VendorOperationsGuide

Quality and Compliance Manual

Released September 2023 - V3 (Updated 1/2025)

Crate&Barrel Crate&kids CB2 HUDSON | GRACE

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Section 1
General Information

Purpose

Crate & Barrel Holdings, Inc., and its various subsidiaries, specifically including Euromarket Designs, Inc., which does business as Crate & Barrel, CB2, Crate & Kids, and Hudson Grace (the "Company") is dedicated to providing customers with exceptional products. The Company's Quality and Compliance Program (the "Program") outlined in this Manual exists to monitor and ensure compliance with applicable laws, regulations and corporate quality standards. The Company provides foundational guidelines to all of its Vendors and requires that they deliver products that meet the Company's requirements. The Company reserves the right to adjust and update requirements as business warrants.

This Program is not intended to replace the Vendor's own quality assurance processes, nor is it meant to be a substitute for the Vendor's responsibility to monitor and supply safe, compliant products.

This Program applies to all Vendors and their products, and all Vendors are subject to the latest version of this Manual for the duration of their business relationship with the Company. The Vendor is responsible for compliance with this Manual by the Vendor's Sub-Suppliers and Sub-Contractors.

Timeline

It is the Vendors' responsibility to work within the timelines referenced herein to ensure timely application of the Program.

Company Product Testing Program

All products supplied to the Company must comply with all applicable laws, regulations, guidelines and rules, as well as with the Company's quality and safety standards and voluntary industry standards adopted by the Company. Products are subject to testing and verification of regulations and standards by a third party testing laboratory. If a product does not meet these requirements, the Vendor must notify the Company's Quality and Regulatory Compliance (Q&RC) team as soon as the Vendor is aware of such noncompliance. It is the absolute right of the Company, among other things, to cancel or return any noncompliant order(s) or products at the expense of the Vendor.

The Vendor must work directly with the Company's designated third party testing laboratories to submit all necessary online forms, including any applicable supplemental documents, and successfully complete testing requirements within the required timeline to meet business obligations and shipping schedules. The Vendor is responsible for obtaining the Company's testing protocols from the nominated third party labs. Test protocols often change and it is the responsibility of

the Vendor to ensure they are using the most current version of a test protocol. Failure to consult the most recent protocol could cause failing test results.

Quality standards are in place for all Company products. Laboratory evaluations, to verify such standards, are comprehensive and will include packaging, labeling, product performance, quality evaluation, and regulatory compliance. All Company protocols are available on each lab's website (see section below for direct links). Protocols are harmonized between the two labs and available as "CBH" protocols for Crate and Barrel and CB2 brands, and "CNK" for Crate&kids brand. Separate CB2 protocols have been sunsetted.

All products ordered under the Crate&kids brand are considered children's products, and as such must be tested using CNK protocols and labeled according to children's product requirements.

Nominated Lab Partners

The Company has selected Bureau Veritas (BV), Intertek (ITS), Eurofins/MTS (MTS), and Underwriters Laboratories (UL) as the approved testing partners for our Quality and Compliance Program. UL is nominated only in Europe until further notice. By working with these select test labs approved by the U.S. Consumer Product Safety Commission (CPSC), the Company is able to secure preferential pricing and automatically gather information for reporting purposes. Testing required by the Company must be completed by BV, ITS, MTS or UL. Any exceptions must be agreed to in advance in writing by the Q&RC team. If there are any issues with lab location or availability of testing labs, please reach out to the Q&RC team for assistance.

Please contact the local lab representative for the access information. Note that lab login information can periodically change. Information about Company testing protocols can be accessed through the following links:

Bureau Veritas (BV): https://www.bvonesource.com/wps/portal

Intertek (ITS): https://interlink2.intertek.com

Eurofins/MTS (MTS): https://clientportal.mts-global.com/#/login

Underwriters Laboratories (UL): https://smartapps.ul.com/

The Vendors and agents must use the most updated testing forms and protocols as found in the lab portals.

Section 2
Legal Requirements

There are many regulations regarding product safety, performance and composition, and these regulations vary based on materials (metal, wood, ceramics, glass, plastic, etc), manufacturing processes, and product type. Vendors must understand and are responsible for complying with all applicable U.S. (Federal and State) and International legal requirements for their products for each shipment sent to the Company. Below is a summary of some commonly referenced laws and regulations to which Vendors may be subject, but additional laws or regulations may also apply. Please refer to product testing protocols or reach out to the Q&RC team for more information.

This summary is intended for information purposes only and is not a complete list of all potentially applicable requirements or a complete explanation of any or all applicable laws. Nothing in this Manual constitutes legal or professional advice for any specific product. Vendors are responsible for complying with all applicable laws and for confirming such compliance with their own legal counsel as necessary.

