

California Transparency in Supply Chains Act

The California Transparency in Supply Chains Act of 2010 (the “Act”) requires retail sellers and manufacturers doing business in the State of California and with worldwide gross receipts of over \$100 Million Dollars to publicly disclose their efforts to prevent slavery and human trafficking in their supply chains. Slavery and human trafficking can take many forms, including forced labor and child labor. In accordance with the Act, this statement articulates the policies and practices of PaperWorks Industries, Inc. (“PaperWorks”) around recognizing and preventing human trafficking and slavery across the global supply chain we utilize.

PaperWorks is committed to developing a resilient and transparent supply chain where the human rights of every worker involved are respected. As a responsible global citizen and business leader, we recognize our responsibility to respect and uphold the rights of individuals throughout the supply chain. We are committed to combatting forced labor and child labor, and will continue to work to ensure that products are produced ethically and responsibly.

Verification

We utilize a risk-based model to manage modern slavery risks in our supply chain. We leverage various processes to screen and monitor suppliers and our global supply chain for human rights risks, including forced labor and child labor. We have established a comprehensive Supplier Code of Conduct that lays out our policies with respect to screening and monitoring suppliers in our global supply chain. Suppliers are required to read the Supplier Code of Conduct and return a signed copy back to us. We have adopted procedures for auditing, monitoring, and disqualifying suppliers that do not uphold our standards.

We utilize the services of SEDEX, which is a third-party organization specializing in helping companies build socially and environmentally sustainable businesses and supply chains. Through SEDEX, we use SMETA (SEDEX Members Ethical Trade Audit) which is an audit that helps us understand standards of labor, health and safety, environmental performance, and ethics within their operations.

Audit

We regularly conduct internal, announced audits of our suppliers to assess compliance with the Supplier Code of Conduct. These audits include thorough assessments of supplier practices and ensure that our suppliers uphold the highest standards of ethical conduct. These audits also help us identify and mitigate any potential risk exposure to forced labor and child labor within our supply chain.

Certification

We require direct suppliers to certify that they prohibit use of forced labor, including prison labor, indentured labor, bonded labor, military labor, slave labor and any forms of human trafficking in the supply of products to our company.

Internal Accountability

We have established a comprehensive Code of Conduct applicable to our employees that outlines our expectations regarding labor practices, including a zero-tolerance policy towards forced labor

and child labor. The Code of Conduct reinforces our requirements and expectations for conducting business and expected behaviors and includes statements on our commitment to fostering fair labor market practices and upholding human rights. We also provide a framework for asking questions and highlighting resources in place to report concerns. We have established an external third-party hotline where complaints can be made by PaperWorks employees. In addition, suppliers have a direct contact at PaperWorks with whom they can address any concerns. We have adopted procedures for auditing, monitoring, and disqualifying suppliers that do not uphold our standards.

Training

Upholding human rights, including both forced labor and child labor, is explicitly addressed in the Code of Conduct. Every one of our employees is expected to read, acknowledge, and comply with the Code of Conduct, and must complete a re-attestation process annually.