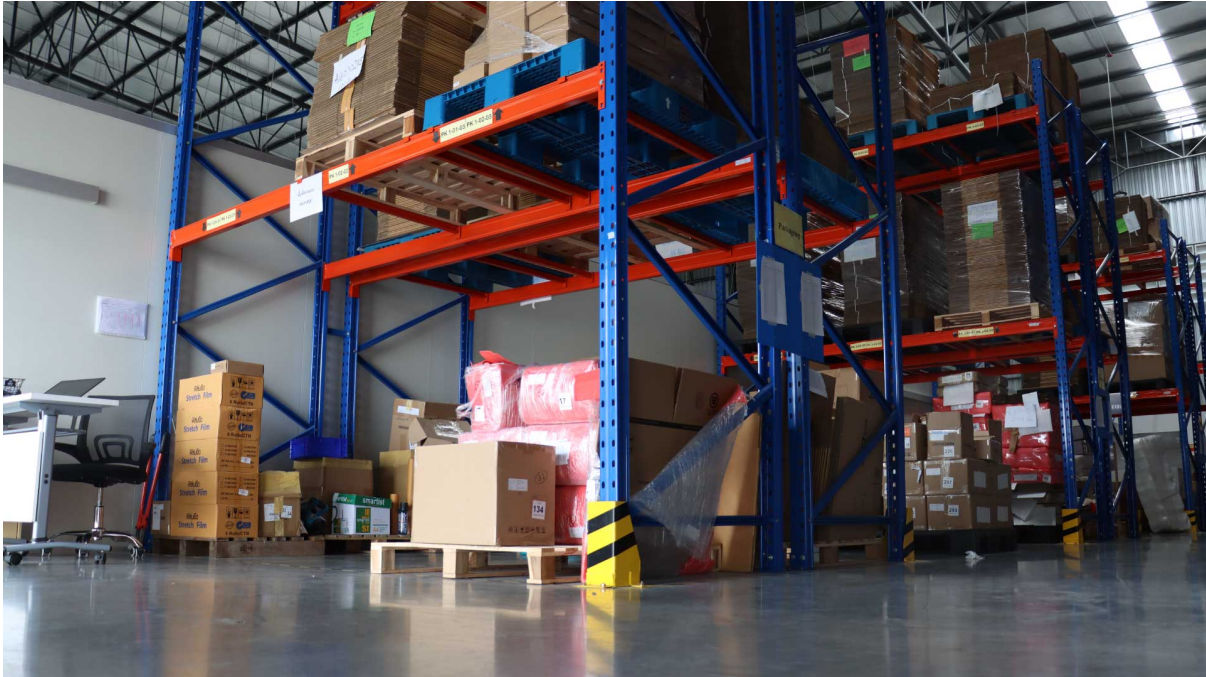


supplier or its subcontractors. It also requires suppliers to adhere to all applicable wage and hour laws and to ensure workers have freedom of movement (e.g. not confiscating personal identity documents or charging recruitment fees). We are in the process of communicating this Supplier Code of Conduct to all existing key suppliers and incorporating it into our **supplier contracts and purchase agreements**. All new supplier agreements going forward will include clauses requiring compliance with these anti-slavery standards, and existing agreements will be amended upon renewal. Additionally, Armatura is formulating a comprehensive **Procurement Policy** that mandates due diligence on modern slavery for any new sourcing initiative. Under this policy, before onboarding a new supplier, our procurement team must assess the supplier's geographic risk, request information about their labor practices, and ensure the supplier agrees to our Code of Conduct. These procurement requirements elevate awareness of modern slavery risk internally and set clear expectations externally that Armatura will only do business with partners who share our commitment to ethical labor practices.

