The California Transparency in Supply Chains Act of 2010 (SB 657) requires companies that manufacture or sell products in the State of California to disclose their efforts, if any, to provide information regarding their efforts to eradicate human trafficking and slavery in their direct supply chains. The law was designed to increase consumers’ knowledge about products they buy and the companies they choose to support.

Howard Industries, Inc. ("Howard") is committed to complying with the law wherever we operate and conducting all business activities in accordance with the highest ethical standards, including laws and standards pertaining to human trafficking and slavery. We expect the same of the parties with which we do business. Our ethical standard is reflected in our Compliance Program and Code of Business Conduct and Ethics ("Code"), which outlines our expectations of ethical conduct and compliance with all laws from our employees and others who work for and represent Howard.

All employees receive the Code and annual training on the Code. Howard maintains a 24/7 Hotline where employees and contractors can submit any concerns of possible ethics and compliance violations, anonymously, if requested. Every submission is reviewed and handled accordingly. Any employee or contractor who is found to have violated the Code or otherwise committed an ethical or compliance violation is subject to disciplinary action, up to and including termination of employment or contracts, as the case may be.

To ensure that our supply chain reflects our commitment to compliance and ethics standards, our corporate business practice is to consider the integrity of the suppliers with whom we contemplate doing business. While Howard does not have a formal verification or audit program, Howard expects its suppliers to comply and operate consistent with legal and ethical standards as well as the principles of the Code when working on our behalf, and we do follow up, investigate and/or audit suppliers if we have a concern about the nature of their performance.