

Efforts to Eradicate Human Trafficking and Slavery within the Supply Chain

California Transparency in Supply Chains Act of 2010

Effective January 1, 2012, the California Transparency in Supply Chains Act of 2010 requires retailers and manufacturers doing business in California to disclose efforts to eradicate slavery and human trafficking from its direct supply chain. Clover Technologies Group (“Clover”) is committed to ensuring that its employees and suppliers take appropriate steps to mitigate the risk of human trafficking and slavery from occurring in any aspects of its supply chain. In accordance with the Act, Clover makes the following disclosures:

Verification of Supply Chain

Clover verifies product supply chains through several methods, including requiring suppliers to complete a Social Accountability Form and audits for larger suppliers. Third parties are not utilized for verification.

Evaluation of Supplier Compliance

Clover conducts audits of larger suppliers to ascertain that they are in compliance with our Social Accountability statement. Included on this form are disclosure requirements regarding human rights laws, the requirement that an I-9 be on file for every employee, and prohibitions against forced or compulsory labor. Clover does not conduct audits of suppliers expressly to evaluate supplier compliance with company standards for trafficking and slavery in supply chains.

Supplier Certification

Clover requires all suppliers to comply with applicable laws and regulations.

Internal Accountability Standards

Clover maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking. In furtherance of the foregoing the policy identifies specific principles, including:

- promoting fair employment practices,
- providing fair and competitive wages,
- prohibiting harassment, retaliation and discrimination,

Management Training

Clover intends to provide company employees and management, who have direct responsibility for supply chain management, training on human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products. That training has not yet been completed for all employees and managers but will be completed in 2016.