



**carter's**  
CODE OF ETHICS

**carter's**

**OSHKOSH**  
*B'gosh*

**SKIP\*HOP**

simple **joys**  
by **carter's**

just one you  
made by  
**carter's**

child of mine  
made by  
**carter's**

Precious  
**firsts**  
made by **carter's**

little planet  
organic by **carter's**





PURRMAID

WAVES

ALL DAY

EVERY DAY

WHALEY SLEEPY



## A message from our Chairman & CEO

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As employees of Carter's, each of us has a special responsibility to behave in a professional and ethical manner. The reputation of our Company and the brands we manage are our greatest assets and can only be strengthened by the way we conduct ourselves every day.

The continued success of our Company depends on each of us taking an active role in strengthening our culture of exceptional performance; adherence to our Company's values; and zero tolerance for bad behavior.

You should view our Code of Ethics as a frame of reference that will enable you to make good decisions on behalf of our Company. While it cannot address every aspect of professional and ethical behavior, it will raise your awareness and provide guidance about the behaviors expected of employees of Carter's.

One of our core values is to "Act with Integrity." In a Company that employs over 21,000 people, there is always a risk that one of our co-workers will violate our Code of Ethics. We have a responsibility to be aware of this risk and to report any concerns about non-compliance with the guidance provided by the Code of Ethics.

Thank you for the commitment you have made to help strengthen our brands. Our ability to build on our long track record of success is entirely dependent upon the commitment each of us makes to conduct ourselves in a manner worthy of the brands and Company we represent.

Very best regards,

**Michael D. Casey**  
Chairman & CEO

# 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.

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# LOVE

LIVING OUR VALUES EVERY DAY

## **For each other**

We promote a work environment where we all feel welcomed, valued, and respected.

## **For our Company and our shareholders**

We act in the best interests of our Company and its shareholders at all times.

## **For our consumers and business partners**

We lead the market in product value, quality, and safety, and we conduct all of our activities with customers, suppliers, business partners, and competitors honestly and fairly.

## **For our communities**

We act as responsible and responsive citizens in the communities in which we live and work.



our values  
define  
**who**  
**we are.**

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# purpose and scope

our  
code  
is essential  
to our success



## ≡ Understanding Our Code ≡

**We all share a responsibility to conduct our business the right way.**

Our Code of Ethics (“Code”) establishes the foundation for how we conduct our business, how we act, and how we make day-to-day decisions. Our Code is essential to our individual and collective success and serves as a guide to help each of us make business decisions with integrity and in a manner consistent with our values, our policies, and the law. Our Code outlines what is expected of each of us, how to identify and resolve ethical dilemmas, and whom to contact when questions arise.

As outlined in this Code, all of us should be Living Our Values Every Day (**LOVE**) by honoring the following commitments:

**LOVE** for...

**each other** | **our Company and our shareholders** | **our consumers and business partners** | **our communities**

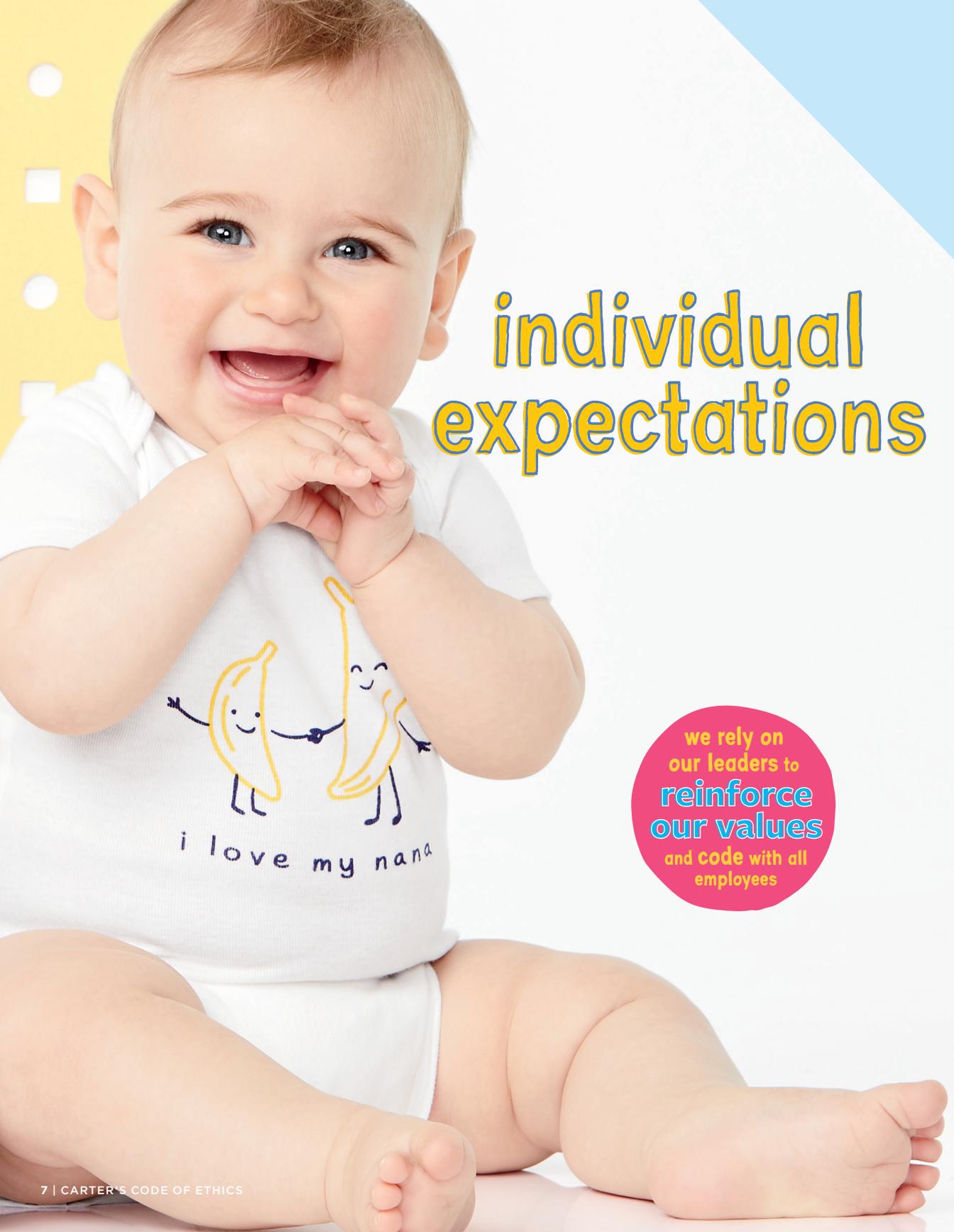
Our consumers, shareholders, business partners, and fellow employees have placed their trust in us to act honestly, fairly, and in accordance with the highest ethical and legal standards, and our Code helps us accomplish this.

## ≡ Application of Our Code ≡

**Our Code applies to every Director, officer, and employee, regardless of location.**

Our Code governs all decisions and actions, whether in our offices, distribution centers, or retail stores. Our Code applies to:

- All Carter’s officers and employees anywhere in the world, including those working for our subsidiaries;
- Every member of the Board of Directors (“Director”); and
- Anyone working with, or on behalf of Carter’s, including our business partners, vendors, and suppliers.



# individual expectations

we rely on  
our leaders to  
**reinforce  
our values**  
and code with all  
employees

## Personal Responsibility

Each of us is responsible for living our values and following the guidelines in our Code.

We all share a responsibility to understand and uphold the principles outlined in our Code and to conduct ourselves with personal and professional integrity. To do this, we must:

- Familiarize ourselves with the Code, Company policies, and any law or regulation applicable to our jobs
- Act with honesty and integrity in each of our business activities
- Make ethical decisions
- Notice “red flags” and report suspicious activity or suspected violations of our Code, Company policies, or the law

If you are a leader in the Company, you have additional responsibilities that go beyond simply following our Code. Those additional responsibilities include:

- Leading by example
- Modeling ethical behavior and good decision making
- Fostering an environment where employees act with integrity
- Avoiding any suggestion that our values or the law should be compromised for a business result
- Encouraging and welcoming open communication about concerns and challenges
- Building confidence and trust in employees that they will not be victims of retaliation for raising a concern
- Identifying and mitigating ethics and compliance risks, as well as operational risks
- Ensuring accountability and transparency by all employees regardless of title or position
- Consistently communicating the importance of our values and legal implications of business decisions



**Supervisors are often great resources for questions related to job-specific policies, work responsibilities, compliance requirements, and work environment. For questions related to actual or potential legal or policy violations, you should reach out to any of the resources at the back of this book.**

## ⇒ Ethical Decision-Making Guidelines ⇐

**When you find yourself in a situation where you are not sure of the right thing to do, before you proceed, ask yourself:**

- Is this decision consistent with Company policies?
- Is it legal?
- Is this decision the right thing to do?
- Is it consistent with our core values?
- Would I be proud of this decision if it were made public?
- Have I identified all possible alternatives and evaluated their consequences?
- What partner(s) should I collaborate with to ensure that this decision will positively affect the Company's reputation or my reputation?

