

CODE OF CONDUCT FOR MANUFACTURERS

KÜHL cares about the integrity and sustainability of our supply chain. We are committed to a standard of excellence in every aspect of our business and in every corner of the world. This includes ethical and responsible conduct in our operations, respect for the rights of all individuals and respect for the environment.

We expect these same commitments to be shared by those who supply and manufacture our products. Manufacturers must meet or exceed these standards and principles, as they are stated below, and we consider this to be a fundamental part of the business relationship.

This Code is based on the internationally accepted labor standards and guidance, including the International Labour Organization (ILO)'s core conventions, the Universal Declaration of Human Rights, and the United Nations (UN) Guiding Principles for Business and Human Rights.

Compliance with Laws and Workplace Regulations

Manufacturers will fully comply with laws and regulations in all locations where they conduct business.

Involuntary Labor

There shall be no use of any form of forced or involuntary labor, including prison labor, indentured labor, bonded labor, human trafficking, slavery, or other forms of forced labor. Manufacturers must not retain employees' IDs or collect deposits at time of hire.

Child Labor

Manufacturers and suppliers will not use child labor. The term "child" refers to a person younger than 16 or, if higher, the local legal minimum age for employment or the age for completing compulsory education. Manufacturers employing young persons who do not fall within the definition of "children" will also comply with any laws and regulations applicable to such persons.

Coercion and Harassment

Manufacturers will treat every employee with respect and dignity. No employee shall be subject to any threats of violence or other forms of physical, sexual, psychological or verbal harassment or abuse. KÜHL expects that all manufacturing personnel are trained on harassment and related laws annually.

Nondiscrimination

Employees will be hired, paid, promoted, and terminated on the basis of their ability to do the job, rather than on the basis of personal characteristics or beliefs. No person shall be subject to discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination, or retirement on the basis of gender, race, religion, age, disability, sexual orientation, marital status, pregnancy, nationality, political opinion, social or ethnic origin.

Freedom of Association

Manufacturers will recognize and respect the freedom of employees to exercise their lawful rights of free association and collective bargaining. Where the right to freedom of association is restricted under law, manufacturers must allow their employees to raise any job-related grievances they may have without penalty or reprisal.

Wages and Benefits

Manufacturers are expected to recognize that wages are essential to meeting employees' basic needs. Manufacturers will, at a minimum comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime, maximum hours, piece rates and other elements of compensation, and provide legally mandated benefits.

In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate. Where local industry standards are higher than applicable legal requirements, we expect manufacturers to meet the higher standards.

Hours of Work

Manufacturers shall not require employees to work more than the regular and overtime hours allowed by the law of the country where the employees are employed. Working hours will not exceed 60 hours per week on a regularly scheduled basis (except under exceptional unforeseen circumstances). Employees will be entitled to one day off for every seven-day work period.

Health and Safety

Manufacturers will provide employees with a safe and healthy workplace in compliance with all applicable laws and regulations, ensuring, at a minimum reasonable access to potable water and sanitary facilities; fire safety; and adequate lighting and ventilation. Where residential housing is provided for workers, manufacturers will provide same level of safe and healthy housing.

Subcontracting

Manufacturers will not subcontract production for KÜHL products or components, which contain KÜHL's trademarks, copyrights, designs, or patents, without KÜHL's written consent, and only after the subcontractor has entered into a written commitment to comply with this Code of Conduct.

Protection of the Environment

Manufacturers recognize that environmental responsibility is integral to producing world-class products. In manufacturing operations, adverse effects on the environment and natural resources are to be minimized while safeguarding the health and safety of the public. Manufacturers will fully comply with environmental rules, regulations, and standards applicable to their operations, and will observe environmentally conscious practices in all locations where they operate.

Monitoring and Transparency

Manufacturers will authorize KÜHL and its designated agents (including third parties) to engage in monitoring activities to confirm compliance with this Code of Conduct, including unannounced on-site inspections of manufacturing facilities and employer-provided housing; maintaining and providing accurate books and records relating to employment matters; and full disclosure of business practices. Manufacturers will maintain on-site all documentation that may be needed to demonstrate compliance with this Code of Conduct.