



carter's®

VENDOR CODE OF ETHICS

OUR VALUES

ACT with integrity

We must hold ourselves to a higher standard. We do the right thing — even when no one is looking. We are truthful in what we say and transparent in our actions. We treat everyone respectfully.

EXCEED expectations

We know what is expected of us and we go beyond what is required. We are committed to being innovative and raising the bar to deliver extraordinary service, quality products, and outstanding value.

SUCCEED together

We are one team pursuing shared goals. We value teamwork, collaboration, and communication. We help each other to win together.

INSPIRE innovation

We are a creative and innovative organization. We challenge the status quo and believe in continuous improvement.

INVEST in people

We hire the best talent. We develop our people and encourage them to take a long-term view of their careers. We want people to grow with us. We set clear objectives and expectations, provide continuous feedback, and help people achieve their goals.

carter's

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INTRODUCTION

Carter's, Inc. and its subsidiaries ("Carter's" or the "Company") have earned the trust of customers for over 150 years by conducting its business with the highest level of integrity. To maintain our well-earned trust, Carter's requires its Vendors (Suppliers) to adhere to the same high ethical standards and create and maintain a fair and safe workplace for its workers. Carter's also requires its Vendors (Suppliers) to comply with all applicable legal and regulatory standards.

This Vendor (Supplier) Code of Ethics ("Code") incorporates applicable standards from Carter's Code of Ethics, which is available on the Company's ESG page at esg.carters.com. In this Code, "Vendor" means any firm or individual that provides a product or service to Carter's directly or indirectly, including but not limited to agents, distributors, factories, licensees and or any other suppliers. This Code, which is similar to the Company's Code of Ethics, is a frame of reference that will enable Vendors to make good ethical decisions while working with or on behalf of Carter's. While the Code cannot address every aspect of ethical behavior, it serves as a guide to help Vendors make business decisions with integrity and in a manner consistent with Carter's values, its policies, and the law. The Code outlines what is expected of the Company's Vendors, how to identify and resolve ethical dilemmas, and whom to contact when issues and questions arise.

Violations of this Code could lead to serious financial and criminal penalties for the Company and Vendors, criminal liability for individuals, and disciplinary actions by the Company, including termination of the business relationship. This Code sets out expectations that build upon Carter's legal agreements with Vendors and does not establish any additional rights or benefits as to Carter's, its Vendors, or other third parties.

ETHICAL BUSINESS PRACTICES

Carter's expects its Vendors to conduct their business and activities ethically and in accordance with obligations under their agreements with the Company and in compliance with all applicable laws. Carter's acknowledges that Vendors have their own internal codes of conduct, and, in many instances, those codes of conduct share many of the same values contained in this Code. However, Carter's wants to ensure that Vendors understand the expectations for any company or person doing business with Carters. Therefore, in addition to any specific obligations under an agreement with Carter's, all Vendors (Suppliers) must:

- Ensure that all business records are retained and disposed of in full compliance with any governing laws or regulations.
- Make ethical business decisions that reflect Carter's values.
- Adhere to Carter's Anti-Corruption and Anti-Bribery Policy and refrain from offering or accepting a bribe, kickback, bartering arrangement for goods or services, and/or any other incentive in order to obtain or retain Carter's business.
- Adhere to Carter's Conflict of Interest and Gift Policy. We will not accept, directly or indirectly, any cash or monetary equivalents, objects of value, or preferential treatment from any person or enterprise that has or is seeking business with Carter's where doing so may influence, or appear to influence, our business judgment.
- Protect and responsibly use both the physical and intellectual assets of Carter's, including Carter's information technology resources and intellectual property when authorized by Carter's to use such assets:
 - Information technology and systems provided by Carter's, including e-mail, only for legitimate business-related purposes.
 - Carter's intellectual property may not be used for any purposes not approved by Carter's.
- Comply with all Carter's information security requirements which govern the conditions required for receiving access to Carter's internal corporate network, all systems, and buildings when necessary.
- Comply with all requirements relating to the intellectual property ownership rights of Carter's and third parties including but not limited to patents, copyrights, trademarks, and trade secrets.