If you answered "No" to any of these questions, or if you're unsure of what to do, don't simply guess; seek guidance from the Company resources listed at the back of this book.

### Decision Tool

Use this tool to help navigate gray areas and ensure we make the best choices...

**CAN**  
we do it?



Is it permitted by law?

**NOT SURE?**

Consult with Legal for guidance



**NO?**

Don't do it



**YES**



**SHOULD**  
we do it?



Is it ethical and consistent with our values and Code?

**NOT SURE?**

Consult with your HR manager for guidance



**NO?**

Don't do it



**YES**



**HOW**  
do we do it?



Will it enhance our culture and reputation?

**NOT SURE?**

Consult with your manager for guidance



**NO?**

Don't do it



**YES**



**Proceed with Confidence**

## ☺ Raise Your Hand! ☺

**You should always seek guidance when you have a concern or question about compliance with the Code or the law.**

Our Code cannot cover every situation you may encounter and is not intended to be a substitute for common sense and good judgment. If you are ever in doubt about what you are doing or being asked to do, or you become aware of an actual or potential violation of the Code or the law, you should **Raise Your Hand**, or ask for guidance from one of the following resources:

- Any manager or supervisor
- Any member of the Human Resources team
- Any member of the Legal team
- Any member of the Leadership Team
- Any member of the Audit Committee of our Board of Directors

Additionally, you may always ask any question or raise any concern anonymously through the Carter's Ethics and Compliance Hotline ("Hotline").

Our Hotline is monitored by an independent company that provides a dedicated phone line and Internet site for anonymous communication of any questions or concerns to a trained specialist, 24 hours a day. Users of the Hotline are assigned a case ID #, link, and a password so that they can follow up on their report later. All reports will be fully investigated without any attempt to ascertain the identity of the individual making an anonymous complaint.

You can reach the Hotline from anywhere in the world. You can find the appropriate toll-free phone number at the back of this book. Regardless of your location, you may also access the Hotline via the Internet at **[cartersethicshotline.com](http://cartersethicshotline.com)**.

All reports of misconduct are handled promptly and professionally. We will maintain your confidentiality to the fullest extent possible and see that your concern is appropriately resolved. Everyone is expected to fully cooperate with all internal or external investigations. Be assured that only the identifying information you specify or that is permitted by law will be included in any report.





## Legal Compliance

**You must become familiar with, understand, and comply with all legal obligations for your job.**

The Company's reputation depends upon a heightened commitment by each of us to fulfilling our legal and regulatory obligations. Ensuring that we conduct our business in compliance with all applicable laws and regulations is not simply the job of a few individuals, but a responsibility shared by us all. While certain departments and employees are charged with focusing on organizational compliance, they cannot do it alone. Each of us plays a vital role in making sure we fulfill our compliance obligations. This Code, our Employee Success Guide, and other policies and procedures are designed to help us achieve our commitment to compliance. You are responsible for understanding these resources and knowing how and when to use them. We take compliance seriously, and no one should dismiss the responsibility to meet these requirements.

Anyone who violates our Code, Company policies, or the law may be subject to disciplinary action, including termination. In some situations, the individuals involved and our Company may face civil or criminal liability.

## No Retaliation

**Carter's will neither accept nor tolerate any form of retaliation.**

Carter's prohibits retaliation against anyone for making a report in good faith involving an actual or potential violation of our Code, our policies, or the law. You should feel comfortable reporting concerns without fear of negative consequences, regardless of who may be implicated in your report. If you report an issue based on an honest belief, question, or concern, you will be protected from retaliation in any form. Further, you will be protected from retaliation as a result of your cooperation with any investigation of an actual or potential violation.

If you know or suspect that you or someone else has been subject to retaliation at Carter's, report the situation immediately to any supervisor or any resource listed in the Code.