- **Supplier Engagement and Due Diligence:** We believe in engaging collaboratively with our supply chain partners to address risks. This year, Armatura has launched its first **supplier modern slavery risk survey**. We initially targeted our top 20 suppliers (by spend) in this survey, asking them to disclose: (1) the countries from which they source their materials and components, (2) any policies or procedures they have in place to prevent modern slavery (or if none, whether they plan to implement such measures), and (3) whether they have identified any instances or allegations of forced labor or trafficking in their operations or supply chains in the past year. The response to this initiative has been positive – most of these key suppliers have cooperated and provided the requested information. The survey results are being analyzed to pinpoint any red flags or gaps. As part of our **ongoing due diligence**, we plan to extend this engagement to more suppliers next year, aiming to cover at least 80% of our supply chain spend. We are also prioritizing a subset of suppliers in **higher-risk countries for deeper assessment**. For those identified as higher risk (due to country of operation, industry, or survey responses), we will work closely with them to seek more transparency. This may include requesting supplemental self-assessment questionnaires, documentation of their labor practices, or evidence of social compliance audits. Where feasible, we will consider **conducting on-site audits or visits** to observe working conditions directly – particularly for suppliers where the risk is deemed significant. We recognize that as a mid-sized company our capacity is limited, but we intend to **leverage third-party auditors or industry collaborations** for supplier audits in cases where our direct engagement might not be enough. Our approach with suppliers is to promote improvement: if issues are found, we will, as a first step, support and encourage the supplier to remediate the problems. Only if a supplier is unwilling to address serious issues would we consider escalating



consequences, including potential termination of the business relationship as a last resort.



- **Whistle-blower Mechanisms:** In 2025, Armatura is formalizing a **whistle-blower policy and reporting mechanism** to ensure that any concerns about unethical or unlawful practices – including any suspicions of modern slavery – can be raised safely and anonymously. We have established a “Speak Up” channel, which is a secure and confidential reporting hotline and web portal operated by an independent provider. This channel is available to all Armatura employees and will be extended (or at least clearly communicated) to our suppliers and contractors as well. Through the Speak Up system, individuals can report any concerns related to our operations or supply chain (such as suspected labor violations at a supplier factory or within our own offices) without fear of retaliation. All reports will be reviewed by Armatura’s compliance team and escalated to senior management and the Board as appropriate. Our whistle-blower policy explicitly protects whistle-blowers, ensuring that anyone who reports in good faith is protected from reprisals. By encouraging an open culture of reporting, we hope to uncover potential issues that might otherwise remain hidden. We have rolled out training alongside this initiative to make sure our employees are aware of how to use the reporting tools and to reassure them that the company encourages transparency and will act on any credible information received.
- **Training and Awareness:** Armatura is investing in **modern slavery awareness training** for our team. In mid-2025, we conducted our first training workshops focused on modern slavery and human trafficking risks. These

sessions were initially provided to employees in high-impact roles – notably our **Procurement team**, which negotiates with suppliers, and our **Human Resources team**, which manages recruitment and labor relations. The training covered how to recognize warning signs of forced labor or trafficking, the particular risks in the electronics supply chain, and the responsibilities of companies under laws like the UK Modern Slavery Act. We used real-world case studies to illustrate how modern slavery can manifest in supply chains (for example, unethical recruitment practices or deceptive subcontracting). We plan to extend training to all staff globally via an e-learning module by the end of the year, ensuring even our sales and technical teams have a general awareness of these issues. Additionally, modern slavery risk awareness has been incorporated into our **new employee onboarding program** so that every new hire understands our company values and the importance of combating modern slavery from the start. We will refresh this training annually and update it as needed to cover new developments (such as changes in legislation or emerging risk areas). By educating our workforce, we empower our people to act as eyes and ears on the ground – whether that means a buyer spotting a suspicious condition at a supplier’s factory during a visit, or an employee noticing signs of labor exploitation in a partner company – and to report it promptly.

- **Other Measures and Governance:** Alongside the above actions, Armatura is enhancing its overall governance framework to embed respect for human rights. We have assigned responsibility for overseeing modern slavery risk to a **designated compliance manager**, who coordinates our efforts and reports progress to the executive leadership and the Board of Directors. Modern slavery risk is now a standing agenda item in our quarterly risk review meetings. We have also made this Modern Slavery Statement publicly available on our website and will be submitting it to relevant national registries where required. Internally, we communicated the release of this statement to all staff and emphasized our collective commitment to its principles. This internal communication, along with the training and new policies, has begun to foster a culture of accountability and ethical awareness across the organization.

