

California Transparency in Supply Chains Act of 2010

On and after January 1, 2012, the California Transparency in Supply Chain Act of 2010 (SB657) will go into effect in the State of California. The Act seeks to address the issue of slavery and human trafficking from product supply chains and requires that companies disclose their efforts to ensure that their supply chains are free from human trafficking and slavery.

Ganahl Lumber Company recognizes the importance of making efforts to ensure that our supply chain is free of any products of forced labor, child labor, human trafficking and slavery. To that end, it is our intention, to the extent practicable, that our supply chain is free of any products of forced labor, child labor, human trafficking and slavery.

Ganahl Lumber Company expects that all suppliers will abide by all applicable international and local laws, rules and regulations in the manufacture and distribution of merchandise and services provided to Ganahl Lumber Company.

Specifically this will require:

- i. Verification of product supply chains to evaluate and address risks of human trafficking and slavery. (Ganahl Lumber does not presently follow a formal policy for verification related to such issues);
- ii. Audits of suppliers to evaluate supplier compliance with standards related to trafficking and slavery in supply chains (Ganahl Lumber does not presently follow a formal policy for auditing suppliers with respect to such issues);
- iii. Direct suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in they are doing business (Ganahl Lumber generally requires its suppliers to comply with all applicable laws and regulations but does not presently follow a formal policy for certification by all suppliers);
- iv. Maintain internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking (Ganahl Lumber does not presently follow a formal policy related to such issues);
- v. Provide company employees and management, who have direct responsibility for supply chain management, training of human trafficking and slavery, particularly with respect to mitigating risks within the supply chain of products (Ganahl Lumber does not presently follow a formal policy related to such issues).