

Reformation

Sustainable partners guidebook

Updated January 2020



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Introduction

Dear Business Partner,

Reformation's mission is to bring sustainable fashion to everyone. Since 2009, we have had the opportunity to work with incredible partners to make a real impact in the industry, and get closer to realizing that mission.

Reformation is committed to achieving fair, safe and healthy working conditions throughout our supply chain, and minimize environmental impact. This guide outlines our minimum standards and expectations for partners to do just that. It also provides resources on how we will support our suppliers in achieving our standards, as well as guidelines for how suppliers can implement policies, procedures, and processes to comply with and also move beyond compliance.

We seek to partner with suppliers who share a common vision of sustainability, accountability and transparency and are willing to go beyond compliance to achieve the highest standard of social and environmental responsibility.

To be an approved Reformation partner, you will need to affirm:

- **Social responsibility.** All our partners must agree to our Code of Conduct and additional policies which establishes minimum requirements for ethical and legal operations, and allow for third-party audits and CAP management as needed.
- **Safe & non-toxic.** All our partners must agree to our Restricted Substance List and pass testing if applicable.
- **Quality.** All our finished products and fabric must pass our quality standards and testing protocol.
- **Better materials.** Our products can only be made from a list of approved fibers and must have a transparent supply chain. This guide is also a resource for preferred certifications, traceability guidelines, dyeing, printing, and finishing practices.

We recognize that this effort is a process and requires a collaborative approach with open communication. As critical partners in ensuring social and environmental responsibility, your feedback is very important to us. If you have comments or questions about this guide or any suggestions for improvement, please contact the Reformation Sustainability Team at sustainability@thereformation.com. We also encourage you to provide your feedback by participating in anonymous surveys about our purchasing practices through the Better Buying Initiative.

This document will be updated periodically to enable continuous improvement. We ask that you review carefully, and initial throughout. In addition, please sign the *Acknowledgement of Receipt Letter* on page 31, acknowledging the receipt of our Sustainable Partners Guide. For more information on Reformation's sustainability values and practices please visit www.thereformation.com/whoweare.

We look forward to a successful partnership with you. We are excited to build a better future in fashion together!

Sincerely,

Yael Aflalo
CEO & Founder



Kathleen Talbot
Chief Sustainability Officer and VP of Operations



Our Code of Conduct

LYMI, INC dba Reformation (hereinafter “Reformation”) is committed to conducting business in an ethical and legal manner that protects the environment. Our Code of Conduct references the Global Social Compliance Programme’s (GSCP) Code of Conduct which is facilitated by The Consumer Goods Forum and represents international standards for fair labor conditions and fundamental labor rights.

All our suppliers must commit to adhering to our Code of Conduct. Requirements in our Code of Conduct apply to the whole supply chain, including sub-suppliers and subcontractors. Standards comprised in our Code of Conduct equally apply to permanent, temporary, and agency workers, as well as piece-rate, salaried, hourly, part time, night workers, homeworkers, young workers and migrant workers.

Your signature on our Code of Conduct confirms that all raw goods and finished goods which you will manufacture and deliver to us will be produced in full compliance with our Code of Conduct as well as the additional policies outlined in this guide.

Compliance with international labour standards and national legislation

a. Our suppliers are required to respect and implement all the requirements of this reference code, or its equivalent, and the principles which underpin them.

b. Our suppliers are required to comply with:

I) Fundamental international labour standards as defined by the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up:

- C87, Freedom of Association and Protection of the Right to Organise Convention, 1948
- C98, Right to Organise and Collective Bargaining Convention, 1949
- C29, Forced Labour Convention, 1930
- C105, Abolition of Forced Labour Convention, 1957
- C138, Minimum Age Convention, 1973
- C182, Worst Forms of Child Labour Convention, 1999
- C100, Equal Remuneration Convention, 1951
- C111, Discrimination (Employment and Occupation) Convention, 1958

II) other applicable international labour standards, such as:

- The ILO call for Decent Work
- C1, Hours of Work (Industry) Convention, 1919
- C14, Weekly Rest (Industry) Convention, 1921

- C95, Protection of Wages Convention, 1949
- C131, Minimum Wage Fixing Convention, 1970
- C135, Workers' Representatives Convention, 1971
- C155, Occupational Safety and Health Convention, 1981
- C161, Occupational Health Services Convention, 1985
- R85, Protection of Wages Recommendation, 1949
- R116, Reduction of Hours of Work Recommendation, 1962
- R135, Minimum Wage Fixing Recommendation, 1970
- R164, Occupational Safety and Health Recommendation, 1981
- R184, Home Work Recommendation, 1996
- R190, Worst Forms of Child Labour Convention Recommendation, 1999

III) applicable national and/or local legislation. In all instances, the international labour standard, national and/or local legislation or GSCP reference code requirement which affords the highest level of protection shall apply.

c. The provisions of this reference code constitute minimum and not maximum standards.

d. This reference code shall not be used to prevent international labour standards or national and/or local legislations from being exceeded.

1. Forced, bonded, indentured and prison labour

1.1 All work must be conducted on a voluntary basis, and not under threat of any penalty or sanctions.

1.2 The use of forced or compulsory labour in all its forms, including prison labour when not in accordance with Convention 29, is prohibited.

1.3 Our Suppliers shall not require workers to make deposits/ financial guarantees and shall not retain identity documents (such as passports, identity cards, etc.) nor withhold wages outside a legal contractual agreement.

1.4 Bonded labour is prohibited. Our suppliers shall not use any form of bonded labour nor permit or encourage workers to incur debt through recruitment fees, fines, or other means.

1.5 Indentured labour is prohibited. Our suppliers shall respect the right of workers to terminate their employment after reasonable notice. Our suppliers shall respect the right of workers to leave the workplace after their shift.

2. Child labour

2.1 Our suppliers shall comply with:

- I) the national minimum age for employment;
 - II) or the age of completion of compulsory education;
 - III) or any otherwise specified exceptions;
- and shall not employ any person under the age of 15, whichever of these is higher. If however, local

minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention 138, this lower age may apply.

2.2 Our suppliers shall not recruit child labour nor exploit children in any way. If children are found to be working directly or indirectly for the supplier, the

latter shall seek a sensitive and satisfactory solution that puts the best interests of the child first.

2.3 Our suppliers shall not employ young workers under 18 years of age at night, or in conditions which

compromise their health, their safety or their moral integrity, and/or which harm their physical, mental, spiritual, moral or social development.

3. Freedom of association and effective recognition of the right to collective bargaining

3.1 Workers have the right to join or form trade unions of their own choosing and to bargain collectively, without prior authorization from suppliers' management. Our suppliers shall not interfere with, obstruct or prevent such legitimate activities.

3.2 Where the right to freedom of association and collective bargaining is restricted or prohibited under law, suppliers shall not hinder alternative forms of independent and free workers representation and negotiation, in accordance with international labour standards.

3.3 Our Suppliers shall not discriminate against or otherwise penalise worker representatives or trade union members because of their membership in or affiliation with a trade union, or their legitimate trade union activity, in accordance with international labour standards.

3.4 Our suppliers shall give worker representatives access to the workplace in order to carry out their representative functions, in accordance with international labour standards.

4. Discrimination, harassment and abuse

4.1 Our suppliers shall respect equal opportunities in terms of recruitment, compensation, access to training, promotion, termination or retirement.

4.2 Our Suppliers shall not engage in, support or tolerate discrimination in employment including recruitment, hiring, training, working conditions, job assignments, pay, benefits, promotions, discipline, termination or retirement on the basis of gender, age, religion, marital status, race, caste, social background, diseases, disability, pregnancy, ethnic and national origin, nationality, membership in worker organizations including unions, political affiliation, sexual orientation, or any other personal characteristics.

4.3 Our suppliers shall treat all workers with respect and dignity.

4.4 Our suppliers shall base all terms and conditions of employment on an individual's ability to do the job, not on the basis of personal characteristics or beliefs.

4.5 Our suppliers shall not engage in or tolerate bullying, harassment or abuse of any kind.

4.6 Our suppliers shall establish written disciplinary procedures and shall explain them in clear and understandable terms to their workers. All disciplinary actions shall be recorded.

5. Health and safety

Provisions under Health and Safety shall be further defined to cater for specific conditions and related hazards pertaining to different industries, in accordance with the relevant applicable Health & Safety principles:

5.1 Our suppliers shall provide safe and clean conditions in all work and residential facilities and shall establish and follow a clear set of procedures regulating occupational health and safety.

5.2 Our suppliers must take adequate steps to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work,

by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment. Appropriate and effective personal protective equipment shall be provided as needed.

5.3 Our suppliers shall provide access to adequate medical assistance and facilities.

5.4 Our suppliers shall provide all workers with access to clean toilet facilities and to drinkable water and, if applicable, sanitary facilities for food preparation and storage.

5.5 Our suppliers shall ensure that residential facilities for workers, where provided, are clean and safe.

5.6 Our suppliers shall assign the responsibility for health and safety to a senior management representative.

6. Wages, benefits and terms of employment

6.1 Work performed must be on the basis of a recognised employment relationship established in compliance with national legislation and practice and international labour standards, whichever affords the greater protection.

6.2 Labour-only contracting, sub-contracting or home-working arrangements, apprenticeship schemes where there is no real intent to impart skills or provide regular employment, excessive use of fixed-term contracts of employment, or any comparable arrangements shall not be used to avoid obligations to workers under labour or social security laws and regulations arising from the regular employment relationship.

6.3 Our suppliers must compensate their workers by providing wages, overtime pay, benefits and paid leave which respectively meet or exceed legal minimum and/or industry benchmark standards and/or working hours shall meet basic needs and provide some discretionary income for workers and their families. collective agreements, whichever is

5.7 Our suppliers shall provide regular and recorded health and safety training to workers and management, and such training shall be repeated for all new or reassigned workers and management.

5.8 Our suppliers shall provide adequate safeguards against fire, and shall ensure the strength, stability and safety of buildings and equipment, including residential facilities where provided.

5.9 Our suppliers shall undertake sufficient training of workers and management in waste management, handling and disposal of chemicals and other dangerous materials.

higher. Wages and compensation for regular working hours shall meet basic needs and provide some discretionary income for workers and their families.

6.4 Our suppliers shall provide all workers with written and understandable information about their employment conditions, including wages, before they enter into employment; and about details of their wages for the pay period concerned each time that they are paid.

6.5 Our suppliers shall not make any deductions from wages which are unauthorised or not provided for by national law. Our suppliers shall not make any deduction from wages as a disciplinary measure.

6.6 Our suppliers shall provide all legally required benefits, including paid leave, to all workers.

6.7 Our suppliers shall always compensate all workers for all overtime at a premium rate, as required by law and, where applicable, by contractual agreement

7. Working hours

7.1 Our suppliers shall set working hours that comply with national laws or benchmark industry standards or relevant international standards, whichever affords greater protection to ensure the health, safety and welfare of workers.

7.2 Our suppliers shall respect that the standard allowable working hours in a week are 48, excluding overtime. Workers shall not on a regular basis be required to work in excess of 48 hours per week.

7.3 Overtime shall be voluntary, shall not exceed twelve hours per week and shall not be requested on a regular basis.

7.4 Our suppliers shall respect all workers right to breaks during work shifts and to at least one free day following six consecutive days worked as well as public and annual holidays.

Implementation of our Code of Conduct

Code of Conduct Communication

Reformation requires our suppliers to communicate our Code of Conduct to all employees, including full- time, part-time, permanent, and temporary employees.

Suppliers are required to:

- Post labor standards and grievance procedures in a conspicuous place, frequented by all employees in the local languages spoken by employees, supervisors and managers.
- Conduct annual, documented training efforts to educate current and new employees about labor standards and grievance mechanisms.