QUESTION

🔍 **Gizmo LLC (a vendor) lands a contract with Carter's. As a demonstration of appreciation, Gizmo LLC provides the Carter's associate who finalized the contract free concert tickets. Does this comply with the Carter's Vendor Code of Ethics?**

ANSWER

✔️ **No. Such actions are strictly prohibited. Gizmo LLC must adhere to Carter's Conflict of Interest and Gift Policy, including the giving or receiving of gifts to sway individuals.**

COMPLIANCE WITH LAWS AND POLICIES

All Vendors will conduct their business activities in full compliance with the laws and regulations of the countries in which they are located and in which they do business. Vendors will require their employees and representatives to comply with the same laws and regulations that govern the Vendor. These requirements must, at a minimum, meet or exceed similar requirements contained in the Vendor's agreement with Carter's. Additionally, Vendors must comply with the following:

- Comply with all applicable global anti-bribery laws, including the United States Foreign Corrupt Practices Act ("FCPA") and UK Bribery Act.
- Comply with applicable industry specific product safety, environmental, traceability, and employment laws and regulations that govern the Vendor's business practices.
- Comply with all applicable data privacy laws, and with all privacy terms contained in agreements with Carter's, especially with respect to the retention and use of customer's data and Carter's intellectual property.
- Be honest, direct, and truthful in discussions with regulatory agency representatives and government officials.



ANTI-CORRUPTION

Carter's expects each Vendor to conduct business with integrity and, regardless of differing local customs and traditions, to comply with all applicable laws and regulations prohibiting corrupt practices, including but not limited to (i) the U.S. FCPA, (ii) the U.K. Bribery Act, and (iii) similar laws and regulations in other countries that may apply to the Company and its Vendors. Corruption generally refers to obtaining, or attempting to obtain, a personal benefit or business advantage through improper or illegal means.

Corruption may involve payments or the exchange of anything of value and includes the following conduct:

- **Bribery** (bribery of a government official or commercial bribery) - A bribe is payment of anything of value, including cash or cash equivalent (such as gift cards), gifts, travel expenses, entertainment (such as meals and events), services, or loans to a government official or business partner in exchange for performing some act or entering into a business arrangement.
- **Extortion** - Extortion is the threat or act of intimidation that attempts to force or coerce another party to perform an act or enter into a business arrangement.
- **Kickbacks** - A kickback is the return of money already paid or due to be paid as part of a legal contract as a reward for making or fostering business arrangements.

Carter's strictly prohibits Vendors from giving or offering money or anything of value to anyone in order to: (i) influence the acts or decisions of that person; (ii) secure any improper advantage; (iii) obtain or retain business; or (iv) take any action that is, or could reasonably be construed as, commercial bribery. These prohibitions apply to our business operations and to anyone acting on our behalf, including agents, consultants, and contractors.

Questions about complying with anti-corruption or anti-bribery laws, should be addressed to a member of Carter's Compliance team at compliance@carters.com. Vendors are asked to always **RAISE YOUR HAND** and report any suspected bribery or corrupt activity. For more information, please refer to our Anti-Corruption and Anti-Bribery Policy or email integrity@carters.com.

Vendors must complete our due diligence review process before entering into any agreement with Carter's. If a Vendor hires a third party to work on a project that requires interaction with a government official on behalf of Carter's, the Vendor must closely monitor the actions of the third party to ensure compliance with anti-corruption laws.

Vendors are required to maintain honest and accurate books and records. All invoices submitted to Carter's for payment or reimbursement require accurate and adequate supporting documentation and may not mis-characterize or disguise any transaction or expenditure.

Vendors must annually certify to Carter's Anti-Corruption and Anti-Bribery Policy.



TIPS



1. Know the Laws
2. Stay Informed
3. Seek Guidance
4. Report Suspected Activity
5. Complete Due Diligence
6. Maintain Accurate Records



CONFLICTS OF INTEREST

Carter's employees are trained to avoid not only actual conflicts of interest, but any activities that could give the appearance of a conflict.

Vendors are required to avoid actions that may result in conflicts of interest, which include offering, providing, or reimbursing personal gifts, favors, personal travel expenses, lodging or other housing, services of any kind, excessive meals or entertainment, or any other thing of value to Carter's team members. If a Carter's employee has a spouse, domestic partner, or other close family member who holds a financial interest in the Vendor, such relationship must be fully disclosed to Carter's. Any deviation from this Policy requires prior written consent from the Carter's Compliance Department.

