

ARLO's Statement Regarding the California Transparency in Supply Chains Act of 2010 and the UK Modern Slavery Act of 2015

Background

Since 2012, many companies manufacturing or selling products in the State of California have been required to disclose their efforts to address the issue of slavery and human trafficking, per the California Transparency in Supply Chains Act of 2010 (SB 657). This law was designed to increase the amount of information made available by companies with regard to efforts to eradicate forced labor and human trafficking, thereby allowing consumers to make better, more informed choices regarding the products they buy and the companies they choose to support.

Similarly, the UK Modern Slavery Act of 2015 became effective on October 29, 2015. Section 54 of this UK Act requires that any organization which: (a) is engaged in commercial operations in any sector; (b) has a minimum turnover of £36 million; and (c) has a demonstrable business presence in the UK, must produce a slavery and human trafficking statement for each fiscal year of the organization. The statement must include the steps the organization has taken during the financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains and in any part of its own business.

ARLO's Statement and Commitment

ARLO is committed to ensuring the highest standards of social responsibility wherever our products are made. ARLO has a zero tolerance for both forced labor and human trafficking.

ARLO fully supports the vision and goals of the RBA (Responsible Business Alliance), formerly EICC. We endorse the RBA Code of Conduct, and incorporate RBA standards into the ARLO Supplier Code of Conduct. Our corporate social responsibility program includes various initiatives and monitoring activities that reinforce our commitment as a responsible global citizen.

ARLO is committed to respecting the labor and human rights of our suppliers while continuously improving their working conditions through the following set of principles:

- Freely chosen employment
- No child labor
- Fair compensation, wages and benefits
- Respect for working hours and rest days
- Equal opportunity and no discrimination
- No harassment and abuse
- Health and safety standard

ARLO's program is based on our Supplier Code of Conduct, which outlines our expectations for our partners. We evaluate compliance through an auditing program and work proactively with our suppliers to drive change, as necessary.

In an effort to confront slavery and human trafficking, ARLO has committed to the following:

1. ARLO to assess the risk related to its supply chain through various means, including factory profile information and internal factory quality assessments for its direct commercial suppliers. The assessment will be conducted by ARLO employees.
2. ARLO to conduct social compliance audits of its suppliers. ARLO has developed and issued ARLO Supplier Code of Conduct to its direct suppliers. Direct suppliers will be evaluated in relation to their compliance with the Supplier Code of Conduct through periodic audits. ARLO audits will be announced and performed by third-party auditors.
3. ARLO's Supplier Code of Conduct states that its suppliers must adopt or establish a management system designed to ensure compliance with the Supplier Code of Conduct and proportional to the individual supplier's profile. The management system shall be designed to ensure a) compliance with applicable laws, regulations, and customer requirements related to the suppliers operations and products, including trafficking and slavery; b) conformance with the Supplier Code of Conduct; and c) identification and mitigation of operational risks related to the Supplier Code of Conduct. It should also facilitate continuous improvement and include such measures as periodic audits, training and adequate documentation of compliance. ARLO requests that the suppliers sign a certification acknowledging that they have read and agree with the Supplier Code of Conduct.
4. To monitor compliance, ARLO has engaged third-party auditors to conduct onsite audits with corrective action plans should any exceptions be found. ARLO to review all audit findings with the factory's senior management team. ARLO will verify that any specific violations found are remedied within a reasonable period of time. ARLO take a risk-based approach when selecting the suppliers that we audit. ARLO believes that the best way to combat incidences of human trafficking and slavery within ARLO's supply chain is to work with the cooperation of suppliers through the establishment of clear expectations and protocols.
5. Arlo will conduct internal training on the Supplier Code of Conduct to ensure that necessary participants in supply chain management are knowledgeable and aware of the issues and concerns surrounding supply chain, including human trafficking and slavery. ARLO encourages employees involved in ARLO's supply chain to participate in external training programs and seminars on social compliance issues.