## question

**? Anthony believes that his manager, Sally, may be violating the Code. He is concerned that Sally will retaliate against him by not considering him for an upcoming promotion. What should he do?**

## answer

**✓ At Carter's, Anthony may speak directly with Sally's boss or any other resource listed in this Code. Anthony can also report his concerns anonymously on the Hotline. Regardless of the method he uses to report his concern, Anthony can be confident that Carter's will not tolerate any form of retaliation by Sally or anyone else.**

# LOVE for each other



we expect  
everyone to treat  
each other with  
**dignity** and  
**respect.**



## ☺ Treating Each Other with Respect ☺

**We have a duty to uphold Carter’s high ethical standards by always treating each other with respect and by respecting each other’s differences.**

Carter’s fosters a work environment in which we all should feel welcomed, valued, and respected. This gives our Company a competitive advantage and sets the foundation for Carter’s role as a community and industry leader. We encourage and value a culture of mutual respect, trust, and open communication whereby all employees have an opportunity to be successful in their careers at Carter’s.

## ☺ Diversity, Inclusion, and Equal Employment Opportunities ☺

**Our focus on Diversity and Inclusion is rooted in our Core Values, which embody who we are as a Company, guide our decisions, and inspire us.**

Diversity is the seen and unseen characteristics and experiences that make every human unique. Inclusion refers to an environment that welcomes all and fosters innovation, provides key insights into our consumers, and enhances our competitive advantage in the global marketplace.

As such, we seek to attract and retain the best people of diverse backgrounds, experiences, ideas, and approaches to promote this view with our employees, consumers, and companies with whom we do business. We are committed to creating an inclusive work environment that inspires innovation through our collaborations of diverse thought, abilities, and backgrounds and allows us to gain creative and strategic advantages to facilitate our continued growth. To that end, we strive to provide equal employment opportunities and fair treatment for all employees and applicants. The Company’s policy prohibits any employee from making any employment-related decision based on race, color, religion, age, national origin, gender, sexual orientation, or any other category protected by applicable laws and regulations. For more information, please refer to our **Equal Employment Opportunity Policy**.

# question

**?** Joan is a graduate of ABC University located in Vermont. Joan maintains a close relationship with the university. Joan believes that graduates of ABC University and XYZ University are best prepared to perform in the corporate world and, tends to give greater consideration to graduates of those universities. Does Joan’s practice promote diversity?

# answer

**✓** No. For Joan to narrow her focus of consideration to two pools of candidates – those from ABC University and XYZ University – and, not give equal consideration to candidates from other institutions who may have the same or similar educational and/or work related experiences does not promote our goal to attract and retain diverse talent. Joan should ensure that she selects the best candidates for consideration based upon the entirety of their educational and work experiences that are directly related to the job description for the position she is seeking to fill.

## ⇒ No Discrimination ⇒

**Discrimination will never be a part of our culture.**

All employees are entitled to work in an environment free from discrimination. Carter's will not tolerate any form of discrimination in connection with any term or condition of the employment relationship, including hiring, promotion, and discipline, based on, but not limited to:

- Race or color
- Religion
- Age
- Gender
- Disability
- Sexual identity or orientation
- National origin or ethnicity
- Marital and family status
- Veteran status
- Any other characteristic protected by applicable law or regulation

We must always give qualified individuals a fair chance to succeed at Carter's based solely on their qualifications, conduct, and abilities. The prohibition against discrimination extends to our consumers and business partners.

## ⇒ No Harassment and No Bullying ⇒

**You must never harass or bully another employee.**

Carter's strives to provide a work environment free from any form of offensive, disrespectful, harassing, or bullying conduct. We follow the anti-harassment laws in the countries and jurisdictions in which we operate. While each country and jurisdiction may have a different definition of harassment, we consider harassment to be any inappropriate conduct that creates an intimidating, hostile, offensive, or abusive work environment, or one that unreasonably interferes with an employee's work performance.

Harassment may be verbal, physical, or visual. Examples of inappropriate conduct include, but are not limited to:

- Offensive or abusive language
- Racial or ethnic slurs or jokes
- Lewd or offensive gestures
- Degrading or abusive comments
- Intimidating or threatening behavior

If you think that you or someone else has been the subject of inappropriate conduct at Carter's, report the situation immediately to any resource listed at the back of this book or anonymously through the Hotline. There will not be any retaliation against anyone making a good faith report of harassment or bullying. For more information, please refer to our **Harassment Policy** in the Success Guide.



**To avoid discrimination and promote diversity and inclusion:**

- Live our values
- Follow the Code
- Avoid stereotypes
- Promote open and honest communications
- Avoid favoritism
- Establish objective reasons for employment decisions



## question

**?** My co-worker makes explicit statements about another employee's appearance. I find the statements offensive but don't know if I should approach my co-worker with my concern. What should I do?

