

CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT OF 2010

The California Transparency in Supply Chain Act of 2010 requires that retailers and manufactures doing business in California disclose their efforts to eradicate slavery and human trafficking from their direct supply chain. W. R. MEADOWS, INC. is committed to a continual process of honest introspection regarding our corporate practices and policies. Compliance with the law, honesty, and integrity are key to our culture and extends to selection of supply chain partners. We recognize the importance of ensuring that our supply chain is free of any products not conforming to the intent of the California Transparency Act. W. R. MEADOWS is committed to responsible sourcing and, specifically, the eradication of human trafficking and slavery in our supply chain.

Verification: W. R. MEADOWS suppliers are chosen based on our understanding that they are reputable and conduct their business in a lawful manner in accordance with our Ethics Policy, as well as in conformance with all local and international laws. W. R. Meadows has conducted a risk assessment of its supply chain based on the U.S. Department of State Trafficking in Persons Report of 2010; the majority of suppliers are located in the U.S. and other Tier 1 countries considered low risk. Because of the low risk, we have not employed a third party for verification.

Audit: W. R. Meadows expects all its business partners, including suppliers, to adhere to the same values shared by W. R. Meadows and its employees and depend on our suppliers to audit their operations for compliance. Because of the low risk in our supply chain, we do not currently audit suppliers for compliance however, if a supplier was determined to be medium or high risk we would consider requiring additional procedures to ensure compliance.

Certification: W. R. Meadows does not require suppliers to certify that products are made in compliance with the laws regarding human trafficking and slavery of the countries in which they are doing business however, if a vendor was determined to be medium or high risk we would consider asking for certification.

Accountability: W. R. MEADOWS expects that all employees conduct themselves in a manner that is compliant with the company's demands for ethical conduct and all laws, as outlined in our Ethics Policy. Employees found not to be in conformance with our stated policy can be subject to disciplinary action, up to and including termination.

Training: W. R. MEADOWS is in the process of ensuring that each employee having direct responsibility for supply chain management receives training with respect to mitigation risks of human traffic and slavery within the supply chain.