



STANDARD OPERATING PROCEDURE

ISOTOPE TESTING OF COTTON APPAREL PRODUCT IN SUPPLY CHAIN

APPROVALS

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1.0 INTRODUCTION

1.1 Purpose

Proper testing of cotton fabric is mandatory to ensure that cotton from the Xinjiang region in China does not find its way into B+C product. U.S. law prohibits Xinjiang cotton, in any form, to be imported into the United States. Additionally, B+C's strict code of Ethical Manufacturing prohibits the use of any fiber produced via forced labor.

1.2 Scope

This document provides specific instructions for deploying random sampling and isotopic testing for B+C fabric. It outlines the approved testing companies/agencies, the frequency of testing, and the steps to be taken after results are cataloged.

1.3 Inventory Testing

This document does not address inventory testing, which is already in progress and will be addressed through a separate SOP.

2.0 RELATED MATERIALS

2.1 ORITAIN Contract

2.2 ADNAS Contract

2.3 AGROISOLAB contract

3.0 Procedures

3.1 Selecting Fabric Mills for testing/sample selection

3.1.1 The Company's C.O.O. will provide a list of Mills to the Director of QA.

3.1.2 The Director of QA will communicate the names of the selected Mill to the appropriate testing agency. For 2023, all Mills will be subject to the following testing procedure.

3.1.3 Per contractual agreement, testing agency will use an agreed upon "chain of custody" agency to travel to the Mill, on a random date within 10 days of notification (or another reasonable time as determined by the testing agency), and obtain samples. Approved "chain of custody" entities include Bureau Veritas and SGS.

3.1.4 The "chain of custody" entity will randomly select 40 samples from the rolls of greige coming off of the knitting line. The "chain of custody" entity will be instructed to pick colors and fabric styles randomly. Of the 40 samples collected, 20 will be tested.

3.1.5 The "chain of custody" entity must provide the random samples to the designated testing agency within 3 days of the sample being drawn.

3.1.6 Starting in 2024, the Company's Director of QA will use a random number generator to select 3 B+C greige producing Mills each quarter that will be subject to testing pursuant to the above procedures.

3.2 Isotope testing

3.2.1 The chosen testing company will test each sample within 10 days of receipt, or within the contractually agreed upon timeframe, from the "chain of custody" entity and email the results to the Director of QA and C.O.O. within 3 days of test completion.

3.2.2 The testing company's results will report on the determined origin of the cotton fiber used in the manufacturing of the tested greige – specifically testing for cotton fiber originating from the Xinjiang region of China.

3.3 Induction/Archival of Test Results

3.3.1 Upon receipt of each individual test result, the Director of QA will upload the results onto the "QA Cotton Fiber Origination Test Results" drive on the B+C Share Point system.

3.3.2 The results will be grouped/nested by testing date, and stored on the Share Point drive.

3.4 Test Result Downstream Procedures

3.4.1 If the test results indicate “not consistent with cotton fiber from the Xinjiang district,” or an equivalent result, no further action is necessary.

3.4.2 If the test results indicate “consistent with cotton fiber from the Xinjiang district,” or an equivalent result, the following steps must be taken:

3.4.2.1 Director of QA to notify C.O.O. immediately, via email.

3.4.2.2 Director of QA to notify Manager of Fabric Procurement immediately via email for the purpose of suspending purchases with the offending Mill. The Director of QA will instruct the testing agency to immediately perform another audit at the offending Mill.

3.4.2.3 The Production Manager will determine the production style/colors manufactured by the offending Mill that may have been implicated by the test results. The Director of QA will notify the V.P. of Sales via email so that the offending style/colors can be flagged in the system and suspended from sale pending further testing. Random sampling of the affected style/colors will commence immediately. These random samples will be drawn from all three Company warehouses: Las Vegas, Maryland, and the distribution center in Nicaragua.

3.4.2.4 Company will continue to test the affected style/colors until it has confirmed there is no Xinjiang cotton in its inventory.