## answer

**✓** At Carter's, everyone is responsible for maintaining an environment free from harassing or offensive conduct. Harassing statements are simply unacceptable at Carter's. If you feel comfortable doing it, you could speak with your co-worker about her conduct. If you are not comfortable with that approach, you should speak to your supervisor or a member of the Human Resources team immediately, or report the conduct through the Hotline.



## ☞ Fostering a Safe and Healthy Workplace ☞

**When performing your job, you are expected to put safety first.**

Maintaining a safe and healthy work environment is a priority at Carter's. We must all abide by the safety rules, instructions, policies, and procedures in place at each of our facilities. In addition, we must all know and follow any safety-related laws and regulations that apply to our jobs. You must insist that work be performed safely, no matter the job. Should you know of or suspect an accident, injury, or potential safety hazard, immediately report it to your supervisor or any other resource listed in this Code. For more information, see our **Safety and Security Policy** in the Success Guide.

Providing clean and safe stores that are accessible to all consumers and employees, including those with disabilities, is imperative. If you are working at or visiting one of our stores, be aware of potential safety issues and all applicable Company policies. If you believe one of our stores is unsafe or inaccessible, report this concern to your supervisor or any other resource listed in this Code.

You should always **Raise Your Hand** if you:

- Are asked to perform a task you consider unsafe
- Are asked to perform a job you think you are not properly trained to perform and that may harm you or others
- See someone performing a task that you think is unsafe or that the person is not properly trained to do
- Suspect that a vehicle or piece of equipment is not operating properly and may be unsafe
- Observe or are made aware of an unsafe condition or a potential danger to yourself or others

## ☞ Maintaining an Alcohol and Drug-Free Workplace ☞

**You must never work under the influence of alcohol or drugs.**

People who work under the influence of drugs and/or alcohol, pose an unacceptable safety risk to themselves and others. Drugs may include illegal drugs, controlled substances, or misused prescription medication. Each of us is expected to perform our job duties free from the influence of any substance that could impair job performance. We therefore prohibit:

- Working under the influence of alcohol, illegal drugs, or controlled substances
- Manufacturing, cultivating, dispensing, possessing, selling, transferring, or distributing illegal drugs or controlled substances while working or on Company property
- Working while impaired by a lawful prescription medication or over-the-counter drug

For more information, please refer to our **Drug and Alcohol Use Policy** in the Success Guide.



## question

? Susan, a Carter's distribution center employee, is working with her favorite manager, Patricia. Susan notices that Patricia is stumbling around the floor, seemingly distracted. Susan thinks Patricia may just be tired but when Susan approaches Patricia to ask whether she's okay, Susan smells alcohol. Susan doesn't want to get Patricia in trouble but is worried that Patricia might cause an embarrassing situation or hurt herself or others. What should Susan do?

## answer

✓ Susan must report Patricia's behavior immediately. She can speak to Patricia's supervisor, or she can call any of the resources listed at the back of this book. Patricia's decision to work while intoxicated makes her unable to perform her duties and creates an unsafe environment for co-workers.



## ☺ Protecting Employees from Workplace Violence ☺

**At all times, everyone must maintain composure and never verbally or physically threaten another employee.**

Our goal is to have a workplace free from acts or threats of violence and to respond effectively in the event that such acts or threats of violence do occur.

To ensure a safe workplace and to provide a safe, comfortable, and secure atmosphere for our consumers, employees, and business partners, we must never engage in or threaten violence or intimidation when conducting Company business, whether explicit or implied.

Examples of workplace violence include, but are not limited to:

- Threats or acts of violence occurring on Company property, regardless of the relationship between the parties involved in the incident
- Threats or acts of violence occurring off Company property involving someone who is acting as a Company representative
- Threats or acts of violence occurring off Company property involving an employee if the threats or acts affect the business interests of the Company
- Threats or acts of violence occurring off Company property of which an employee is a victim or perpetrator, if we determine that the threat or act may lead to an incident of violence on Company property
- Threats or acts of violence resulting in the criminal conviction of an employee or individual performing services for the Company.

Examples of conduct that may be considered threats or acts of violence under this policy include, but are not limited to:

- Threatening physical or aggressive contact toward another employee, customer, or vendor
- Threatening to harm another employee, customer, or vendor or his/her family, friends, associates, or property
- The intentional destruction or threat of destruction of the Company's or another employee's, customer's, or vendor's property
- Harassing or threatening phone calls
- Stalking
- Veiled threats of physical harm or intimidation
- Communicating an endorsement of the inappropriate use of firearms or weapons

The prohibitions against threats and acts of violence as described above apply to anyone acting on behalf of the Company or working on Company property, including, but not limited to, employees, contract and temporary employees, and non-employees on Carter's property. For more information, please refer to our **Workplace Violence Prevention Policy** in the Success Guide.

