



**BURLINGTON STORES INC.**

***Code of Conduct, Product Safety and  
Social Compliance Manual***

Updated: February 2020

## ***Overview***

This manual explains the code of conduct, product safety and social compliance terms of engagement for Burlington Merchandising Corporation (“Burlington” or “Company”). All Burlington Business Partners (“Partner” or “Partners”) who conduct business with Burlington are required to abide by the terms set forth in this manual. Partners are defined as vendors, manufacturers, contractors, subcontractors, jobbers, and other suppliers, sources, and agents who provide Burlington with goods or services ordered pursuant to any purchase order (PO), contract, or agreement issued directly by Burlington or ordered on behalf of Burlington by an authorized Company representative.

## **Code of Conduct**

Burlington is committed to the highest ethical standards and conducting its business with the highest level of integrity. Accordingly, Burlington has a Code of Conduct (“Code”) to which all associates, and Business Partners, are expected to follow.

At Burlington, we strive to work with Partners who treat their workers with dignity and respect, adhere to applicable laws and regulations, and maintain high standards of business conduct and ethics. We strongly believe that Partners, who do business with Burlington, should comply with the principles reflected in the Company’s Code, and we reserve the right to refuse to do business with those who do not uphold, in action as well as words, the same principles.

Although we recognize that our Partners are independent businesses, actions by those with whom Burlington does business are sometimes attributed to Burlington itself, affecting its reputation and the goodwill it has with its customers and others. As such, it is only natural that the Company requires and expects its Partners to act with honesty and integrity.

Accordingly, we ask that Burlington’s Partners review the Code of Conduct, in its entirety, and maintain on file all documentation needed to demonstrate compliance with the Code and required laws. Please note that all Partners are responsible for abiding by the entire Code. Several specific provisions of the Code are set forth below.

### **Vendor Relations**

Burlington’s policy is to give fair treatment to all Company Partners. Burlington will use objective factors, such as the quality and cost of the goods and services offered, in determining whether or not to do business with a vendor.

### **Labor Standards**

Burlington requires and expects its Partners to comply with all applicable international laws and regulations, and United States federal, state and local laws and regulations, in the manufacture and distribution of merchandise or services provided to Burlington. Specifically, no vendor should use forced or child labor. All vendors must comply with all wage and hour requirements, as defined under applicable labor laws and regulations. Vendors should inform each employee at the time of hiring if mandatory overtime is a condition of employment and, on a regularly scheduled basis, provide one (1) day off in seven (7), and require no more than 60 hours of work per week on a regularly scheduled basis, or comply with local limits if they are lower.

### **Financial Interests**

Burlington employees, officers and directors may not have financial interests in any vendor where such interest would influence, or appear to influence, one’s actions on behalf of the Company.

### **Loans**

Burlington employees, officers and directors are prohibited from making or receiving loans and/or guarantees to or from any Burlington Partner.

### **Outside Employment**

Burlington employees may not work for, receive compensation or other benefit from, or own a substantial interest in any vendor or other person with whom the Company conducts business or which derives a benefit from business transacted by the Company.

### **Family Members and Close Personal Relationships**

Burlington employees, who have immediate family members or significant others who have an ownership interest in, or work in a managerial or executive capacity for businesses that provide or seek to provide goods or services to the Company, should always act in the best interest of

Burlington when performing duties and making decisions for the Company. Such relationships must be disclosed, as provided in the Code, and the employee's supervisor must approve all transactions with the other company and sign or countersign all related documents.

#### **Purchases of Goods or Services for Personal Use**

Burlington employees are not permitted to purchase goods and/or services for personal use directly from Partners or at a company (vendor's) store except: (1) banks and financial institutions; (2) insurance companies; (3) bona fide retail outlets on an arm's-length basis, on terms no more favorable than those available to the public; and (4) goods and services purchased through a Company-sponsored program.

#### **Commercial Bribery**

Burlington employees are prohibited from offering, soliciting or accepting a bribe, under any circumstances, and are required to report any offers or attempts to Burlington's Compliance Counsel.

#### **Gifts**

Burlington believes that good business relationships are built through trust and integrity, not through the exchange of gifts and other favors. Therefore, Burlington employees may not request or encourage the giving of any gifts or gratuity from a Partner, potential Partner, or any person or entity having or seeking business with the Company. Gifts from vendors may not be accepted by employees, with the exception of the following items, as set forth in the Code: (1) perishables, such as flowers or food baskets that can be shared with an employee's department; (2) books or other literature provided for business purposes only; (3) meals, under limited circumstances; and (4) nominal promotional gifts. There are no exceptions based on season of year, gift giving occasion or value of the gift. Please refer to the Code for more detail on Burlington's Gifts and Entertainment Policy.

#### **Reporting**

Burlington employees are required to immediately report, to the Company, any vendor that offers or attempts to offer a gift or bribe.

Partners with questions or concerns about what is proper conduct for their organization, under the Code, should contact Burlington's Compliance Counsel at [Compliance.Counsel@burlington.com](mailto:Compliance.Counsel@burlington.com).

[Click here](#) to view the Burlington Code of Conduct.

#### **Terms of Engagement for Burlington Merchandising Corporation's Business Partners**

These Burlington Merchandising Corporation Terms of Engagement ("Terms") apply to all Burlington Business Partners. Burlington requires its Partners to meet or exceed these Terms, and promote best practices and compliance, in all factories in which Partners manufacture merchandise. While Burlington recognizes that there are different legal and cultural environments, in which Partners operate throughout the world, these Terms set forth the basic minimum requirements that Partners must meet in order to do business with Burlington.

#### **Intellectual Property Rights Protection**

With the exception of well-known vendors with longstanding relationships with Burlington, any vendor considering the sale of any branded product to the Company, who does not own the trademark for that brand or is not an authorized licensee of the trademark, **must** submit proper documentation showing chain of *title* to Burlington Legal Department before there may be a purchase order commitment. **No Fendi, Louis Vuitton or Marc Jacobs products may be purchased from any vendor.** Moreover, if the vendor is a licensee of the trademark and the

Company does not have an up-to-date copy of the license agreement in its possession, the vendor must furnish Burlington's merchant with a copy of the agreement before such purchase is finalized. (The vendor is free to blackout proprietary information, such as prices and royalties, so long as the document provided makes clear that the vendor is duly authorized to sell the trademarked product, at the time of the purchase.) If the vendor neither owns the trademark nor is licensed to sell the product, the Legal Department will advise as to what documentation will be needed in order to purchase the goods. Purchases may not proceed without proper documentation.