INSIDER TRADING

During the course of your relationship with Carter's, you may be made aware of information that is not readily available to the public. It is important that you do not trade Carter's securities (including stock, derivatives, etc.) on the basis of material non-public information, relating to Carter's. "Material Information" means information that an average investor would find important in making an investment decision about Carter's. "Non-public" means that it's confidential information not yet shared with the public. Buying or selling securities based on this kind of information, or sharing this information with others, is a violation of insider trading laws, and can have serious consequences for you and Carter's.

LABOR RIGHTS

Vendors must ensure employees are not exploited in any way, are treated, and compensated fairly, and allowed the freedom of association. At a minimum, Vendors must comply with the following practices, and have and implemented policies underlying them:

- A. **Child Labor:** The use of child labor is strictly prohibited. Vendors employees must be at least sixteen (16) years of age to work on the production of CRI products. Compliance with all local legal requirements pertaining to employees between the ages of sixteen (16) and eighteen (18) is also required. Vendors must maintain official and verifiable documentation of each worker's date of birth.
- B. **Forced Labor, Slave Labor, and Human Trafficking:** Vendors must not use any form of forced labor, including, but not limited to, slave labor, prison labor, indentured labor, and bonded labor. Vendors must conduct due diligence throughout the recruitment and hiring process to prevent and address labor exploitation by third parties such as labor brokers or contractors. No employees pay for their job. Travel documents and other forms of personal identification shall always remain in the employee's possession, and never be held by any third party, and all employees must be informed of the basic terms of their employment in a language they understand before leaving home.
- C. **Discrimination:** Vendors must never discriminate in hiring practices or in any other employment related practice on the basis of any personal characteristic or belief, such as race, gender, age, nationality, religion, social or ethnic origin, sexual orientation, pregnancy, family status, political opinion, or other such classes protected through national law or international standards. Vendors shall provide all employees with equal pay for work of equal value regardless of race, ethnicity, gender, or social class or status.
- D. **Harassment or Abuse:** Vendors must treat employees in a fair manner and with dignity and respect. The use of physical or mental disciplinary practices, such as intimidation, psychological coercion, threats, or harassment of any kind, is strictly prohibited. Vendors shall maintain a formal written disciplinary policy, and all disciplinary measures shall be documented and preserved.
- E. **Compensation and Benefits:** Vendors must compensate employees in a timely manner with wages and benefits that are in compliance with all local and national laws, including minimum wage and any overtime premium payments. Vendors may only make deductions from wages that are required by laws, and no worker may be charged for receiving or retaining their job.
- F. **Working Hours:** Vendors must establish work schedules that are consistent with local legal requirements, including maximum work hour limits. Employees must be granted at least one day off in every seven (7) day period. Overtime must be voluntary and worked without threat of penalty or punishment. Overtime should not be systemic and must be in compliance with local legal requirements relating to work hours. Also, where provided to eligible employees by law, leave privileges, vacation time, and holidays shall be granted. Vendors must prepare and maintain accurate payroll and time records that are consistent with actual hours worked, including both regular and overtime hours, leave, vacation, and holiday time.
- G. **Freedom of Association and Movement:** Vendors must recognize and respect the rights of employees to freely join or not join any association, organization, or collective bargaining unit, as applicable by local law, without any unlawful interference by management. The right to bargain collectively shall not be restricted. Vendors must not subject employees to any intimidation or harassment for discussing, considering, or joining any association, organization, or collective bargaining unit. While reasonable rules, regulations, and curfews may be imposed as necessary for the safety and comfort of employees, during non-working hours, employees must be free to leave the facility grounds.
- H. **Homework:** All production must be conducted in legitimate work facilities. No work may ever be allowed to be performed at an employee's home or otherwise outside of a normal work location ("Homework").



QUESTION

❓ What measures must Vendors take to safeguard the labor rights and well-being of their workers?

ANSWER

✔ Vendors are responsible for ensuring fair treatment of their workers, and providing timely and equitable payment. They must grant workers adequate breaks, adhere to legal work hour limits, and allow workers to join groups freely. Workers deserve respectful treatment, free from abuse or consequences for their personal choices.



QUESTION

What can Vendors do to ensure their workers are in a safe working environment?