## ☺ Protecting Employee Privacy ☺

**We must maintain the privacy of each other's personal information.**

We must all respect each other's privacy by safeguarding the personal information of others. Personal information generally refers to any information that could be used to identify, contact, or locate a person, as well as information a person typically keeps private. Examples include social security number, driver's license number, address, phone number, date of birth, bank account numbers, credit card numbers, salary and financial information, and personal medical information.

Those of us with access to personal information or who acquire this information by whatever means must not disclose such information to any third party without a valid business reason or requisite approvals. All such information must be collected, kept, and used in a manner that complies with all applicable federal, state, or local laws.

If your job responsibilities involve the collection, storage, modification, transfer, blockage, erasure, or use of personal information, you have a duty to know and comply with the privacy and data protection laws that apply to your work. For more information, please refer to our **Accessing Employee Records Policy and Confidentiality Policy** in the Success Guide.



# LOVE for our company and our shareholders

good corporate  
governance inspires  
and aids our long-term  
**business  
success**  
and reputation.

## ≡ Corporate Governance ≡

**We are committed to observing good corporate governance standards.**

The Company's corporate governance policies and practices serve to promote trust in the Company by our consumers, customers, and shareholders. Through our governance policies, our Directors and Leadership Team seek to protect shareholder value and confidence in the Company's commitment to conducting our business with the highest ethical standards. Our shareholders are well served by having a Board of Directors made up of a majority of independent directors who meet the independence requirements of the New York Stock Exchange. The Board has three committees: (1) Audit, (2) Compensation, and (3) Nominating and Corporate Governance. Frequently reviewed and updated committee charters and governance guidelines clearly define Director roles and responsibilities and the Company's corporate governance principles.

The Company has put in place corporate governance practices that are continuously improved and refined. Our Directors believe that good corporate governance inspires and aids our long-term business success and reputation.

## ≡ Managing Records Properly ≡

**We manage, protect, and preserve our corporate records.**

Carter's is committed to managing its records in a uniform, cost-effective manner that will effectively support its strategic business needs, facilitate efficient access to information, and meet the Company's legal and regulatory compliance obligations. The Company's records serve as its corporate memory, providing evidence of the Company's actions and decisions about daily functions and operations. What's more, our records support policy formation and managerial decision making and ensure we operate our business with optimal efficiency that fosters better productivity and growth.

To ensure consistent enterprise records management practices, the Company has developed a Records Management and Retention Policy to provide guidance to each employee, officer, and Director of the Company. Specifically, this policy provides us with guidance about:

- Creating and classifying records
- Maintaining, organizing, and using records
- Retaining and disposing of records

Each employee, officer, and Director of the Company is responsible for complying with the Records Management and Retention Policy and understanding what may constitute a violation of the policy. Violations of this policy can result in serious financial and legal penalties for the Company and disciplinary action by the Company, including termination of employment. For more information, please refer to our **Records Management and Retention Policy**.





## Responding to Audits and Investigations

**We expect good faith cooperation with all audits and investigations.**

We have a responsibility to cooperate with internal and external auditors, investigators, and government agencies who are conducting an inspection or review of our Company's records, products, or activities. We must never attempt to interfere with or improperly influence their review, and we must always provide them the information to which they are entitled. If anyone asks to inspect your facility, or if someone arrives unexpectedly at one of our facilities to serve legal papers, you should notify the Legal team immediately. If you have any questions about what information an auditor or investigator is entitled to, contact a member of the Human Resources or Legal team.

## Maintaining Accurate Financial Records

**We must always provide accurate and truthful information in financial reports.**

Our shareholders rely on us to maintain accurate and honest books and records. These documents form the basis for all our public disclosure and governmental filings, and they allow us to give our shareholders and the public an accurate view of our Company's operations and financial standing. We also use these documents to analyze Company operations and make important business decisions.

As a result, we must each make sure that the information we submit in all Company records is complete, accurate, and understandable. This includes, for example, all of the information we provide in payroll documents, timecards, travel and expense reports, performance records, sales information, customer and supplier information, and design records.

