

## California Transparency in Supply Chains Act (SB657)

In accordance with the precepts of the California Transparency in Supply Chains Act, Parker is committed to the global efforts to eradicate slavery and human trafficking from supply chain products. Parker's affirmative steps regarding the prohibition of such conduct include the following:

- Parker has a "Supplier Code of Conduct" which must be followed by all of its suppliers which strongly prohibits forced or indentured labor, child labor, work hour and days compliance, and wage and benefits obligations, all in accordance with federal, state, and local laws and regulations, including those applicable in the country of origin.
- The Supplier Code of Conduct also mandates non-discrimination, compliance with environmental, health, and safety laws, and including adherence to all laws in the locality in which they reside.
- Parker requires all of its suppliers to apply these prohibitions on slavery and human trafficking, child labor, and other restrictions, on their sub-tier source operations.
- Verification and monitoring of compliance with Supplier Code prohibitions, providing Parker the means to require direct suppliers to insure that materials incorporated into their products comply with laws.
- The prohibitions contained in Parker's Code of Supplier Conduct foster a means of enforcing supplier accountability for failure to meet company standards with respect to slavery and human trafficking.
- Parker's terms and conditions of purchase which apply to the purchase of goods and services from suppliers impose an affirmative, legally enforceable obligation that all supplied goods and services will have been produced in compliance with all applicable laws, orders, rules, regulations, ordinances and conventions, including those relating to equal employment opportunity, wages, hours and conditions of employment, and discrimination.
- Parker has reserved the right in its terms and conditions to require certification of compliance by the supplier to all laws.
- Parker has the right to obtain damages and an indemnity from the effects of violation of these provisions, reinforcing the supplier accountability obligations.