



Vendor Compliance Manual

3. SOCIAL RESPONSIBILITY CODE FOR VENDORS

CBK sets standards for our apparel and accessories vendors (“Vendors”) to maintain and foster human rights, both domestically and internationally. As a retailer, we do not own the factories which manufacture the merchandise sold in our stores. However, it is our expectation that our Vendors ensure that the goods we sell are made under working conditions and in factories that operate consistent with our values and all applicable laws, regardless of whether the merchandise is made in the United States or elsewhere. The factories where Vendors make our goods are expected to abide by the standards set forth below.

Legal Requirements

Vendors shall comply with all legal requirements applicable to the conduct of their businesses.

Child Labor

Vendors shall not illegally or improperly employ underage workers. Under no circumstances should Vendors hire or employ workers younger than 15 years of age. Vendors must follow all applicable laws and regulations regarding working hours and conditions for minors.

No Forced Labor, Human Trafficking or Slavery

Vendors shall not use forced or involuntary labor of any kind. “Forced” or “involuntary” labor is defined as work or service which is extracted from any person under threat or penalty for its non-performance and for which the employee does not offer himself or herself voluntarily. This includes all prison, bonded and indentured labor of any kind. In addition, Vendors are not to engage in any acts of slavery or human trafficking.

Wages and Benefits

Vendors shall pay wages that comply with all applicable laws and regulations and match the prevailing local manufacturing or industry rates, whichever is higher. Vendors shall also provide legally mandated benefits. Overtime pay shall be calculated at the applicable legally required rate, regardless of whether employees are compensated hourly or by piece rate. Vendors shall not make pay deductions for disciplinary purposes, and shall provide written information to each employee specifying the wages and benefits provided for each pay period.

Hours of Work

Vendors shall not require employees to work more than the maximum number of hours per week permitted by applicable laws and regulations. Vendors are expected to ensure that employees typically receive at least one day off during a seven-day period (measured from Sunday to Saturday).

Health and Safety

Vendors shall maintain a clean, safe and healthy workplace in compliance with all applicable laws and regulations, in order to prevent accidents and injury to its employees.

Vendors shall ensure that employees are adequately trained on health and safety procedures



and that necessary personal protective equipment is provided and made reasonably available to employees. Vendors who provide residential facilities for their employees must ensure that such facilities meet all applicable health and safety requirements.

No Physical Punishment

Vendors shall not use bodily punishment or any other form of physical or psychological coercion or intimidation against employees.

Freedom of Association

Vendors shall respect the right of workers to associate, organize and bargain collectively in a legal and peaceful manner consistent with applicable law.

Nondiscrimination

Vendors and their subcontractors shall employ workers solely on the basis of their ability to do the job. They shall not discriminate in employment on the basis of gender, race, religion, age, disability, sexual orientation, nationality, marital or maternity status, work or personal affiliations, political opinion, or social or ethnic origin.

Environmental Protection

Vendors shall comply with all applicable laws and regulations with respect to protecting the environment, have in place and follow procedures for notifying local authorities in the event of an environmental accident resulting from their operations.

Social Compliance Audits of Production Facilities Making Company Goods

A third party auditing firm may conduct a Social Compliance audit at the production facilities for Vendors from time to time. For most of the approved countries of production, the Company will accept recent (typically within the last 12 months) audits that have been conducted by an acceptable third party auditing company for the initial set-up of a new vendor, after which a Social Compliance audit may be conducted every 12 to 18 months thereafter, if the Vendor continues to produce goods for us.