



## California Transparency in Supply Chains Act (SB 657)

Updated March 2024

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 (SB 657) went into effect in the State of California. Under the law, large manufacturers and retailers are required to disclose their efforts to eradicate slavery and human trafficking within their supply chains. The law's purpose is to educate consumers so they can make informed decisions.

At Clothing Shop Online ("CSO," the "Company," "we," "us," or "our") we believe that we have a responsibility to source our products in a legal, ethical, and responsible manner consistent with the highest standards. Respect for people and relationships are the foundation of our business, and we strive to uphold and exemplify this principle every day. The information we have provided below in compliance with the California Transparency in Supply Chains Act explains how we are working to evaluate and address risks of slavery and human trafficking in our supply chain.

### Verification

At CSO, we seek to work with suppliers engaged in responsible business conduct. Forced labor and human trafficking are complex issues that can extend beyond the scope of our direct control; therefore, dialogue and collaboration can be an effective way to identify risk. We utilize our Supplier Code of Conduct ("the Code") to communicate our expectations and guidelines with respect to responsible sourcing including human rights, health and safety, and business ethics. We have embedded several policies against forced labor and child labor within our Code. We ask our suppliers to sign the Code every two years. The policies in the Code include but are not limited to:

- Ensure all workers meet the applicable legal minimum age requirements or are at least 15 years of age, whichever is greater. If the minimum legal age is higher under local law, the higher age applies.
- Not use involuntary labor of any kind, including prison labor, debt bondage, slave labor, or forced labor by governments.

Like other retailers and distributors, our supply chain is complex, and we have less visibility to the indirect suppliers that provide fabric, trim, and other components to our direct suppliers and even less visibility to the origin of the raw materials of these components. We do not use third-party verifiers and cannot confirm the use of labor brokers in our supply chain. However, we maintain collaborative partnerships with each of our suppliers to advance the goal of identifying risk and building a more transparent supply chain.

### Auditing

As part of our collaborative approach, when available, our suppliers share certification audit results with our team, and they are stored in an internal database. It is our supplier's responsibility to maintain audits and corrective action plans as possible, and to keep CSO updated of any necessary information.

### **Certification**

We expect our suppliers to comply with our Code, which contains several provisions outlining suppliers' responsibilities with respect to preventing involuntary labor in their supply chains. The Code includes policies on Worker Health, Safety, and Security, Forced Labor, Child Labor, Discrimination, and Humane Treatment. The acknowledgment and signing of this Code serve as the supplier's continuing affirmation of compliance.

### **Internal Accountability**

We require all CSO associates to comply with our Internal Code of Conduct and employee handbook. We have direct supervision of our employees and contractors, and in the event forced labor was used, employees and contractors would be immediately terminated. We also provide our employees with an ethics hotline to report non-compliance concerns.

### **Training**

While currently we do not provide any formal training on human trafficking and slavery, our purchasing, products, and merchandising teams work hand in hand with each of our suppliers to maintain an educational and collaborative relationship.