2.1 Consumer Products Safety Improvement Act (CPSIA)

Through the Consumer Product Safety Improvement Act (CPSIA) of 2008, the US government established new product safety requirements governing children's products (e.g. toys, nursery products, etc.) and general use items (rugs, mattresses, furniture, etc.). The requirements cover mandatory testing requirements, product safety standards, and recall procedures. The CPSC administers the CPSIA.

The CPSIA also requires domestic manufacturers or importers of non-children's products to issue a General Certificate of Conformity (GCC). These GCCs apply to products subject to a consumer product safety rule or any similar CPSC rule, ban, standard or regulation enforced by the CPSC. Products that require a GCC will not be allowed to ship without passing product testing and GCC documentation. Additionally, the domestic manufacturer or importer of children's products is required to issue written Children's Product Certificates (CPC), which certify that its children's product comply with all applicable children's product safety rules (or similar rules, bans, standards, or regulations under any law enforced by the Commission for that product). Additional information about GCCs and CPCs can be found on the CPSC website or can be requested from a Company approved test lab. A list of all the regulations, standards, and bans established by the CPSC may be found here: https://www.cpsc.gov/Regulations-Laws--Standards/Regulations-Mandatory-Standards-Bans.

The Company requires additional testing documentation for many children's products as well as the CPCs. Contact the Q&RC team for more information.

If an item is unregulated, any safety issues must still be brought to the attention of the

appropriate Merchandising team and the Q&RC team.

2.2 Food, Drug, and Cosmetic Act (FD&C Act)

The FD&C Act, enforced by the Food & Drug Administration (FDA), contains requirements regarding the safe manufacture and importation of food, drugs, and cosmetics. Applicable products must be safe for their intended use, labeled appropriately, and compliant with any applicable product-specific requirements.

2.3 Federal Hazardous Substances Act (FHSA)

The FHSA and its regulations, enforced by the CPSC, contain requirements for products that can pose hazards to consumers. This includes choking hazards, sharp points, sharp edges, and the testing of toys and other articles that may be used by children.

2.4 Federal Insecticide, Fungicide and Rodenticide Act (FIFRA)

FIFRA, enforced by the Environmental Protection Agency, regulates pesticide distribution, sale and use, including antimicrobial pesticide intended to disinfect or sanitize objects and surfaces.

2.5 Flammable Fabrics Act (FFA)

The FFA, enforced by the CPSC, establishes standards for the flammability of clothing, carpets, rugs, children's sleepwear, mattresses and mattress pads.

2.6 Textile Fiber Products Identification Act and the Wool Products Labeling Act

These two laws govern the labeling of textile wearing apparel and wool products, respectively. This includes labeling with names and weights (in percentages) of the fiber in the product. The product must also be labeled with the name of the responsible party or RN number, either of which must be accompanied by the name of the country where the product was manufactured.

2.7 Toxics in Packaging

A majority of states prohibit the intentional addition to packaging of any amount of lead, cadmium, hexavalent chromium, or mercury and limit the amount of lead, cadmium, hexavalent chromium, and mercury that may be incidentally introduced to product packaging materials. These laws are enforced by a consortium of the states, called the Toxic in Packaging Clearinghouse (TPCH). These state laws also require Vendors to obtain and retain certificates of conformity confirming that the product packaging complies with this legislation.

2.8 Illinois Lead Poisoning Prevention Act

Illinois law requires warning labels for child care articles and children’s jewelry whose lead content levels in substrates and coatings exceed 40 ppm, and for toys whose lead content levels in coatings exceed 40 ppm. Note that products that are considered child care articles, children’s jewelry, or toys must have lead content levels below 40 ppm for

coatings and/or substrates, as the Company will not accept labeled products. More information regarding this act can be found at:
http://www.ilga.gov/legislation/publicacts/fulltext.asp?Name=095-1019

2.9 Food Contact Labeling

Ceramic food contact items must be permanently marked on the physical product with our name, as well as the country of origin. This is commonly called a “backstamp”, and the Merchandising team will provide artwork. Performance attributes may also appear on these backstamps, such as Dishwasher Safe, etc. at the discretion of the Merchandising team.

Decorative items that have not been tested to food contact substance standards must be labeled with a permanent sticker on the physical product that states “For Decorative Use Only,” in English, French and Spanish.

Section 3
Restricted Substances and Additional Requirements

3.1 California Proposition 65
The Company requires its products to comply with California Proposition 65 (Prop 65) either by reformulation, or if reformulation is not possible, by including warning labeling and signage. Warning labels are not permitted for food contact items. The Company will not accept products intended to come into contact with food that exceed the allowable limits, and the Company's strong preference for all products is to have a product made either completely free of chemicals listed under Prop 65, or with chemical content below Prop 65 safe harbor levels or the established settlement limits. BV, ITS, MTS, and UL can provide information on these settlement limits.

