

## **California Transparency in Supply Chains Act of 2010 Disclosure**

We conduct quality and other audits of certain suppliers and have not discovered anything that would lead us to conclude that any of them is not in compliance with all applicable laws. To date, we have not conducted audits of suppliers to evaluate supplier compliance with company standards for human trafficking and slavery in supply chains. We do not conduct independent, unannounced audits of suppliers to verify compliance with such laws or company standards.

We have recently begun to request that our direct suppliers of raw and packaging materials located outside of Canada and the United States certify that materials incorporated into the products they supply to KIK comply with the laws regarding slavery and human trafficking in the country or countries in which they are doing business. For Canadian and U.S. suppliers, we rely on the governments of these two countries to ensure compliance with federal and local laws regarding slavery and human trafficking.

We have a code of business conduct that requires all employees to comply with applicable laws in the conduct of their employment responsibilities. We do not engage contractors if we are aware that they are not in compliance with applicable laws concerning slavery and human trafficking. We have not, to date, maintained specific internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking.

We do not, as yet, engage in verification of product supply chains to evaluate and address risks of human trafficking and slavery. We do not verify compliance by means of a third party audits or other reviews.

We provide certain of the company employees and management who have direct responsibility for supply chain management with informal training on human trafficking and slavery, including with respect to mitigating risks within the supply chains of products, and intend to enhance this training in the coming months.