Management Systems

Reformation expects our suppliers to adopt a management systems approach to social and environmental responsibility in order to ensure effective implementation. These policies, processes, and procedures should ensure compliance with any relevant labor or environmental standards and help to anticipate and avoid issues related to noncompliance. It is important to remember that written policies and procedures need to be implemented and turned into consistent processes which require commitment and training. There are publicly available resources that provide a strategy framework outlining fundamental and advanced steps corresponding to each of the procedures. Please refer to the [GSCP Social Labor Management Systems](#) and [Social Accountability International resources for Environmental and Social Management System](#)

Specifically, the following policies and procedures shall be implemented by the supplier:

- Appoint a senior management staff to take responsibility of implementing our Code of Conduct and additional policies. In addition, suppliers must provide appropriate training for managers on how to implement its social compliance policies and procedures.
- Establish a written social compliance policy and code endorsed by senior management and cover the key elements of our Code of Conduct and additional policies.
- Communicate our Code of Conduct and additional policies to all employees in a language they understand. In addition, suppliers shall implement a communication/grievance system, and ensure workers are aware of and knowledgeable on how to use the system.
- Implement a system to identify and monitor laws, regulations and Reformation requirements that apply to the supplier. Up-to-date versions of applicable laws, regulations and customer requirements shall be

obtained.

- Conduct regular management reviews (at least annually) of its social compliance system in order to identify improvement opportunities. Written records (correspondence, report, meeting minutes, etc.) from management review meetings should be available for review.
- Take appropriate actions to address non-conformances identified during assessments and also have preventative measures in place to avoid recurrence.
- Management systems shall undergo regular review and revisions to policies and procedures to ensure compliance with local laws, adherence to our Code of Conduct, and mitigation of risks related to our Code of Conduct.

Additional Policies

Reformation expects our suppliers to additionally adhere to the following additional policies:

Environmental Responsibility

Reformation expects our suppliers to respect and protect the local environment in which they operate. This applies to all raw material processing, agricultural, manufacturing and logistics facilities that are involved in Reformation's supply chain. Suppliers shall commit to establishing effective policies and procedures to manage, monitor and minimize their environmental impacts, including but not limited to energy and natural resource use, water use, wastewater, emissions to air, waste management and their initiatives for pollution prevention.

- All sites must ensure that they comply with and possess up-to-date certification, permits, licensing and/or registrations pertaining to all local and national environmental laws.
- Suppliers must ensure that an Environmental Management System (EMS) is in place with a trained employee who monitors, tracks and reports the environmental practices of the facility.
- Waste disposal must be done in a responsible manner, that complies with local and national regulations. Suppliers must also strive to meet international standards that apply. Personal Protective Equipment and adequate training must be made available.
- Suppliers must take a proactive approach toward preventing the accidental release or discharge of hazardous substances into the local environment. The air emissions must at a minimum meet the regulated discharge limits. This should be included in the EMS Operator's duties. In case of such an incident, the EMS operator must be trained in controlling the spill.

Suppliers may be required to disclose energy, water and chemical usage to Reformation upon request.

No unauthorized subcontracting

Subcontracting may only be utilized with Reformation's prior written approval and only after the subcontractor has agreed to comply with our Code of Conduct and has been approved as an authorized supplier, without exception. This applies to all test, sample and bulk production orders and includes all product components.

Our Code of Conduct, policies and requirements and all applicable laws and regulations must be communicated to all sub-suppliers and/or approved subcontractors in the local language. In addition, our direct suppliers are required to continuously monitor all approved subcontractors and sub-suppliers for compliance with our Code of Conduct and our Additional Policies.

No homeworking

Reformation does not permit any homeworking.

Forced Labor and Responsible Recruitment

This section outlines the requirements for the responsible recruitment and fair treatment of migrant workers in our supply chain.

Human trafficking, also known as modern-day slavery, is a form of slavery that can include forced labor, bonded labor, prison labor, sex trafficking and domestic servitude. Reformation believes modern slavery and human trafficking are egregious violations of human rights and we are deeply committed to doing our due diligence to minimize, detect and remediate forced labor and human trafficking within our supply chain.

It is increasingly apparent that one of the greatest drivers of modern slavery, permeating all economic sectors was the exploitation of migrant workers occurring at the hands of unscrupulous recruitment agencies and/or labor brokers.

The Governing Body of the International Labour (ILO) Organization, in its 2014 Recommendations of Supplementary Measures for the Effective Suppression of Forced Labor, calls out the corporate responsibility of “protecting persons, particularly migrant workers, from possible abusive and fraudulent practices during the recruitment and placement process” in combating forced labor. Additionally, in 2016 the Governing Body issued general principles and operational guidelines for fair recruitment stating that companies and public employment services should include “human rights due diligence assessments of recruitment procedures and should address adverse human rights impacts with which they are involved.”

We are committed to the fair treatment of workers in the apparel and footwear supply chains and to eliminating the practice of migrant workers paying recruitment costs and fees to secure their employment. We support the Dhaka Principles for Migration with Dignity to enhance respect for the rights of migrant workers from the moment of recruitment, during employment and through to further employment or safe return. Our Supplier Code of Conduct is based on Global Social Compliance Programme (GSCP) which represents international standards for fair labor conditions and fundamental labor rights including forced labor and responsible recruitment in supply chains. These standards apply equally to permanent, temporary, and agency workers, as well as piece-rate, salaried, hourly, part-time, night workers, homeworkers, young workers and migrant workers. We require that as a condition of doing business with us, suppliers:

1. Agree not to engage in any form of human trafficking or slavery. We describe examples of good management practices for evaluating and addressing risks of human trafficking in their own supply chain, including not using forced or involuntary labor of any type (e.g., forced, bonded, indentured, involuntary prison labor) or illegal child labor.
2. At a minimum, comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime hours, piece rates and other elements of compensation, and provide legally mandated benefits.
3. Treat all employees with respect and will not use corporal punishment, threats of violence or other forms of physical coercion or harassment. Supplier should have a policy that prohibits inappropriate conduct and a process for employees to report such conduct for supplier’s investigation and resolution.

Additionally, in July 2019 we pledged our support to the joint American Apparel & Footwear Association (AAFA) and FLA industry pledge, committing to working with our suppliers to ensure the following:

1. No worker pays for their job or right to work;
2. Workers retain control of their travel documents and have full freedom of movement; and
3. All workers are informed of the basic terms of their employment before leaving home.

We expect our suppliers to adopt and maintain terms of employment for their employees that comply with local law and our Supplier Code of Conduct and the below provisions addressing factors that are “enablers” or contributors to situations or risks of human trafficking and forced labor. These standards apply equally to permanent, temporary, and agency workers, as well as piece-rate, salaried, hourly, part-time, night workers, homeworkers, young workers and migrant workers. Please view appendix H for benchmarks to help serve as a basis for establishing and monitoring performance indicators.

- **FORCED OR INVOLUNTARY LABOR:** Workers shall not be subject to any form of forced, compulsory, bonded, indentured, or prison labor. All work must be voluntary and workers shall have the freedom to terminate their employment at any time without penalty, given notice of reasonable length.
- **RECRUITMENT FEES:** Workers shall not be charged any fees or costs for recruitment, directly or indirectly, in whole or in part, including costs associated with travel, processing official documents and work visas in both home and host countries. All costs and fees associated with recruitment, travel and processing of migrant workers from their home community to the workplace, including through to return when the relocation is not permanent should be covered by the employer. The employer should pay the costs of recruitment directly to the extent possible. When not possible, or where the migrant worker is legally required to pay a fee or cost directly, the migrant worker shall be reimbursed by the employer as soon as practicable upon discovery.
- **CONTRACTS OF EMPLOYMENT:** Written contracts of employment shall be provided to migrant workers in a language they understand, clearly indicating their rights and responsibilities with regard to wages, working hours and other working and employment conditions. Migrant workers shall be provided with their employment contract prior to departing their home country. The use of supplemental agreements and the practice of contract substitution (the replacement of an original contract or any of its provisions with those that are less favorable) are strictly prohibited.
- **DOCUMENT RETENTION:** Confiscating or withholding worker identity documents or other valuable items, including work permits and travel documentation (e.g. passports), is strictly prohibited. The retention of personal documents shall not be used as a means to bind workers to employment or to restrict their freedom of movement.
- **DEPOSITS:** Migrant workers shall not be required to lodge deposits or security payments at any time.
- **HUMANE TREATMENT:** The workplace shall be free of any form of harsh or inhumane treatment. Disciplinary policies and procedures shall be clearly defined and communicated to all workers, and shall not include any inhumane disciplinary measure, including any corporal punishment, mental or physical coercion, or verbal abuse of workers; nor shall they include sanctions that result in wage deductions, reductions in benefits, or compulsory labor. The use or threat of physical or sexual violence, harassment and intimidation against a worker, his or her family, or close associates, is strictly prohibited.
- **WORKPLACE EQUALITY:** All workers, irrespective of their nationality or legal status, shall be treated fairly and equally. Migrant workers shall benefit from conditions of work (including but not limited to wages, benefits, and accommodations) no less favorable than those available to country nationals. Migrant workers (or their family members) shall not be threatened with denunciation to authorities to coerce them into taking up or maintaining employment.
- **WAGES AND BENEFITS:** All workers shall be paid at least the minimum wage required by applicable laws, and shall be provided all legally mandated benefits. Wage payments shall be made at regular intervals and directly to workers, in accordance with national law, and shall not be delayed, deferred, or withheld. Only deductions, advances, and loans authorized by national law are permitted and, if made or provided, actions shall only be taken with the full consent and understanding of workers. Clear and transparent information shall be provided to workers about hours worked, rates of pay, and the calculation of legal deductions. All workers must retain full and complete control over their earnings. Wage deductions must

not be used as a disciplinary measure, or to keep workers tied to the employer or to their jobs. Workers shall not be held in debt bondage or forced to work in order to pay off a debt. Deception in wage commitments, payment, advances, and loans is prohibited.

- **WORKING HOURS:** Workers shall not be forced to work in excess of the number of hours permitted in national law. Where the law is silent, normal working hours shall not exceed eight per day and forty-eight per week, and total working hours including overtime shall not exceed sixty. All overtime shall be purely voluntary, unless part of a legally recognized collective bargaining agreement. No worker shall be made to work overtime under the threat of penalty, dismissal, or denunciation to authorities. No worker shall be made to work overtime as a disciplinary measure, or for failure to meet production quotas.
- **FREEDOM OF MOVEMENT AND PERSONAL FREEDOM:** Workers' freedom of movement shall not be unreasonably restricted. Workers shall not be physically confined to the workplace or related premises, such as employer- or recruiter-operated residences; nor shall any other coercive means be used to restrict workers' freedom of movement or personal freedom. Mandatory residence in employer-operated facilities shall not be made a condition of employment.
- **GRIEVANCE PROCEDURES:** An effective grievance procedure shall be established to ensure that any migrant worker, acting individually or with other workers, can submit a grievance without suffering any prejudice or retaliation of any kind.
- **PRIVATE EMPLOYMENT AGENCIES AND LABOR RECRUITERS:** Companies should hire migrant workers directly whenever possible. When the subcontracting of recruitment and hiring is necessary, companies shall ensure that the labor agencies they engage operate legally, are certified or licensed by the competent authority, and do not engage in fraudulent behavior that places workers at risk of forced labor or trafficking for labor exploitation. Suppliers must have a formal policy and due-diligence process in place for vetting recruitment agencies responsible for the labor supply.

ZERO TOLERANCE

× Situations of forced labor - using coercion or fraud to hire and retain workers - or any involvement in acts of trafficking in humans can have serious consequences for a supplier. For Reformation these are Zero Tolerance issues. If found, we will try to remediate the situation first, ensuring that workers currently in forced or indentured conditions are taken care of and terminate if the situation is not rectified in a timely manner which should be reasonable and defined.

× In many countries trafficking in labor is a criminal offence. Harsh penalties may apply, including substantial fines and a lengthy prison sentence for directors and business owners.

Assessment Policy & Guidance

Reformation expects our suppliers to strive to meet our requirements as well as demonstrating a commitment to our core values of transparency, open and ongoing communication, accountability and continuous improvement. We have developed a proactive approach to sustainable sourcing in order to drive real change throughout our supply chain. We monitor for compliance to our Code of Conduct and additional policies in a tailored and risk based manner which enables us to decrease audit fatigue and focus more resources on continued improvement support. The goal of our assessments is not only to help us evaluate our supplier's overall compliance but to also identify progress and stimulate improvement. Violations, open communication and genuine continuous improvement will always be regarded higher than false documents and hidden violations. We believe that suppliers should be involved as much as possible in the assessment process and we hope that you will use these assessments as an opportunity to learn how to improve working conditions and labour standards in your facility.