In the event that a Vendor intends to comply through use of required warning language, the Vendor must contact the Company by emailing prop65info@crateandbarrel.com as required by California law. Only written notices sent to prop65info@crateandbarrel.com will be considered as received by the Company, and must include 1) a statement that the product may result in an exposure to a listed chemical, 2) the SKU(s) of the product(s) or other identifying information, and 3) all the necessary warning materials (such as labeling, shelf warnings, warning language for online display).

All Children's products must meet the chemical requirements of California Proposition 65 and cannot have a warning label.

For additional information about Prop 65 please refer to https://www.p65warnings.ca.gov/. For questions about acceptable label formats, warnings, or reformulations reach out to prop65info@crateandbarrel.com.

3.2 Flame Retardants
The Company has a strict no added chemical flame retardant policy and Vendors must ensure that the product they are supplying to the Company complies. Regular testing and verification of the supply chain is strongly suggested and products are subject to 3rd party testing that no flame retardants exist.

3.3 PFAS
Per-and polyfluoroalkyl substances (PFAS) also known as "forever chemicals" are **banned in all non-cookware items**. By agreeing to the Company's Vendor Operations Guide and/or supplying products to the Company, the Vendor certifies that it does not and will not supply the Company with any non-cookware products containing intentionally added PFAS.

If PFAS are present in cookware, there must be proper disclosure and labeling according to California AB 1200 and the other state regulations that are in place for the PFAS family of chemicals, and all relevant information must be included in the Product

Information Bulletin (PIB). Products are subject to testing in accordance with our PFAS supplemental protocol and additional regular Vendor testing and verification are strongly recommended and may be necessary to ensure compliance. Any questions should be directed to pfascompliance@crateandbarrel.com.

3.3 (a) Chemical Disclosure/Labeling in Cookware

California AB 1200 requires disclosure and labeling of other intentionally added chemicals present on the California designated list that the Department of Toxic Substances Control maintains under its Safer Consumer Products program. (California Health and Safety Code § 109010-109014). The disclosure and labeling requirements apply when a listed chemical is intentionally included in the handle of the product or in any product surface that comes into contact with food, foodstuffs, or beverages; used for preparing, dispensing, or storing food and beverages. All relevant information must be included in the Product Information Bulletin (PIB).

3.4 Azo Dyes

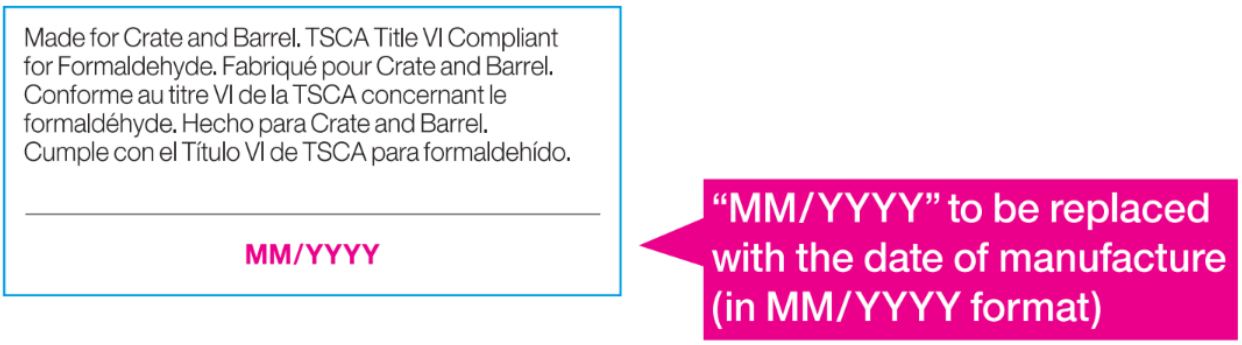
The Company has a strict policy banning the use and presence of azo dyes in textile products. If a product is found to have Azo Dyes, the product will be returned to the Vendor and all expenses related to the product will be the responsibility of the Vendor.

3.5 TSCA Title VI Formaldehyde Emissions Standards and California's Composite Wood Products Airborne Toxic Control Measure

These two laws regulate the amount of formaldehyde emissions from composite wood material - Medium Density Fiberboard (MDF), Particle Board (PB), and Hardwood Plywood (HW-PW). These standards are among the most stringent in the world. The laws require that lumber mills producing composite wood materials undergo a certification to ensure compliance with these limits. In order for customers to determine that the goods comply with the law, all composite wood materials as well as finished goods are required to be labeled as compliant.

