

# California Transparency in Supply Chain Act

At Burlington Coat Factory we do not believe that child, forced or trafficked labor should be utilized in the manufacture of any goods that we sell. We are committed to protecting workers, here and abroad, by promoting ethical and lawful employment practices. Accordingly, we expect our business partners and suppliers to comply with all applicable domestic and international employment laws and regulations.

The California Transparency in Supply Chains Act of 2010 (SB 657) was designed to increase the amount of information made available by manufacturers and retailers regarding their efforts to address the issue of slavery and human trafficking, thereby allowing consumers to make better, more informed choices regarding the products they buy and the companies they choose to support. We have undertaken the following efforts to ensure the absence of slavery and human trafficking in our supply chain:

## Supplier requirements

Our suppliers are expected, at a minimum, to conduct business in a socially responsible and ethical manner and to comply with all applicable laws and regulations. [Our Code of Business Conduct and Ethics](#) sets forth, among other things, our expectation that our suppliers comply with national and international laws and regulations with regard to their employment practices and policies. Specifically, our Code makes clear that no supplier should use forced labor (prison labor, bonded labor, or indentured servitude) or child labor, and all suppliers and contractors must pay their employees at least minimum wage, including using overtime only when each employee is fully compensated according to local law. Suppliers 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 day off in seven. Suppliers should require no more than 60 hours of work per week, or comply with local limits if they are lower. We require our suppliers to maintain on file all documentation needed to demonstrate compliance with this Code and required laws. We reiterated our commitment to protecting workers, here and abroad, by promoting ethical and lawful employment practices in a [letter to our vendor community dated May 19, 2016](#).

## Supplier audits

We contract with a third party to perform annual audits at supplier production facilities where we are the importer of record with respect to merchandise produced at such facilities.

## Supplier agreements

We have purchase order terms and conditions in place with our merchandise suppliers requiring them to certify and warrant that (i) the goods they provide to us comply with all applicable laws regarding slavery and human trafficking and (ii) forced and child labor was not utilized in the manufacture of the products.

## Training

We train our supply chain management and our merchants on our Code of Business Conduct and Ethics, which includes our supplier requirements aimed to ensure that child or forced labor are not utilized in the manufacture of goods that we sell. In addition, we periodically communicate these requirements to our vendors and provide training on compliance.

If we believe that a supplier is not in compliance with our requirements, every effort is made to work with the supplier to correct their noncompliance. We will provide such supplier with an opportunity to remedy any actual or potential noncompliance through the implementation of a corrective action plan, and we will conduct a subsequent audit. Should the supplier continue to fail to meet our standards, we reserve the right to take any actions as we deem appropriate, up to and including termination of our business relationship with the supplier.