2016 SUPPLIER GUIDELINES
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DEFINITIONS

**Assessment:** A systematic, independent and documented process for obtaining evidence and be able to objectively assess the degree of compliance with specified requirements.

**BSCI (Business Social Compliance Initiative):** A monitoring system, based in Europe, that allows third party monitoring companies to conduct social compliance Assessments at factories using its standardized Assessment tool.

**Corrective Action Plan (CAP):** The plan of action that details methods to remedy any findings in a social compliance or security Assessment report. The CAP lists each finding, the root cause of the finding, the action that must be taken to correct the finding, the responsible party, the deadline date, and status for completing the action item.

**Factory:** The physical location where goods are being produced or warehoused.

**Subcontractor:** Any business other than the supplier to which Fruit of the Loom (or its affiliate) has issued its purchase order that performs a process directly related to the production of the product for Fruit of the Loom by the supplier. Examples of subcontracted processes could be cutting, sewing, or any operation thereafter (e.g., embroidery, printing, or laundering of a branded finished product).

**WRAP (Worldwide Responsible Accredited Production):** A monitoring system that allows third party monitoring companies to conduct social compliance Assessments at factories using its standardized Assessment tool.
OVERVIEW OF COMPLIANCE PROGRAM

At Fruit of the Loom and our affiliated companies, we are committed to ensuring that our company conducts business in a socially responsible fashion, balancing the needs of the business with our impact on the environment, the people involved in our supply chain, and the communities in which we operate. We choose suppliers that share the commitment and work with us to achieve a sustainable supply chain.

The Code of Conduct is the starting point for establishing ethical and lawful business practices as well as respect for human rights and the environment. Suppliers’ adherence to the FOTL Code of Conduct is monitored through regular inspections conducted by third party Assessment Firms and suppliers are expected to be transparent about their operations at all times.

We promote an environment of continuous improvement and we are available to provide support as opportunities for improvement arise. We must work together within a supply chain in which the needs of the business and the people are met and operate in a way that minimizes impacts to the shared environment.

The Supplier Guidelines serves as a resource that outlines Fruit of the Loom’s social compliance expectations for facilities manufacturing our family of brands either directly for Fruit of the Loom or for an affiliate. It is a standalone document and is not intended to modify or supersede any agreements between your company and Fruit of the Loom or one of its subsidiary companies. The ✓ checkmark symbol throughout this document highlights specific actions required.
POLICIES

CODE OF CONDUCT

At Fruit of the Loom and our affiliated companies, we are committed to conducting business in accordance with the highest standards of business ethics and respect for human rights and the environment. We require our suppliers, licensees, distributors and other business partners to meet these high standards, and, at the most basic level, this means that all such business partners must operate in compliance with the requirements of applicable laws, regulations, and treaties. While we recognize that different cultural, legal and ethical systems exist in the countries in which merchandise may be manufactured, this Code of Conduct sets forth certain fundamental requirements that must be satisfied by all facilities that supply our products, including internal plants, contractors, licensees or other business partners.

The FOTL Code of Conduct is required to be posted in the local language(s) and the language(s) for migrant workers that make up more than 10% of the workforce in an area within the Factory that is easily visible and accessible to all employees and visitors. It must be 11x17 inches or A3 in size. A photo of the Code of Conduct posted must be sent to FOTL. All employees must be trained on the FOTL Code of Conduct annually and record of the training must be sent to FOTL.

FACTORY SAFETY

Fruit of the Loom takes the matter of factory safety as a critically important process in the Factories manufacturing our family of brands. Accordingly, we have developed the Factory Safety Policy to clarify the requirements and we expect all suppliers to implement all of its terms.

The FOTL Factory Safety Policy is required to be posted next to the FOTL Code of Conduct in the local language(s) and the language(s) for migrant workers that make up more than 10% of the workforce in an area within the Factory that is easily visible and accessible to all employees and visitors. It must be 11x17 inches or A3 in size. A photo of the Factory Safety Policy posted must be sent to FOTL.

U.S. CUSTOMS-TRADE PARTNERSHIP AGAINST TERRORISM (C-TPAT)

The United States government formed the C-TPAT program to secure trade channels against terrorism and to protect U.S. borders. We strive to ensure that terrorists, terrorist weapons and materials, and other contraband do not enter our supply chain and that the products and materials are not tampered with, lost, or stolen.