Below you will find information explaining our assessment process and assessment methodology.

Factory Authorization Process

All suppliers involved in the manufacturing of Reformation products with contracts regardless of supply chain level must go through a factory authorization process as outlined below before POs can be issued. This applies to all test, sample and bulk orders. Suppliers must accept the terms and conditions and will be designated with a rating level based on our independent review of the supplier's compliance to our Code of Conduct and Additional Policies. Currently, we require assessments of our tier 1 facilities (manufacturing units- cut, sew & finish, vertically integrated factories) and our tier 2 facilities (all wet processing facilities, mills and component manufacturing facilities).

Please follow the below steps within one week of receiving an invitation to QuickBase. The invitation to QuickBase will be sent from carrie@thereformation.us.

Step 1: New Supplier Setup: Please click on the link in the Quickbase invitation email and follow the instructions to register and create a login with QuickBase. Once you register with QuickBase you will have your own access information and portal that will allow you to keep track of your facility and add new facilities for authorization.

Step 2: Review, Sign and upload on-boarding Documents:

- There are several forms that must be signed, filled out and uploaded to QuickBase. These forms can be found in the "Template" line in the "Onboarding" tab.
 - Mutual NDA
 - Facility Profile
 - Vendor Setup Form
 - The Acknowledgement of Receipt and Acceptance of Terms Letter

Step 3: Please follow our factory authorization process listed in the QuickBase instructions [handbook](#) (i.e. Domestic onboarding vs International onboarding).

Please review the Assessment Planning & Submission requirements below to submit an audit for review.

Assessment Planning & Submission: All suppliers are required to either:

1. Submit a full social assessment report and a CAP to carrie@thereformation.com (Subject: Supplier name: Audit company Assessment report) from one of the approved third-party programs or approved brands. Please be sure to follow our Mutual Recognition Acceptance Requirements below.
 - a. Reformation will validate that the report meets our acceptance requirements
 - b. Valid reports will be assessed and assigned a color rating based on the third party program's evaluation of the facility and Reformation's review of the reports.
 - c. Assessment ratings and next steps will be communicated to supplier

OR

2. Participate in an assessment with our Preferred Third Party Assessment Partner. Assessments will be semi-announced (14 day window), however we reserve the right to conduct unannounced audits when we find necessary. Please see Appendix B for a detailed procedure of how to schedule a facility assessment with our Preferred Assessment Partner. For an overview of the Facility Assessment Approach and Methodology, please see Appendix C and Appendix D for a list of documents required to complete the inspection.

- a. A CAP (see Remediation and Continuous Improvement section below for CAP requirements)

Mutual Recognition Acceptance Requirements

Approved Third Party Programs

Assessments from the following third-party programs can be submitted to satisfy assessment requirements. Assessments must be authentic and dated and have taken place within the last 12 months. Submissions must include the full assessment report including any follow-up assessments and a CAP (including root cause analysis, preventative and corrective actions) highlighting defined timeline to addressing any findings along with any evidence to show completed CAP closures. We will not accept just the certification, corrective action plans or a list of the violations. If the report is older than 12 months, an updated factory assessment must be submitted prior to PO placement. If the assessment is accepted, we will assign a Reformation factory rating. We reserve the right to reject a third-party assessment and require additional assessments if we feel necessary.

- [Business Social Compliance Initiative \(BSCI\)](#)
- [Better Work](#)
- [SEDEX Members Ethical Trade Audit \(SMETA\)](#)
 - Reformation only accepts the listed seven audit firms for SMETA audits: BV, Elevate, Intertek, UL, SGS, TUV Rhineland, TUV SUD
- [Social Accountability International \(SA8000\)](#)
- [Worldwide Responsible Accredited Production \(WRAP\)](#)
 - WHAP report must be submitted
- [Elevate Responsible Sourcing Tool \(ERSA\)](#)
- [Intertek Workplace Conditions Assessment \(WCA\)](#)
- HIGG Verified Facility Social Labor Module (VFSLM)
- [Labor Law Monitoring](#)*Labor Law Monitoring audits will only be accepted as an initial assessment for CA only and must have taken place within the last 3 months.

Unacceptable audit firms

Due to audit quality concerns, any reports issued by the following audit firms are not acceptable through our mutual recognition program:

- ABS QE
- CISE (Centro per l'innovazione e lo Sviluppo Economico)
- DNV GL Business Assurance
- EUROCERT European Inspection and Certification Company S.A
- Global Group of Companies Ltd
- IQNET Ltd
- LSQA S.A
- Apparel Resources

Other Guidelines and Considerations for our Mutual Recognition Program:

The following are additional guidelines and considerations that we take into account when accepting mutual recognition audits:

- Auditors must be APSCA approved auditors vertical firms
- Our Preferred audit firms are: ELEVATE, Omega, Arche Advisors, Verite, Fair Working Conditions, Better Work, UL, TAOS Network and Insite
- Audits should not be paid for and negotiated by the supplier
- Country Risk Profile

Acceptance of other Brands' Audits

Reformation may accept assessment reports from other brands that continue to demonstrate a commitment to Social Responsibility. Our criteria for accepting other brands assessments include:

- Assessments must be less than 12 months old
- The full assessment including any follow-up assessments and a CAP (including root cause analysis, preventative and corrective actions) highlighting defined timeline to addressing any findings along with any evidence to show completed CAP closures.
- We will review the brand's program, code standards, assessment tools and protocols to confirm they are in line with our standards
- If the assessment is accepted, we will assign a Reformation facility rating. We reserve the the right to reject other brands' assessments and require additional assessments if we feel necessary.

Assessment Policies & Procedures

Cost of Audits

Reformation will pay for the cost of the initial assessment with our Preferred Third Party Assessment Partner. Additionally, Reformation will pay for the cost of ongoing monitoring (Follow-up & Annual assessments) for all yellow and green rated inspections, however, Reformation will chargeback those suppliers that require more regular monitoring due to substandard audit findings and non-action on CAP improvement..

Cost of CAP Management Services

CAP Management support service fees incurred through our monitoring partner will be the responsibility of the supplier. Support levels are jointly determined based on the support needed to effectively remediate issues identified during the audit process.

Additional Policies:

- Reformation may additionally require suppliers to fill out the Self Assessment Questionnaire for Pre-Screening in Appendix E. Suppliers will need to complete the form and return it to the Reformation Sustainability team within 7 days of request.
- Reformation purchase orders are required to capture the facility location producing the goods on the PO. If the facility location is missing, PO's cannot be issued. It is the vendor's responsibility to ensure the facility location is submitted on time to Production team, or the issuance of PO's will be delayed due to the fault of the supplier.
- Suppliers must confirm that the facility assessment report they submit is for the same factory that will be used for orders.
- Falsification of assessment report or facility location, will incur severe chargebacks for non-compliance and/or cancellation of applicable orders and termination of business relationship.
- Reformation takes our assessment process very seriously and does not accept or condone any form of bribery. Suppliers should avoid any type of remuneration or bribery. Any attempt to bribe or improperly influence an inspection will result in a suspension of business with that supplier. This includes offers of any kind, including but not limited to gift, factory products or money.
- Suppliers must have a valid, current business license and other documents required for legal operation.
- Suppliers must not have any errors or omissions in government permits, certificates or other records.
- Suppliers must allow assessor(s) full access to its facility premises, workers, and records.
- Suppliers should encourage workers to speak truthfully and should not manipulate workers' responses in any way. Suppliers should not "coach" employees to provide false or misleading responses to questions asked by assessor(s).
- Suppliers should not interfere with selection of workers for interviews and facilitates interviews outside the presence of managers and supervisors.

- Workers must not be punished through monetary, physical, or other means, for participating in worker interviews.
- Suppliers must provide accurate and true payroll documents and time attendance records for review.
- Suppliers are responsible for ensuring that the required correction are completed by the listed dates on the CAP form. Extensions to these dates may be accepted if the supplier advises Reformation.
- Suppliers with a poor assessment rating must work to correct the issues found from the audit prior to production of Reformation orders. If corrections are not made prior to production, the supplier may risk cancellation of orders, at Supplier's sole expense.
- If any supplier does not comply with these terms, Reformation may cancel any or all outstanding POs.
- The Reformation reserves the right to collaborate and/or share the results of Reformation social audits with peer companies and/or Non-Governmental Organizations (NGOs).
- Denying access to execute a scheduled audit will result in a cancellation fee charged back to the vendor in the approximate amount of a full audit.

Assessment Matrix/Rating

Reformation uses a color coded system to indicate the compliance status of facilities. Reformation reserves the right to assign ratings. Each non-conformity is graded based on the following terminology:

- 1)Minor
- 2)Moderate
- 3)Major
- 4)Zero Tolerance/ Critical

An overall assessment score's final grade is a summation of those findings. A summary is found below:

Rating Category	Rating Meaning	Examples of Key Violations	Assessment Frequency	Factory Action Required
Green	<p>Authorized for production</p> <p>Facility meets or exceeds our code standards.</p> <p>Production is encouraged to place business.</p>	Facility will only have a few non-conformities found.	Annual assessments are required within a maximum of one year.	Continue to identify and manage any problems.
Yellow	<p>Authorized for production</p> <p>Facility has some moderate and minor safety, health or labor-related issues and further improvement is needed. There are no critical issues with regards to wages, building safety, working hours and industrial relations</p> <p>Facility is transparent, has open communication and is making continuous improvements.</p> <p>Production is encouraged to place business.</p>	Facility will have a variety of minor and moderate non-conformities (such as clerical errors & minor safety violations), Excessive working hours against the legal requirements, but the weekly working hours is below 60	Annual assessments are required within a maximum of 12 months	Issues shall be corrected in a timely manner (0-3 months) as assessed and defined in Corrective Action Plans and follow-up factory assessments.
Orange	<p>Authorized for production on a probationary basis</p> <p>Facility has major safety, health or labor-related violations of the Standards and significant action is required.</p> <p>Production may place orders while reinforcing the importance of compliance and making continuous improvements against a Corrective Action Plan.</p> <p>Production should consider sourcing another supplier should no improvement be made. Two consecutive orange ratings will result in a Red rating.</p>	Facility will likely have a mix of minor, moderate or perhaps only a few major findings. Weekly working hours exceed 60, No 1 days off in 7, No 2 days off in 14, Insufficient overtime payment, Insufficient legal benefits, Health & safety non-conformities, Accurate time records are not kept.	Follow-up assessments are required within a maximum of 4 months	Facility may be authorized to produce Reformation products but vendor must take immediate action to substantially remediate any open violations within the specified time frames (0-3 month) as defined in Corrective Action Plan and factory follow up audits.
Red	<p>Not Authorized for Production</p> <p>Facility has one or more Zero-Tolerance Violations and/or has failed to remediate or has major safety, health or labor-related violation over the course of two cycles and urgent action is required.</p> <p>Facility has demonstrated a lack of transparency, accountability, commitment and open communication.</p>	Facility will likely have a variety of major findings on site. Any one zero tolerance/ critical issue will also immediately push a site into a "Red" score. See list of Zero Tolerance violations below.	<p>Follow-up assessments are required within a maximum of 3 months</p> <p>ZT violations will require correction within one month</p>	These violations may make it appropriate to temporarily or permanently terminate the facility's ability to produce product for sale by Reformation. If a facility is assessed a Red rating, its ability to produce product for Ref may be ended indefinitely, its production halted and/or its product refused.

Zero Tolerance Violations:

For Reformation the following are Zero Tolerance issues. If found, we will try to remediate the situation first, ensuring that workers are taken care of and terminate if the situation is not rectified in a timely manner which should be reasonable and defined.

