



California Transparency in Supply Chains Act of 2010 SB 657 Disclosures

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 (SB 657) will go into effect in the State of California. The act is designed to combat slavery and human trafficking by requiring companies to disclose information about their supply chains, thereby allowing consumers to make informed decisions about the products they use.

Guittard Chocolate Company supports the fight against slavery and human trafficking and applauds California's efforts to address this global issue. Guittard Chocolate Company has been committed to doing business in a lawful and ethical manner for over 140 years. We are committed to protecting the working rights and safety of the people who produce and supply products to Guittard, while recognizing and respecting the cultural and legal differences found throughout the world. We prohibit human trafficking and slave labor in our operations and our company standards require compliance with applicable laws and regulations. We expect our suppliers to comply with these same company standards, and to monitor their suppliers for compliance with these laws and regulations.

We depend on our suppliers to audit their operations for compliance with our company standards and, as required, verify that their supply chain is free of objectionable conduct. We ask our suppliers to acknowledge in writing their understanding and acceptance of our standards. We may conduct audits of suppliers that may be scheduled or unannounced.

We ask our suppliers to certify in writing their compliance with all applicable laws, including laws against slavery and human trafficking. Where there are no applicable laws against child labor or slave labor, our suppliers have programs to alleviate the problem if they determine that they exist as well as on going education and evaluation. We will not do business with any company unable to certify due compliance of the products supplied to us, or if there are discrepancies in monitoring and compliance with Guittard standards.

Guittard Chocolate Company will remain committed to protecting human rights. We will maintain our internal accountability standards regarding ethical conduct and move quickly to remedy any conduct we find objectionable.

We provide training for our employees who manage the supply chain regarding our policies on slavery and human trafficking, especially to mitigate the issues of human rights abuse. We will also continue to stress Guittard history and values to all of our employees that have direct responsibility for supply chain management.

By taking these steps, we believe that Guittard is showing its commitment to the global effort to eliminate slavery and human trafficking.

Read the Senate Bill as signed into law by the Governor of the State of California on September 30, 2010: http://leginfo.ca.gov/pub/09-10/bill/sen/sb_0651-0700/sb_657_bill_20100930_chaptered.html

Read the government analysis of the Senate Bill, SB 657: http://www.leginfo.ca.gov/pub/09-10/bill/sen/sb_0651-0700/sb_657_cfa_20100628_112914_asm_comm.html

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