## Assessing Effectiveness of Our Actions

Armatura understands that implementing policies and procedures is only part of the solution – we must also continually assess whether our actions are effective in reducing the risk of modern slavery. As this is our first comprehensive Modern Slavery Statement and the initial year of rolling out many of these measures, our approach to measuring effectiveness is evolving. We currently use a combination of **quantitative and qualitative indicators** to gauge our progress:

- **Incidents and Reports:** One key metric is the number of reported or identified modern slavery incidents. To date, we have not discovered any

instances of forced labor, trafficking, or related violations within our operations or among our key suppliers. While zero reports might indicate a low prevalence, we treat it cautiously – understanding it may also reflect under-reporting or insufficient visibility. We actively monitor the usage of our whistleblower channel and encourage feedback from employees and suppliers. An **increase in reporting of concerns** (even if they turn out to be unsubstantiated) could in fact indicate growing awareness and vigilance, which we would view as a positive sign that our training and culture-building are effective.

- **Supply Chain Transparency:** We measure how much of our supply chain we have visibility over. After our initial supplier survey, we have mapped approximately 75% of our direct spending to country-of-origin and gathered basic labor practice information from those suppliers. Our target is to increase this coverage to at least 90% of spend by next year. Effectiveness in this area will be reflected by a greater number of suppliers disclosing their practices and the depth of information we obtain (for example, not just knowing the country of manufacture, but also knowing the tier-2 suppliers or the labor standards at a factory). We also consider whether suppliers are **cooperative and responsive** to our inquiries as a measure of the effectiveness of our engagement strategy. Thus far, response rates to our modern slavery questionnaire have been high, which is encouraging.
- **Policy Implementation and Training Uptake:** Internally, we track the rollout of policies (e.g., how many supplier contracts have been updated with the new Code of Conduct clauses) and training (percentage of targeted employees who have completed the modern slavery training). As of this statement, all of our procurement staff and 100% of management have completed the training, and overall about 80% of all employees have taken the awareness module. Our goal is 100%. We also ensure our Supplier Code of Conduct has been formally acknowledged by key suppliers; effectiveness will be demonstrated when all major suppliers have signed their commitment or provided equivalent policy assurances of their own.
- **External Validation:** Where possible, we look for external benchmarks or certifications as a way to gauge our effectiveness. For instance, if a supplier maintains internationally recognized social compliance certifications (such as ISO 45001 for labor practices or is audited under programs like SMETA or RBA in the electronics sector), it provides some additional confidence. Part of our future plan is to develop a scorecard for suppliers that incorporates modern slavery risk indicators and to track improvements over time. If we see higher-risk suppliers implementing better practices (like improved worker grievance mechanisms or obtaining third-party social audits) as a result of our engagement, we would consider that a mark of success.

- **Governance and Accountability:** Finally, effectiveness is measured by how well modern slavery risk management is embedded into our corporate governance. This year, we successfully integrated this topic into our risk management framework and executive oversight. The fact that our Board of Directors discussed and approved this statement indicates top-level commitment. We will consider our actions effective when modern slavery considerations become a routine part of decision-making – for example, when selecting a new supplier, launching in a new country, or developing a new product, and when all levels of the company understand and act on their responsibilities.



**Continuous Improvement:** We acknowledge that many of these efforts are newly launched, and it is too early to declare victory. An immediate area for improvement is expanding our insight further down the supply chain. We plan to work on mechanisms to trace critical components to their source (for example, tracing electronic components to the smelter or factory of origin where possible, to identify any upstream risks such as conflict minerals or forced labor at raw material extraction stages). Another area is verifying the information we receive: to date we have relied largely on supplier self-disclosures. Going forward, we aim to incorporate more **independent verification**, whether through audits, certifications, or partnerships with industry bodies and NGOs that specialize in supply chain labor conditions.