## **Product Safety - U.S. Federal, State and Local Legal Requirements**

All products that a vendor supplies to Burlington must comply with the applicable laws and regulations of the United States and those of the respective country of manufacture or exportation. As a Burlington Partner, you are expected to review, understand and comply with these requirements. Periodically, Burlington will provide its Partners with compliance updates as new legal developments occur; however, the obligation to be aware of and comply with all applicable laws and regulations is solely that of each Partner.

All Partners are responsible for maintaining the documentation necessary to show compliance with all applicable laws and regulations.

### **CPSC RECALL REPORTING**

Section 15(b) of the Consumer Product Safety Act ("CPSA") establishes reporting requirements for manufacturers, importers, distributors and retailers of consumer products. Each manufacturer, importer, distributor and retailer of consumer products must notify the Consumer Product Safety Commission, immediately, if it obtains information that reasonably supports the conclusion that a product distributed in commerce: 1) fails to comply with an applicable consumer product safety rule or with a voluntary consumer product safety standard; 2) fails to comply with any other rule, regulation, standard or ban; 3) contains a defect that could create a substantial product hazard; or 4) creates an unreasonable risk of serious injury or death. Accordingly, vendors that are aware of an issue or receive consumer complaints or incidents must file a Section 15(b) report with the Consumer Product Safety Commission and alert Burlington immediately at [product.eval@burlington.com](mailto:product.eval@burlington.com)

### **LABELING**

All Partners are responsible for ensuring that their products are in compliance with all applicable laws and regulations governing packaging and product labeling. Some of these laws and regulations include the Fur Products Act, Wool Products Labeling Act, Textile Fibers Products Identification Act, Country of Origin Labeling, Fair Packaging and Labeling Act, Uniform Packaging and Labeling Regulation, and Uniform Label Laws, as well as the U.S. Federal Trade Commission (FTC), U.S. Food and Drug Administration, and all U.S. Custom Services requirements. It is the responsibility of the vendor to understand and apply all labeling rules and requirements.

For further information about federal labeling requirements, vendors should contact the U.S. Federal Trade Commission at:

Website: [www.ftc.gov](http://www.ftc.gov) , Telephone: (202) 326-3553

Vendors may also consult the FTC's Textile, Wool, Fur and Apparel Matters webpage ([www.ftc.gov/os/statutes/textilejump.htm](http://www.ftc.gov/os/statutes/textilejump.htm)) and the FTC's Facts for Businesses: Threading Your Way Through the Labeling Requirements Under the Textile and Wool Acts (<http://business.ftc.gov/documents/bus21-threading-your-way-through-labeling-requirements-under-textile-and-wool-acts>)

### **TESTING AND REGULATORY REQUIREMENTS**

Burlington Stores is committed to provide a high level of safety for the products offered to our customers. Burlington Stores sells a variety of consumer products including apparel, beauty, shoes, baby gear, accessories, toys, furniture, housewares, and gourmet foods among many other products. Since our stores are located in the U.S., these products are subjected to U.S. federal, state and local regulations. If your product is in compliance with other countries regulations such as EU or Canada, it may still fail to meet U.S. market requirements. For detailed requirements, please contact our legal department at [product.eval@burlington.com](mailto:product.eval@burlington.com)

***We expect our suppliers to:***

- Be familiar with all the federal, state and local regulation applicable to their product.
- Be knowledgeable of their product regarding chemical composition and physical performance.
- Ensure products and packaging is properly labeled in accordance to federal and state regulations.

***Testing Information:***

- Products are tested at accredited testing labs showing passing test reports meeting all regulatory requirements.
- Burlington does not have a designated testing lab. You may test your product at any accredited lab. However; Intertek testing labs does have discounted testing rates for Burlington.
- Generally, a valid test report should be within a year of product production.
- Burlington will accept a test report for a product tested for other retailers. You will not need to repeat the testing.
- Group testing is allowed although; all style numbers not tested should be listed on the test report.

*Burlington Stores reserve the right to monitor product safety through audits and testing programs. If the product is found unsafe and in violation of federal, state or local regulations, it will be recalled at supplier's cost. For additional details, partners should review relevant documents listed under vendor relations on Burlington website*

<https://www.burlington.com/vendors>

**UNITED STATES - CONSUMER PRODUCT SAFETY IMPROVEMENT ACT (CPSIA)**

- Burlington Stores as the importer of record of consumer products is required to certify product compliance under Consumer Product Safety Improvement Act (CPSIA).
- Product certification is the issuance of a document describing the product in compliance to applicable CPSC rules, standards, bans and regulations. This document is known as Children's Product Certificate (CPC) or General Certificate of Conformity (GCC) for non-children's products.
- Children's Products: The law defines a "children's product" as a consumer product designed or intended primarily for children 12 years of age or younger. In determining whether a consumer product is primarily intended for a child 12 years of age or younger, the following factors will be considered:
  - o A statement by the manufacturer about the intended use of the product, including a label on the product, if such statement is reasonable.
  - o Whether the product is represented in its packaging, display, promotion, or advertising as appropriate for use by children 12 years of age or younger.
  - o Whether the product is commonly recognized by consumers as being intended for use by a child 12 years of age or younger.
- Children's Product Certificate: Children's Product Certificate (CPC) is a written document in which the manufacturer or importer certifies that its children's product complies with all applicable children's product safety rule. Certification of children's products must be based upon the passing test results of third party testing. The third party testing laboratory provides the testing services and results, but does not issue the children's product certificate. The law requires manufacturers or importers to issue a Children's

Product Certificate; that the certificate accompanies each product or shipment of products; that the certificate be furnished to retailers and distributors; and that the certificate be provided to the CPSC, upon request. Under CPSC regulations, an electronic certificate is "accompanying" a shipment if the certificate is identified by a unique identifier and can be accessed via a World Wide Web URL or other electronic means, provided the URL or other electronic means and the unique identifier are created in advance and are available with the shipment

- Knowing and willful issuance of a fraudulent certificate or misrepresentation of product compliance on the certificate is a US federal crime.

