

California Transparency in Supply Chains Act of 2010 Disclosure

The following statement is made in compliance with the California Transparency in Supply Chains Act of 2010:

In 1998, Eddie Bauer adopted its Workplace Code of Conduct (“Code”) and required all manufacturers of product (none of which are owned or operated by Eddie Bauer) to comply with the Code. The Code requires each factory to certify that it:

- Does not use forced labor of any kind
- Does not use child labor
- Prohibits harassment, abuse and discrimination
- Provides a safe working environment
- Allows workers freedom of association and collective bargaining
- Pays wages for all time worked, at minimum wage or higher, and pays overtime
- Does not require workers to work more than 48 regular and 12 overtime hours in a week or such lesser amount as mandated by law

Verification: Eddie Bauer requires that all factories making apparel products for Eddie Bauer be audited by an independent third party prior to commencement of the first production, and periodically thereafter, for compliance with our Code. In addition, Eddie Bauer

Auditing: Each manufacturer/factory agrees to unannounced audits of their facilities to confirm adherence with the Code. Auditing is conducted by a 3rd party independent audit firm. Eddie Bauer audits all factories on a rotating cycle.

Certification: Eddie Bauer’s Purchase Order Terms and Conditions and the Code require that vendors (1) abide by all local laws, including laws regarding forced labor, (2) not use materials produced by forced labor in the construction of products for Eddie Bauer. From time to time, as issues are identified, Eddie Bauer joins with other retailers to prohibit the use of specific materials that have been derived in the past from forced labor (such as cotton from Uzbekistan).

Internal Accountability: Prior to placement of purchase orders, an authorized representative of each factory is required to sign a Certification of compliance with the Code. Failure to comply with the Code can result in cancellation or suspension of purchase orders. In addition, production of product cannot commence until satisfactory audit results are achieved.

Training: Eddie Bauer uses Bureau Veritas, an experienced third party auditor, and other independent audit firms to conduct its Code audits. These third party auditors identify any issues with Code compliance to Eddie Bauer’s internal legal and regulatory counsel, as well as supply chain management, and the factory/manufacturer cannot be used for production of Eddie Bauer product until such Code compliance issues are corrected. Eddie Bauer does not provide specific training of its sourcing personnel because it relies on independent third party auditors to identify the relevant issues.