



## California Transparency in Supply Chains Act Disclosure Statement

Red Diamond, Inc. is committed to achieving high ethical standards and social responsibility in our business practices and supply chain, including the elimination of any form of compulsory labor, child labor, and human trafficking in our supply chain.

**Internal Accountability.** All Red Diamond employees are bound by the Red Diamond Ethical Conduct Policy statement which includes our expectations for employees to maintain the highest standard of ethical conduct and ensure our place as both a good corporate citizen and a leader in our field. Identifying risks in our supply chain related to compulsory labor, child labor, and human trafficking is also part of this commitment. Further, Red Diamond has adopted a Social Awareness Policy and Business Partner Code of Conduct which specifically expresses our commitment to a safe, healthy work environment where employees are treated fairly and respectfully. If any issue of non-compliance with either policy is identified, employees are required to report that to the Vice President of Human Resources. Red Diamond employees who do not act promptly to report such non-compliance will be subject to disciplinary action up to and including termination of employment.

**Verification.** Red Diamond is committed to the elimination of compulsory labor, child labor, and human trafficking in our supply chain. In accordance with this commitment, Red Diamond has begun to develop processes, including evaluation of product supply chains, to address the risks of compulsory labor, child labor, and human trafficking.

**Certification.** In an effort to ensure that these practices, if present in our supply chain, are eliminated, we expect all our suppliers likewise to commit to the elimination of compulsory labor, child labor, and human trafficking in their supply chain. We share with our suppliers Red Diamond's Social Awareness Policy and establish an expectation that each of them will demonstrate the same commitment to a safe, healthy work environment where employees are treated fairly and respectfully. Business partners who fail to comply with this commitment may be subject to the termination of their business relationship with Red Diamond. By its acceptance of any purchase order from Red Diamond or acceptance of any payment from Red Diamond for goods or services, the Business Partner acknowledges its acceptance of the referenced policies and intention to comply with their requirements.

**Auditing.** Business Partner agrees to permit and fully cooperate with any inspection or audit by Red Diamond or its representatives at Business Partner's facilities or the facilities of Business Partner's direct or indirect supplier(s). Failure to comply with the requirements detailed in this document may lead to the immediate cancellation by Red Diamond of all outstanding purchase orders, statements of work or other business with Business Partner. Furthermore, Red Diamond reserves the right to reject or return any products not produced in compliance with the foregoing and to charge Business Partner for any and all cost, expenses, and/or losses in connection with such rejection or return resulting from Business Partner's failure to comply with said standards.

**Training.** We are developing and will include training for our non-production employees regarding our commitment to ethical conduct, including elimination of compulsory labor, child labor, and human trafficking in our supply chain and our process for ensuring that our business partners comply with our Business Partner Code of Conduct, our Social Awareness Policy and with applicable local laws on compulsory labor, child labor, and human trafficking.