

California Transparency in Supply Chains Act of 2010 (“Act”) Disclosure

We at Generac condemn slavery and human trafficking whether in or outside of our supply chain. Our commitment is reflected in both Generac’s Supplier Code of Conduct (“Supplier Code”) and Code of Ethics and Business Conduct (“Code of Ethics”), the latter of which applies to all Generac employees, officers, and directors. Please visit our Code of Ethics on our website under Corporate Governance Highlights. A copy of our Supplier Code is available upon reasonable request.

Our Supplier Code clearly reflects our expectation that any approved supplier:

- shall operate in full compliance with the laws of their respective countries and with all other applicable laws, rules, and regulations, and also in full compliance with the Supplier Code;
- shall employ only workers who meet the applicable minimum legal age requirement. Supplier must also comply with all other applicable child labor laws; and
- shall not use any indentured or forced labor, slavery, or servitude.

Notwithstanding, pursuant to that disclosure mandated by the Act, we summarize our position and actions taken in compliance as follows:

We do not:

- engage in verification of product supply chains to evaluate and address risks of human trafficking and slavery;
- conduct audits of suppliers to evaluate supplier compliance with Generac standards for trafficking and slavery in supply chains;
- require approved suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business;
- maintain internal accountability standards and procedures for employees or contractors failing to meet Generac standards regarding slavery and trafficking; and

- provide training to company employees and management who have direct responsibility for supply chain management on human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products.

However, beginning in 2012, we will:

- require our approved suppliers to certify, via our Supplier Code, that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business;
- maintain internal accountability standards for approved suppliers failing to meet Generac standards regarding slavery and trafficking; and
- promote awareness and mitigation of labor and compliance risks for our employees in supply chain related functions.

Concerns relating to potential violations of the Code will be investigated promptly. Officers and employees who are found to have violated the Code of Ethics are subject to punishment which may include termination of employment.

At Generac, any employee can report, on a confidential basis, a potential ethical violation, including human trafficking by a Generac supplier, by calling the ***Corporate Governance Helpline at 800-476-9054.***