- The facility does not allow assessor(s) and/or Reformation full access to its facility premises, workers, and records.
- The facility attempts to bribe assessor(s) including offering any form of monetary compensation, gifts or favors.
- The factory does not provide accurate and true payroll documents and time attendance records for review.
- There are employee(s) employed by supplier currently below the age of fifteen (15) or in breach of local minimum age for work or mandatory schooling.
- The facility uses any type of involuntary labor who are trafficked, prisoned (not in compliance with ILO Convention 29), bonded, or indentured, either at the facility itself, or a broker.
- The facility engages in or supports for any reason the use of corporal punishment, mental or physical coercion and verbal abuse including but not limited to threats of violence and sexual harassment.
- The facility uses any form of – or threat of – physical violence, including slaps, pushes or other forms of physical contact as a means to maintain labor discipline.
- The facility, based on a woman's pregnancy, make decisions that result in dismissal, threat to dismiss, loss of seniority, or deduction of wages.
- The facility does not respect the right of employees to freedom of association and collective bargaining. No employee shall be subject to harassment, intimidation, or retaliation in their efforts to freely associate or bargain collectively.
- The facility does not ensure that wages paid for regular worked hours are at least legal minimum wage or industry wage agreed within a collective bargaining agreement (CBA) whichever is higher.
- There are indications of possible structural collapse on the interior or exterior of buildings, such as large visible cracks or sagging in walls and floors.
- There are not sufficient numbers of emergency exits at the facility (production floors, office areas, warehouse etc.).
- Emergency exits are locked during working hours (including overtime).
- Flammable and combustible material and chemicals are not safely stored away from source of ignitions.
- There are not sufficient numbers of emergency exits on each dormitory floor as legally required.
- Unauthorized Subcontracting
- Unauthorized Homeworking

Remediation and Continuous Improvement:

In order to ensure continued compliance with our Code of Conduct, all suppliers must agree to announced and unannounced assessments by Reformation and our independent third-party monitoring firms. In addition to auditing, Reformation will monitor suppliers by asking them to disclose information about social and environmental responsibility through surveys, meetings and phone calls with Reformation staff, direct feedback from workers through cell phone survey and other types of information gathering. Reformation expects suppliers' cooperation in sharing information about social and environmental responsibility. Suppliers must grant full access (all facilities, employee records and employees for confidential interviews), maintain accurate documentation necessary for demonstrating compliance with our Code of Conduct and be fully transparent when submitting to assessments.

Reformation expects all suppliers to remediate any noncompliance issues in a timely manner which shall be reasonable and defined. All suppliers must provide proof of correction to Reformation for each non-compliance issue. We require all our suppliers to work with us to find the root cause of the issue and to develop necessary management, reporting and tracking systems within the factory, to ensure ongoing compliance and continuous improvement. Reformation reserves the right to terminate business relationships with any supplier who is unwilling or unable to comply with our Code of Conduct.

Based on the findings during the assessment, Reformation will perform concentrated remediation efforts (see below Corrective Action Plan (CAP) Management Process) and a corrective action plan (CAP) form will be issued to the supplier detailing the areas which need improvement. It's the supplier's responsibility to fill out the below three areas on the CAP form:

1. Root Cause- Briefly state the root cause of the issue
2. Preventative Action- Briefly state what practices/processes can be put in place to prevent the issue from happening again
3. Corrective Action Plan – Briefly state what steps will be taken to fix the issue
4. Responsible Staff/Position – Identify who in your factory will be responsible for this
5. Planned Start Date - Indicate when the corrective action will be started
6. Planned Completion Date – Indicate when the corrective action will be completed
7. Evidence- Please paste/send images/documentation once findings are addressed

If a CAP form is issued, suppliers should complete the form and return it to the Reformation Sustainability team and the Preferred Assessment Partner within 30 days. If the supplier needs guidance in developing an improvement plan, Reformation will act as a resource. We understand that certain issues are easily remedied, while others may take longer. All substandard audit findings must be remediated in a timely manner. We expect our suppliers to share our value of striving for constant improvement. Remember, it's not just about what happens during the audit - we prioritize active continuous improvement.

Corrective Action Plan (CAP) Management Process:

Reformation suppliers will go into different CAP Management types depending on the color rating category. Below are example types of CAP based on the color rating. CAP Support services are administered by our monitoring partner. Support levels are jointly determined based on the support needed to effectively remediate issues identified during the audit process. CAP Management fees incurred through our monitoring partner will be the responsibility of the supplier.

Rating Category	CAP Support	Purpose
Green	Desktop Review	To verify evidence presented by the facility against the Corrective Action Plan in order to ensure timely and appropriate closure of non-conformances.
Yellow	Desktop Review or CAP Support Light	To verify evidence presented by the facility against the Corrective Action Plan in order to ensure timely and appropriate closure of non-conformances.
Orange	CAP Support Depth and/or On Site Support Visit	<p>CAP Support Depth: To provide support/tools to enable factories to develop an acceptable CAP based on their most recent audit results. This includes the communication with factory for identification of the root causes, appropriate corrective and preventive actions, and CAP due dates. to solicit evidence and review whether corrective action has been fulfilled / removed finding (where applicable), to ensure that factory corrects their non-conformance issues on the right track.</p> <p>On Site Support Visit : To help the facility understand fundamental elements of the CAP while verifying progress onsite.</p>
Red	CAP Support Depth and/or On Site Support Visit	<p>CAP Support Depth: To provide support/tools to enable factories to develop an acceptable CAP based on their most recent audit results. This includes the communication with factory for identification of the root causes, appropriate corrective and preventive actions, and CAP due dates.</p> <p>to solicit evidence and review whether corrective action has been fulfilled / removed finding (where applicable), to ensure that factory corrects their non-conformance issues on the right track.</p> <p>On Site Support Visit : To help the facility understand fundamental elements of the CAP while verifying progress onsite.</p>

Chemical Management

Our Mission

Through the responsible management of chemicals and materials used at our facilities, and incorporated into our products, Reformation strives to reduce environmental and occupational health and safety risks associated with chemical exposures and hazardous wastes.

Our Company is Committed to:

- Safely and responsibly sourcing and managing chemicals purchased, used in production, and disposed of after use.
- Striving to reduce the consumption of hazardous materials.
- Following all applicable laws and regulations related to chemicals management and discharges to the environment.
- Ensuring all chemical hazards are communicated to all levels of staff.
- Ensuring final products conform to industry and government regulations.

Scope:

This policy outlines Reformation's requirements for the safe and responsible management of all hazardous substances used or brought on-site. This policy applies to all management and staff. Relevant sections of this policy also apply to suppliers performing work for Reformation that involves the use of hazardous substances or work in areas where hazardous substances are present.

The policy has been developed to ensure:

- The health and safety of all staff and contractors
- Compliance with regulatory requirements regarding hazardous substances
- Protection of the surrounding environment

Chemicals in Final Products

Final products must conform to industry and government regulations. It is important to not only focus on the chemicals in final products but address hazardous substances potentially used and discharged into the environment during manufacturing and related processes. This is commonly done through the adoption of a Manufacturing Restricted Substance List (MRSL). The MRSL is a list of chemical substances banned from intentional use in facilities that process textile materials and trim parts. It establishes acceptable concentration limits for substances in chemical formulations used within manufacturing facilities. To test chemicals in materials or final products, a Restricted Substance List (RSL), sets concentration limits for substances to comply with product regulations and safety standards.

Our Manufacturing Restricted Substance List (MRSL)

Our MRSL is in accordance with the Zero Discharge of Hazardous Chemicals (ZDHC)MRSL V1.1. This list applies to chemicals that are used in facilities that process textile materials and trim in apparel and footwear, not just those that remain in the finished product, with the intent to manage the chemicals that suppliers use while removing hazardous substances from the manufacturing process.

Visit https://www.roadmaptozero.com/mrsl_online/ to view an interactive electronic version of the MRSL. The full version can be downloaded at <https://www.dropbox.com/s/on7965zpwdmgw7g/ZDHC%20MRSL.pdf?dl=0>.

Our Restricted Substance List (RSL)

Our RSL is in accordance with [AFIRM](#) Group industry level standards. This list applies to raw materials, finished goods and their components. We recognize that this effort requires listening to our suppliers and their employees' needs, and requires a collaborative approach. Reformation is committed to helping suppliers by directing them to necessary resources. All fabrics must meet our RSL which can be downloaded [here](#).

Supplier Responsibility

All purchase orders must commit to adhering to our MRSL and RSL. Our direct supplier is responsible for sharing the MRSL & RSL with all subcontractors and sub-suppliers from raw materials to finished product and ensuring the standards are met.

Suppliers must adopt a chemical management policy that is monitored and measured. Suppliers should establish, document and implement a process to monitor operating conditions needed to prevent the potential for adverse impacts to health or the environment. The organization should document performance against the operating criteria and maintain associated records.

Our Dyeing & Printing Standards

Dyeing, printing and tanning suppliers must restrict the use of harmful substances currently restricted by law, and substances known to be harmful to human health. Also, all output water must be treated to local law expectations.

We do not permit direct dyeing, vat dyeing, disperse dyeing, 2-bath dyeing (reactive dyeing followed by disperse dyeing), conventional soaping, continuous wash off, or discharge printing.

If you adopted natural dyes, azo-free dyes, phthalate free dyes, low-impact reactive inks, reusing water, optimizing energy use, eliminating harmful substances, better cleaning agents, dye stuff carriers or any other efforts, let us know.

In order to meet our clean chemistry goals for the future, we'll only be authorizing new Tier 2 facilities (i.e., mills, dye houses, and printers) that have one of the following certifications OR can show a ZDHC accepted indicator of ZDHC MRSL conformance. The table below lists various clean chemistry certifications that we accept.

Dyeing & Printing Standards (One of the below certifications is required)	
Oeko-tex Standard 100	Ensures that chemicals used throughout the production process are not harmful to human health of the end-user. All raw materials and intermediate products are certified.
STeP by Oeko-tex	Continuous improvement strategies for environmental efficiency and social compliance in all stages of textile production.
Made in Green by Oeko-tex	Combines Standard 100, STeP, and adds QR code to allow end users to trace a product's supply chain.
Bluesign	A+ grade in reducing environmental impact concerning the entire textile supply chain.

Global Organic Textile Standard - GOTS	Certify authentic organic fiber content and responsible textile processing. GOTS approved dyestuffs are available with companies like DyStar, Clariant, etc.
Global Recycled Standard -GRS	Certify recycled fiber content, chain of custody, social and environmental practices, and chemical restrictions.
Zero Discharge of Hazardous Substances	Roadmap aimed at zeroing hazardous chemical release from mills, fabric processing and finishing facilities by following a Manufacturing RSL.
ISO 14001:2004 Environmental Management Systems	Framework for EMS that does not specify levels of environmental performance, but assures external parties that the company is in control of practices that impact the environment.
Sustainable Green Printing Certification	Facility certification program for sustainable printers.
Preferred (But Not Required) Dyeing & Printing Techniques	
Digital Printing, Sublimation, Waterless Dyeing (like AirDye and DryDye) and Printing, Block Printing, Screen Printing, Closed loop dyeing systems (like DyeCoo, water recycling)	
Preferred (But Not Required) Regional Certifications	
DISHA (India), Ekolabel Indonesia, Hong Kong Green Label Scheme, Singapore Green Label Scheme, Thai Green Label Scheme, China Environmental Labeling, German Blue Angel, Nordic Ecolabel	

Our Finishing Standards

We do not permit chlorine bleaching, silica, aluminum dioxide, formaldehyde containing resins for 3D/crinkled effect, Ice/potassium permanganate, stone washing, PFC's in DWR treatments or sandblasting.

Below are techniques that will help reduce water and energy consumption.

Our Finishing Standards	
Ozone	Used for garment lightening: combines bleach, neutralize and rinse baths
Ozone mist	Garment decolorizing by spraying water mist is sprayed into the ozone machine
Combine desize and stone/enzyme wash	A four bath process can be reduced to two baths by combining steps, and reducing a rinse step.
Combine desize, enzyme wash and bleach	A seven bath process can be reduced to five baths by combining the desize, enzyme and bleach step. Needs specific chemistry.
Combine enzyme and softener	Saves a rinse step and a softener step. Technique works well with non-denim.
Sky bleach/rag bleach	Undiluted bleach solution applied to rags which are tumbled with garments, without water in the machine.
Low liquor ratio reactive garment dye	Education around lower water levels in both reactive dye bath and rinse bath.
Remove desize step	Use soluble synthetic starches that dissolve in any bath.
High fixation reaction dye	Use high fixation reactive dyes to reduce hydrolysis and over deposition.
Spray potassium permanganate on raw garments	Works best with dark finishes. Spraying potassium permanganate on dry raw goods avoids a neutralization step and potentially the following rinse.