We must never make a false or artificial entry in Company records. None of us should ever establish any unrecorded Company funds or assets or any other type of "off-the-books" accounts. Any suspected accounting or auditing irregularities should be reported immediately to the Company's Chief Financial Officer, Audit Committee, or Hotline. No one will be retaliated against for making a good faith report of such matters.

## question

**?** Katerina's manager tells her to delay sending an invoice to the Accounts Payable department until next quarter. Katerina assumes her manager is trying to give their department some leeway to meet the budget. Should she follow her manager's request?

## answer

**✓** No. The costs associated with all goods and services must be accounted for in the period incurred. Because Katerina's manager is asking her to create an inaccurate record, she should report the situation immediately to the Company's Chief Financial Officer, Audit Committee, or Hotline.

## ⇒ Special Obligations of the Finance Team ⇒

**Every member of the Finance team has an enhanced obligation to ensure the accuracy of the Company's financial information.**

Employees on our Finance team must ensure that the information we disclose in our public communications and periodic reports filed with the Securities and Exchange Commission is complete, accurate, fairly stated, and made in a timely and understandable manner. In addition, employees on our Finance team are required to:

- Help maintain reliable internal controls
- Inform the Chief Financial Officer or Internal Audit of, or report through the Hotline, any transactions, events, or circumstances that could have a material impact on our Company's financial statements
- Fairly and completely represent material facts or circumstances when interacting with those individuals who prepare our Company's financial statements and with our auditors
- Ensure that those who perform accounting or financial reporting functions know and adhere to these principles and all applicable legal and regulatory standards

## ⇒ Insider Trading ⇒

**Never trade the Company's stock or that of our customers based on material, non-public information.**

In the course of performing your job, you may learn of certain confidential information that qualifies as "material, non-public information" about the Company, one of its customers, business partners, or another third party. Information is considered to be "material" if a reasonable investor would consider it important in making a decision to buy, hold, or sell stock or other securities. Examples of "material" information are:

- Projections of future earnings or losses
- Earnings inconsistent with investment community consensus expectations
- Merger, acquisition, or any other transaction
- Significant asset acquisition or disposition
- Gain or loss of a significant customer or supplier
- Change in senior management
- Re-confirmation of prior public statements

Information is considered "non-public" if it has not been broadly distributed to the public. Typically, the Company will disseminate information through press releases and documents filed with the Securities and Exchange Commission.



If you have knowledge of “material, non-public information” about the Company, you should exercise extreme diligence to maintain it in confidence by adhering to the following rules:

- You must not trade the Company’s securities or bonds or the securities or bonds of another company on which you possess “material, non-public” information.
- You must not provide “material, non-public information” to others for the purpose of encouraging or inducing them to trade the Company’s securities or bonds or the securities or bonds of another company.
- You must not disclose such “material, non-public information” to persons outside the Company, including family members and friends.
- You must not discuss such “material, non-public information” with persons inside the Company unless they have a need to know such information.

You may trade the Company’s securities or the securities of another company only after a reasonable period passes following the public disclosure of the “material” information. Keep in mind, the rules related to insider trading extend to the exercise of stock options.

If you leave the Company, your obligation to maintain the confidentiality of “material, non-public information” continues until that information has been adequately disclosed to the public. If you have a question about the policy or whether information is “material” or has been adequately disclosed to the public, you should contact a member of the Human Resources or Legal team. For more information, please refer to the **Insider Trading and Preclearance Policy**.

## question

**?** I don’t have any exposure to stocks or securities as part of my job and I don’t own any Company stock or securities. Do prohibitions on insider trading apply to me?

## answer

**✓** Yes, anyone with knowledge of confidential, material information can violate insider trading laws if they disclose material, non-public information to third parties who may then trade stock based on that information or if they themselves trade stock based on that information. This includes advising a friend or family member to buy Carter’s stock based upon material, non-public information.





## ⚡ Confidential Information ⚡

**Protecting our confidential information is critical to maintaining our competitive advantage.**

Anyone entrusted with our Company’s confidential information is expected to protect it at all times. Confidential information includes any information not generally known by the public and that might be of use to competitors or be harmful to our Company if disclosed. Examples include business or marketing plans, supplier information, product designs, existing and future merchandising information, and human resources information, such as salaries and organizational charts.

Each of us must take care not to lose or misplace confidential information or devices containing such information (such as laptops or smart phones) or leave any such information unattended in public places. In addition, we must never discuss confidential or proprietary information with those who do not have a business need to know it (whether they are employees or outsiders), and we must never record conversations with co-workers or meetings that we are a part of without the explicit consent of each person that may be recorded.

