



# Product Development Partner Compliance Standards

## EXHIBIT A



For all BEALLS INC. Product Development Suppliers and Partners

January 2024

## Compliance Vision

At Beall's Inc., we are passionate about delivering value with values. Our global livelihood efforts are designed with clear direction to our manufacturing suppliers to comply with our code of ethics in support of human rights and labor laws. This begins by raising the bar to achieve high standards with the support of our international partners and by enforcing standards to avoid unethical practices which include child labor, prison labor, forced labor, human trafficking, and other health & safety related concerns. We believe that improving worker well-being is about enriching and protecting the people who help create our products and the environment where they live and work.

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## Ethics

We always act with integrity and have the courage to do the right thing. Partners are expected to follow all local legal requirements in conducting all business.

### Access to facilities

Partners will permit access to all facilities to company representative, agent partner or third-party auditor in order to verify compliance with all BEALLS INC. standards.

### Licenses / Permits

Partners will ensure all business operating licenses and permits will be current and meet or exceed any local legal requirements.

### C-TPAT

Partners must be C-TPAT Certified or be actively taking steps toward C-TPAT certification. Bealls has developed minimum security criteria in areas of business partner security, container security, physical access controls, personnel security, procedural security, security and awareness training, physical security, and information security that partners should implement. Partners will need to read all requirements and complete the “Beall’s C-TPAT Expectations Vendor Acknowledgement Form” and the “Beall’s C-TPAT Expectations Import Vendor Security Self-Assessment Form.”

**More BEALLS INC. C-TPAT Expectation** - Can be found online on our vendor services site link below.

<https://accountspayable.beallsinc.com/vendorpartnership/bsi/default.asp?Section=10>

### Responsible Sourcing

Responsible Sourcing Partners will not use conflict minerals, labor products, and/or raw materials in any way which may directly or indirectly finance or benefit non-government armed groups. In compliance with Section 1502 of the US Dodd Frank Act partners must advise BEALLS INC. of any conflict minerals, sourced from the Democratic Republic of the Congo and its neighboring countries and provide an outline of the measures taken to determine that the source of the minerals was conflict free. In compliance with 19 U.S.C. 1307, The Uyghur Forced Labor Prevention Act (UFLPA) partners must advise BEALLS INC. of any labor products and/or raw materials sourced in whole or in part in a foreign country using forced labor from being imported into the U.S.

**Conflict Minerals** – Conflict Minerals are Gold, Cassiterite (Tin), Wolframite (Tungsten), Coltan (Tantalum)

### Fraud and Bribery

Partners will not engage in any fraudulent behavior or any form of bribery by offering any monetary gift, travel or entertainment that is intended to induce any unethical action.

**Zero Tolerance** - Engaging in any form of fraud or bribery will result in partners being prohibited from producing products for BEALL’S INC.

### Information Security, Privacy and Confidentiality

Partners will have processes in place to ensure information security and confidentiality of all non-public information. All Internet based systems should be protected by a firewall or encryption. Access to computers and networks should be secured to prevent unauthorized access. A log of workers with access should always



be kept and maintained. There should be a procedure to remove access rights as needed from terminated workers.

### Intellectual Property

Partners will keep all intellectual property confidential and will not transfer any intellectual property to any other partner or subcontractor. No artwork will be reproduced, distributed, or changed without prior written approval. The transfer of artwork or branding does not grant any right or license of use outside of our direct instruction.

**Zero Tolerance** – Any unauthorized use of intellectual property will result in partners being prohibited from producing products for BEALL'S INC. and may result in civil and criminal penalties.

### PFAS Statement

**Beall's Inc. is committed to monitoring the environmental impact of our operational footprint and of our stores manufacturing supply chain to protect consumer health and safety. Beall's Inc. does not intentionally or knowingly add per-and polyfluoroalkyl substances (PFAS) into our exclusive brand products or packaging. Vendors must maintain compliance with current PFAS testing requirements. Our evaluation process will continue to evolve as regulatory bodies adopt PFAS restrictions or reporting requirements.**

### Labor

**We believe in demonstrating respect for all. All Labor practices should be conducted in a way that embraces this value and promotes differences as a key to success.**

Partners should have grievance mechanisms in place to address any issues with compliance of the below standards. Workers should be empowered to report any grievances and protected from any form of retribution due to reporting.