Neutralize bleach in one bath	Combining bleach and neutralization can save one bath.
Foam dye/tine	A concentrated dye solution applied as a foam instead of a typical wet dye bath.
Foam bleach	Applied in foam form with bleach maintaining a max 1:1 liquor ratio.
Combine resin and tint steps; apply by dipping	Add tint to the resin solution and applying through spray or dip. Tint wet bath (and sometimes the rinse bath) is removed.
Enzyme spray stonewash	Enzyme mixture is sprayed onto garments followed by tumbling the garments in a washing machine with steam. Technique uses abrasion without water or stones.
Spray softener	Apply undiluted softener in a tumble dryer with a spray to avoid a softener bath.
Soft rigid	Use balls/bottle caps to soften the fabric without water
Combine fixing and softener	Combine to save one fixation bath. Ensure fixer and softener are compatible.
Low liquor ratio bleach	Modern machine design and technology allow laundries to significantly lower the liquor ratio.
Low liquor ratio for desize	Modern chemistry and modern machine designs allow for low liquor ratio desize. Education is needed
Low liquor ratio for stonewash	Abrasion is equally effective with less water
Best Practices: Commercial Garment Washing	
Energy Star® certified equipment, Dryer safety- eg. lint removal, Training dryer operators on cool down types for different fabrics, Fire safety to avoid spontaneous combustion, Electrical safety, Health safety, NZI Laundry Risk Management Guide	

Here are ten industry best practices for optimized operations:

1. Install meters and detect leaks
2. Collect and recover condensate
3. Reuse cooling water
4. Reuse process and waste water
5. Recover heat from hot water
6. Improve boiler efficiency
7. Main steam traps and system
8. Improve insulation
9. Recover heat from exhaust gas and heating
10. Optimize compressed air

Better Materials

Reformation is deeply committed to sourcing environmentally conscious materials. Our suppliers may only use our approved materials and finishing techniques. Prior written approval must be obtained before any portion of the product is vendor-sourced or substituted from our list of approved articles and vendors.

Ref Fiber Standards

We accept the following fibers from the below table, with “Allstars” and “Better Than Most” being our preferred fibers. Our full fiber standards can be found on the next page and [here](#) for download.

We do not permit fabrics in the “Never Use” column, with the exception of Spandex (<10%) if necessary for the construction of the garment. We do not allow recycled synthetics in our Tops, Bottoms, Jeans and Dresses that are machine washable. We do allow recycled synthetics in our outerwear, swim, accessories and bridal or any other items that care is hand-wash or dry clean.

We have also listed certifications, standards, and industry practices for Reformation’s preferred fibers, finishing techniques, as well as dyeing and printing processes. We know certifications can be expensive- so if you have taken any alternate routes to sustainability, we’d like to know!

Reformation fiber standards

Goal of 75% of all Ref Production	Better than most	Not Preferable for Ref Production	Eww, never use
A All stars	B	C	D
E Eww, never use (unless 10% of content)			
Recycled cotton *Global Recycled Standard (GRS) certification required Tencel™ Lyocell *Licensing verification letter required TENCEL™ + REFIRBA™ Lyocell *Licensing verification letter required Organic linen *Global Organic Textile Standard (GOTS) certification required Organic hemp *GOTS certification required *ROC certification required Regenerative Organic Certified™ Cotton *ROC certification required Jute Ramie Deadstock materials *Deadstock verification required Post-consumer recycled leather *GRS certification required	Organic cotton/ transitional cotton *GOTS certification required for < 70% *OCs certification required for >70% *Proof of transitional cotton required *Uzbek, Turkmenistan, Syria and Xinjiang cotton prohibited *Supply chain mapping to farm level *Ability to develop a relationship with the farm as needed to ensure fair and safe working conditions are met. Fair trade cotton *Fair trade certification required Canopy green shirt-viscose *Must be FSC certified *Green shirt ranking in Canopy hot button report Conventional linen Conventional hemp Tencel™ Modal *Licensing verification letter required Recycled wool *Cardato Regenerated CO2 Neutral Products certification or GRS certification required Recycled cashmere *GRS certification required Recycled acrylic *Outerwear, accessories, swim, bridal *GRS certification required Mechanically recycled nylon *Outerwear, accessories, swim, bridal *GRS certification required Mechanically recycled polyester^{~1} *Outerwear, accessories, swim, bridal *GRS certification required	Alpaca *Traceability in order to ensure animal-friendly practices *GOTS certification preferred Yak wool *Traceability in order to ensure animal-friendly practices Organic wool *GOTS certification required *Must be non-mulesed sheep wool Canopy engaged viscose *Must be FSC certified *Producer has signed Canopy policy and is working towards improvements Chemically recycled nylon ** *Outerwear, accessories, swim, bridal Chemically recycled polyester^{~1}** *Outerwear, accessories, bridal PU leather *** *Poly/nylon/polyamide blend . *Recycled content blends preferred *Plant based polyester preferred Polyurethane Laminate (PUL) *Must use water-based solvents	Silk *Bluesign® certification required for solid dyed and preferred for prints *Oeko-Tex® certification and digital print process required for facilities that are not Bluesign® certified. Responsible wool *Responsible Wool Standard (RWS) certification required *Must be in a blend with recycled content fiber *Must be non-mulesed sheep wool FSC certified viscose Leather *Leather (cow, goat, pig) *Ensures the Five Freedoms of Animal Welfare and protects land, particularly from deforestation *Vegetable tanned or chrome-free tanned *Leather Working Group (LWG) certified (rated Gold or Silver w/ traceability score) *Or have other third-party verification meeting equivalent ecological criteria *Certified by-product *Leather and skins must be sourced from by-products of the meat industry. Animals may not be raised exclusively for their skins. Chain of custody documentation to farm level preferred. PVC Fur Angora & mohair
Conventional silk Conventional cotton Conventional wool & cashmere Conventional acrylic Recycled acrylic *TBJ and dresses Conventional viscose Conventional nylon Recycled nylon *TBJ and dresses Conventional polyester Recycled polyester (rpet) *TBJ and dresses Spandex *If Spandex is needed for construction, the percentage can go >15% PVC Fur Angora & mohair			

For all recycled and organic certifications, we require scope certificates from each facility prior to PO being placed. Transaction certificates must be issued after PO is placed for full supply chain.

Still reviewing
Camel hair, Cupro, Crailer, Organica wool, Climate beneficial wool, Soybean protein fiber

*** If closed loop chemically recycled nylon & polyester then it is considered "Better Than Most"
 ** PU Leather has a significantly lower environmental impact than conventional leather. Must test for durability with testing partner
 ***~1 Spandex is needed for construction, the percentage can go up to 15%
 **** Specific application is based on washing frequency in relation to garment type.
 ^1 Feedstock can be: rPET or polyester garments.

Lenzing Fibers

All Lenzing fibers listed below must be verified through Lenzing after bulk production is produced. This is a free service from Lenzing and requires the mill to send a few meters of fabric to Lenzing headquarters to test. Once tested, Lenzing will provide a Lenzing Verification Letter. This letter will need to be sent to Reformation or uploaded to QuickBase (see “How to fill in/edit the Component Table” in this [handbook](#)) for our recordkeeping prior to shipment of goods.

- TENCEL™ Lyocell, TENCEL™ Modal, ECOVERO™, TENCEL™ x REFIBRA™ Lyocell

Correct Labeling and Fabric Detail Sheets (FDS):

- For Organic Cotton labeling, unless the CMT facility is GOTS certified, content labels and FDS’ should be submitted as “___% Organically Grown Cotton” not “Organic Cotton”.
- Any FDS’ submitted must accurately represent the fibers used as per guidelines herewith and have the correct trademarks and generic fiber information (Lenzing correct trademark information highlighted above).

Deadstock Fabrics

We define deadstock as verified old, leftover, and over-ordered fabric from other designers and fabric warehouse. Our deadstock verification letter is required for any deadstock materials that you are sourcing, you can download the letter translated in different languages (English, Hindi, Mandarin, Spanish, Turkish) [here](#). This helps us to ensure that any deadstock materials are indeed deadstock and not stocked/running items.

- The deadstock verification letter is translated into many different languages. Please note that all forms must be filled in and sent back for approval in English regardless of the language of the document.
- Deadstock materials do not need to meet the fiber requirements that are highlighted in our Fiber Standards but they must meet our RSL requirements.

Leather

We have strict requirements when sourcing leather. Check out our full requirements [here](#) under “Leather” or beneath in the shoe section.

Certification and Sourcing Learning Center

We created a [certification toolkit](#) that highlights the basics of the certification process and requirements for your review. It has information on how certifications work and how to identify the next steps for a facility to begin certifying products.

- Please note for every certification, the mill must present a scope certificate with the specific product code of the article we are purchasing prior to any POs being placed. This must be presented for verification prior to PO being placed. After a PO is placed, a Transaction Certificate (TC) needs to be issued from the mill.
- Please see links to the common certifications that we use at Ref: Global Recycled Standard (GRS), Global Organic Textile Standard (GOTS), Organic Content Standard (OCS), Leather Working Group (LWG), Bluesign, Oeko-Tex Standard 100.
- [Here](#) are some helpful trainings on certifications and chain of custody.

Additional Policies:

Ethical Animal Welfare

Reformation is committed to the humane conditions and treatment of animals. All our suppliers must respect humane animal welfare practices and work continuously towards implementing a comprehensive process that includes capture, maintaining, breeding, raising, transportation, handling and slaughter to ensure ethical conditions and treatments of animals. [Here](#) is our full Animal Welfare policy.

Sustainable Forests Commitment

Reformation has signed a [policy](#) with Canopy (please see Appendix J) to drive for positive change for all our forest products and ensures all our forest-based products come from sustainably managed forests. Please see below for more information on Canopy and more information on how it affects our sourcing.

- [Link](#) to Canopy's website for more information on audit cost and process
- [Link](#) to Canopy's Hot Button Report which supplies information that outlines viscose fiber producers partners and their ranking. A "green shirt" is the highest ranking, then yellow, then red and then white (not yet engaged). The ranking is in order as displayed on their website.

Traceability and Transparency

Reformation’s goal is to have traceability into all levels of our supply chain so we can confidently stand by our sustainable product claims. In order to achieve supply chain transparency and traceability, we require any facility involved in the manufacturing of Reformation products to be disclosed to the Reformation Sustainability team regardless of the facility level and production process, this includes but is not limited to mills, dye houses and printers. Any information that you disclose to Reformation related to raw material composition, dyeing and printing processes and their applicable certifications and/or verifications and any and all related processes must be true. In addition, we expect our direct suppliers to accurately represent all supply chain traceability disclosed regardless of the factory level or production process.

Any updates to contact information or production process shall be provided to the Reformation Sustainability team immediately. Suppliers are responsible for maintaining inventory and production records to document the origin and place of production of incoming materials.

Trims & Other Product Specific Guidelines

Trims

We do not permit plastics. We do not permit genuine horn, animal feathers or animal fur. Please note this applies to deadstock and new developments.

Preferred (But Not Required) Practices & Materials
Buttons: Corozo, recycled paper horn, shell, coconut, hemp, mother of pearl, recycled glass, recycled wood
Zippers (materials for all components): Recycled PET, recycled zinc and brass, recycled nylon
Thread (optional): bio-based yarn, recycled PET thread yarn, cellulosic yarn, other recycled yarn
Embellishments: faux feathers made from hemp or recycled materials
We also look for the above materials in hook and eye, ring and sliders and other trims
Best practices: Recycled materials and nickel free metal

Here are some guidelines for sustainable accessories by specific product categories. Please refer to our material guidelines for full sustainability criteria.

Shoes

We do not permit conventional Leather, toxic glue, petroleum based leather, PVC components/PVC containing components, Durable Water Repellent containing PFCs (perfluorinated chemicals), <42 grams/pair of VOCs in footwear, synthetic latex or lurex in our products.

