

Following is Hoffmaster Group, Inc.'s response to The California Transparency in Supply Chains Act of 2010:

Hoffmaster Group, Inc. (Hoffmaster) is committed to conducting business in a socially responsible manner. This includes the recognition that we have a responsibility towards ensuring that slavery and human trafficking do not occur in our supply chain. We seek to operate in compliance with all applicable national laws wherever we do business, and to respect and support international principles aimed at preventing and eradicating human trafficking and slavery, as outlined by the International Labour Organization (ILO) Core Conventions.

To demonstrate compliance with The California Transparency in Supply Chains Act of 2010, Hoffmaster is compelled to make disclosures regarding five specific categories: Verification, Audit, Certification, Accountability, and Training. All of these categories are supported by Hoffmaster's Supplier Code of Conduct, which outlines our beliefs, principles, and requirements for business partnership. Moreover, our Code of Conduct is aligned with the Fair Labor Association's codes and benchmarks to ensure fair labor practices.

- **Verification and Audits.** Many of Hoffmaster's suppliers are audited by retail customers and independent 3<sup>rd</sup> party monitors to evaluate and address the risks of human trafficking and slavery in our product supply chain. Most of the audits are independent and unannounced. Most suppliers are audited annually and many are audited more than once annually. Audit reports are reviewed, and corrective action plans are completed, when necessary, with oversight from a corporate level. In addition, Hoffmaster conducts self-audits of suppliers on a random or as-needed basis. We require all suppliers to agree to our Supplier Code of Conduct, which outlines our requirements to conduct business free of slavery and human trafficking.

Following is an excerpt from our Supplier Code of Conduct:

“Hoffmaster requires all of its suppliers' labor to be voluntary. Slave, child, underage, forced, bonded, or indentured labor will not be tolerated. Furthermore, Hoffmaster requires that its suppliers must not engage in, or support, trafficking of human beings. “

- **Certification and Supplier Accountability.** Hoffmaster requires each supplier partner to read and understand our Supplier Code of Conduct, and certify their agreement to comply with it by returning a signed copy.

Furthermore, Hoffmaster's Supplier Code of Conduct states that failure to comply may result in the cancellation of orders and termination of the business relationship.

Following is an excerpt from our Supplier Code of Conduct:

"I acknowledge that I have read, understand and will comply with the conditions and requirements set forth in the **Hoffmaster Group Inc. Supplier Code of Conduct**. I also understand that failure to comply with any Hoffmaster condition or requirement including, but not limited to, those outlined in this document may result in the cancellation of all existing orders and termination of the business relations."

- **Internal Accountability.** Hoffmaster maintains internal accountability procedures for its employees, including an Employee Code of Conduct and Business Ethics. In the event that an instance of slavery or human trafficking is discovered, Hoffmaster will immediately investigate, and if necessary, implement a corrective action plan.

Employees are directed to promptly report any violations, or perceived violations of the Code of Conduct and Business Ethics through several reporting systems, including an anonymous reporting system titled My Safe Workplace. This system enables employees to submit a report online or by calling a toll-free number.

- **Training.** Hoffmaster performs initial training on the Employee Code of Conduct and Business Ethics with every employee during orientation. This Code of Conduct contains our policy on eliminating slavery and human trafficking from the workplace. Annual refresher training is given to all employees.

Employees who have direct responsibility for social compliance and ethical responsibility within the supply chain receive training on industry practices throughout the year via seminar, webinar, reading material, consultants, auditors and other sources.