For items made with any MDF, Particle Board, or Hardwood plywood components, one of two different labels should be placed on the back or bottom of the product, on the outside of the carton, and on the invoice (see the labels are pictured below). The first version should be used if the composite wood generally complies with the TSCA Title VI requirements. The second version should be used if all composite wood is from certified ULEF materials. Note that Vendors must use the below TSCA Title VI declaration labels. CARB declaration labels are no longer accepted. The following statement also needs to be on the commercial invoice: "TSCA Title VI Compliant for Formaldehyde"

TSCA Title VI label for product with non ULEF based materials:



TSCA Title VI label for product with all ULEF based all composite wood materials:

Additionally, for our systems and notification to the EPA, we will be asking import suppliers that provide composite wood products to provide a certification document for our files.

More information regarding these laws and labeling requirements can be found at:

https://www.epa.gov/formaldehyde/formaldehyde-emission-standards-composite-wood-products

https://ww2.arb.ca.gov/our-work/programs/composite-wood-products-program

3.6 Sharp Tools and Metal Object Policies

All Vendors are required to implement documented sharp tools and metal object policies for each factory location. Examples of policy points include but are not limited to:

- Sharp tool control procedures - Vendors should maintain a daily log of all persons issued a sharp tool, manage the access to sharp tools, track if any sharp tools break or wear out, and manage the disposal of any sharp tools. Any tools used should be tied or otherwise secured to the workspace as best

possible to ensure they are not accidentally packed with merchandise.
- Needle control - in addition to the sharp tool procedure details above, Vendors should set up procedures to ensure all parts/fragments of broken needles are found in the event of breakage, that any and all needle breakages are recorded, and that needle records are routinely reviewed for accuracy.
- Metal detection - Vendors should implement the use of a tunnel type metal detector capable of identifying metal fragments to a sensitivity level of 1 - 2 mm diameter of a ferrous standard. Metal detection calibration should be regularly performed and logged, and in the event of any calibration failures, the failure should be logged and any items checked must be re-checked and notes made regarding any contamination failure (date, type, location, etc).

The above policy points are only examples of components that may be found in a comprehensive sharp tool and metal object policy. The Vendor must review every manufacturing location and develop policies that best fit them.

Additional information regarding sharp tools and metal object policies can be obtained from the Q&RC team.

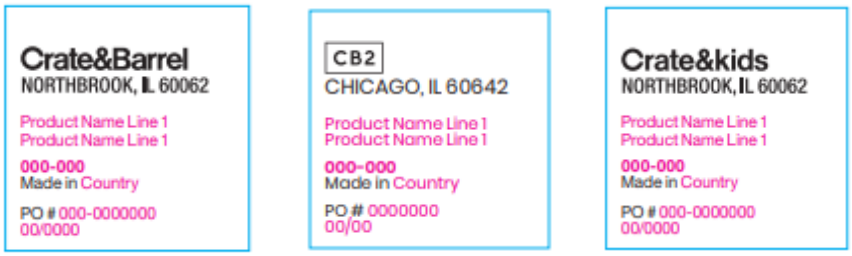
3.7 Tracking Label Requirements

CPSIA mandates that tracking labels be provided for items determined to be children's products (see labeling guide for additional information). These labels require more detail than general product label requirements. Your Merchandising team and the Product Regulatory Department (product- test@crateandbarrel.com) can provide more details about these labels if a product is considered a Children's product. Additional information can be found at:

https://www.cpsc.gov/Business--Manufacturing/Business-Education/tracking-label

The Company also requires any children's products and all furniture and lighting articles to be labeled with tracking information that includes the Company Purchase Order number and the product manufacture date. This requirement may later be extended to include all product categories and will be communicated to Vendors at that time by the Q&RC team.

Furniture & Lighting tracking labels



Crate&kids barcode tracking label

Section 4
Testing Requirements and Procedures

4.1 Corporate Company Policy
The Company testing program includes the product development, initial product, and periodic product testing described below. The Company testing program addresses all the reasonable testing product requirements required by the CPSC, and includes additional requirements that are specific only to the Company.

4.2 Product Testing Costs / Obtaining Testing Costs
In order to provide adequate product quotes to the Merchandising teams, Vendors are advised to obtain testing quotes from the labs during product development. Please note that test labs can only provide accurate testing costs upon reviewing physical product samples, so it is advised to work with labs closely during product development. Quotes will not be released without physical samples. Delays during the quotation process will lead to delays in overall testing turnaround time and could impact shipment dates.

