

## California Transparency in Supply Chains Act

The California Transparency in Supply Chains Act of 2010 (the “Act”) requires certain retailers and manufacturers doing business in California to provide information regarding their efforts to eliminate slavery and human trafficking in their supply chains. IHI is committed to the highest standards for lawful, honest, and ethical conduct in all business dealings. IHI’s employees, suppliers, and business partners are expected to strictly observe all applicable laws and ethical standards that apply to all jurisdictions in which they do business.

**Verification.** IHI purchases raw materials, services, and components from suppliers within the United States and abroad. IHI generally verifies its supply chain by purchasing from well-established, reputable organizations that are committed to obeying the law of the jurisdiction(s) in which they operate. IHI believes that its suppliers do not engage in illegal activities such as slavery or human trafficking; however, IHI does not otherwise engage in verification of supply chains for the purpose of evaluating and addressing the risks of slavery or human trafficking.

**Audits.** IHI expects all its suppliers to obey all applicable laws and to engage in honest and ethical business conduct. IHI will take immediate action if any supplier is found to be engaging in illegal activity, including slavery or human trafficking. Except as discussed above regarding verification, IHI does not conduct audits of its suppliers to evaluate compliance with applicable laws regarding slavery and trafficking in supply chains.

**Certifications.** As stated above, IHI does business with reputable suppliers that to the best of our knowledge are in compliance with the legal requirements of the jurisdictions in which they operate, and that typically have formal policies in effect to reinforce that their business activities are conducted in a legal, honest, and ethical manner. IHI does not require direct suppliers to formally certify that the materials and labor incorporated into its products comply with the laws regarding slavery and human trafficking of the country or countries in which they do business.

**Accountability.** IHI and its employees are required to follow policies that demand lawful, honest, and ethical conduct in every aspect of business dealings, as outlined in the IHI Employee Handbook and applicable laws and regulations. Violation of the law or IHI policies may result in disciplinary action, up to and including termination of employment, or other legal action as appropriate.

**Training.** Except as stated above, IHI does not currently provide employees and management, who have direct responsibility for supply chain management, training on slavery and human trafficking, particularly with respect to mitigating these risks within its supply chain.