Below is a table for key safety requirements for a sampling of products. This list does not include all products or testing. Suppliers are required to test their products in CPSC approved testing lab with passing the relevant requirements before shipping

CPSC Regulation	Limits/Specification	Description
Lead in Substrates of Children's Products (CPSIA § 101)	≤100 ppm total lead per component	Children Products
Lead in surface coatings & paint (16 CFR 1303)	≤90 ppm	Children Products
Phthalates (CPSIA § 108)	8 Phthalates - Each ≤ 0.1% DEHP, DBP, BBP, DINP, DIBP, DPENP, DHEXP, DCHP	Toy and Childcare Items
Flammability of Wearing Apparel (16 CFR 1610)	Shall meet Class 1 requirements	Textile wearing apparels – All ages
Flammability of Wearing Apparel (16 CFR 1611)	Rate of burning shall not exceed 1.2 in./sec by the average of five determinations lengthwise and five determinations transverse to the direction of processing	Plastic vinyl wearing apparels – All ages
Sleepwear Flammability (16 CFR 1615/1616) Exemptions: - Diapers & underwear - Infant Garments size nine months or smaller - All tight-fitting sleepwear in sizes above 9 months	Average char length not to exceed 7.0 inches (17.8 cm) and NO individual specimen shall have a char length of 10 inches (25.4 cm)	Children's Sleepwear
Toy Safety ASTM F963 – Latest version	Various requirements depending on type of toys	All kind of toys
Small Parts Choking Hazard (16 CFR 1501)	Prohibited	Children Products
Sharp Points / Sharp Edges 16 CFR 1500.48-49	No hazardous sharp points or edges by 16 CFR 1500.48-49 before and after testing	Children Products
Mechanical Hazards 16 CFR 1500	Shall meet the requirements specified in the standard - 16 CFR 1500	Children Products
Torque and Tension Tests 16 CFR 1500.53	Shall have no small parts, sharp points or edges before and after testing	Children Products

CPSC Regulation	Limits/Specification	Description
Electrically Operated Toys 16 CFR 1505	Shall meet the labeling requirements specified in the standard 16 CFR 1505	Electrically Operated Products Intended For Use By Children
Carpet/Rug Flammability - large 16 CFR 1630	7 of 8 must not have charring reach to within 1 inch Of hole in frame. If rug fails, it can't be sold.	Applicable to size: >6 ft in any direction and >24 sq.ft in area
Carpet/Rug Flammability - small 16 CFR 1631	7 of 8 must not have charring reach to within 1 inch of hole in frame. If rug fails, a rug defined as "small" may be sold with securely attached label stating: FLAMMABLE(FAILS U.S. DEPARTMENT OF COMMERCE STANDARD FF 2-70); SHOULD NOT BE USED NEAR SOURCES OF IGNITION	Applicable to size: <6 ft in any direction and <24 sq.ft in area
Tracking labels	Section 14(a)(5) of the Consumer Product Safety Act, 15 U.S.C.	

#### **UNITED STATES - STATES REQUIREMENTS:**

In the U.S., a number of state governments have enacted legislation to regulate specific chemicals of concern in children's products. For example, Maine, Vermont Connecticut and Washington adopted legislation in 2008 that, among other provisions, requires companies to submit data to the state on toxic chemicals in children's products. Under Washington State "Children's Safe Products Act" (CSPA), manufacturers are required to report on an annual basis if their children's products containing any chemicals included on the list of Chemicals of High Concern to Children. These laws require each state to create a list of chemicals of high concern. In addition, some state governments are beginning to require industry to conduct assessments to identify safer alternatives to chemicals of concern for specific applications. It's the responsibility of vendors to thoroughly understand the states regulations and to make sure their products meet the states requirements.

#### **DRAWSTRING REGULATION**

##### ***CPSC Regulation:***

CPSC has made ASTM F1816, the Drawstring Standard for children's upper outerwear, a mandatory safety rule. Drawstrings at the hood and neck area of children's upper outerwear in sizes 2T to 12 (or the equivalent) are prohibited. In addition, the length of drawstrings at the waist and bottom of children's upper outerwear in sizes 2T to 16 (or the equivalent) has been limited to 3 inches outside the drawstring channel when the garment is expanded to its fullest width; such garments must be free of toggles, knots, and other attachments at the free ends of drawstrings. If a waist or bottom drawstring in upper outerwear sizes 2T to 16 (or the equivalent) is one continuous string, it must be bar tacked (i.e., stitched through to prevent the drawstring from being pulled through its channel). Young children can be seriously injured or killed if the upper outerwear they are wearing catches and snags on other objects.

The standard defines "upper outerwear" as "clothing, such as jackets and sweatshirts, generally intended to be worn on the exterior of other garments." This definition excludes underwear and inner layers, but it includes lightweight outerwear that is appropriate for use in warmer climates. Pants, shorts, and skirts are not intended for the upper portion of the body and are excluded from the scope of the standard

**Wisconsin State Requirements:**

- Prohibits drawstrings in hood and neck area for all kind of children's clothing ages 0-16.
- The length of drawstrings at the waist and bottom of all kind of children's clothing in sizes 0 to 16 (or the equivalent) has been limited to 3 inches outside the drawstring channel when the garment is expanded to its fullest width; such garments must be free of toggles, knots, and other attachments at the free ends of drawstrings.

**New York State Requirements:**

- Prohibits drawstrings in hood and neck area for all kind of children's clothing age 2T-16.
- The length of drawstrings at the waist and bottom of all kind of children's clothing in sizes 2T to 16 (or the equivalent) has been limited to 3 inches outside the drawstring channel when the garment is expanded to its fullest width; such garments must be free of toggles, knots, and other attachments at the free ends of drawstrings

**LAW LABELS:**

Many U. S. states have registration and labeling requirements (called law label) for stuffed products. This requirement is meant to inform consumers of the hidden contents, or "filling materials," inside bedding, furniture and other products. Each state has its own registration requirements such as registration/license fee and length of registration period. It's the supplier's responsibility to make sure that products sold to Burlington carry a law label and registration/license active in all required states. Below is the partial list of products that require law labels.

