

Supply Chain Transparency: Toward a More Ethical Supply Chain

The Children's Place is committed to increasing transparency in our supply chain toward preventing human trafficking and forced labor. We follow the below steps to help avoid these risks:

1. **Verification:** We assess our supply chain to evaluate risks of human trafficking and forced labor. This risk assessment is performed internally. We use advisories published by the US Department of State and the US Department of Labor as the foundation to evaluate the risk of human trafficking and forced labor in the countries from which we source product. In addition, our Vendor Code of Conduct seeks to evaluate potential risks of human trafficking and forced labor at the vendor and factory levels.
2. **Auditing:** We regularly audit factories manufacturing our products for compliance with our Vendor Code of Conduct which, among other requirements, prohibits human trafficking and forced labor. We conduct a mix of both unannounced and announced audits, which are performed by either an independent third-party organization or our Responsible Sourcing team. We strive to audit all factories at least once per year; however, the frequency of audits is determined by audit findings.
3. **Certification:** We require all vendors to certify, on at least an annual basis, that they comply with our Vendor Code of Conduct, which prohibits human trafficking and forced labor.
4. **Internal Accountability:** Our associates and consultants are expected to conduct themselves according to the standards in our Code of Business Conduct. Each year, our associates receive training on the Code of Business Conduct and certify that they will abide by its principles, including compliance with all laws and regulations of the United States and the country in which our associates, consultants and business partners are located. If an associate or consultant fails to comply with any company policy, we take corrective action, as deemed necessary.

Training: We provide annual training on how to identify and prevent human trafficking and forced labor to associates who have direct responsibility in supply chain management.