



The California Transparency in Supply Chains Act of 2010 requires the companies that the Act regulates to publicly disclose the efforts undertaken to prevent human trafficking and slavery from being a part of their supply chains. Barr makes the following disclosures to meet those compliance requirements.

Barr's number one Corporate Value is Ethical Behavior and Responsibility. It states that:

"All employee owners will employ high ethical standards in all business activities with customers, suppliers and each other; we will not compromise our honesty, integrity or reputation; we will comply with all applicable laws."

Likewise Barr's suppliers are required by contract to comply with all laws governing their activities, including those that forbid the use of human trafficking or slave labor. Barr conducts compliance assessment activities and training in many legal and regulatory areas.

- **Verification**: During the qualification process, Barr conducts a thorough background check of suppliers to confirm they are appropriate business partners, and ensure there are no issues with compliance history. Verifications are normally done by Barr personnel.
- **Audits**: Barr has the contractual right to audit its suppliers, and periodically does so. As typically required by the contracts, audits are announced and normally done by Barr personnel. An audit will normally cover product quality, workplace appearance, employees, and compliance.
- **Certification**: Barr does not regularly require its suppliers to certify compliance with regards to laws or its general contractual obligations.
- **Internal Accountability**: Barr has internal controls and procedures for determining whether employees are complying with company rules and standards.
- **Training**: Barr employees are training on company rules and procedures, as well as certain legal and regulatory requirements.

Although human trafficking and slave labor may exist in the US, government agencies indicate that there is not a significant domestic risk of these activities. Since nearly all Barr manufacturing takes place in its US facilities or at third parties located in the United States, none of the activities described above are specific to human trafficking or slavery.