

California Transparency in Supply Chains Act of 2010
PVM USA Disclosures

Overview: Perfetti Van Melle USA Inc. (“PVM USA”) is a member of the Perfetti Van Melle Group (the “Group”), a collection of subsidiaries all wholly owned by Perfetti Van Melle Group B.V. (“PVM Group”). PVM Group’s Global Code of Conduct (the “Code”) sets forth the ethical principles and governs the behavior of all Group members and employees.

Moreover, as a supplier of confectionary products, PVM USA is required to comply with various customers’ codes of conduct. Such codes of conduct frequently include provisions mandating the protection of workers’ rights and compliance with local labor laws. PVM USA has undergone a third-party audit regarding its compliance with such a customer code of conduct and no issues were noted.

In 2009, PVM USA established a Code of Conduct Compliance Office (the “Office”) charged with monitoring and enforcing compliance with the Code. The Office currently consists of three members, including PVM USA’s Chief Financial Officer, Legal & General Affairs Coordinator, and Executive Vice President of Human Resources.

Verification: PVM USA acquires its finished products from operating companies all belonging to PVM Group and, therefore, subject to the ethical principles of the Code. Accordingly, PVM USA does not conduct any direct verification on these intercompany relations since there is no effective need to evaluate and address risk of human trafficking and slavery within the Group.

PVM USA does not conduct any verification of its raw ingredient and material suppliers with respect to the risk of human trafficking and slavery. PVM USA relies on supplier’s independent commitment to their own business conduct policies and their compliance with local labor laws.

Audit: PVM Group retains the right to visit its subsidiaries to verify compliance with the Code. PVM USA has also undergone an independent audit from a customer to assess compliance with the customer’s internal code of conduct. The audit included a tour of the facility, interviews with randomly selected company personnel, a review of facility policies, and payroll documentation.

PVM USA does not conduct any audits of its raw ingredient and material suppliers with respect to the risk of human trafficking and slavery. Instead, PVM USA relies on supplier’s independent commitment to their own business conduct policies and local laws regarding workers’ rights.

Certification: PVM USA does not currently have a formal supplier certification process and does not require its suppliers to officially state that they comply with anti-slavery and human trafficking laws in the country or countries in which they do business.

Internal Accountability: If any third party conducting business with PVM USA is found to be in violation of local laws regarding workers’ rights, PVM USA or PVM Group will cease doing business with that third party.

Training: Human trafficking and slavery are not a specific topic of discussion during PVM USA training activities.