4.3 Product Development Testing
During product development, Vendors are advised to closely review their products against applicable testing protocols and to conduct developmental testing on product samples. Testing conducted during the product development phase can be both in-house (done by the Vendor, sub-contractor, or agent) or with a third-party testing lab. This process allows for an open dialog between the Vendor and the Company's Merchandising, Sourcing, and Q&RC teams to address any design concerns long before the item is sent to the lab for final testing. This method of testing is not intended to replace final testing and is not accepted as final testing as provided by the lab. It does allow for call-outs of common problem areas or issues we have seen regarding our products as well as ensure requirements, as outlined in our protocols, will be met.

Any issues identified during product development testing that require a product design/material change, or affect the cost of the product must be reviewed with the Merchandising, Sourcing, and Q&RC teams before being implemented into the next round of product sampling.

4.4 Initial Product Testing
Vendors must submit and review their products with a local BV, ITS, MTS, or UL test lab to determine what applicable protocols, performance and quality requirements may apply to their items. Any tests that have failing results must be reviewed by a Q&RC associate prior to first shipment. Only Q&RC associates may waive testing of a non-regulatory test line failure; regulatory test line failures and testlines related to the safety of a product cannot be waived. For initial product testing, products must have a Company approved test report for the requested quality and transit testing (if

applicable) at least thirty (30) days prior to the ship date. Please allow time to correct failed test results. Please contact packaging-group@crateandbarrel.com for transit test information or questions.

Vendors must submit products along with test request forms (TRFs), group testing forms (GTFs), and any other necessary documentation (such as all labeling, warning labels, certifications, flammability testing, FDA testing, etc.) to the test lab for lab review. Note that certifications and testing documentation must be current. The TRFs and GTFs are on-line forms that must be submitted to the third party labs electronically.

When parts of a product are being sourced by two or more vendors to create a single product, all component parts must come together at the lab to be performance tested as a single unit. It is the responsibility of each vendor to arrange for this to happen. Individual chemical testing for the product can be done in the country of origin.

For Labeling Only:
Vendors must always submit products with hard (print) or soft (electronic) copies of any required labeling (such as warning labels, fiber content, law labels, etc.) for a report to be issued. If no documentation is submitted, or documentation cannot be presented to the lab, the lab will automatically issue a failing report for lack of documentation. Font sizes should be noted on all soft copies for verification purposes. Any product that requires specific labeling (e.g., lamping labels, warning labels, upholstery and stuffed articles) should be submitted to the lab with all labeling attached to the product. If there is an instance where label information is generated during testing (e.g. burn time for candles, fiber content for textiles), then a soft or electronic copy of the label may be submitted in lieu of a printed label.

4.5 Production Testing

If the Company receives feedback during in-bound inspections or from our customers, the Q&RC team may require that a product be pulled from the production line of the Vendor to be tested at a third party lab for performance and quality.

4.6 Periodic Testing

The Company requires Vendors to regularly test products with our nominated third party labs as part of their periodic testing program. Periodic testing ensures that products continue to meet performance standards and comply with applicable regulations.

All products require full protocol testing, including regulatory and performance requirements, thirty (30) days prior to the first shipment. As described in the testing timeline table below, high-risk products require full protocol testing every twelve (12) months (annually). For high-risk products, full protocol test reports older than twelve (12) months from the date of issue are not considered valid, and the product must be fully retested. All other products require biennial full protocol testing, with regulatory

testing every twelve (12) months. Products cannot ship with expired testing and must have a current test report on file at least thirty (30) days prior to the ship date. Vendors found shipping products without a valid Company accepted test report may be subject to penalties.

Example 1: A Crate and Barrel table is first tested in January 2024, thirty (30) days prior to the first ship date. The table is re-ordered for shipment in October 2024, and can ship without any re-testing (provided that there have been no changes to materials, manufacturing processes, etc.) as reports are valid for a twelve (12) month period. Another re-order is placed for shipment in March 2025. The March 2025 purchase order cannot ship unless a new report with regulatory testing is released by one of The Company's nominated labs. This aligns with the process of full protocol testing prior to the first ship date, and annual regulatory testing the following year.

Example 2: Crate & Kids crib sheets are tested to the full protocol in September 2024, thirty (30) days prior to the first ship date. The same crib sheets are reordered for shipment in December 2024, and can ship without re-testing as the first report is valid for a twelve (12) month period. Another reorder is placed for shipment in November 2025. The November 2025 purchase order cannot ship unless a new report with full protocol testing is released by one of The Company's nominated labs. Full protocol testing is required annually, as this is a high-risk item.

Please see the table below for additional information regarding what testing may be required at the time of reorder. Transit testing will follow the Biennial protocol testing (2 years) for all brands including Crate & Kids.

