

California Transparency in Supply Chains Act (SB 657), the UK Modern Slavery Act of 2015, the Australia Modern Slavery Act 2018, and the Canadian Supply Chains Act

In compliance with the regulations of the California Transparency in Supply Chains Act (SB 657), the UK Modern Slavery Act of 2015, the Australia Modern Slavery Act 2018, and the Canadian Supply Chains Act, Standard Textile Co., Inc. (hereinafter referred to together with its subsidiaries as “Standard Textile” or the “Company”)) has implemented the following policies and actions to prevent slavery and human trafficking in our business and supply chain.

Founded in 1940, Standard Textile has developed a culture of innovation, quality, and service. Standard Textile is a leading global provider of total solutions in the institutional textiles and apparel markets. Leveraging textile design, manufacturing, and laundry expertise, and our global infrastructure, the Company serves customers in the healthcare, hospitality, interiors, and consumer markets worldwide. For more information, visit standardtextile.com.

Standard Textile believes that its longstanding success is attributable to the values under which our Company has operated for over 80 years. Standard Textile values its reputation for doing business ethically and in a socially responsible manner. Standard Textile is committed to sourcing products from suppliers who manufacture in accordance with our values and in compliance with applicable laws protecting the health and safety of their workforce and the environment. Suppliers must commit in writing to comply with our standards and must agree to be audited annually by an independent third-party auditor to ensure on-going compliance. **Standard Textile does not accept human trafficking or slavery, forced labor, or child labor anywhere in our supply chain.**

1. How does Standard Textile identify risks in its supply chain?

Standard Textile conducts regular risk assessments of our supply chain. To ensure on-going compliance with our values, Standard Textile requires suppliers to undergo an independent third-party social compliance audit to prevent trafficking, slavery, and child labor in our supply chain. Standard Textile’s preferred audit program is through the Worldwide Responsible Accredited Production organization (WRAP). Under the WRAP program, suppliers are audited against WRAP’s 12 principles:

- Compliance with laws and workplace regulations
- Prohibition of forced labor
- Prohibition of child labor
- Prohibition of harassment and abuse
- Payment of legally required compensation and benefits
- Compliance with legal requirements regulating work hours
- Prohibition of discrimination
- Safe and healthy working facilities
- Freedom of association and collective bargaining

- Compliance with applicable environmental rules and regulations
- Compliance with Customs requirements
- Compliance with corporate security protocols

WRAP audits of facilities are conducted by qualified auditors on an unannounced basis.

In addition to WRAP audits, Standard Textile also utilizes intelligence from a wide variety of other sources to assess risk in our supply chain, including the U.S. government, the Social Responsibility Committee of the American Apparel & Footwear Association (AAFA) and press reports.

Further, Standard Textile is a signatory to the [AAFA/FLA Commitment to Responsible Recruitment](#) and utilizes the intelligence, collaboration, resources, and tools provided through the Commitment to Responsible Recruitment in both Standard Textile's risk assessment and in our work to prevent forced labor and human trafficking in the supply chain.

Company staff combine this intelligence with intelligence gathered from both the formal and informal on the ground assessments it conducts internally (and with its third party-auditors) as well as Standard Textile's work as a Tier 2 member of the Customs Trade Partnership Against Terrorism (CTPAT) program in our supplier facilities to determine and address the areas of highest risks in our supply chain.

Standard Textile does not believe that slavery, human trafficking, forced labor, or child labor exist in our supply chain.

2. How does Standard Textile address human trafficking, slavery, forced labor, and child labor in the supply chain?

Standard Textile's [Vendor Code of Conduct](#) and Vendor Compliance Manual prohibit human trafficking, slavery, forced labor, and child labor in the supply chain. Standard Textile vendors are required to sign the Vendor Code of Conduct and to undergo a third-party independent audit to ensure compliance with the Vendor Code of Conduct. Standard Textile also conducts internal audits of suppliers located in high-risk regions to ensure that these suppliers do not source raw materials from regions that present a high risk of forced labor. Standard Textile believes that these measures have prevented the existence of human trafficking, slavery, forced labor, and child labor in its supply chain.

3. Does Standard Textile require compliance certifications from suppliers?

Yes, Standard Textile requires a certification from suppliers that the supplier does not engage in or use slavery, human trafficking, forced labor, or child labor. As indicated above, suppliers are required to participate in a third-party independent audit to ensure that the suppliers are in fact in compliance with these certifications.

4. How does Standard Textile maintain and enforce internal accountability procedures for employees, suppliers, and contractors who fail to meet company standards to prevent the incidence of slavery, human trafficking, forced labor, and child labor in its supply chain?

Standard Textile's regional Supply Chain associates routinely visit supplier factories for sourcing and quality control purposes. During these visits, regional Supply Chain associates carefully observe the facility to ensure continued compliance with Standard Textile's Supplier Code of Conduct. Regional Supply Chain associates take note of any conduct or conditions that may violate Standard Textile's Supplier Code of Conduct, including the use of forced or child labor, unsafe working or living conditions, or illegal disposal of waste materials.

If violations are observed, the associate is required to immediately escalate the violations to Sourcing leadership and the Standard Textile Legal Department, who will determine an appropriate response. Standard Textile will not continue to source from suppliers who do not comply with the code of conduct.

In addition, under the WRAP audit process, Standard Textile would be notified if a supplier is not certified or is de-certified. Standard Textile will not source goods from a supplier that cannot be certified by WRAP (or a comparable audit program) or is de-certified.

5. What steps has Standard Textile taken to ensure that workers are re-imbursed for all fees paid to obtain their job and has vowed to incorporate these protocols into our company's social compliance standards?

Principle No. 5 of the WRAP principles, which form the basis of a WRAP audit, requires that suppliers pay wages and benefits as required by law. A supplier to Standard Textile that is not compliant with this principle would not be able to be WRAP certified, which would preclude use of that supplier.

Because of our on-going audit program, Standard Textile has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labor or child labor in our activities and supply chains.

Standard Textile has also signed on to [AAFA/FLA's Commitment to Responsible Recruitment](#), which commits Standard Textile to ensure that workers are re-imbursed for all fees paid to obtain their job and has vowed to incorporate these protocols into our company's social compliance standards.

6. What type of internal training has Standard Textile conducted regarding social compliance?

Standard Textile conducts internal training on Standard Textile's code of conduct to ensure the necessary participants in supply chain management are knowledgeable and aware of the issues and concerns surrounding the supply chain, including human trafficking, slavery, and child labor, with a particular focus on mitigating risks.

Standard Textile also encourages employees involved in the supply chain to participate in internal and external training programs and seminars on social compliance issues, human trafficking, slavery, forced labor, and child labor.

Selected personnel attend webinar training provided by industry experts, CBP, CTPAT, WRAP, AAFA, and participate in AAFA meetings, as applicable.

7. What additional steps has Standard Textile taken for due diligence around social compliance issues?

Standard Textile continues to evaluate and monitor the effectiveness of human trafficking, slavery, and child labor eradication efforts. Additional activities include internal and third-party supplier audits, internal monthly taskforce meetings, and collaboration through the AAFA/FLA Commitment to Responsible Recruitment.

I have reviewed and approved this report as Director and Chief Executive Officer of Standard Textile Co., Inc.. Based on my knowledge and the exercise of reasonable due diligence, I attest that this report is true, accurate and complete in all material respects. I am authorized to sign this report on behalf of Standard Textile.



Gary Heiman
Director and Chief Executive Officer
Standard Textile Co., Inc.
May 31, 2024