- Bedding: bed pillows, comforters, decorative pillows, mattress pads, quilts, or any bedding item that contains stuffing concealed by fabric or any other flexible material.
- Stuffed Toys: any item intended for use by children or infants as a plaything which is filled with or contains any fiber, chemical or other stuffing.
- Apparel: quilted clothing, gloves, hats, coats, and slippers.

**EPA WOOD COMPOSITE REQUIREMENTS**

U.S. Environmental Protection Agency (EPA) TSCA Title VI establishes the limits for formaldehyde emissions from composite wood products: hardwood plywood (veneer and composite core), particleboard, medium-density fiberboard (MDF), and thin-MDF. The national emissions standards are designed to reduce exposures to formaldehyde and avoid harmful health effects. Formaldehyde exposure can have a negative effect on health, both in the short and long term. Formaldehyde can cause irritation of the skin, eyes, nose, and throat. High levels of exposure may cause some types of cancers.

**Labeling Requirement:** As of March 22, 2019, EPA TSCA regulation requires the TSCA Title VI Compliant labels on finished goods or boxes containing finished goods produced in or imported into the United States. The label must include the manufacturer's name, the date the finished good was produced (in month/year format), and a TSCA Title VI compliance statement. Labeling of a finished good is not required if the composite wood content does not exceed 144 square inches; however, the composite wood material must still be compliant. The label may be applied as a stamp, tag, or sticker. The EPA formaldehyde rule prohibits the use of barcodes or non-text labels as the sole label. However, companies that wish to use barcodes or other non-text labels may do so, as long as the encoded TSCA Title VI compliance information is printed on the label in English text. The label may also note if made with NAF/ULEF products (if true for all composite wood products in finished good), or made with combination of TSCA Title VI and NAF/ULEF products.

Label  
Examples

Fantastic Funky Flooring  
TSCA Title VI Compliant  
03/26/18

ABC Furniture Company  
TSCA TITLE VI and NAF/ULEF Compliant  
05/10/2019

### CALIFORNIA PROP 65 REGULATIONS

It is the vendor's responsibility to determine if the products being offered to Burlington require a warning label under this regulation. Burlington reserves the right to ask vendors for test reports verifying that their items were tested for applicable Prop 65 identified chemicals. In addition, if the vendor determines that a warning label is required, Burlington's expectation is that our vendors pre-label merchandise in a manner that complies with the content requirements in Section 25603(b). Any merchandise Burlington receives that requires a warning label, and has not been labeled by the vendor, will be returned to vendor or debited and destroyed at the vendor's expense per our PO Terms and Conditions.

**Note:** If an order relates to goods that require a warning under Proposition 65, vendor is required to advise Burlington in writing prior to processing the order and receive Burlington's written confirmation that it wishes to proceed with the order. Burlington may decline to order goods that require Prop 65 warning labels. For additional information please contact:

[product.eval@burlington.com](mailto:product.eval@burlington.com)

On August 31, 2016 OEHHA adopted amendments to Article 6, Clear and Reasonable Warnings for Prop65. The new regulation became effective on August 30, 2018 and applies to all merchandise manufactured on or after this date. Two primary goals of the new regulation:

- Clarify the responsibility of compliance for the manufacturer, producer, packager, importer, supplier and distributor; and
- Update the labeling requirements as to the content and format of warnings to gain safe-harbor protection.

#### ***New Warning Label Requirements***

The new regulation now requires that the safe-harbor warning label include:

- A warning symbol that is an equilateral triangle yellow with an exclamation point. The triangle must have a bold outline (the warning symbol in black and white is an acceptable alternative).
- The word "**WARNING**" in all capital letters and bold print.
- The entire warning must be in a type size no smaller than the largest type size used for other consumer information on the product. In no case shall the warning appear in a type size smaller than 6-point type.
- The name of at least one chemical in the product.
- Type of exposure (carcinogen or reproductive toxicant or both).
- Followed by the web address [www.p65warnings.ca.gov](http://www.p65warnings.ca.gov).

NOTE: If a product contains chemicals that cause both cancer and reproductive harm, then the warning label should include one chemical that causes both cancer and reproductive harm or one chemical for cancer and second chemical for reproductive harm.

#### ***Examples of the "long form warning":***

 <b>WARNING:</b> This product can expose you to chemicals including (name of chemical), which is known to the State of California to cause cancer. For more information go to <a href="http://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a> .	For exposure to listed carcinogens
 <b>WARNING:</b> This product can expose you to chemicals including (name of chemical), which is known to the State of California to cause birth defects or other reproductive harm. For more information go to <a href="http://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a>	For exposure listed to reproductive toxicants

<p> WARNING: This product can expose you to chemicals including (name of chemical), which is known to the State of California to cause cancer, and (name of chemical), which is known to the State of California to cause birth defects or other reproductive harm. For more information go to <a href="http://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a>.”</p>	For exposure to both chemicals listed as carcinogens and reproductive toxicants
<p> WARNING: This product can expose you to chemicals including (name of chemical), which is known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to <a href="http://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a>.</p>	For exposure to a chemical listed as both carcinogens and reproductive toxicants

**Short Warning Label:** The new regulation also provides a short form alternative short-form warning label intended to be used on small products or where space was limited. The warning may be shortened, and the name of the chemical omitted, as follows:

<p> WARNING: Cancer -<a href="http://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a>.</p>	For exposure to listed carcinogens
<p> WARNING: Reproductive Harm -<a href="http://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a>.</p>	For exposure to listed reproductive toxicants
<p> WARNING: Cancer and Reproductive Harm - <a href="http://www.P65Warnings.ca.gov">www.P65Warnings.ca.gov</a>.</p>	For exposure to both chemicals listed as carcinogens and reproductive toxicants

**Warning Label Placement**

Product Label Placement: The warning may be displayed on the product itself or its packaging, so long as it is clearly visible to the customer prior to purchase. A standalone warning in an owner’s manual is not acceptable.

