



# TRANSPARENCY IN THE SUPPLY CHAIN

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## GENERAL REQUIREMENTS

The Living Style Group, and its affiliates Whalen LLC, Whalen Limited, True Innovations & Design (USA) LLC, ClickDecor.com, and Living Style (Singapore) Pte. Limited (collectively “Living Style”) remains committed to designing, developing, manufacturing, and selling quality products that are produced under ethical conditions that protect worker rights and safety. Derived from the policies, standards, and conventions of the United Nations (UN) and the International Labor Organization (ILO), as well as other leading independent standards, the Living Style Group Code of Conduct defines requirements that partner factories must meet, and these requirements ensure that worker rights, safety, and security are maintained. Practices related to human trafficking, physical or verbal abuse, sexual abuse, restricted freedom of movement, passport and personal document control, excessive or forced overtime, child or prison labor, failure to pay adequate minimum or overtime wages, and many other aspects related to worker welfare are all addressed in the Code of Conduct. Our global Compliance program is an extensive program of internal, third-party, and customer-driven audits and training programs at our partner factories that ensure that product and social compliance issues are reviewed and addressed throughout our supply chain.

It should also be noted that Living Style fully complies with the California Transparency in Supply Chains Act (SB657), which seeks to eradicate slavery and human trafficking in the supply chain. Sub-suppliers are generally outside the scope of the audit program. The requirements of this Act cover the five major areas identified below. Living Style is fully compliant with the Act and our ongoing efforts are described below:

### 1. VERIFICATION

Living Style conducts internal and independent third-party risk assessments of our factories to identify risks related to human trafficking, slavery, and other labor issues, such as child and migrant labor. Risk Assessments are also based on an analysis on a country by country basis, with special emphasis on countries that pose an increased risk. This verification also involves audits of Living Style partner factories. Living Style auditors are constantly on-site at factory locations to review compliance status and to address any product or social compliance issues that may exist.

### 2. AUDITING

Living Style conducts announced and unannounced internal audits at all its partner factories to ensure that the factory does not violate any areas of the Living Style Group Code of Conduct, including the risk of human trafficking and slavery. In addition, Living Style may contract independent third-party auditing firms to conduct random audits at Living Style’s top partner factories. In addition, ongoing third-party audits are conducted by Living Style’s major Customers, such as Walmart, Costco, Lowe’s, Target, Best Buy, Restoration Hardware, etc., for every product that ships from a Living Style partner factory. Living Style also accepts independent third-party audits following internationally recognized standards, such as Sedex Members Ethical Trade Audits (SMETA) and Business Social Compliance Initiative (BSCI) audits.



### 3. CERTIFICATION

Direct suppliers to Living Style are required to certify that the materials incorporated into our products comply with the local laws on slavery and human trafficking. In addition, Living Style suppliers certify that the manufacturing process at their facility, and their sub-supplier's facilities, does not involve any form of slavery or human trafficking.

### 4. INTERNAL ACCOUNTABILITY

All Living Style employees and contractors throughout the supply chain are held accountable to the Living Style Group's standards on slavery and human trafficking. Employees, Vendors, and Contractors are required to report any incident to the Living Style Group Compliance team. The Compliance team is committed to investigating all reported incidents. In addition, the Living Style Group Compliance team works with partner factories on the development and execution of Corrective Action Plans (CAPs) to address any violations to the Code of Conduct.

### 5. TRAINING

The Living Style Group Compliance team is responsible for training all company employees regarding mitigating the risk of slavery and human trafficking throughout our supply chain. Training materials are provided to Living Style employees and Suppliers in multiple countries and languages, including English, Spanish, Chinese, and Vietnamese. In addition, Living Style conducts Vendor Seminars with its partner factories to review product and social compliance issues, including issues related to slavery, human trafficking, child labor, prison labor, and other compliance issues. The Living Style Group also provides access to e-learning to Suppliers on responsible recruitment and human trafficking through the Fung Group compliance program.

For additional information regarding the Living Style Group's program, please feel free to email [Compliance@LivingStyle.com](mailto:Compliance@LivingStyle.com).