



CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT

Pursuant to California Civil Code § 1714.43

Samuel, Son & Co. (USA) Inc. ("Samuel") is committed to conducting all business lawfully and with integrity. As set out in our [Supplier Code of Conduct](#), Samuel's core values fall into five categories: Integrity, Respect, Courage, Ownership and Agility. Having sustainable and compliant supply chain practices and policies allows Samuel and its suppliers to conduct business in line with our core values.

Samuel's commitment to ensuring that our business and supply chain are maintained in a lawful and socially responsible way includes, among other things, an expectation that neither human trafficking nor slavery/forced labor is taking place in any part of our business, and that our suppliers do not use forced labor in any of its forms, including human trafficking and slavery, to produce the products they provide to Samuel.

Supplier Audits

Samuel conducts risk-based audits of our key suppliers to evaluate compliance with company standards. The audits review supplier compliance with Samuel's policies in respect to human trafficking and slavery, including child and forced labor, as well as our broader social responsibility and sustainability policies.

The scope of the supplier audits is tailored to reflect Samuel's assessment of the level of risk for coerced labor practices in the country where the supplier operates. Preliminary supplier risk assessments are conducted through supplier self-assessment questionnaires. Our suppliers receive questionnaires, including questions targeted at human trafficking, slavery and child and forced labor risk. Samuel uses the questionnaire to identify risk areas for its suppliers. Where applicable, audits will be conducted either by our internal resources or external third-party resources. If necessary, the audits may include unannounced independent third-party audits; however, at this time we do not believe that the risk in our supply chain is significant enough to require unannounced audits.

Direct Certification

Samuel's Compliance/Legal team, in conjunction with Samuel's Internal Audit team, have implemented a robust compliance due diligence (CDD) process to promote relationships with third party partners that are ethical and compliant. The CDD process is as follows: following the identification of a potential business partner, but prior to contract approval, business units are required to work with Compliance/Legal and Internal Audit to vet the potential supplier. The CDD process assists Samuel in identifying potential red flags or areas of non-compliance.

Samuel's CDD process focuses on two key objectives: (1) to stop illegal activities in its supply chain and (2) to continuously improve our ethical standards in doing business with our business partners. First, we conduct checks of our business partners (vendors and customers) against both Canadian and United States sanctions lists. Second, we engage in a robust, three-tiered due diligence process that entails vetting, risk assessment and continuous monitoring of our suppliers.



Our vetting process searches for critical red flags relating to sanctions, ethics, compliance, and forced labor, including child labor. These three steps are as follows: (1) investigation; (2) findings and action plan and (3) continuous monitoring.

Accountability Standards

Samuel's management sets the tone for our ethical culture and holds managers accountable for communicating ethics and compliance expectations. Samuel's [Code of Conduct](#), which is available in three languages, seeks to promote honest and ethical conduct and support compliance with applicable laws and regulations. The [Code of Conduct](#) reflects our policies related to forced labor, human trafficking, wages and work hours, and nondiscrimination.

Non-compliance with Samuel's standards regarding human trafficking and slavery – whether by a supplier or an employee – can result in corrective action or termination depending on the circumstances. Internal or external auditors would work with suppliers, employees and possibly a third-party expert to resolve any instances of non-compliance. Samuel's employees are trained on, and provided with, several means to report compliance concerns, including on an anonymous basis, and such concerns are objectively investigated under the guidance and direction of our compliance or legal departments. Samuel prohibits retaliation against anyone who, in good faith, raises a concern.

Training on Human Trafficking & Slavery

All Samuel employees are required to comply with our [Code of Conduct](#) and internal employment policies, which address the prohibition of child and forced labor. Employees are required to complete training modules in the [Code of Conduct](#) on an annual basis.

Furthermore, Samuel provides mandatory training in forced labor and child labor for all employees, including management, responsible for contracting and procurement activities. Our curriculum encompasses a wide range of topics, including the history of forced labor and child labor; countries most impacted; forced labor statistics and the legislative efforts to address the issue. The subject matter touches on trade agreements and the kinds of actions corporations can take to help eradicate forced labor and child labor. The training encourages employees to identify and immediately report any activities that could be indicative of forced labor or child labor violations. Our training materials are reviewed on an ongoing basis to ensure that the content is effective and relevant in helping to prevent forced labor and child labor in all of its forms.