**COSMETIC LABELING REGULATIONS**

The FD&C Act defines cosmetics by their intended use, as "articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body...for cleansing, beautifying, promoting attractiveness, or altering the appearance" (FD&C Act, sec. 201(i)). Among the products included in this definition are skin moisturizers, perfumes, lipsticks, fingernail polishes, eye and facial makeup, cleansing shampoos, permanent waves, hair colors, and deodorants, as well as any substance intended for use as a component of a cosmetic product. It does not include soap. Under the law, cosmetic products and ingredients do not need FDA pre-market approval, with the exception of color additives. Companies and individuals who manufacture or market cosmetics have a legal responsibility to ensure the safety of their products. Neither the law nor FDA regulations require specific tests to demonstrate the safety of individual products or ingredients. The law also does not require cosmetic companies to share their safety information with FDA. FDA may take regulatory action if there is reliable information indicating that a cosmetic is adulterated or misbranded.

“Adulteration” refer to any product contains

- any poisonous or deleterious substance which may render it injurious to users.
- it consists in whole or in part of any filthy, putrid, or decomposed substance.
- its container is composed, in whole or part, of any poisonous or deleterious substance which may render the contents injurious to health.

“Misbranded” refer to any product contains

- Its label does not include all required information.
- the required information is not adequately prominent and conspicuous.
- color additive does not conform to applicable regulations.

- missing direction of safe use and warning statement.

### ***Color Additives***

Color additives are subject to a strict system of approval under U.S. law [Federal Food, Drug, and Cosmetic Act] (FD&C Act). Failure to meet U.S. color additive requirements causes a cosmetic to be adulterated with the exception of coal-tar hair dyes. Color additive violations are a common reason for detaining imported cosmetic products offered for entry into this country. The FD&C Act Section 721(c) [21 U.S. C. 379e(c)] and color additive regulations [21 CFR Parts 70 and 80] separate approved color additives into two main categories: those subject to certification (sometimes called "certifiable") and those exempt from certification.

C.I. (Color Index) numbers are not acceptable on product labeling unless they are preceded by the color additive names accepted in the U.S. followed by the C.I. number in parentheses.

### ***Burlington Cosmetic Approval Process:***

It is the vendor's responsibility to make sure cosmetic labeling is in compliance with FD&C regulation. Vendors are required to fill out a cosmetic Certificate of Compliance document and send it to Burlington at [regulatory.compliance@burlington.com](mailto:regulatory.compliance@burlington.com).

### ***Cosmetic Products Claims:***

Solid documentary evidence should be provided to substantiate any claims made regarding the product. Vendors are required to consult their own legal advisor to determine if their claims are validated. Typical cosmetic claims may contain words such as clean, protect, cover, mask, perfume, help, promote, feeling or appears. A medicinal product is defined as: (a) Any substance or combination of substances presented for treating or preventing disease in human beings and/or (b) Any substance or combination of substances which may be used in or administered to human beings either with a view to restoring, correcting or modifying physiological functions by exerting a pharmacological, immunological or metabolic action, or to making a medical diagnosis. Typical medicinal claims include words such as treat, restore, cure, rejuvenate, repair, lift, prevent, and fix. Medical claims must be supported by scientific research.

### **FOREIGN SUPPLIER VERIFICATION PROGRAM [FSVP]:**

Under provisions of the U.S. law contained in the U.S. Federal Food, Drug and Cosmetic Act, importers of food products intended for introduction into U.S. interstate commerce are responsible for ensuring that the products are safe, sanitary, and labeled according to U.S. requirements.

Imported food products are subject to FDA inspection when offered for an import at U.S. ports of entry. FDA may detain shipments of products offered for import if the shipments are found not to be in compliance with U.S. requirements.

### ***Food Facility Registration:***

The 21 CFR 1.225 through 1.245 require domestic and foreign facilities that manufacture/process, pack, or hold food for human or animal consumption in the United States to register with FDA. If a foreign facility is required to register but fails to do so, food from that facility that is offered for import into the U.S. is subject to refusal. The food may be held within the port of entry, unless directed elsewhere by FDA or the Customs and Border Protection Service (CBP).

Complete information about FDA Food Facility Registration requirements are available at: Biennial Registration Renewal :

<http://www.fda.gov/Food/GuidanceRegulation/FoodFacilityRegistration/ucm324780.htm>

and Frequently Asked Questions:

<http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/FoodDefense/ucm331959.htm>

***Food Product, Food Facility and Packaging details:***

All commercial processors of low-acid and acidified foods located in the United States and all processors in other countries who export low-acid canned food or acidified food products into the United States must register their processing plants with FDA for each product, product style, container size and type and processing method (21 CFR 108).

A low-acid canned food (LACF) is any food (other than alcoholic beverages) with a finished equilibrium pH greater than 4.6 and a water activity greater than 0.85, excluding tomatoes and tomato products having a finished equilibrium pH less than 4.7. An acidified food (AF) is a low-acid food to which acid(s) or acid food(s) are added and which has a finished equilibrium pH of 4.6 or below and a water activity (aw) greater than 0.85. Examples of low-acid canned food (LACF) and acidified foods (AF) include (but are not limited to): salsa, chutney, pesto, bruschetta, relish, pickles, curds, vegetable pates, barbeque/hot sauces, coconut water, salad dressings, oil / vinegar with vegetable pieces, dipping sauces / condiments, olives, butter, mayonnaise, certain jams, jellies, and preserves, and some types of mustard.

***FDA Compliant Labeling and Ingredients:***

The Food and Drug Administration (FDA) is responsible for assuring that foods sold in the United States are safe, wholesome and properly labeled. It is the responsibility for the food manufacturers and suppliers to remain current with the legal requirements for food labeling. The FDA regulations include (but are not limited to) the following labeling requirements:

The package's front panel (called Principal Display Panel or PDP) must state:

- Common name of the food product in English.
- Net contents.
- Must indicate "Net Contents", "Net Weight" or "Net Wt." in both U.S. measurements (fl. oz/oz) & Metric (ml/g) weights.
- Numbers in decimal form should have a Dot in between (3.5 not 3,5).
- Placement should be in lowest 1/3 of the front label.