For packaging, we do not permit poly bags, non-recycled tissue, plastic film and other unnecessary materials.

All chemical formulations should meet the ZDHC MRSL. All components including edge paint must meet our RSL.

Required Practices & Materials
<p>Leather (includes all leather components in shoe i.e. lining, sole, outer, pig split, etc.)</p> <ul style="list-style-type: none"> ● Must be vegetable-tanned or chrome-free tanned <ul style="list-style-type: none"> ○ Please note that this means that chromium III salts in the form of chromium sulfate cannot be used during the tanning process ○ Chrome-free tanning processes are usually wet white tanning (AKA Aldehyde tanning) vegetable tanning or synthetic vegetable tanning ● Leather Working Group (LWG) certified (rated Gold or Silver w/traceability score) ● Certified by-product <ul style="list-style-type: none"> ○ Leather and skins must be sourced from by-products of the meat industry. ○ Animals may not be raised exclusively for their skins. Chain of custody documentation to farm level preferred. ● Ensures the Five Freedoms of Animal Welfare and protects land, particularly from deforestation ● Leather cannot be sourced from farms/slaughterhouses in Brazil ● Stretch leather must have a backing with a cellulose fiber with under 10% spandex (i.e. cotton, TENCEL™Lyocell). Adhesive must be water-based.
<p>Materials for all components (sole, upper, insole)</p> <ul style="list-style-type: none"> ● Wood: Must be FSC certified (Must be able to provide FSC/ recycling certificate (including FSC FM codes) ● Zippers: (materials for all components): Recycled PET or nylon, recycled zinc and brass, Nickel free ● Foam: No petroleum-based EVAs (i.e. Algae, Sugarcane foam) ● Anti mold chip: Natural (i.e. clay) ● Shoe laces and ribbon: Must meet our full fiber standards (i.e. certified organic or recycled fiber) ● Fabrics: (i.e. satin, canvas, velvet, faux fur): Must meet our full fiber standards ● Embellishments: We do not permit plastics, animal feathers, or animal fur. <ul style="list-style-type: none"> ○ Instead use cork, faux feathers made from hemp or recycled material, recycled brass, reclaimed metals, recycled aluminium, recycled stainless steel, Cellulose Acetate or deadstock embellishments
<p>Adhesives</p> <ul style="list-style-type: none"> ● Natural latex, water based adhesives, soy-based adhesives, solvent-free adhesives
<p>Packaging (shoe boxes, cartoon, and tissue paper)</p> <ul style="list-style-type: none"> ● 100% recycled paper (90%+ total recycled content) ● Must be able to provide FSC/ recycling certificate (including FSC FM codes)

- Plant-based inks (i.e. soy-based, vegetable-based ink)
- Bleaching: Must be processed Chlorine Free (PCF) or Totally Chlorine Free (TCF)

Preferred (But Not Required) Practices & Materials

Design

Design for disassembly, Cradle2Cradle design, durability, reuse/recycling/upcycling program in facilities to reduce waste

Materials for all components (sole, upper, insole)

- Biodegradable insole board
- Natural/ Wild Rubber
- Recycled and/or biodegradable ABS
- Elastic: recycled content
- Stretch leather with a backing with an organic, regenerative or recycled cellulose fiber with under 10% spandex (i.e. organic cotton, TENCEL™ Lyocell). Adhesive must be water-based.

Printing, Finishes and Coatings

- Water-based inks
- Bluesign system approved printing & dyeing facilities

Jewelry and hardware

We do not permit the use of non-recycled metals like brass, sterling silver or other metals. We also do not use plastics or other petroleum based products in our jewelry and hardware.

Preferred (But Not Required) Practices & Materials

Mining level certifications

Conflict Free minerals, Standard for Responsible mining by Initiative for Responsible Mining Assurance (IRMA) candidate (orange) or certified (red), Fairmined certification Alliance for Responsible Mining for small scale mining, member of the Responsible Jewellery Council.

Materials for all components

Cork, recycled brass, recycled gold, recycled sterling silver, conflict free-diamonds and precious stones, reclaimed metals, recycled aluminium, recycled stainless steel, Fairtrade Silver, Cellulose Acetate.

Best practices

Nickel free, toxic chemical free, recycled packaging that does not cause shading or spotting on jewelry, all germicidal, corrosion resistant coatings and platings must submit RSL testing

Sunglasses

We do not permit the use of petroleum based components in our frames, lenses or screws.

Preferred (But Not Required) Practices & Materials

Materials for all components

Recycled acetate, FSC®/Rainforest Alliance Certified wood, sustainable bamboo (optional certifications: FSC®/Rainforest Alliance Certified, regional certifications, lightweight aluminium, stainless steel, cork, recycled materials, reclaimed wood, reclaimed materials.

ACKNOWLEDGEMENT OF RECEIPT AND ACCEPTANCE OF TERMS

I acknowledge receipt of Reformation's Sustainable Partners Guide, Version 2 (SGP V2). I have read, and understand, the importance of the policies and procedures set forth herein, and agree to comply with all the terms and conditions set forth within the SGP V2. Failure to comply will result in chargeback or cancellation of orders. If Reformation does not receive a signed copy of acknowledgement within 14 days of the receipt of the manual, we will assume that you accept the term of the Sustainable Partners Guide. Supplier and its employees and agents shall not at any time, during or after the receipt of the SGP V2, disclose to others and take or use for its own purposes or the purpose of others any trade secrets, confidential information, knowledge, designs, data, know-how, or any other information reasonably considered by Reformation to be "confidential." Supplier recognizes that this obligation applies not only to technical information, designs and marketing, but also to any business information that Reformation treats as confidential. Any information that is not readily available to the public shall be considered to be a trade secret and confidential.

Please confirm your agreement to our terms of the Sustainable Partners Guide V2 by signing in the space provided.

I represent and warrant that I have authority to sign on behalf of the company named below and to bind the company named below to the terms of this Policy.

ACCEPTED AND AGREED TO:

Factory Name:

Name of Company Officer:

Title of Company Officer:

Signature of Company Officer:

Date:

Please be sure to complete, sign, scan and return this form via email.

REFORMATION
Attn: Carrie Freiman
2263 E Vernon Ave
Vernon, CA, 90058
sustainability@thereformation.com

*Subject: Supplier name: Signed Acknowledgement of Receipt

Sustainability Team Contact Information

Please see below contacts for the Sustainability Team:

Address:
2263 E Vernon Ave
Los Angeles, CA 90058

Kathleen Talbot
Chief Sustainability Officer & VP of Operations
Email: kathleen@thereformation.com

Carrie Freiman
Director of Sustainability
Email: carrie@thereformation.com

Mara Ley
Sustainability Coordinator
Email: mara.ley@thereformation.com

For general inquiries, please contact sustainability@thereformation.com

Appendix A: Chargebacks for Social and Environmental Compliance

Infraction	Chargeback
Aborted Inspection	\$325.00 per manday/PO + Plus all related costs to correct or resolve the noncompliance
Bribe/Improperly Influenced Inspection	\$10,000.00 or full value of PO whichever is less + Plus all related costs to correct or resolve the noncompliance

Appendix B: Scheduling a Social Assessment with our Preferred Assessment Partner

Scheduling an Initial Assessment with Labor Law Monitoring (FOR CALIFORNIA SUPPLIERS ONLY):

- To schedule your initial assessment with Labor Law Monitoring, please contact David Fitzpatrick directly by email at dfitzpatrick@laborlawllc.com or by phone at 714-904-2741.
- Assessments will be semi-announced (approx 14 window)
- Please leave at least **3 weeks** for scheduling. All new facilities must complete an assessment prior to production of any Reformation goods unless an mutual recognition assessment has been submitted and accepted.
- Assessment reports will be sent directly to Reformation.

Scheduling an Assessment with Elevate (FOR ALL ONGOING MONITORING & INITIAL ASSESSMENT OUTSIDE OF CALIFORNIA):

- To schedule an assessment with Elevate, please follow the instructions in the [download here](#).

- Assessments will be semi-announced (approx 14 window)
- Please leave at least **6 weeks** for scheduling. All new facilities must complete an assessment prior to production of any Reformation goods unless a mutual recognition assessment has been submitted and accepted.
- Assessment reports will be sent directly to Reformation.
- If you have any questions about scheduling your assessment with ELEVATE, please contact the relevant coordinator for your region/country with “The Reformation Audit: [Country]” in the email title:
 - (1) North Asia: Siren Liu, siren.liu@elevatelimited.com
 - (2) South & Southeast Asia: Chitra Sethuraman, chitras@elevatelimited.com (all countries except India & Vietnam)
 - India: Kavita Verma, kavita.verma@elevatelimited.com
 - Vietnam: Tran Thanh Luan, luan.tran@elevatelimited.com
 - (3) USA & Canada: Ayari Flores, aflores@elevatelimited.com
 - (4) Latin America: Magalli Sanchez, msanchez@elevatelimited.com
 - (5) Europe: Alessandra Fabbri, alessandra.fabbri@elevatelimited.com
 - (6) Middle East & Africa: Ahu Sinem Uluturk, ahu.uluturk@elevatelimited.com

Appendix C: Elevate Facility Assessment Approach and Guidance

Please download the facility assessment approach & guidance [here](#).

Appendix D: Document List Required to Complete Assessment

Please download the document list [here](#). add the Labor Law Document List

Appendix E: Self Assessment Questionnaire for Pre-Screening

Please download the Self Assessment Questionnaire from [this link](#).

Appendix F: Fair Trade Principles

Artisan Factory/Artisan Group
<p>Artisan Rights and Wellbeing: Artisan production must be free of any form of discrimination, harassment or abuse whether at home or in a central workshop. All production must be at will and must not be performed by individuals who are forced, bonded, indentured or trafficked.</p> <p>Artisans must have a clear documented means to voice their opinions and report concerns to management without fear. In central production facilities, artisans’ lawful rights to freedom of association and collective bargaining must be respected.</p> <p>All production (including home based and piece-based) must be tracked and completed within cumulative hours of work that are in full compliance with all local laws, with leeways of irregularity of the production calendar.</p> <p>The Code and accompanying Company policies must be communicated to all artisans in a manner that is intended to provide them with an understanding of their rights, in the local language and with provisions for illiteracy. All managers and subcontractors within the supply chain are expected to uphold the principles contained within this Code of Conduct.</p>
<p>Transparent Records and Legal Compliance: Artisan businesses must maintain honest and up-to-date records of their policies, operations, wages, and production site locations. These records must be kept onsite and should exist in digital format. Vendor must be in direct contact with the artisan group.</p> <p>Artisan production elements must comply with all statutory requirements – including legal status when required. Records from artisan production elements should clearly demonstrate the businesses’ operations, employment, contractor processes, and appropriate use of funding and other resources.</p>

All elements participating individuals should understand their role in the larger supply chain and the traceability of their raw materials.
Worker Representation: Democratically elected worker representative(s) communicate with factory management regularly.
Economic Development: Percentage of cost of goods sold is paid to worker body in a separate bank account. Workers/worker committee decide the best way to use this cash pot.
Pay Promptly and Fairly by discussing costs and pricing openly so that producers are able to earn a fair wage that is above the local minimum wage. Piece-rate payment must utilize time studies to ensure compliance. Guidelines for deductions and overtime wages must be clearly defined and stated to the artisans. Where applicable, artisans must be provided all statutory benefits.
Create Opportunities for economically and socially marginalized farmers and artisans through long term trading partnerships. Build capacity of farmers, artisans, and their communities by providing shared learning lessons, access to market and best practices, financial support and connecting producer groups.
Health and Safety: Artisan Production site – whether a central small workshop or home-based site – must be a clean and safe working environment in compliance with applicable laws and regulations. Artisans must be educated in the importance of safety; trained on proper procedures for machinery and chemical use when warranted; and have access to PPE, safe machinery, sanitation, and emergency procedures.
Ensure the Rights of Children: Children under lawful age of employment, consistent with ILO guidelines, should never participate in artisan production.
Respect Cultural Identity of the farmers and artisans and celebrate diversity. Fair trade products and production methods respect the traditions of the local communities.
Continuous Improvement: Artisan business management demonstrates a commitment to improvement on any areas not in compliance with Reformation’s Supplier Code of Conduct and Artisan Fair Trade criteria.