ANSWER

Vendors must ensure that all machines and equipment are safe and operate effectively. If workers require specific clothing or protective gear such as goggles or boots for safety, vendors are required to provide personal protective equipment. In the event of an emergency such as a fire, workers need to know how to safely evacuate the premises. Fire alarms must also be provided to warn workers in the event of an emergency. Fire extinguishers must also be provided to workers, including appropriate training.

FOREIGN CONTRACT LABOR

Vendors who use foreign contract labor must treat all workers fairly and equally. Migrant workers, those who move from one country to another for the purpose of employment, must be employed voluntarily and must be free to terminate their employment at any time. Workers must not be required to make any monetary deposits or surrender any original identification documents as a condition of employment. Carter’s prohibits the use of recruitment fees.

WORKPLACE ENVIRONMENT

Vendors shall provide employees with safe, clean, and healthy working conditions. At a minimum, Vendors must comply with the following practices, and have implemented policies underlying them:

- A. Equipment Safety:** Vendors must ensure the operational safety of all equipment. Vendors must provide all equipment with routine inspection and service and provide all employees with appropriate training. Employees handling flammable and or hazardous materials must be properly trained.
- B. Ventilation and lighting:** Vendors must ensure work areas are properly ventilated and adequately lit. In work areas where chemicals are used, proper ventilation and air circulation must be provided.
- C. Personal Protective Equipment:** Vendors must provide employees with appropriate personal protective equipment, including eye and ear protection, safety gloves, and appropriate footwear, together with training and instructions on proper use.
- D. Electrical:** Vendors must ensure all electrical wiring and associated electrical equipment including control panels, frayed wiring, circuits, and outlets are routinely inspected and serviced.
- E. Emergency Evacuation:** Vendors must have an appropriate number of exits that are clearly marked. All aisles, exits, and stairways must be kept clear and accessible.
- F. Fire Safety:** Vendors must have working fire alarms and an appropriate number of fire extinguishers. Fire drills must be conducted at least quarterly. If a factory is located within a building with multiple tenants or factories, Vendors must conduct joint fire drills with the other tenants or factories at least twice per year.
- G. Housing:** Vendors that provide housing to employees must comply with all applicable landlord tenant laws and regulations, including health, sanitation, and fire. If employees live in facility dormitories where local law allows curfew hours, employees are to be notified of the curfew and instructed on the safety risks in and around the dormitories.

ENVIRONMENT

Vendors shall maintain written environmental policies and standards and must comply with all applicable environmental laws and agree to be monitored separately for environmental stewardship. Vendors shall continuously monitor, and disclose upon request to Carter’s, their energy and natural resource usage, greenhouse gas emissions, water discharge, and waste disposal. Vendors need to take a progressive approach to minimizing impact on the environment.

PRODUCT QUALITY AND SAFETY

Carter’s customers expect well-designed, high-quality products at a great value. They also trust us to sell safe and compliant products. Consequently, Carter’s expects its Vendors to follow the tenets in this Code and the Company’s Product Safety and Quality Assurance process.

The terms and conditions contained in Carter’s agreements, including its Master Service Agreement, require that our Vendors guarantee that all goods sold to Carter’s are made in compliance with all applicable laws and regulations, including product safety and quality laws.

TRACEABILITY

Vendors are responsible for ensuring social and environmental responsibility and the integrity of our product content claims from the farm through the finished goods factory level. The only way to work towards this goal is to have transparency and traceability into all levels of the supply chain. Carter’s requires Vendors to map and continuously track and monitor all locations in all levels of their supply chain and upon request provide transparent information into the owned and/or subcontracted farms, mills, factories, and other sites that are involved in the production of our products.



QUESTION

How can Vendors make sure Carter’s merchandise is manufactured responsibly?

ANSWER

Vendors must guarantee that Carter’s products are responsibly produced by complying with Carter’s labor rights, workplace environment, environmental, product safety, and traceability expectations. Vendors need to oversee all locations involved in the production process, such as farms and factories, to ensure ethical and sustainable practices both socially and environmentally. The vendor is responsible for mapping, tracking, and continuously monitoring all locations at every level of their supply chain.



GLOBAL TRADE AND SECURITY

We rely on Vendors to ensure that all products manufactured for or sold to Carter's comply with all applicable laws, regulations, and standards, including the laws that regulate global trade, such as laws governing country of origin, importation, customs entry, export, licensing, and sale of imported merchandise. Vendors must ensure that all product markings and documentation are true and accurate and that appropriate records are maintained to validate information provided on all documents.