The package's side or rear panel (called information panel) must state:

- Ingredient List: Ingredients stated in common English and listed by weight predominance.
- Disclosing of Food Allergen: Food products that contain a "major food allergen" ingredient must list that ingredient on the label as follows:
  - o State the allergen ingredient in parenthesis ( ) within the "Ingredients:" listing, immediately after the specific ingredient name it applies to. Example: "Ingredients: flour (wheat flour), whey (milk), lecithin (soy)".
  - OR
  - o State the allergen ingredient in a statement beginning with "Contains" immediately after the complete ingredient listing. Example: "Contains wheat, milk, and soy."
  - o The FDA considers a "major food allergen" to be any ingredient from one of the following foods or food groups:
    - ✓ Milk
    - ✓ Eggs

- ✓ Fish
  - ✓ Crustacean shellfish
  - ✓ Peanuts (groundnuts)
  - ✓ Tree nuts (such as cashews, pecans, almonds, etc.)
  - ✓ Wheat
  - ✓ Soybeans
- Color Additive Ingredients. Must be an FDA approved color additives. Color Index number (CI#) or E-Numbers used alone are not allowed. Below is the link for Approved Color Additives:  
<http://www.fda.gov/ForIndustry/ColorAdditives/ColorAdditiveInventories/ucm115641.htm>
  - Preservatives, flavorings, fillers, etc. Must be an FDA approved additive. The purpose of the additive should be defined clearly.
  - Business Address: The name and complete address (street, city, zip code) of the manufacturer, packer, or distributor.

**Nutrition Labeling Information:**

The compliance dates for the new Nutrition Facts and Supplement Facts label and the Serving Size are from July 26, 2018 to January 1, 2020, for manufacturers with \$10 million or more in annual food sales. Manufacturers with less than \$10 million in annual food sales would receive an extra year to comply until January 1, 2021. Below is an example of new nutrition label.



For information regarding the changes to the nutrition facts label can be found at:  
<http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/LabelingNutrition/ucm385663.htm>.

**Gluten Free Labeling:**

Any foods that carry the label “gluten-free,” “no gluten,” “free of gluten,” or “without gluten” must contain less than 20 parts per million (ppm) of gluten. Besides the limit of gluten to 20 ppm, the rule permits labeling a food “gluten-free, if the food does not contain:

- An ingredient that is any type of wheat, rye, barley, or crossbreeds of these grains.

- An ingredient derived from these grains that has not been processed to remove gluten.
- an ingredient derived from these grains that has been processed to remove gluten, but results in the food containing more than 20 ppm of gluten.

More information about the FDA's requirements for Gluten-Free labeling can be found at:

<http://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/Allergens/ucm362510.htm>.

### **Country of Origin:**

U.S. Customs and Border Protection (CBP) require marking containers of packaged imports with the English name of the country of origin. Food labeling statements regarding geographical origin must not be false or misleading in any particular.

### **Organic Food Labeling:**

The USDA organic regulations allow the following four retail labeling options:

- Organic: products that are certified as "organic" in the EU may be sold as organic in the U.S.; may be labeled with the EU organic logo and/or the USDA organic seal.
- 100% Organic: products that are certified as "organic" in the EU and contain 100% organic ingredients may be sold as "100 percent organic" in the US; may be labeled with the EU organic logo and/or the USDA organic seal.
- "Made With" Organic Products: products that contain 70-95% organic ingredients may include the statement "made with" on the front label (example: "Made with organic corn"); May NOT be labeled with EU or USDA organic seals.
- Less than 70% Organic Products: these products May NOT be sold or labeled as "organic" in the U.S.
- Examples of the EU organic logo and USDA organic seal:

Organic Seals



USDA Organic Seal (U.S.)



European Organic Food Label (E.U.)

## **REAL FUR INFORMATION AND FAUX FUR LABELING REQUIREMENTS**

### **1) Products containing Real Fur**

Burlington Stores will not knowingly procure or sell items containing real animal fur. If we learn of real animal fur in our assortments, we will either return that merchandise to the vendor or donate the merchandise to a charitable, not-for-resale organization.

- "Real animal fur" **includes** animal pelts of any kind.
- "Real animal fur" **does not include** faux fur, leathers, shearling and cowhide, as well as wool and other such materials clipped, shorn, or combed from animals.

### **2) Products containing FAUX FUR**

A permanent label **must** be attached to the product and must include the words "**Faux Fur.**"

## **FEDERAL HAZARDOUS SUBSTANCE ACT**

All vendors are responsible for ensuring that their products are in compliance with the Federal Hazardous Substances Act. The law not only covers hazardous substances, but also toys and other articles intended for children. The Act requires proper labeling and warning requirements and also mandates product testing.

## ILLINOIS LEAD LABELING

All vendors are responsible for assuring that all affected products provided to Burlington comply with the Illinois Lead Poisoning Prevention Act, which requires that children's jewelry, child care articles and toys containing paint must bear a warning label, if the total lead content of any component part of these items exceeds 40 parts per million (ppm), but is less than 600 ppm by total weight, or a lower standard for lead content as may be established by federal or state law or regulation.

More information is available at <http://www.ilga.gov/legislation/publicacts/97/PDF/097-0612.pdf>.

## MODEL TOXICS IN PACKAGING ACT

All vendors are responsible for ensuring that their products and any associated packaging is in compliance with the Model Toxics in Packaging Act, which prohibits the intentional use of four heavy metals - lead, cadmium, mercury, and hexavalent chromium - in packaging and packaging components. Vendors must test product packaging to ensure compliance with the criteria set by the Toxics in Packaging Clearing House.

More information is available at <http://toxicsinpackaging.org/model-legislation/model>.