Appendix G: Self Assessment Questionnaire for Fair Trade

Please download the Fair Trade Self Assessment [from here](#).

Appendix H: Forced Labor and Responsible Recruitment Benchmarks

Please find below benchmarks to serve as a basis for establishing and monitoring performance indicators.

FORCED OR INVOLUNTARY LABOR

- Company policies and practices express a clear prohibition of forced, compulsory, bonded, indentured, and prison labor that applies to all enterprises in its supply chain, including those involved in the recruitment, selection, and hiring of workers.
- Clear and transparent human resource practices on recruitment, contracts, wages and working hours are adopted by the company and its subcontractors to minimize the risk of forced labor and human trafficking.

- The company, or subcontractors acting on its behalf, comply with all relevant local laws and regulations concerning the prohibition of forced labor and human trafficking in each jurisdiction in which they operate.
- The workplace is free of any form of forced, compulsory, bonded, indentured, or prison labor.
- Workers enter into employment freely and employment terms and conditions are agreed to voluntarily, without deception or threat of penalty.
- All work is voluntary.
- Workers have the freedom to terminate their employment at any time without penalty, given notice of reasonable length.

RECRUITMENT FEES

- The company has a written policy declaring that workers shall not pay any amount to secure a job in their facility.
- The job advertisements from the company include the statement that no fees shall be charged at any phase in the recruitment and hiring process.
- The employer covers all recruitment and processing fees, costs, and expenses, including those associated with securing identity cards, medical certificates and examinations, skills testing, and travel.
- The company has mechanisms to ensure that workers are not charged any amount to secure a job in their facility.
- The company only engages recruiters, agents, and sub-agents who do not charge fees to jobseekers.
- The company, or subcontractors acting on its behalf, has means of informing jobseekers at the point of recruitment that workers do not pay fees or costs for any services directly related to temporary assignment or permanent placement.
- The company or receiving country recruiter has a verification process to ensure that workers are not charged any fees.
- Workers found to have been charged fees are repaid, and contracts with recruiters found to have charged fees are terminated.

CONTRACTS OF EMPLOYMENT

- All candidates are clearly informed of the terms and conditions of employment, and successful candidates are provided a copy of the contract prior to departing their home country.
- All workers are provided a signed copy of their original contract, in a language they understand, prior to departing their home country.
- The company explains the terms and conditions of the contract, and has means to verify that said terms are clearly understood and fully agreed to by the workers.
- Employment contracts clearly specify the rights and responsibilities of workers with regard to wages; hours of work, including regular hours and overtime requirements; days off and annual leave; and disciplinary and other procedures that can lead to termination, as well as appeal procedures consistent with local law.
- The details of working conditions described at the point of recruitment are consistent with the details contained in the employment contract at the time of hiring, and with actual job conditions and responsibilities.

- Company policy prohibits the substitution of original contract provisions with those that are less favorable to the worker. Any amendments made to improve conditions are made with the knowledge and the informed, written consent of the worker.
- Changes to working conditions are made with the knowledge and consent of the worker. Consent is obtained voluntarily and without the threat of penalty. No changes are made that in any way diminish the worker's originally anticipated wages, benefits, or other conditions of work; or place the worker in a position of physical or mental risk or peril, or other form of disadvantage or vulnerability.
- Employment contracts clearly stipulate the rights and responsibilities of each party regarding the termination of employment.
- Employment contracts clearly specify the circumstances in which a worker can terminate his or her contract without penalty, given reasonable notice, and in accordance with national law.

DOCUMENT RETENTION

- Applicants' or workers' passports, residency or work permits or other personal documents, such as bank books or automatic teller machine (ATM) cards, are not kept or withheld for any reason.
- In the event that personal documents are held by the employer or subcontractor due to legal requirements or upon request by the worker, these are immediately returned to the worker upon demand and without any preconditions. In such circumstances, the employer or subcontractor:
 - Provides workers with an exact copy of personal documentation when not in their possession;
 - Develops written policies and procedures to prevent abuse;
 - Nominates a responsible person to ensure workers have unhindered access to their documents upon demand; and
 - Notifies workers of these procedures.
- Lengthy or otherwise burdensome prerequisites for accessing one's passport or other personal documents, such as written requests, monetary deposits or waiting periods, are strictly prohibited.
- Migrant workers are provided with a locked, secure storage space, accessible without permission or notice 24 hours a day, 7 days a week, for personal documents and valuables.

DEPOSITS

- Workers are not required to post a bond at the time of recruitment or at any other time during the employment relationship.
- The company policies strictly prohibit the collection of deposits or security payments.
- The company, or subcontractor acting on its behalf, withholds portions of workers' pay only where it is legally required.
- In those cases where migrant workers have opted to participate in voluntary savings schemes facilitated by their employer, such workers have unhindered access to and full control over all savings and monies owed at the time of contract termination.

HUMANE TREATMENT

- Company policies and procedures prohibit sanctions that impose work or wage deductions as a means to discipline workers.
- No form of compulsory labor is imposed on any worker.
- The policy of the company, or subcontractor acting on its behalf, strictly prohibits the use or threat of physical or sexual violence, harassment and intimidation, and senior management has expressed clear commitment to this policy.
- Effective measures are in place to implement, monitor, and ensure company-wide compliance with this policy.
- There is no evidence of complaints, grievances, or actions taken against the company, its managers or supervisors with respect to violence, intimidation, or harassment in the workplace. In cases where a complaint or grievance has been raised, evidence should show that swift and transparent action was taken to address it.

WORKPLACE EQUALITY

- All workers, regardless of their national origin, ethnicity, race, or legal status, are treated equally in the workplace.
- Migrant workers are treated no less favorably than country nationals with respect to:
 - Remuneration, hours of work, overtime arrangements, and holidays with pay;
 - Membership in labor unions;
 - Accommodation; and
 - Benefits and social insurance, including social security, maternity and sick leave, disability and employment injury insurance.
- The company, or subcontractors acting on its behalf, explicitly prohibits the abuse of vulnerability of migrant workers, including the threat of denunciation to authorities as a means of coercion.

WAGES AND BENEFITS

- The freedom of workers to dispose of their wages is not limited in any way.
- Wages specified in employment contracts meet legal or industry minimum wage standards in the country of employment, and wage calculations are equitable and objective.
- Wage payments are not deferred, delayed, or withheld as a means of binding workers to employment.
- Non-cash or “in-kind” payments are not used as a means to create a state of dependency of the worker on the employer.
- Wage rates and payments are calculated with full transparency.
- The calculation and payment of wages, including legal wage deductions, are clearly explained to workers, and undertaken preferably with written worker consent.
- No unlawful or unauthorized deductions are made from workers’ wages.
- Wage deductions levied for tardiness or absence are not excessive and are commensurate to the time missed on the job, for example 10 minutes worth of pay for 10 minutes tardiness.
- Wage advances or loans provided to workers, along with related interest rates, comply with the law.

- Interest rates and repayment terms are fair, such that loans can be repaid in a reasonable amount of time in short installment or financing periods not exceeding the remaining term of the contract;
- Provision of loans or advances, the calculation of interest rates and wage deductions made for their repayment are made with complete transparency to the worker;
- The terms of wage advances and their repayment are agreed to by both parties in advance and in written form.
- Jobseekers, applicants or workers are not required to participate in any form of forced or mandatory savings in order to recoup costs associated with recruitment or other services.
- Where the company, or subcontractors acting on its behalf, is required or requested to remit workers' earnings to a third party, this is only done with workers' prior knowledge and full and voluntary consent, and with provision of receipt for full amount remitted.
- If migrant workers are required by law to pay for room and board, such charges:
 - Do not exceed market rates or the rate paid by local workers;
 - Should not aid companies or subcontractors in earning a profit at workers' expense; and
 - Are not part of efforts to reclaim placement fees or other fees paid by employers for worker recruitment.

WORKING HOURS

- Workers are not forced to work more than the number of hours allowed by national law, or, where the law is silent, working hours do not exceed eight per day and forty-eight per week, and total working hours including overtime does not exceed 60 hours in a week.
- Effective workplace and company-wide measures are adopted to ensure full implementation and compliance with this policy.
- All overtime work is purely voluntary, unless specifically stated otherwise in a legally recognized collective bargaining agreement.
- Workers are free to refuse overtime work without threat or fear of punishment or reprisal.
- For those that agree to work overtime, a system is in place to obtain their written consent at the time of the request.
- In cases where remuneration is based on productivity targets, for example piece rate, workers are not forced to work more overtime hours than allowed by national law in order to achieve their production quota.

FREEDOM OF MOVEMENT AND PERSONAL FREEDOM

- Workers enjoy reasonable freedom of movement within their work and living environments. Any legitimate constraints on such movement in the workplace are specified prior to the signing of the employment contract.
- The presence of security personnel or other security measures in the workplace or employer- or recruiter-operated residences are not used as a means to restrict worker freedom of movement.

- No other coercive means are used to restrict migrant workers' freedom of movement or personal freedom, including confiscation of personal documents, levying of financial penalties or security deposits, or use of deception in wage payment and deductions.
- Workers are not required to live in employer- or recruiter-operated residences as a condition of recruitment or continued employment.
- Migrant workers are free to return to their home country during paid leave, without any penalty, or threat of termination.

GRIEVANCE PROCEDURES

- Supplier and recruiter policy and practice reveals a functioning and effective grievance procedure available to migrant workers.
- Effective measures are in place to ensure that migrant workers know how to use this procedure and feel safe and free from potential retaliation if doing so.
- Where grievances are raised, effective and appropriate procedures are in place to ensure a rapid and mutually agreed settlement.

PRIVATE EMPLOYMENT AGENCIES AND LABOR RECRUITERS

- The supplier should hire migrant workers directly whenever possible.
- When the recruitment, selection, and hiring of workers is undertaken by a private employment agency or other third-party, suppliers shall have the responsibility to ensure that the agencies operate legally, are certified or licensed by the competent authority, and do not engage in fraudulent behavior that places workers at risk of forced labor or trafficking for labor exploitation.
- The company signs a formal contract with the subcontracted agency and performs due diligence on the agency and its partners involved in the hiring and placement of migrant workers.
- Effective measures are established by the company to ensure the legal compliance of sub-contractors in each jurisdiction in which they operate.
- The subcontracted agency has an up-to-date license or permit to operate in all countries of operation, and any partners or agents working on its behalf also have up-to-date permits or licenses.
- The subcontracted agency has not been cited, suspended, or otherwise sanctioned for non-compliance with any laws in any country of operation; or, where a citation for non-compliance exists, the agency can demonstrate that it has rectified the non-compliance.
- The company has mechanisms to ensure that no deception, fraud and/or coercion in the recruitment, placement, transport or management of migrant workers take place.
 - The company, or subcontractors acting on its behalf, provides jobseekers with accurate details of working conditions at the time of recruitment, including the nature of work, wages, benefits and duration of contract.
 - Details of working and employment conditions are communicated to jobseekers in a language they understand.
 - False promises are not made to applicants or workers regarding employment conditions, job locations, employment or contract duration, or anticipated earnings.

- Training is provided to workers both before departure and upon arrival to ensure that they understand their own rights and employer obligations and responsibilities.
- Pre-departure orientation is conducted to review contractual obligations, terms and conditions of work and other matters including but not limited to living conditions, company policies, and any grievance mechanisms that may be in place for workers.
- The subcontracted agency has an implementing structure, an accountable officer, and clear procedures to ensure that all policies are compliant with all relevant legislation and regulations. This includes a current registry of laws for all countries of operation; and a mechanism that ensures the company is regularly informed of new legislation/regulations or changes in legislation/regulations.
- The subcontracted agency has a code of conduct that prohibits forced labor and human trafficking and sets out protective measures for migrant workers. The code covers principles elaborated in relevant ILO Conventions and the Code of Conduct of the International Confederation of Private Employment Agencies (CIETT), and applies to all parties in the chain of recruitment. The code is supported by an institutional structure that ensures its effective implementation.
- The subcontracted agency has established a mechanism for confidential reporting of noncompliance, a grievance mechanism, procedures of investigation and reporting on grievances, and protection for whistleblowers.
- The subcontracted agency has established effective remediation procedures in case of verified reports of noncompliance, including mechanisms to ensure the reimbursement of workers for any recruitment fees charged.
- The company, or subcontractors acting on its behalf, does not use any means to restrict migrant workers' freedom to terminate employment, for example by levying excessive recruitment fees, requiring deposits, or withholding personal documentation.