### Child Labor

All Workers must meet minimum age requirements of 16 or the legal age in country. Partners will require documentation to verify workers age and eligibility to work before employment begins.

**Minimum Age** – Minimum Age is 16, else per ILO Convention 138.

### Forced Labor, Slave Labor, and Prison Labor

All work should be freely chosen, and workers should have the freedom of association and collective bargaining. Partners will not use raw materials from regions with systematic forced labor and will ensure forced labor, slave labor, or prison labor is not being used within the supply chain or by any subcontractors.

**Zero Tolerance** – Forced labor, abuse, discrimination, and sexual harassment will result in partners being prohibited from producing products for BEALL'S INC.

### Abuse Harassment & Discrimination

All workers should be treated with respect and equality. Workers should not be discriminated against based on gender, age, religion, marital status, race, sexual orientation, disability, disease, nationality, social status, pregnancy, gender identity, union membership or political affiliation. Partners will ensure workers are not subjected to any form of violence and/or abuse. There should be systems in place for the reporting and



discipline of perpetrators. Records should be maintained of all abuse, harassment, and discrimination. Training should be provided to all management and security personnel to respond appropriately to reports. Victims should be provided any necessary medical treatment and support services.

### Pregnancy and Maternity

Partners will not use pregnancy to exclude or terminate employment unless the work performed will be dangerous to the life of the pregnant woman. Workers should be given a position of equal scope upon return from any pregnancy or family Leave.

### Hiring/Recruitment

Partners will have policies that ensure recruitment and hiring is conducted in compliance with all local legal requirements, without discrimination and ensures all work is freely chosen.

### Benefits

Partners will ensure all wages, benefits, work hours and termination practices meet or exceed all local legal requirements. Complete and accurate payroll records will be always maintained.

## Health and Safety

**We are a company centered on our customers, associates, and the communities we serve. Their health and safety are important to us. Partners are part of this community, and the health and safety of their workers should be protected.**

### Security

Partners will ensure all facilities are secured from any unauthorized or unlawful entry. All entrances should be monitored, and visitors signed in & out of buildings. External doors and windows should be alarmed and linked to main alarm systems. Security and management at the facility should have ability to communicate directly with local law enforcement during any emergency.

### Equipment Safety

Partners will conduct regular safety and maintenance check on all machines. All workers should be trained on the proper and safe use of machines before beginning work on the machines.

### First Aid

Partners will provide an adequate number of well stocked in-date supplied first aid stations throughout the facilities. There should be an adequate number of workers trained and certified in first aid on each shift to administer first aid as needed. Records should be kept of all emergencies and first aid administered.

### Accident Reporting

Partners will have policies in place for reporting of all accidents. Accidents should be fully investigated to identify any safety procedures that need to be amended or additional training to be conducted.

### Emergency Plans

Partners will have emergency plans in place and workers assigned to ensure the emergency plans are executed in the event of an emergency. All workers should be trained on what to do to execute emergency plans safely.



### Fire Management

Partners will have policies in place to mitigate any risks of fire. All flammable materials and chemicals should be stored in a safe location. Smoking and other open flame activities should be prohibited in areas with flammable materials. Partners will ensure proper fire extinguishers, alarms, and sprinkler systems are in working order and will conduct regular tests.

### Haz-Mat

Partners will maintain a complete and correct Material Safety Data Sheets on all chemicals and ensure the safe storage of chemicals. All workers handling hazardous chemicals and materials should be provided training in safe, proper use and disposal. Emergency showers and eye wash stations should be located near the areas of storage and use of chemicals.

### PPE – Personal Protection Equipment

Partners will provide all appropriate PPE at no cost to workers. All PPE should be well maintained and replaced as needed. All workers requiring PPE should receive training on proper use.

### Clean Facilities

Partners will maintain all facilities to meet or exceed local legal requirements. All canteen and food preparation areas should be located separate from production areas and be kept clean and sanitary. All workers should have access to clean potable water and the ability to secure personal belongings. All dormitories should provide access to potable water, toilets, and hot water. They should be large enough to accommodate all residents without overcrowding.