## LACEY ACT

The Lacey Act, among other requirements, makes it unlawful to import certain plants and plant products, into the United States, without an import declaration. Where Burlington is the importer of record for any products supplied by a vendor, the vendor must provide the Plant and Plant Product Declaration form, which is available at

[http://www.aphis.usda.gov/plant\\_health/lacey\\_act/downloads/declarationform.pdf](http://www.aphis.usda.gov/plant_health/lacey_act/downloads/declarationform.pdf), to the vendor's import specialist for Lacey Act Compliance. For more information, please consult the United States Department of Agriculture website at [http://www.aphis.usda.gov/plant\\_health/lacey\\_act/index.shtml](http://www.aphis.usda.gov/plant_health/lacey_act/index.shtml).

## COUNTRY OF ORIGIN MARKINGS

- Every article imported into the United States must be legibly, indelibly, and permanently marked in a conspicuous place as to the nature of the article and in a manner to indicate the country of origin of the article to the ultimate purchaser in the US.
- Country of origin must be marked externally on all master cartons. (MADE IN\_\_\_\_\_)
- Further work or material added to the goods in another country must affect "substantial transformation" of the goods in order to change the country of origin.
  - o "Substantial transformation" is production that results in a new and different good that has a name, character, and use different from those of its constituent materials.
- The type and size printing "Made in (country of manufacture)" must be **equal to** or **larger than** that used for the Burlington name if both are to be printed on the package.
- The country of origin marking and the Burlington name/address must be printed in close proximity on the packaging.
- It is the vendor's responsibility to provide the correct country of origin markings on Burlington product(s), as required by all United States government regulatory agencies.

## **Social Compliance**

Burlington requires its vendors to warrant that all goods are made in compliance with all applicable laws, both U.S. laws and the laws of the country in which the goods are produced. This warranty includes the U.S. Fair Labor Standards Act of 1938, which governs how employers pay and treat their employees.

Burlington is committed to protecting workers, in the United States and abroad, by promoting ethical and lawful employment practices. These practices are required to be followed by all Burlington Partners.

Burlington maintains a Code of Conduct (“Code”), which requires that its Partners comply with all applicable domestic and international employment laws and regulations. Burlington’s Code specifically forbids the use of forced and child labor. All of the Company’s vendors are provided with these requirements, which can be accessed on the “Vendor Relations” section of Burlington’s website at <http://www1.burlingtoncoatfactory.com/Others/VendorRelations.aspx>.

Burlington will not tolerate any violation of its Code, and will swiftly investigate any reports that forced or child labor was utilized in the manufacture of products that the Company sells. Burlington will not accept products or services from vendors that employ or utilize forced or child labor. Such vendors will have the opportunity to remedy any actual or potential violations through the implementation of a corrective action plan and Burlington will conduct a subsequent audit. Should the vendor continue to fail to meet the Company’s standards, Burlington reserves the right to take whatever action it deems appropriate, up to and including termination of Burlington’s business relationship with the vendor.

Burlington will conduct annual inspections of factories engaged in the production of products where Burlington is the importer of record. The Company requires that all Burlington vendors review Burlington’s compliance procedures and practices to ensure compliance with the California Transparency in Supply Chains Act, as well as Burlington’s Code. Vendors must be able to demonstrate compliance at Burlington’s request and may be subject to periodic audits. While Burlington expects full compliance, any violations should be reported immediately to Burlington’s compliance counsel.

### **EMPLOYMENT PRACTICES**

Burlington will only conduct business with Partners whose workers are:

- 1) Treated fairly;
- 2) Present voluntarily;
- 3) Not put at risk of physical harm;
- 4) Fairly compensated;
- 5) Allowed the right of free association; and
- 6) Not exploited.

Partners shall ensure procedures are in place by which workers, alleging violations of these Terms of Engagement, may do so without fear of negative repercussions.

In addition, Burlington Partners must adhere to the following:

#### ***Child Labor and Prison Labor/Forced Labor***

“Child” is defined as a person who is younger than 15 (or 14 where the law of that country permits) or younger than the age for completing compulsory education in the

country where such age is higher than 15. Burlington will not utilize Partners who use or permit the use of child labor in any of their facilities.

“Forced Labor” is defined as any work or service that is extracted from any person under the threat of penalty for its non-performance and for which the worker does not offer himself voluntarily.

To ensure that workers are working voluntarily, Burlington requires adherence to the following:

- Involuntarily keeping workers identification documents is prohibited.
- Observe all legal requirements for the work of authorized minors, particularly those relating to hours, wages, minimum education, and working conditions. Burlington supports the development of legitimate, workplace apprenticeship programs, and Partners will be expected to comply with all laws and regulations applicable to such apprenticeship programs.
- Partners shall not use or permit use of bonded, indentured, prison, forced, or child labor in the manufacture or finishing of products ordered by Burlington. These types of labor are strictly prohibited.

#### ***Disciplinary Practices***

- Partners shall treat workers with respect and dignity.
- The use of corporal punishment, physical, sexual, psychological, verbal harassment, or other forms of mental or physical coercion, abuse, or intimidation are prohibited.
- Partners shall not use or permit the use of fines as a disciplinary practice.

#### ***Discrimination***

Employment (hiring, wages, benefits, advancement, termination, and retirement) is based on worker’s ability and not personal characteristics including, but not limited to, gender, age, disability, sexual orientation, racial characteristics, cultural or religious beliefs, or similar factors.

#### ***Free Association***

- Workers are free to join organizations of their own choice.
- Partners shall recognize and respect rights of workers to freedom of association and collective bargaining.
- Workers are not subject to intimidation or harassment in the peaceful exercise of their legal right to join or refrain from joining an organization.

#### ***Health & Safety***

- Partners must provide workers with a clean, safe and healthful work environment, designed to prevent accidents and injuries arising out of or occurring while in the course of work or as a result of the operation of a Business Partner’s facility.
- Partners must comply with all applicable, legally mandated standards for workplace health and safety.
- Partners who provide residential facilities for their workers must provide safe and healthy facilities, separate from production facilities, that comply with legally mandated standards for health and safety

**Supply Chain Security:**

Suppliers should have a written security plan and regularly evaluate security procedures to protect the international supply chain from unauthorized access.