Appendix I: QuickBase Handbook Instructions

Please refer to this [handbook](#) to see instructions on various actions that can be done in QuickBase. This includes onboarding, uploading documents (Garment Registration, WCC, Deadstock Verification letters), updating traceability information, etc.

Appendix J: Sustainable Forests Commitment

Reformation is deeply committed to sourcing environmentally conscious materials and engaging suppliers to gain traceability into all levels of the supply chain so we can confidently stand behind our stuff. We are a proud member of the [CanopyStyle](#) Initiative to help drive positive change for our forest products and ensure that all our forest-based products come from sustainably managed forests. This includes the sourcing of cellulosic fibers such as viscose, modal, and lyocell, as well as paper and paper-based packaging products.

Conservation of Ancient and Endangered Forests and Ecosystems

Reformation is committed to eliminating fibers sourced from ancient and endangered forests¹. If we discover that fabrics, paper or packaging we are using contain virgin raw material from ancient or endangered forests, we will work with our suppliers to shift fiber sourcing to meet our forest policy requirements. We support the CanopyStyle initiative and the collective effort to source only fabrics free of ancient and endangered forests by 2020.

Reformation will continue to:

1. Assess our existing use of forest fibers and eliminate sourcing from endangered species habitat and ancient and endangered forests[2].
2. Work to eliminate sourcing from companies that are logging forests illegally[3], engaged in deforestation, or from areas being logged in contravention of indigenous and local peoples' rights, or from other controversial suppliers.
3. Work with Canopy and our suppliers to support collaborative and visionary solutions that protect remaining ancient and endangered forests.
4. Should we find that any of our fibers are being sourced from ancient and endangered forests, endangered species habitat or illegal logging, we will engage our suppliers to change practices and/or re-evaluate our relationship with them.

Recognizing, respecting and upholding human rights and the rights of communities

Reformation will request that our suppliers respect the Universal Declaration of Human Rights and acknowledge indigenous and rural communities legal, customary or user rights to their territories, land, and resources.[8] To do so, we request that our suppliers acknowledge the right of Indigenous People and rural communities to give or withhold their Free, Prior and Informed Consent (FPIC) before new logging rights are allocated or plantations are developed. We request that our suppliers resolve complaints and conflicts, and remediate human rights violations through a transparent, accountable, and agreeable dispute resolution process.

Reduce greenhouse gas footprint

As part of our ongoing leadership on climate Reformation supports initiatives that advance forest conservation to reduce the loss of high carbon value forests. We encourage suppliers to avoid harvest in these areas and give preference to those that use effective strategies to actively reduce their greenhouse gas footprint.

Forest certification for fibers

Reformation will continue to request that any fibers that must be sourced from forests are from responsibly managed forests, certified to the Forest Stewardship Council (FSC) certification system, and where FSC certified plantations[9] are part of the solution.

¹ Ancient and endangered forests are defined as intact forest landscape mosaics, naturally rare forest types, forest types that have been made rare due to human activity, and/or other forests that are ecologically critical for the protection of biological diversity. Ecological components of endangered forests are: Intact forest landscapes; Remnant forests and restoration cores; Landscape connectivity; Rare forest types; Forests of high species richness; Forests containing high concentrations of rare and endangered species; Forests of high endemism; Core habitat for focal species; Forests exhibiting rare ecological and evolutionary phenomena. As a starting point to geographically locate ancient and endangered forests, maps of High Conservation Value Forests (HCVF), as defined by the Forest Stewardship Council (FSC), and of intact forest landscapes (IFL), can be used and paired with maps of other key ecological values like the habitat range of key endangered species and forests containing high concentrations of terrestrial carbon and High Carbon Stocks (HCS). (The Wye River Coalition's Endangered Forests: High Conservation Value Forests Protection – Guidance for Corporate Commitments. This has been reviewed by conservation groups, corporations, and scientists such as Dr. Jim Stritholt, President and Executive Director of the Conservation Biology Institute, and has been adopted by corporations for their forest sourcing policies). Key endangered forests globally are the Canadian and Russian Boreal Forests; Coastal Temperate Rainforests of British Columbia, Alaska and Chile; Tropical forests and peat lands of Indonesia, the Amazon and West Africa.

Shift to more environmentally and socially beneficial fibers

Reformation is committed to conserving, protecting and restoring natural resources. Reformation will collaborate with [Canopy](#), innovative companies and suppliers to encourage the development of fiber sources that reduce environmental and social impacts, with a focus on agricultural residues[10] and recycled fabrics and fibers.

In 2020, Reformation will put in place a preference for purchasing man-made cellulose with a minimum of 50% of innovative fiber sources and develop a 2025 procurement target for these closed-loop solutions, based on viscose fiber producer innovation.

Where virgin fiber is necessary, Reformation will work with suppliers and Canopy to explore and encourage the development of agricultural residues and fibers such as wheat straw as a commercially viable fiber source for paper-based packaging.

Further, Reformation also commits to continue maximizing our use of papers and packaging with high post-consumer recycled and agricultural residue content. We use Canopy's [Ecopaper database](#) and [The Paper Steps](#) as a guide for paper sourcing.

Support best processing practices

Reformation requires that our man-made cellulosic suppliers use best available environmental practices for processing, such as 'closed-loop' processing along with adherence to our RSL.

Paper manufacturing is a resource-intensive process that can lead to air and water emissions that impact overall environmental quality. Therefore we give purchasing preference to paper that is chlorine free and has been processed utilizing responsible bleaching technologies such as chlorine free (PCF and TCF is preferred with ECF as a minimum) bleaching as per [The Paper Steps](#). We also give preference to suppliers that monitor and reduce overall emissions by adopting the latest technologies and practices to minimize air and water pollution.

Design and prioritization and reduction and reuse

Reformation understands that the reduction and re-use of paper and packaging is of paramount importance for the protection of the world's limited forest resources. Over the next 3 years, with the support of Canopy, we will continue to:

1. Source or design reusable/refillable shipping boxes to reduce corrugated paper and paperboard
2. Design and implement e-commerce, shipping, display and wrapping systems that minimize the use of paper
3. Utilize reusable packaging systems for intra business applications
4. Increase the use of digital communication, marketing and accounting systems
5. Adopt best practices including researching and applying emerging and circular economy innovations.

Promote industry leadership

Reformation looks to create a positive impact together with our suppliers, partners and customers. As implementation progresses, Reformation will work with suppliers, non-governmental organizations, other stakeholders and brands that are part of the [CanopyStyle](#) initiative to support the protection of ancient and endangered forests and forward solutions to reduce demand on our forests. We will also seek opportunities to educate and inform the public on these issues and solutions through our marketing and communications.

[1] Ancient and endangered forests are defined as intact forest landscape mosaics, naturally rare forest types, forest types that have been made rare due to human activity, and/or other forests that are ecologically critical for the protection of biological diversity. Ecological components of endangered forests are: Intact forest landscapes; Remnant forests and restoration cores; Landscape connectivity; Rare forest types; Forests of high species richness; Forests containing high concentrations of rare and endangered species; Forests of high endemism; Core habitat for focal species; Forests exhibiting rare ecological and evolutionary phenomena. As a starting point to geographically locate ancient and endangered forests, maps of High Conservation Value Forests (HCVF), as defined by the Forest Stewardship Council (FSC), and of intact forest landscapes (IFL), can be used and paired with maps of other key ecological values like the habitat range of key endangered species and forests containing high concentrations of terrestrial carbon and High Carbon Stocks (HCS). (The Wye River Coalition's Endangered Forests: High Conservation Value Forests Protection – Guidance for Corporate Commitments. This has been reviewed by conservation groups, corporations, and scientists such as Dr. Jim Stritholtt, President and Executive Director of the Conservation Biology Institute, and has been adopted by corporations for their forest sourcing policies). Key endangered forests globally are the Canadian and Russian Boreal Forests; Coastal Temperate Rainforests of British Columbia, Alaska and Chile; Tropical forests and peat lands of Indonesia, the Amazon and West Africa.

[2] A good source to identify endangered, threatened and imperiled species is NatureServe's Conservation Status rankings for imperiled species that are at high risk of extinction due to very restricted range, very few populations (often 20 or fewer), steep declines in populations, or other factors.

[3] Legal forest management is management that complies with all applicable international, national, and local laws, including environmental, forestry, and civil rights laws and treaties.

[4] Coastal temperate rainforests are rare and only ever covered 0.2% of the planet. On Vancouver Island only 10% of Vancouver Island's productive old growth rare coastal temperate rainforest remain. These stands of 1,000-year old trees continue to be harvested despite their immense value to local communities for tourism. Their accessibility and beauty is a remarkable global asset and Canopy is working to see these last stands protected.

[5] Conservation solutions are now finalized in the Great Bear Rainforest. On February 1st, 2016 the Government of British Columbia, First Nations, environmental organizations and the forest industry announced 38% protection in the Great Bear Rainforest and an ecosystem-based management approach that will see 85% of this region off limits to logging. Provided these agreements hold – sustainable sourcing has been accomplished in this ancient and endangered forest. We encourage ongoing verification of this through renewal of Forest Stewardship Council certification.

[6] Protection of Boreal Forests where the largest remaining tracts of forests are located worldwide is critical and dissolving pulp is becoming an increasing threat. Canada's Boreal Forest contain the largest source of unfrozen freshwater world wide and are part of the world's largest terrestrial carbon sink – equivalent to 26 years worth of global fossil fuel use. Canopy is committed to working collaboratively on the establishment of new protected areas, the protection of endangered species and the implementation of sustainable harvesting in Canada's Boreal Forest.

[7] Indonesia experiences the second highest rate of deforestation among tropical countries, with the island of Sumatra standing out due to the intensive forest clearing that has resulted in the conversion of 70% of the island's forested area (FAO Forest Assessment 2010; Margono, B.A. et al. 2012). Canopy and our NGO partners are focused on forwarding lasting protection of the Leuser Ecosystem. Asia Pulp & Paper (APP) and Asia Pacific Resources International Ltd. (APRIL) have been identified as the primary cause and have been criticized by local and international groups for being implicated in deforesting important carbon rich peatlands, destroying the habitat for critically endangered species and traditional lands of indigenous communities, corruption, and human rights

abuses (Eyes on the Forest. 2011. <http://www.eyesontheforest.or.id/>). APP and APRIL have both put in place forest policies, tracking implementation closely will be key to understanding if either company offers lasting solutions for Indonesia's rainforests. Cellulosic fibre producer Sateri, is part of the Royal Golden Eagle Group along with APRIL.

[8] <http://www.un.org/en/universal-declaration-human-rights/>

[9] Plantations areas that have been "established by planting or sowing using either alien or native species, often with few species, regular spacing and even ages, and which lack most of the principal characteristics and key elements of natural forests". Plantations prior to 1994 are often FSC certified. Source FSC:

<http://www.fsc.org/download.plantations.441.htm>

[10] Agricultural Residues are residues left over from food production or other processes and using them maximizes the lifecycle of the fibre. Fibres used for paper products include cereal straws like wheat straw, rice straw, seed flax straw, sugarcane bagasse, and rye seed grass straw. Where the LCA (life cycle analysis) shows environmental benefits and conversion of forest land to on purpose crops is not an issue, kenaf can also be included here. Depending on how they are harvested, fibres for fabrics may include flax, soy, bagasse, and hemp. (Agricultural residues are not from on purpose crops that replace forest stands or food crops.)

References

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www.afirm-group.com/afirm-rsl

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www.aafaglobal.org/AAFA/Solutions_Pages/Restricted_Substance_List

NRDC CLEAN BY DESIGN

www.nrdc.org/resources/clean-design-apparel-manufacturing-and-pollution

PLEASE REFER TO THEREFORMATION.COM/WHOWEARE FOR MORE INFORMATION