Please note the following requirements for suppliers that ship to the U.S. as part of these efforts:

- All suppliers that ship to the U.S. are required to complete the Security Questionnaire annually.
- All suppliers that ship to the U.S. are required to use a C-TPAT-approved ISO 17712:2013 high security seal.
- All suppliers that ship to the U.S. are required to undergo a security Assessment conducted by a third party Assessment Firm. A FOTL, GSV, or WRAP security Assessment are acceptable to comply with this requirement.
- U.S. Customs randomly assesses suppliers (that ship to the U.S.) to evaluate security measures in place.
CONFLICT MINERALS

On August 22, 2012, the U.S. Securities and Exchange Commission adopted a final rule as mandated by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, to require publicly-held companies, or issuers, to publicly disclose their use of conflict minerals that originated in the Democratic Republic of the Congo (“DRC”) or an adjoining country (together with the DRC, “Covered Countries”). Under Section 1502, the term “conflict minerals” includes tantalum (derived from columbite-tantalite), tin (derived from cassiterite) tungsten (derived from wolframite), and gold. Covered Countries include the DRC, and the adjoining countries to the DRC: Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.

The rule applies to all products manufactured on or after January 31, 2013.

✓ To aid in the identification and reporting of conflict minerals to the U.S. government, each new supplier and licensee is required to evaluate their supply chain by filling out a Conflict Minerals Questionnaire. Suppliers and licensees will be randomly selected periodically to complete a new questionnaire. In addition, we expect all suppliers and licensees to constantly review their supply chain and notify us if any conflict minerals are used.

UZBEKISTAN COTTON

During the past few years several reports and articles, including a list published by the United States Department of Labor, have denounced the use of child and forced labor in the harvesting of cotton in Uzbekistan. Child and forced labor practices are a zero tolerance violation of the company’s Code of Conduct and will not be tolerated under any circumstances.

✓ As a company committed to basic human rights, we require that all our business partners refrain from purchasing cotton directly or indirectly from Uzbekistan or knowingly sourcing yarn or textiles from vendors that source cotton from Uzbekistan when manufacturing any of the Company’s family of products. In addition, we require that all of our business partners take the necessary measures to maintain records identifying the origin of the cotton used in the manufacturing of all our products and have the records available for assessment.

We are committed to staying informed about this very serious issue, and any violation to this policy will be appropriately remediated or ultimately result in the termination of the business relationship with the company.
COMPLIANCE ASSESSMENT

Fruit of the Loom has developed an Assessment standard to which facilities, and Subcontractors, are assessed for compliance with the elements of the Code of Conduct. FOTL Assessments are conducted by representatives of third party Assessment Firms, which have legal expertise, understanding of the FOTL standard, and knowledge of the local language and culture.

PREPARATION

The period of preparation prior to a compliance Assessment is the key to a smooth Assessment. Here are a few recommendations:

- Formally appoint a full-time compliance person, or at least someone who has the compliance responsibility as part of their job title/description. This person should stay up-to-date on all local laws and customer compliance requirements.
- Compliance requirements can vary across your customers. Adopting the highest set of standards from your range of customers is necessary to ensure compliance with all customers’ compliance requirements. We can provide assistance as needed.
- Ensure that all internal policies and procedures are written and communicated to employees.
- To aid in preparation for a FOTL Assessment, review the FOTL Factory Compliance Self-Assessment, which is a checklist of the basic requirements, and consult with our sustainability team for assistance during the preparation process. Your FOTL CSR contact can connect you with our sustainability team.

In the preparatory period, there may be many opportunities for improvement that require significant resources. These improvement efforts are an investment in your company that yield a reduction in employee turnover, improved housekeeping, a safe workplace, good labor relations, efficient management systems, and improved reputation among customers.

ASSESSMENT PROCESS

Once your Factory is ready, an Assessment will be scheduled with an independent Assessment Firm and the assessor(s) will visit the Factory on a day within an agreed three-week window. Prompt payment of Assessments is the responsibility of the supplier or licensee before the Assessment takes place. FOTL reserves the right, however, to schedule unannounced Assessments at the cost of our company.

Below are the components of an Assessment:

- Opening meeting to review the schedule for the day
- Walkthrough of the entire physical Factory and working environment
- Review of documentation such as internal policies, procedures, payroll records, and training records
- Private interviews with workers
- Closing meeting to review the assessor(s) observations and opportunities for improvement
After the Assessment day, the report is reviewed and finalized by the Assessment Firm and submitted to FOTL. A rating will be assigned by FOTL - Satisfactory, Needs Improvement, Unsatisfactory, or Zero Tolerance - based on the severity of the noncompliances identified, and the results will be shared.

