



Supply Chain Disclosure for California Transparency in Supply Chains Act Disclosure

The California Transparency in Supply Chains Acts requires certain businesses to disclose information regarding their efforts to eradicate human trafficking and slavery within their supply chains.

At Clasen Quality Chocolate (CQC), we are committed to conducting business ethically and lawfully wherever we operate. We operate with the core values of integrity, commitment, respect, and flexibility and we count on our supply chain to uphold these same values.

As stated in our Code of Conduct, CQC requires all workers to be provided with a safe and healthy working environment. CQC prohibits forced labor, human trafficking, and child labor throughout our supply chain.

1) Verification CQC works with our employees and suppliers to monitor social risks and to ensure that all raw materials and ingredients are fairly and ethically sourced. Our Code of Conduct applies to all suppliers and is acknowledged and accepted with every purchase order.

2) Audit CQC reserves the right to verify compliance with our Code of Conduct through audits, assessments, and/or document requests. This may be done by CQC or an independent third-party and can be scheduled or unannounced. If suppliers do not meet our ethical or quality standards, appropriate corrective action is taken which can result in removal from our supply chain.

3) Certification In addition to requiring suppliers be in full compliance with CQC's Code of conduct and relevant legal and regulatory requirements, CQC works alongside third-party certification organizations to ensure more ethical and sustainable business practices throughout the supply chain.

4) Internal Accountability All suppliers complete an initial approval process and regular reviews to ensure they are meeting CQC's standards. CQC expects suppliers to use grievance mechanisms that are transparent, anonymous (where allowed by law), unbiased, responsive, confidential, and communicated to workers across their supply chain. CQC maintains a grievance mechanism and concerns related to CQC business, suppliers or their workers can be reported to supplierconcern@cqc.com.

5) Training CQC provides the necessary training to relevant employees, managers, and supply chain partners to ensure compliance with CQC's Code of Conduct, certification standards, and regulatory requirements.