We continually work with our Vendors to strengthen our international supply chain by operating in compliance with our global security criteria, including the U.S. Customs Trade Partnership Against Terrorism (C-TPAT) and Canada Customs Partners in Protection (PIP) guidelines.

Our Vendors must be familiar with these guidelines. For more information about business integrity expectations, read the U.S. Customs C-TPAT and Canada Customs PIP guidelines.

CONFLICT MINERALS

Carter's expects all Vendors to ensure that merchandise sold to Carter's is free of any conflict minerals. Conflict minerals are tin, tantalum, tungsten, or gold sold to finance conflict in the Democratic Republic of Congo or an adjoining country. Carter's has implemented a due diligence framework that works with a 3rd party. This is to help ensure our Vendors follow this expectation and to enable us to comply with the reporting requirements of the Security and Exchange Commission's Conflict Minerals Rule.

REPORTING VIOLATIONS OR SUSPECTED MISCONDUCT

Carter's Compliance Department is primarily responsible for the oversight and enforcement of this Code. Along with the Compliance Committee, the Compliance Department will regularly review the implementation and effectiveness of this Code. The Compliance Department is also responsible for updating this Code and conducting training on a regular basis.

Any suspected violation of this Code should be reported using any of the contact points listed below.

Upon receipt of a report of a suspected violation, Carter's will launch a prompt and thorough investigation. Carter's prohibits retaliation against anyone who makes a good faith report of a suspected violation. Please report any suspected retaliation to the Carter's Human Resources or Compliance Department, whereupon Carter's will launch a prompt investigation.

SANCTIONS FOR VIOLATION OF THIS CODE

Violations of this Code can result in termination of any business relationship or agreement with Carter's. All Vendors bear responsibility for understanding what may constitute a violation of this Code. If any Vendor has any questions about this Code or believes that a violation has or will occur, he or she must contact Carter's Compliance team at compliance@carters.com or utilize the Hotline resources listed below. Upon discovering a violation of this Code, Carter's may impose such sanctions as it deems appropriate.



TIPS



1. **Don't Hesitate:** If you suspect a violation of Carter's Code of Conduct, report it promptly.
2. **Provide Details:** Provide as much detail as possible about the incident or behavior in question.
3. **Use Good Faith:** Meaning you genuinely believe there has been a violation.
4. **No Retaliation:** Carter's prohibits retaliation against anyone who makes a good faith report of a suspected violation.
5. **Follow Up:** If you haven't received updates on the investigation, follow up with the appropriate department or contact person to inquire about the status.
6. **Reporting Violations or Misconduct:** You can visit our hotline website at <http://cartersethicshotline.com> or call 1-888-259-5778 or you can choose from one of the country phone numbers to report anonymously.

CONTACT INFORMATION

Ethics and Compliance Hotline (toll free):

United States	1-888-259-5778	Malaysia	60-0-1548770383
Bangladesh	0-9610-998508	Mexico	800-681-9559
Cambodia	1800-209-718	Myanmar	0800-800-8023
	(available from (+855)23XXXXX numbers plus Mobitel, QB, Excell and Metfone)		(MPT phones only)
Canada	1-888-600-0778	Pakistan	92-518-108900
China	400-120-3063 (national rate)		(Local Islamabad)
El Salvador	21133417 (local San Salvador)	Philippines	63-2-8626-3049
Ethiopia	800-86-1917	Singapore	800-852-3912
Hong Kong	800-901-277		(Mobile access from Starhub/Singtel and M1 networks)
	(Mobile access from HKCSL, Hutchison, SmarTone, New World, Peoples and Sunday networks)	Sri Lanka	011-247-2494
India	000-800-100-4175	Taiwan	00801-14-7064
Kenya	0800-221312	Thailand	1-800-012-657
		Vietnam	120-32526
			(Accessible from VNPT, Vinaphone and SPT)

Emails:

integrity@carters.com
compliance@carters.com
auditcommittee@carters.com

Hotline Website Address:

<http://cartersethicshotline.com>

Mail:

Carter's Ethics & Compliance c/o
 Carter's Compliance Department
 3438 Peachtree Road NE, Suite 1800
 Atlanta, GA 30326

