
TRANSPARENCY IN THE SUPPLY CHAIN

CONTENTS

General Requirements	1
1. Verification.....	1
2. Auditing	1
3. Certification	1
4. Internal Accountability	2
5. Training	Error! Bookmark not defined.

GENERAL REQUIREMENTS

Whalen Furniture Manufacturing remains committed to designing, developing, manufacturing, and selling quality products that are produced under ethical conditions that protect worker rights and safety. The Li & Fung Code of Conduct defines requirements that partner factories must meet, and these requirements ensure that worker rights, safety, and security are maintained. Our Global Compliance program is an extensive program of internal, third-party, and customer-driven audits and training programs at our partner factories that ensure that product and social compliance issues are reviewed and addressed throughout our supply chain.

It should also be noted that Whalen fully complies with the California Transparency in Supply Chains Act (SB657), which seeks to eradicate slavery and human trafficking in the supply chain. The requirements of this Act cover the five major areas identified below. Whalen is fully compliant with the Act and our ongoing efforts are described below:

1. VERIFICATION

Whalen conducts internal and independent third-party risk assessments of our factories to identify risks related to human trafficking, slavery, and other labor issues, such as child and migrant labor. This verification also involves audits of Whalen partner factories. Whalen auditors are constantly on-site at factory locations to review compliance status and to address any product or social compliance issues that may exist.

2. AUDITING

Whalen conducts announced and unannounced internal audits at all of its partner factories to ensure that the factory does not violate any areas of the Whalen Code of Conduct, including the risk of human trafficking and slavery. In addition, Whalen contracts an independent third-party auditing firm to conduct quarterly audits at Whalen's top partner factories. In addition, ongoing third-party audits are conducted by Whalen's major Customers, such as Walmart, Costco, Lowe's, Target, Best Buy, etc., for every product that ships from a Whalen partner factory.

3. CERTIFICATION

Direct suppliers to Whalen are required to certify that the materials incorporated into our products comply with the local laws on slavery and human trafficking. In addition, Whalen suppliers certify that the manufacturing process at their facility, and their sub-supplier's facilities, does not involve any form of slavery or human trafficking.

4. INTERNAL ACCOUNTABILITY

All Whalen employees and contractors throughout the supply chain are held accountable to Whalen's standards on slavery and human trafficking. Employees, Vendors, and Contractors are required to reports any incidence to the Whalen Global Compliance team. In addition, the Whalen Global Compliance team works with partner factories on the development and execution of Corrective Action Plans (CAPs) to address any violations to the Code of Conduct.

TRAINING

The Whalen Compliance team is responsible for training all company employees regarding mitigating the risk of slavery and human trafficking throughout our supply chain. Training materials are provided to Whalen employees and Vendors in multiple countries and languages, including English, Spanish, Chinese, and Vietnamese. In addition, Whalen conducts Vendor Seminars with its partner factories to review product and social compliance issues, including issues related to slavery, human trafficking, child labor, prison labor, and other compliance issues.

For additional information regarding Whalen's program, please feel free to email socialcompliance@whalenfurniture.com.