## Future Steps and Commitments

Armatura is committed to building on the foundation laid in 2025 and making ongoing improvements in how we combat modern slavery. In the coming year and beyond, we plan to take the following key steps to enhance our effectiveness and transparency:

- **Enhanced Supplier Due Diligence Tools:** We will deploy an **automated supplier risk assessment tool** to streamline the collection and analysis of supplier information. This tool will integrate data from sources like the Global Slavery Index and import/export records to provide a risk score for each supplier. It will also facilitate online questionnaires and certifications, making it easier for suppliers to report their labor practices to us on a regular basis. By automating parts of this process, we hope to increase our coverage to more suppliers and identify high-risk factors more quickly.
- **Broader Supplier Engagement:** Next year, we intend to **broaden our supplier survey and engagement** to cover suppliers accounting for at least 90% of our total procurement spend, including contract manufacturers and smaller component providers not reached in the first round. We will also engage certain suppliers beyond tier-1 (for example, encouraging our major contract manufacturers to cascade our questionnaires or Code of Conduct requirements to their own suppliers). This broader net will improve our supply chain transparency. Our goal is to have a more complete map of our supply chain, identifying any hotspots of risk that require attention.

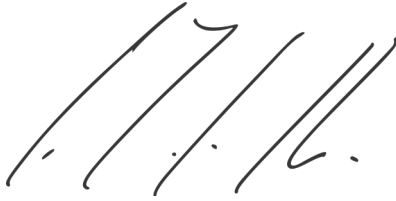
- **Targeted Supplier Audits:** We plan to initiate **on-site audits for select high-risk suppliers** starting in 2025. This will likely involve third-party auditors with expertise in labor standards. We will prioritize audits for suppliers in countries or industries that our risk assessment flagged as high risk (for instance, a factory in a country with known labor violations, or a supplier that provided insufficient detail in our survey). These audits will check conditions such as worker age verification processes, working hours, overtime pay, freedom of movement, and health and safety, among other indicators. The findings will be used to work with suppliers on corrective action plans. We are also exploring partnerships with industry consortiums to share audit results (where feasible) so that we can collectively push for improvements without over-burdening suppliers with duplicate audits.
- **Collaboration and Industry Initiatives:** We recognize that tackling modern slavery is a collective effort. Armatura will seek to **join industry initiatives or working groups** focused on responsible supply chains in the technology or electronics sector. By collaborating with peer companies and organizations, we can share best practices, stay informed about emerging risks, and potentially increase our leverage to effect change deeper in the supply chain. For example, we will explore participation in groups like the Responsible Business Alliance (RBA) or relevant local industry forums in the countries where we operate. We will also look for opportunities to support community or NGO programs that combat the root causes of forced labor (such as supporting education or fair recruitment in vulnerable worker communities) as part of our corporate social responsibility.
- **Policy Evolution and Reporting:** We commit to reviewing and updating our policies annually to ensure they remain effective and in line with evolving best practices and legal requirements. By the end of 2025, we aim to have a formal **Modern Slavery and Human Trafficking Policy** in place, consolidating all our commitments and procedures in one document for internal use. We also commit to transparency through reporting: Armatura will publish an updated Modern Slavery Statement each year, detailing our progress, any incidents identified, and the effectiveness of our measures. This annual review process will be an opportunity for reflection and course-correction. We will set measurable targets (such as training completion rates, number of audits conducted, percentage of suppliers covered by risk assessments, etc.) and report on outcomes against those targets in future statements.

Through these future steps, Armatura aims not only to comply with relevant laws but to genuinely contribute to the global fight against modern slavery. We understand that this will be a journey of continuous improvement, requiring persistence, resources, and collaboration. Our leadership is fully committed to this journey, and we will allocate the necessary attention and investment to see these commitments through.

## Approval and Endorsement

This Modern Slavery Statement was reviewed and approved by the Board of Directors of Armatura on October 15, 2025. The Board and senior management endorse the commitments made herein and will oversee their implementation. We understand the importance of leadership accountability in this effort, and our CEO and executive team are fully engaged in driving these initiatives.

Signed on behalf of Armatura:

A handwritten signature in black ink, appearing to read 'R. So', is written over a light blue horizontal line.

**Raymond So**  
General Manager of Armatura LLC.  
*8<sup>th</sup> Septemeber 2025*