

# LUMBER LIQUIDATORS' COMPLIANCE WITH CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT

Lumber Liquidators is committed to being a positive force in the communities in which it and its suppliers operate. To that end, we support the eradication of child labor, the elimination of human trafficking and the adherence to applicable laws governing the employment of workers. We believe that implementing high standards for worker health and safety leads to higher-quality products and reduced costs both for us and our customers.

We emphasize our commitment to labor requirements with our personnel. We train our employees who are involved in our supply chain about our environmental and social responsibility policies and the identification and mitigation of risk. Further, each of our employees agrees to abide by Lumber Liquidators' Code of Business Conduct and Ethics (a copy of which is available on our Investor Relations webpage) and comply with applicable law, including those that relate to employment practices. We exercise an open door policy for employees to report any issues to their supervisors or human resources department. We also maintain a whistleblower hotline via both telephone and internet which permits employees to anonymously report any issues or concerns that they may have. The hotline information is posted in all of our locations as well as on our intranet.

With regard to our supply chain, we have formalized our expectations regarding supplier labor and health and safety policies in a "Supplier Code of Conduct with Respect to Environmental and Social Responsibility," which includes a "Supply Chain Environmental and Social Responsibility Policy." Those policies require, among other things, that our suppliers comply with all applicable labor and employment laws, rules and regulations wherever they do business. Further, the policies expressly prohibit our suppliers from using child labor and forced labor.

Each of our suppliers is required to comply with our supplier code of conduct. Moreover, the terms and conditions which govern the purchase orders that we issue for products require that our suppliers represent and warrant that they are in full compliance with all applicable laws and regulations including those relating to labor and employment. We have the contractual right to cancel any purchase orders and cease doing business with any supplier that fails to adhere to such laws and regulations.

Over the years, we have worked directly with a select group of vendors and mills with whom we have cultivated long-standing relationships. We often pay announced and unannounced visits to our suppliers' mills and forests and assess their adherence to our code of conduct and its protocols concerning labor as well as health and safety matters. In many cases, we visit potential suppliers to assess their ability to comply with our environmental and social policies prior to ordering products from them. Additionally, we are utilizing third party auditors as part of our process for reviewing our supply chain and evaluating and addressing risks relating to supplier compliance with our labor and employment practice standards.

In the event we learn that any employee or supplier has engaged in behavior that has violated our policies, we would take appropriate remedial action. Such action may include training, increased auditing, disciplinary action, termination of the relationship, and/or reporting to the relevant authorities.

[Learn more about our ongoing commitment to flooring quality and sustainability. \(/ll/flooring/quality\).](https://www.lumberliquidators.com/ll/flooring/ca-supply-chain-transparency)