**Wages and Benefits**

- Partners must pay workers' wages and legally mandated benefits that comply with the higher of:
  - a. any applicable law, or
  - b. to match the prevailing local manufacturing or industry practices.
- Workers must be compensated for overtime hours at legal premium rates, or in countries where such laws do not exist, at least equal to their regular hourly wage rate.

**Women's Rights**

- Ensure that workers who are women receive equal treatment in all aspects of employment.
- Pregnancy tests will not be a condition of employment or continuation thereof.
- Pregnancy testing, if provided, will be voluntary.
- Workers will not be exposed to hazards that may endanger reproductive health.
- Partners will not force workers to use contraception.

**Working Hours**

- Partners operate based on prevailing local work hours. Any workers, who work over normal local work hours, should be compensated as prescribed by the local labor laws
- Except in extraordinary circumstances, Partners may limit workers' hours, on a regularly scheduled basis to comply with legal limits. Such limits must be in compliance with regular and overtime hours established by local laws and regulations in the applicable jurisdiction.
- Subject to the requirements of local law, a regularly scheduled workweek of no more than 60 hours and at least one (1) day off in every seven (7) day period are encouraged.
- Partners must comply with applicable laws, which entitle workers to vacation time, leave periods and holidays.
- Partners must regularly provide reasonable rest periods and at least one (1) day off within a seven (7) day period.
- Partners should record hours worked.

**ETHICAL STANDARDS**

Burlington will seek to identify and work with Partners who aim to maintain a set of ethical standards compatible with Burlington standards. Bribes, kickbacks, or other similar unlawful or improper payments, offered or given to any person or entity in an attempt to obtain or retain business, are strictly prohibited.

**ENVIRONMENTAL REQUIREMENTS**

Burlington will only do business with Partners who comply with all applicable government laws and regulations, international standards, U.S. regulations prohibiting the use of ozone depleting chemicals (hydrochlorofluorocarbons), and the International Trade in

Endangered Species of Wild Fauna and Flora, as listed in the United States Endangered Species Act of 1973.

#### **LEGAL REQUIREMENTS**

- All Burlington vendors must comply with both U.S. laws and the laws of the country in which the goods are produced for Burlington.
- Partners will comply with all applicable local and national laws, rules and regulations pertaining to all aspects of factory operations. This includes compliance with these Terms of Engagement, the terms and conditions of purchase orders issued by Burlington or on Burlington's behalf.
- Partners are required to comply with U.S. country of origin regulations that govern quota classification and the marking of products.
- ☐ The manufacturing facilities of Burlington's Partners must comply with U.S. Customs- Trade Partnership Against Terrorism (C-TPAT) requirements. All supplier manufacturing facilities, where Burlington is the importer of record with respect to merchandise produced at such facilities, will be required to undergo an annual third party audit. These audits will be conducted on site for compliance with C-TPAT requirements, along with a review for evidence of forced or child labor.

#### **COMMUNICATION**

- All Partners must (1) post the Terms of Engagement ("Terms") in their factories, in areas that are readily accessible to workers; (2) translate the Terms into the primary language the workers and supervisors; and (3) clearly communicate the Terms to all workers.
- Upon employment, as part of worker orientation, the Terms shall be presented and explained to the workers.
- Partners shall periodically review these Terms with all workers.

#### **MONITORING/COMPLIANCE**

Burlington takes affirmative measures to monitor compliance with Burlington Terms of Engagement and Burlington Purchase Order Terms and Conditions. Such measures may include:

- Prescreening Partners.
- Scheduled or random, announced and unannounced on-site inspections of factories by Burlington representatives. Refusal or failure to cooperate may result in the termination of Burlington Merchandising Corporation's business relationship with said Partner.
- Certification by Burlington Partners it has complied with the Burlington Merchandising Corporation Terms of Engagement.
- Burlington associates and representatives have been asked to be watchful for violations of Burlington Merchandising Corporation Terms of Engagement on visits to factories or manufacturing facilities, and to report questionable conduct to management for follow up and, when appropriate, corrective action.

#### **RECORD KEEPING**

- All Partners must maintain, in the factories producing merchandise for Burlington, all documentation necessary to demonstrate compliance with Burlington Merchandising Corporation Terms of Engagement.

- Partners must furnish Burlington representatives reasonable access to production facilities, employment records, and workers for confidential interviews, in connection with monitoring factory or inspection visits.
- Partners must promptly respond to reasonable inquiries by Burlington representatives concerning the operations of factories with respect to Burlington Merchandising Corporation Terms of Engagement

#### **SUBCONTRACTING**

- Partners shall not utilize subcontractors for the production of Burlington merchandise, or components thereof, without Burlington's prior written approval and only after the subcontractor has agreed to comply with the Burlington Merchandising Corporation Terms of Engagement.
- Partners shall require each Burlington approved subcontractor to abide by the Terms of Engagement.
- Partners shall be held accountable for a subcontractor's failure to abide by Burlington Merchandising Corporation Terms of Engagement.

#### **CORRECTIVE ACTION**

- If a Partner is in violation of Burlington Merchandising Corporation Terms of Engagement, Burlington will work with the Partner to remediate the violation, if possible.
- If this effort is unsuccessful or not possible, Burlington shall reevaluate its business relationship with the Partner and shall take appropriate corrective action. Corrective action may include:
  - 1) Cancellation of the affected order;
  - 2) Prohibition of subsequent use of a factory;
  - 3) Termination of Burlington's business relationship with any Partner found to be in violation of these Terms of Engagement, or exercising any other rights and remedies to which Burlington may be entitled under purchase orders issued by Burlington or on behalf of Burlington, at law or otherwise.

#### **COUNTRY EXCEPTIONS**

Partners will not produce merchandise for Burlington in countries, which are considered by Burlington to deny basic human rights. Burlington will not initiate or continue its business relationship with Partners that produce merchandise for Burlington where there are gross and systemic violations of human rights and when there is a recognized movement from within the country calling for withdrawal.

For questions or information pertaining to the Burlington Merchandising Corporation Terms of Engagement, please email [vendor.relations@burlington.com](mailto:vendor.relations@burlington.com).