Prior to receiving the first purchase order, a Satisfactory or Needs Improvement rating must be achieved. To continue receiving orders, annual Assessments are required and a Satisfactory or Needs Improvement rating should be maintained. Facilities with an Unsatisfactory rating will be re-assessed within six months of the most recent Assessment. We expect suppliers to diligently work towards compliance with the Code of Conduct or the local law, whichever provides the higher level of protection for the workers. In cases where facilities receive three consecutive Unsatisfactory ratings, there is a lack of improvement, or a Zero Tolerance rating is given, the relationship will be terminated at the discretion of our company.

CORRECTIVE ACTION PLAN (CAP)

After the Assessment report is finalized and a rating given by FOTL, the Assessment Firm will send a copy of the CAP to the Factory representative(s) by email. The CAP shows a list of each noncompliance identified on the Assessment day. Factory representatives must identify the root cause, preventative action, and person responsible for remediating each noncompliance and present evidence of correction to the Assessment Firm for review. All evidences of correction must be completed and approved by the Assessment Firm within 90 days of the Assessment.

Our sustainability team is available to provide support during the CAP process. It is imperative that sustainable solutions are implemented, rather than temporary fixes, to enable an efficient working environment in which the needs of the business and the people are met.

INDUSTRY COMPLIANCE ASSESSMENTS

In place of a FOTL Assessment, a WRAP or BSCI Assessment may be submitted, however an Assessment rating and validity period will be given based on the same method used to rate FOTL Assessments.

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<th>Industry Validity Period</th>
<th>FOTL Rating</th>
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FAIR LABOR ASSOCIATION (FLA) ASSESSMENTS

Fruit of the Loom is an accredited participating company in the Fair Labor Association (the “FLA”), an organization that combines efforts of industry, civil society, colleges and universities to improve working conditions globally. Independent Assessments of our business partners are a component of this participation.

The FLA’s Sustainable Compliance Initiative (“SCI”) methodology follows a management systems approach and is more substantive, consultative, and interactive than the standard social compliance Assessments. SCI Assessments are conducted in up to 5% of our suppliers annually. You will be notified in advance of any SCI Assessments and they are only conducted in supplier Factories that ship to the U.S.
# Checklist of Minimum Compliance Requirements

As a summary of the minimum compliance requirements to begin production and continue production in both Factories and Subcontractors, please refer to the checklist below.

## Minimum Compliance Requirements to Begin Production

- Factory Profile
- Photo of the Code of Conduct and Factory Safety Policy posted in the Factory
- Supplier Guidelines Signature Confirmation
- Factories shipping to U.S. only: Security Questionnaire
- Conflict Minerals Questionnaire
- Satisfactory or Needs Improvement rating on social compliance Assessment: FOTL, WRAP, or BSCI
- Factories shipping to U.S. only: FOTL, WRAP, or GSV security Assessment
- Written email approval from FOTL

## Annual Compliance Requirements to Continue Production

- Factory Profile
- Photo of the Code of Conduct and Factory Safety Policy posted in the Factory
- Records of most recent FOTL Code of Conduct training session
- Supplier Guidelines Signature Confirmation
- Factories shipping to U.S. only: Security Questionnaire
- Social Compliance and security Assessments conducted annually or more often if rating is unacceptable
- Complete Corrective Action Plan (CAP) within 90 days of Assessment
- Bangladesh only: Compliance with requirements of Alliance and Accord
By signing below, my company confirms understanding of the Supplier Guidelines, agrees that any Manufacturing Agreement between my company and Fruit of the Loom or one of its subsidiary companies remains in full force and effect, and agrees to abide by Fruit of the Loom compliance standards, including but not limited to:

- Code of Conduct
- Factory Safety Policy
- Posting and training requirements for the FOTL Code of Conduct and Factory Safety Policy
- C-TPAT requirements, if shipping to the U.S.
- Reporting of Conflict Minerals
- Nonuse of cotton from Uzbekistan
- Periodic compliance Assessments and corresponding Corrective Action Plans
- FLA SCI Assessments, if shipping to the U.S.

Factory Name: ____________________________________________________________

Factory Representative
Signature: ________________________________________________________________

Factory Representative
Name (Print): ___________________________________________________________

Title: ___________________________________________________________________

Date: ___________________________________________________________________