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**alphabroder** is committed to being a leader in Corporate Social Responsibility (CSR). CSR is an ongoing, continuous process that evolves as new laws, guidelines, consumer expectations and industry initiatives come to light. We continually monitor global, national and local initiatives and implement refinements and improvements to our CSR platform on a regular ongoing basis.

We categorize our product assortment in the following three ways:

- a) Trade brand product-- products not exclusive to us, but rather distributed by all or many distributors industry-wide.
- b) Retail or Nationally branded products-- some exclusive to us, others not exclusive.
- c) Private Brand- proprietary brands designed, sourced, and manufactured by alphabroder.

The focus of **alphabroder's** CSR initiative is on our Private Brand product. Information on our Trade and National Retail brands' CSR programs can often be found on their corporate websites.

**Our commitment to our customers and their business encompasses all aspects of compliance: social compliance, product safety, product quality, supply chain security and environmental stewardship.**

#### **Quality Certification Alliance (QCA)**

QCA is an independent, non-governmental, not-for-profit accrediting organization for industry suppliers. alphabroder is proud to have taken a leadership role in our industry's commitment to responsible corporate behavior. As a Founding Member and an active Board Member we take this commitment seriously. Additional information on QCA may be found at <http://www.qcalliance.org/>.

The industry benefits through one unified leadership body to develop and uphold merchandise quality and safety standards - QCA exists to be this governing organization. QCA provides guidelines and a mechanism to test, assess, and verify compliance around complex safety, quality, environmental, security and social issues.

#### **What does QCA mean for wholesale apparel purchasers?**

QCA certification helps protect your brand and reputation by offering compliance with the highest product standards in the market. QCA's mission is to provide the supplier base for the Promotional Products Industry with a common set of third-party standards in an effort to consistently provide safe, high-quality, socially compliant, and environmentally conscious merchandise, while remaining transparent to its distributors, its clients and ultimately the end user.

QCA was established to uphold the integrity of the member organization's quality standards through a comprehensive, systematic, independent third-party assessment and accreditation process of members' compliance efforts and achievements. QCA is committed to ensuring that merchandise manufactured, imprinted and imported, by member companies conforms to the highest degree of established domestic and international product laws regulations and standards for that product.

#### **Social Compliance**

A copy of **alphabroder's** Social Accountability Policy statement can be found on our website, <https://www.alphabroder.com/cgi-bin/online/webshr/embed-page.w?p=corporate-responsibility.htm>. All of our Private Brand factories receive this as part of our Global Sourcing, Logistics & Compliance Guide. Each factory must confirm receipt and understanding of the compliance code in writing. In addition to communicating and educating our manufacturing base regarding compliant social compliance, we engage globally recognized independent third party auditing groups to insure our manufacturing base in actively engaged and in compliance to our standards. A requirement of our ongoing accreditation with QCA requires annual and bi-annual recertification and auditing of our manufacturing base. This is an important distinction from other accreditation organizations that do not require ongoing re-certification and it separates QCA members to a higher level.

## Product Safety

Our corporate Private Brand team works diligently to ensure that our Private Brand products are made to strict safety standards. Our product safety policies are based on our core value of protecting our customers from unforeseen harm.

### Product Testing Initiative

In collaboration with its entire supply chain: product development & sourcing, manufacturing base (and their supply chain) and accredited third party testing and auditing services, **alphabroder** applies rigid operating procedures designed to meet or exceed compliance with regulations and laws enforced by the U.S. Consumer Product Safety Commission (CPSC) and similar consumer safety agencies globally. We are continuously enhancing our safety requirement standards, which are based on a combination of U.S. law, international law and U.S. and International voluntary requirements.

### The Consumer Product Safety Improvement Act (CPSIA)

The Consumer Product Safety Improvement Act (CPSIA) became law on August 14, 2008 and is applicable to consumer products (including textile wearables and non-wearables) manufactured on and after November 12, 2008. The requirements of the CPSIA affect the blank products you purchase from **alphabroder** and may also affect the decorated products you sell to your customers.

The CPSIA incorporates significant changes to the previous existing regulations surrounding consumer wearables and other consumer products. These changes involve formal compliance certification on flammability and other applicable testing for adult apparel as required by the CPSC. There are also sweeping changes regarding children's apparel and some non-apparel products testing for flammability, lead, sharp points and edges, small parts and phthalates.

The children's products (defined as products intended for use by children 12 years of age or younger) regulations are multi-faceted with phased implementation of various testing, hazardous substance contents and permanent tracking labels over the course of a two year period, commencing the date of the law's enactment.

### What is a General Certificate of Conformity (GCC)?

The CPSIA requires all importers and domestic manufacturers of apparel and other applicable non-wearable consumer products to issue GCC's for every lot manufactured on or after November 12, 2008. It is important to note that both imported and domestically made products will require GCC's.

The issuer of the GCC is responsible for maintaining all required testing materials that support the compliance certified by the importer or domestic manufacturer. It is important to note that for the imprintable sportswear industry, the importer or domestic manufacturer can only issue a GCC for the blank product they manufacture.

### What is a Children's Product Certificate (CPC)?

The CPSIA requires all importers and domestic manufacturers of children's apparel and other applicable non-wearable children's products to issue CPC's for every lot manufactured of children's product on or after November 12, 2008. It is important to note that both imported and domestically made children's products will require CPC's.

