



**Wells Enterprises, Inc.  
California Transparency in Supply Chains Act Disclosure**

Wells Enterprises, Inc. (“Wells”) is committed to conducting our business in a lawful, ethical manner, guided by our values of honesty, integrity, respect, collaboration, curiosity, courage, passion, and adaptability (the “Wells Core Values”). Wells strongly opposes slavery and human trafficking, and we are committed to compliance with fair labor practices within our supply chain. This Disclosure explains Wells’ practices related to the eradication of slavery and human trafficking in the areas of supplier verification, audits, and certification, as well as internal accountability and training, as required by the California Transparency in Supply Chains Act, which became effective on January 1, 2012.

***Verification, Certification, and Supplier Audits***

Wells attempts to identify, assess, and manage risks associated with slavery and human trafficking in its supply chain by soliciting its active direct suppliers to provide certification that all materials, incorporated into any product supplied to Wells, comply with the laws regarding slavery and human trafficking in the country(ies) where the suppliers do business. Supplier certifications are requested during on-boarding of new suppliers. Wells endeavors to verify supplier certifications during announced Supplier Quality Management Audits conducted by Wells (not a third party), based on a risk-based assessment schedule developed by Wells each year, as well as certain announced supplier audits conducted by a third party. Audits generally consist of a combination of plant tours and documentation review. In addition, Wells uses contractual provisions in supplier agreements, which require suppliers to comply with applicable federal, state, and local laws, and to warrant that they do not employ children, prison labor, indentured labor, or bonded labor or use corporal punishment or other forms of mental or physical coercion as a form of discipline. Wells reserves the right to audit Suppliers’ premises to ensure compliance with its Supplier agreements and/or to audit Suppliers’ performance against contractual obligations.

***Internal Accountability***

Wells maintains internal accountability for employees through its Code of Conduct, which incorporates the Wells Core Values. It is the strict policy of Wells to comply with all federal, state, and local laws, rules, and regulations. If an employee becomes aware or reasonably suspects violation of any law, rule, or regulation, it is his or her duty to report the potential violation to his or her supervisor or manager.

***Training***

Wells provides its employees and management, who have direct responsibility for supply chain management, training on slavery and human trafficking, particularly with respect to mitigating risks within product supply chains, during employee orientation and thereafter once every other year. In addition, all employees receive training on the Code of Conduct at employee orientation and thereafter every other year.



WELLS ENTERPRISES, INC.

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