## Environmental Responsibility

**We encourage innovation and champion relentless improvement and optimism about the future. We recognize the need to protect our earth and resources today for the future. Partners should follow the below standards to protect their local environment.**

### Monitoring Systems

Partners will have environmental management systems in place to exceed local legal requirements and have workers assigned to training and managing environmental responsibility. Partners will maintain a list of all chemicals used in the facilities and assign workers to be responsible for monitoring all chemical waste, wastewater, air emissions and waste.

### Water Stewardship

Partners will routinely monitor any wastewater discharge. There should never be any direct discharge of wastewater into the environment or exposed in a way to cause rain or surface runoff.

### Air Emissions

Partners will routinely monitor any air emission. Burning of any hazardous materials should never occur.

### Waste Reduction/Disposal

Partners should work towards implementing waste reduction programs and recycling programs to reduce the volume of waste to be disposed of.



## Audit Ratings and Actions

We are genuine and direct and will conduct audits according to the standards outlined in the partner compliance standards. Audits will be done on the below schedule by either a company representative, agent partner or third party.

### Audit Rating Table

Partners will be responsible for creating plans for corrective action after finding root cause of violations. Any serious violations should be proactively reported to BEALLS INC. or it's agent partner.

| Rating                                  | Description of Violations  | Corrective Action  | Audit Timeline |
|---|--|--|----------------|
| A<br>Full<br>Compliance                 | No violations found during audit.  | No corrective action needed, maintain existing policies.   | 24 Months      |
| B<br>Near Full<br>Compliance            | Minor safety, security or labor violations found during audit.   | Create corrective action plan to address all violations. Commitment to correct all non-compliance issues before next audit.  | 12 Months      |
| C<br>Improvement<br>Needed              | Moderate safety, security or labor violations found during audit.  | Create corrective action plan to address all violations. Commitment to correct all non-compliance issues before next audit.  | 6 Months       |
| D<br>Major<br>Improvement<br>Needed     | Major safety, security or labor violations found during audit.   | No approval for new partners. Create corrective action plan to address all violations. Commitment to correct all non-compliance issues before next audit.              | 3 Months       |
| E<br>Immediate<br>Improvement<br>Needed | Any unlawful systematic policies or behavior found during audit.   | No approval for new partners. Current partners prohibited from producing products until corrective action completed to address all violations and new audit conducted. | Immediate      |
| ZT<br>Zero<br>Tolerance                 | Refusal of full access during audit. Any form of fraud, bribery, underage workers, forced labor, discrimination or sexual harassment found during audit. | No approval for new partners. Current partners prohibited from producing products.   | No Approval    |



### New Partner Requirements

New partners will be required to achieve an audit score of **C** or better to begin producing products for BEALLS INC. Partners who have not produced product within 2 years will need to meet the same audit score as a new partner to begin producing products again.

### Questions

Partners with questions on BEALLS INC. Private Brand Partner Compliance Standards can contact us here:

Email: [importpd@beallsinc.com](mailto:importpd@beallsinc.com)



## BEALLS FACTORY CODE OF CONDUCT AGREEMENT

At BEALLS INC., we hold high values in respect to ethical, labor, health and safety, environmental responsibility, social compliance audits, and security standards for anyone with whom we do business. Our Product Development Partner Compliance Standards reflects those high standards and our commitment to respecting the rights of all workers in the retail manufacturing supply chain.

### ACKNOWLEDGMENT

I have reviewed and understand the terms of the BEALLS INC., Product Development Partner Compliance Standards, which I am required to comply with at all times in order to serve as a BEALLS INC. factory. As a factory manufacturing goods for BEALLS INC., I acknowledge, confirm, and agree that:

- I understand BEALLS' interest in ensuring my compliance with the Partner Compliance Standards, and I will abide by the terms of the Code of Conduct in all respects, including, without limitation, permitting inspections of my facilities by BEALLS, its representatives, and designees, whether such inspections are scheduled, announced or unannounced.
- Should I fail to comply with the Code of Conduct Agreement (as determined in BEALLS' sole and absolute discretion), BEALLS shall have the right to immediately terminate me as an approved Factory.

AGREED AND ACKNOWLEDGED:

Factory Name: \_\_\_\_\_

Factory Representative Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