Testing Timeline		
Annual (regulatory requirements only)	**Annual full protocol testing (including regulatory requirements)**	**Biennial full protocol testing (2 years) for all products not tested for full protocol annually**
All products with regulatory requirements	High Risk Products	All Products

Regulatory requirements include all regulatory testlines from the applicable testing protocol including chemical and labeling review. Please review the most up to date testing protocol for details.

High risk products fall into the following categories:

- Children's products
- Electrical products

- Candles, candle holders, and incense
- Health and beauty products and
- Imported food
- Fire Pits

For repeat product orders subject to periodic testing, any reordered products that do not have any material changes (see below for additional information) must be submitted annually for either regulatory only testing or full protocol testing.

> Example: A CB2 decorative vase is tested in January 2021 and complies with all the decor requirements. The vase is reordered in February 2022. The vase is not considered a high risk product, so the Vendor needs to re-test the vase against regulatory requirements only - in this case only California Proposition 65 testing and labeling review. The vase is reordered again in March 2023. Since it has been two years since the vase was fully tested (January 2021), the vase must be tested to the full protocol.
>
> Example: A Crate & Kids children's bedding set is tested in January 2021 and complies with all the children's bedding requirements. The bedding set is reordered in February 2022. A children's bedding set is considered high risk, so the Vendor must retest the bedding set against the full protocol.

If there are any questions regarding a product that is considered high risk, please contact the Q&RC team for additional information. Note that the Q&RC team and/or the Merchandising or Sourcing team may request additional testing beyond the testing above.

4.7 Material Changes

A material change is a change that the Vendor makes to its product's design, the manufacturing process, or the source of component parts for the product, which a Vendor knows, or should know, could affect the product's ability to comply with the applicable product standards. *Factory changes are considered material changes.* Products that have had a material change are subject to immediate, new full protocol testing prior to any new production. If a material change is planned for a product, a Vendor must immediately inform the Q&RC team as well as the Merchandising Sourcing teams prior to implementing the material.

4.8 Group Testing

The Company allows some similar items to be group tested in order to reduce testing costs. The labs and Vendors must adhere to the following guidelines when reviewing samples and/or filling out group test forms to ensure proper testing is applied. This is

not intended to include group testing for transit, please reach out to our Packaging team, with any questions regarding transit testing.

Group Test Form (GTF) Guidelines:

- All SKUs included in the GTF must be submitted together in the same Test Request Form (TRF)
- The GTF must include a color image (photo) of each item and the corresponding Company SKU number
- Vendor assumes all risk associated with properly identifying SKUs on GTF
- Vendors may reach out to the lab and/or the Q&RC team with any questions regarding proper group testing assignment prior to submitting the GTF to the lab

Submission Guidelines:

- All samples for group testing must be submitted together for lab evaluation
- Each product submitted to the lab must be identified with the correct corresponding Company SKU number

Group Testing Assignment and Testing Guidelines:

- The Company has given the laboratories the right and responsibility to remove items from group testing if any of the criteria herein are not met
- When group testing is completed, the lab must note in the Test Report which SKU or independent piece received full protocol testing, and which SKUs shared results and thus received only partial testing. An example of this might be, 'As per C&B GTF, Sample 'A' was tested to the full protocol, and Sample 'B' was tested for Prop 65 only'
- The lab must indicate the tested sample name (eg. Sample A) and SKU# in each test result column of the Test Report.

General Group Testing Assortment Qualifications:

- Submitted items must share the same functionality
- Submitted items must be composed of the same material(s) (e.g. coatings, fiber content or substrates)
- Submitted items must be manufactured in the same location

The following are more specific group testing guidelines by product type:
Furniture Grouping Guidelines:

- *Performance* testing can only be shared with items of the same size where the only difference is the *finish* of the product
- *Chemical* testing can only be shared with items in a collection where the finish, substrate or hardware are the same

- Fill material flammability certification can be shared among items in a collection. The Vendor will need to attach a completed copy of TB117-2013 Declaration if the same foam/fill is used in other items
- Fabric performance and flammability certification can be shared among items in a collection so long as they share the same colorway
- If the lab determines that additional safety-related tests are applicable based on the different color, size or function applications, then the lab shall proceed.

1. Can be grouped by shared finishes and shared hardware across different types of items. A panel swatch and hardware can be submitted for annual testing.



