# Diversity, Equity & Inclusion (DEI) and Ethical Sourcing Policy

## 1. Purpose

The purpose of this policy is to integrate AZX, PBC's commitment to diversity, equity, and inclusion (DEI) with responsible, ethical sourcing practices. By aligning our workforce culture with our supply chain practices, we aim to promote fairness, equity, and sustainability both within our organization and across our supplier network.

## 2. Scope

This policy applies to:

- All employees, officers, and directors of AZX, PBC.
- Contractors, consultants, suppliers, and third-party partners providing goods or services to AZX, PBC.
- All procurement, hiring, and business operations globally.

## 3. Policy Statements

### 3.1 Diversity, Equity & Inclusion (DEI)

- AZX, PBC is committed to fostering a workplace that is diverse, equitable, and inclusive, where all individuals are respected and valued regardless of race, ethnicity, gender, age, sexual orientation, disability, religion, or other protected characteristics.
- Hiring, promotions, training, and professional development decisions will prioritize fairness and equal opportunity.
- Employees are encouraged to participate in DEI programs, initiatives, and awareness training.
- Leadership is accountable for promoting an inclusive culture and addressing barriers to equity.

### 3.2 Ethical Sourcing

- All suppliers, contractors, and partners must adhere to fair labor practices, respect human rights, and comply with applicable laws and regulations.
- Practices such as child labor, forced labor, unsafe working conditions, and discriminatory treatment are strictly prohibited.

- Suppliers are expected to implement environmentally sustainable practices, including resource efficiency, waste reduction, and pollution prevention.

- Transparency and accountability in the supply chain are required, with regular reporting and auditing to ensure compliance with ethical standards.

### 3.3 Integration of DEI in Procurement

- AZX, PBC encourages procurement from diverse suppliers, including minority-owned, women-owned, LGBTQ+-owned, veteran-owned, and small businesses.

- Supplier selection will consider not only quality, price, and reliability but also alignment with DEI and ethical sourcing principles.

- Supplier agreements will include clauses requiring adherence to these principles.

### 3.4 Monitoring, Reporting, and Continuous Improvement

- DEI and ethical sourcing metrics will be tracked, reported, and reviewed regularly to ensure progress.

- Employees and suppliers are encouraged to report concerns or violations through an internal reporting system.

- Management will review policies and practices periodically to incorporate emerging best practices, legal requirements, and stakeholder expectations.

## 4. Roles and Responsibilities

- **Leadership and Management:** Promote DEI, enforce ethical sourcing standards, and ensure accountability.

- **Procurement Team:** Implement supplier diversity initiatives, monitor compliance, and evaluate supplier performance.

- **Employees:** Support DEI programs, comply with ethical sourcing expectations, and report concerns.

- **Suppliers and Partners:** Adhere to DEI and ethical sourcing requirements and maintain transparent practices.

## 5. Enforcement

- Non-compliance by employees may result in disciplinary action, up to and including termination.

- Suppliers found in violation may face contract termination, corrective action requirements, or legal action where applicable.

## 6. Policy Review

- This policy will be reviewed annually or as required to ensure alignment with evolving DEI standards, ethical sourcing best practices, and legal requirements.