The issuer of the CPC is responsible for maintaining all required testing materials that support the compliance certified by the imported or domestic manufacturer of children's product. It is important to note that for the imprintable sportswear industry, the importer or domestic manufacturer can only issue a CPC for the blank children's product they manufacture.

### How are the GCC and CPC made available to the CPSC and to the importers' and/or domestic manufacturers' customers?

For our Trade and Retail partners, instructions as to how to access the GCC's and CPC's directly from their websites is included in their CPSIA statements on the BBC websites. Customers can also request GCC's and CPC's by emailing [cpsia@alphabroder.com](mailto:cpsia@alphabroder.com).

For Private Brand, customers can request GCC's and CPC's by emailing [cpsia@alphabroder.com](mailto:cpsia@alphabroder.com).

### What is alphabroder doing to comply with the CPSIA?

As direct importers of most of our own Private Brand products, we already have in place testing, compliance and GCC/CPC procedures with all of our Private Brand manufacturers in compliance to CPSIA regulations.

## California Proposition 65

The Safe Drinking Water & Toxic Enforcement Act of 1986, also known as, Proposition 65 (Prop 65) is a California law that has been in effect since 1986 to promote clean drinking water and keep toxic substances that cause cancer and birth defects out of consumer products. Proposition 65 requires the State of California to publish a list of chemicals known to cause cancer or birth defects or other reproductive harm. This list, consisting of a wide range of naturally occurring and synthetic chemicals known to cause cancer or birth defects or other reproductive harm is updated at least once a year and has grown to include more than 1,000 chemicals since it was first published in 1987.

Prop 65 law requires that anyone at reasonable risk of exposure to be informed when substances classified as toxins are present. Proposition 65 enables Californians to make informed decisions about protecting themselves from exposure to these chemicals. It also prohibits California businesses from knowingly discharging significant amounts of listed chemicals into sources of drinking water.

**alphabroder is committed to providing quality, safe products to its customers.** As a best practice, we require the manufacturers of our Private Brand merchandise to purchase raw materials that meet or exceed Prop 65 safe harbor limits. Our established testing program incorporates a vigorous Restricted Substance List (RSL) which all vendors, sources of materials, chemicals and other wares used within the total supply chain, supplied or used in producing alphabroder proprietary apparel brands must follow.

Where there may be potential chemical risk, manufacturers are required to affix a clear and reasonable permanent written, printed, or graphic safe-harbor" warning label to or accompanying the product.

Through the implementation of our testing program and the RSL, we trust that alphabroder private brand products falls within the safe harbor limits under Prop 65 regulations and thus do not require safe harbor warning labels to be attached.

Questions about Prop65 requirements or inquiries related to product safety for alphabroder Private Brands may be addressed to the alphabroder Compliance department at [cpsia@alphabroder.com](mailto:cpsia@alphabroder.com).

## Product Quality

**alphabroder** is proud of the quality and value of our Private Brand products. It is our pledge to offer our customers consistent high quality at an honest and good value. We continually update and improve the quality processes for Private Brand products.

We conduct independent third party audits of our quality processes, procedures and capabilities at every factory manufacturing our Private Brand products to insure they have the processes and procedures in place to comply with our quality standards.

Our Trade and Retail/National brands have quality standards unique to their brands. alphabroder works closely with these brands to insure their quality is consistent to the brand.

## Supply Chain Security

The C-TPAT (Customs Trade Partnership Against Terrorism) is a joint initiative between the U.S. Government and certified businesses to cultivate cooperative relationships based on the integrity of a company's security practices. These practices are vital in maintaining an overall efficient and compliant supply chain and strengthened border security.

In 2007 **alphabroder** achieved Tier I C-TPAT validation and September 2008 we received Tier II validation. **alphabroder** C-TPAT Status Verification Interface (SVI) Number is: 9d00e909-45bd-4013-94ec-327a1c460447.

This validation covers our entire Private Brand supply chain including factories, freight forwarders, and customs brokers. It also verifies the security practices employed in our Corporate HQ and all of our Corporate DC's.

C-TPAT is currently a voluntary program and US Customs has not determined a time frame for mandatory certification.

## **Environmental Stewardship**

**alphabroder** is passionate about preserving the environment for generations to come. We make every effort to operate our business in a way that promotes Environmental Stewardship in all aspects of the promotional product procurement process. From a client-customer's initial interaction through delivered product, our company strives to ensure we and our suppliers reduce use of natural resources, reuse where feasible and recycle whenever possible. We recognize a shared responsibility to act as a positive force for the enhancement of the local and global environment. With this in mind, we encourage our business partners to share in our vision by complying with or exceeding all international and local consumer and environmental laws and regulations.

Through best practice and policy, alphabroder will demonstrate our commitment to exemplary environmental stewardship driven by the following principles:

### **Sustainability**

We will carefully consider how to best design our products that they can be maintained over time without damaging the environment.

### **Conservation**

We strive to reduce energy consumption, waste generation and the production of greenhouse gases and plan for the careful use of natural resources in order to prevent depletion, prevent pollution and to do no harm to the environment.

### **Restoration**

We will work to renew damaged natural resources to their predefined historical state and improve the health of the environment.

### **Compliance**

We will operate our business to meet or exceed standards and regulations for compliance with state, federal, and global environmental regulations.

### **Leadership**

We will always strive to "do the right thing" in matters pertaining to the conservation of the environment here and afar.

### **Continuous Improvement**

We will on a regular basis, review our environmental program and identify opportunities for improvement to our best practice and implement them along the way.

We appreciate your business and thank you for your continued support!