2. Can be grouped by performance. Different finish must be tested



3. Can be grouped by the finish, but each item must be performance tested individually



Textile Items Grouping Guidelines:

- Textiles can only be grouped together if they are tested under the same protocol
- Fabrics with different threads, colorways, fiber contents, piping, trim, etc. are considered different and are to be tested to the following guidelines
    - If the fabric is the same, but the product is not (ex: quilts, sheeting and shams) -the largest sample shall be tested to the full protocol and the remaining items will be tested for colorfastness and any unique performance testlines.
    - Should an item in the assortment include an embellishment or function that the full protocol tested item lacks, the lab shall conduct additional testing (for example, a pillow sham with embroidery or a duvet with buttons).
- Additional Colors: Test all colorfastness test lines and unique colorway testlines in each protocol
- When grouping textiles of the same size and collection, any additional colorway may be sent to the laboratory as a 3 yard swatch.
- For rugs only:
    - Flammability testing must be conducted on **all** colors
    - Rug size 5x8 should be tested to full protocol, other colors can be submitted in the form of a swatch. *If this size does not exist in the program, use the following metrics to determine which size (large=Each Side is > 1.83 m (6 ft) and a surface area > 2.23 m^2 (24 sq ft)) please reach out to the lab for full sample requirements and any questions.
- If the lab determines that additional safety-related tests are applicable based on the different color, size or function applications, then the lab shall proceed.

Entertaining and Houseware Guidelines:

- Dinnerware of all materials and finishes
    - Regulatory Testing
        - Items of the same collocation with the same finish or colorway can share ***regulatory*** testing, including FDA food contact testing and franchise testing.
        - If there are items of different colorways or finishes within a collection, each will require separate ***regulatory*** testing.
    - Performance Testing
        - Mugs, plates, bowls and hollowware shall be tested separately for ***performance*** standards.
        - Different sizes of the same bowls and plates may be grouped together for ***performance*** testing.
        - Grouping is allowed for testing the largest bowl and largest plate/platter in a collection, as long as they have the same shape and thickness.

- Ex: CB2 Mori collection; test largest bowl (serving), largest plate (dinner) and largest platter, as well as mug for performance. The items that are grouped without being submitted individually for testing are the salad plate, soup bowl, pasta bowl and small platter.

- Thickness and shape must be the same in order to group test for ***performance*** in a collection. Ex: if a salad plate, dinner plate and platter all have the same shape and thickness, the platter can be tested and the salad plate and dinner plate grouped without being submitted for testing.

- *Flatware (Utensils)*
    - Flatware may be group tested, however knives require additional chemical and performance testing - please confirm with the lab the correct number of samples required for submission for testing

- *Glassware*
    - Regulatory Testing
        - Glassware items of the exact same material may share regulatory testing across collections.
            - Note that solid colored glassware & cased colored glassware may share regulatory testing with clear glassware as long as the glasses are made from the same material.
        - Each *collection* must have its own grouped testing, provided that:
            - there are items of different compositions or finishes within a collection, each composition or finish requires separate regulatory testing.
        - Glassware of different functionality, such as decanter and pitcher for serving versus glasses for drinking, may share regulatory testing only if materials are exactly the same.
    - Performance Testing
        - Solid and cased colored glass is considered to have the same composition as clear glass and can be grouped for performance testing.
        - Items of different structures, such as a highball glass and double old fashioned (DOF) glass, or stemmed white wine and red wine glasses, of the same thickness, may share performance testing.

        - If a collection has a stemmed glass and non-stemmed glass, the stemmed glass may be tested and the non-stemmed glass should be grouped but not tested individually.
        - Items of different thickness require separate performance testing.
        - Glassware of different functionality, such as decanter and pitcher for serving versus glasses for drinking, must have its own performance testing.

- *Housewares*
    - Houseware items of the same collection with the same finish or colorway can share regulatory testing.
        - If there are items of different colorways or finishes within a collection, each will require separate regulatory testing.
        - Items of different structures, such as a 7 inch round vase and a 13.5 inch round vase, require separate performance testing.
- If the lab determines that additional safety-related tests are applicable based on the different color, size or function applications, then the lab shall proceed.

High Risk Items Grouping Guidelines:

- Candles are considered high risk and should not be grouped together for testing.
    - Candles of different sizes, fragrances and vessels require separate testing
- Health and Beauty items have the potential to be grouped if the base ingredients are the same
    - If items such as hand wash and body wash include the same ingredients, they can be grouped for testing.
    - Items with varying ingredients will require separate regulatory testing.
    - Items with the same ingredients in different sized vessels can share regulatory testing, but may require separate performance testing.
- If the lab determines that additional safety-related tests are applicable based on the different color, size or function applications, then the lab shall proceed.

4.9 Test Failures

In the event of a failure during product testing, results will be reviewed by the Q&RC team. **Only a Q&RC associate may waive testing failures**. Prior to submitting an item for re-testing, a Vendor must provide the Q&RC team with a corrective action plan (CAP) detailing the cause of failure and the resolution. The corrective action plan should also be included with the TRF to the lab at the time of retesting. Please contact your Q&RC team contact for the approved CAP template. Any failure, including for labeling, will be the responsibility of the Vendor to have corrected, at the Vendor's expense. This may include retesting costs, relabeling costs, and chargebacks for necessary warehouse projects.

After re-testing, the Q&RC team has the right to request a random product inspection and re-test the product to ensure that the product is fully compliant with the Company's product requirements. Vendors found shipping products with a failing test report and without a Q&RC waiver will be subject to penalties.

4.10 Franchise Testing Requirements

As the Company continues to expand the global footprint, the Company must ensure that products meet the regulatory requirements of the applicable market. Requirements specific to the needs of our franchise partners will be built into the testing protocols. Vendors are responsible to ensure that their products meet all requirements for the markets where the products are sold. Any item intended to come in contact with food will be subject to franchise food contact testing and additional samples must be sent to the lab along with samples sent for US/CAN testing. Beginning with the Company's Spring 2024 collection, Franchise testing will need to be completed every three (3) years.

4.11 Business to Business Testing

The Company participates in the Business Institutional Furniture Manufacturers Association (BIFMA) Compliance Program, through which certain products are tested for heavier use than our residential furniture. The Company selects products during the development cycle for BIFMA testing to be included in our business to business program. The Vendor will be notified if a product is selected for the business to business program, and the Company may reach out to a Vendor to evaluate whether a particular product will pass this level of testing.

There are three categories of furniture that can be tested to BIFMA standards:

- Seating
- Table/desk
- Storage

If applicable, a Vendor will work directly with the Q&RC team to submit products for BIFMA testing. The Vendor will be instructed on and must comply with the BIFMA submission process in order to be included in the business to business program. BIFMA testing takes 5-7 weeks and the Vendor must allow for sufficient time to complete the testing during the product development process.

Section 5
Product Inspections

5.1 Outbound Product Inspection Requirements

If you are working through one of our agents, our expectation is that the agent is monitoring production through During Production Inspection (DUPRO) and Final Random Inspection (FRI) prior to shipment. We will validate this through our inbound DC inspection process.

If you do not work through a Company agent, you may be required to have a DUPRO and/or FRI prior to shipment by a third party inspection provider. The Q&RC team will communicate this to the Vendor in advance if this is required. The Vendor will then be notified by the third party provider when the inspection is to take place. Goods may not ship until this inspection has been completed and approved by the Q&RC team. If the inspection fails, goods will need to be corrected prior to shipment per agreed upon CORRECTIVE ACTION PLAN between the Vendor and the Company.

DUPRO is an inspection of key product characteristics during production. Inspections take place at the factory when 40 to 60% of the total purchase order quantity is produced. It covers completed products, and/or finished products and packaging.

If an item's production quantity is not at a minimum 40% produced, the inspection will be canceled. A new, rescheduled inspection will be required. This applies to ALL items during a multiple item inspection. Detailed inspection requirements can be obtained from the Company approved lab partner. A DUPRO will be performed upon request from the Company, at the Vendor's expense. If sample collection testing is also required at the time of DUPRO, samples will be pulled and packaged by an approved lab partner. The lab partner will photograph the samples and seal the cartons with tamper proof closures. The Vendor is responsible for shipping the sealed carton to the lab for production testing (See Section 2.3 Product Testing).
A FRI may be required to further assure quality compliance. The inspection will occur when a purchase order is 100% manufactured and at least 80% packed. Detailed inspection requirements can be obtained from the Company approved lab partner. A FRI will be performed upon request from the Company or if there is a significant failure during a DUPRO inspection; the cost of the inspection is the responsibility of the Vendor. The Vendor will be notified of this requirement as soon as possible.

Witness Destruction Inspection by our approved third party agent(s) or lab partners may be required for regulatory failures for children's products or other product failures.

5.2 Outbound Product Inspection Processes

Product Inspections apply to products manufactured for the Company wherein the Company is Importer of Record and are managed outside of an agent. Poor performing Vendors may be subject to third party inspections based on past testing history (regardless of importer of record). The Company's Quality and Compliance online booking forms shall be completed by the Vendor when requesting an inspection. Complete and accurate booking forms are the Vendor's responsibility. Booking forms are available on the ITS, BV, MTS, and UL websites. Company approved reference samples are required to be at the factory for inspections to take place.

Failure to comply and pass the DUPRO or FRI can result in late shipment, product rework, added expediting cost or canceled purchase orders. Note: All costs associated with the product inspection are the responsibility of the Vendor.

5.3 Inbound DC Inspections

To further complement our product quality and transit testing program, we have an inbound quality assurance inspection program in our Distribution Centers (DCs), which is described in the Vendor Operations Guide on page 19.