All of us are prohibited from using confidential information about the Company for personal gain and from disclosing such information to others for their gain. For more information, please refer to our **Confidentiality Policy** in the Success Guide.



## question

**?** Isaiah, a Carter’s business analyst, takes the city bus to work every morning. During his hour-long commute, he often types up reports on his Company laptop and takes business calls to get an early start on his workday. Though the bus is generally crowded, Isaiah doubts anyone is paying attention to him and talks loudly to be heard. Is this okay?

## answer

**✓** No, Isaiah must exercise caution when discussing business in public places. Despite what he may think, anyone could be listening or looking over his shoulder. Depending on the information he is disclosing over the phone and displaying on his laptop, he could be putting the Company’s information at risk for exposure. Isaiah needs to take additional precautions, such as a monitor privacy screen, to ensure he doesn’t inadvertently reveal the Company’s confidential information.

## ⚡ Anti-Corruption and Anti-Bribery ⚡

**Your business decisions should never be influenced by corruption.**

The Company expects each employee, business partner, and supplier to conduct business with integrity and, regardless of differing local customs and traditions, to comply with all laws and regulations prohibiting corrupt practices, including (i) the U.S. Foreign Corrupt Practices Act, (ii) the U.K. Bribery Act, and (iii) similar laws and regulations in other countries that may apply to the Company. 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 compels another party to perform an act or enter into a business arrangement.
- Kickbacks - A kickback is the return of a sum already paid or due to be paid as part of a legal contract as a reward for making or fostering business arrangements.

The Company strictly prohibits employees, business partners, and suppliers from giving or offering money or anything of value to anyone 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.

Violation of anti-corruption and anti-bribery laws can result in serious financial and criminal penalties for the Company, criminal liability for individuals, and disciplinary action by the Company, including termination of employment. Whenever you have a question about complying with anti-corruption or anti-bribery laws, you should contact a member of the Legal team. 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**.



**In evaluating business arrangements and relationships, you should be aware of “red flags,” which are facts that should alert you that there is a high possibility of improper conduct in a business arrangement.**

Here are some examples of “red flags”:

- Unusual or excessive payment requests, such as requests for, over-invoicing, up-front payments, ill-defined or last-minute payments, success fees, unusual commissions, or mid-stream compensation payments
- Requests for payment to a third party, to a numbered account, or in cash or other untraceable funds
- Requests for political or charitable contributions
- Refusals or hesitancy by business partners to disclose its owners, partners, or principals
- Reliance by business partners on government contacts as opposed to knowledgeable staff
- Insufficient infrastructure and investment of time to promote the Company’s interests
- Refusal by business partners to agree to abide by applicable anti-corruption and anti-bribery laws



## ⇒ Anti-Boycott ⇐

**You must never agree to participate in an unauthorized boycott.**

The Company prohibits the participation in or cooperation with international boycotts of other countries when such boycott has not been sanctioned by the United States government. Employees and business partners must conduct Company activities so as to fully comply with the laws of the countries in which we operate; however, there may be a time where the laws of one country conflict with those of the United States or Company policy. Should you become aware of such a conflict, you should consult with a member of the Legal team.

## ⇒ Anti-Money Laundering ⇐

**We must always ensure we are doing business with reputable customers and business partners.**

We strive to comply with all laws that prohibit money laundering. Money laundering is the process by which persons or groups attempt to convert proceeds of illegal activities to legitimate funds or try to make the sources of those proceeds look legitimate. We will do business only with reputable companies or individuals involved in legitimate business activities, with funds derived from legitimate sources.

As a result, you must conduct appropriate due diligence with respect to our customers and business partners. You will also need to identify transactions that appear suspicious or inconsistent with usual business practices by our customers or business partners. Involvement in money laundering, and even failure to report money laundering or suspicious activities that might be money laundering, can lead to severe penalties for you and the Company. If you suspect money laundering activities, **Raise Your Hand** and report it to a member of the Finance or Legal team.

## ⇒ Internal and External Corporate Communications ⇐

**Communications must be authorized, respectful, transparent, and in compliance with our policies.**

What we say, email, blog, post or tweet can reach millions of people in seconds. What we say and do affects our brand and our reputation. Good judgment is required for all communications. Internal communications, including emails, must reflect our values and commitment to each other. In today's culture, business communications often become public and are often misinterpreted. You should never write or say anything that would embarrass you or the Company if reported in public or read in court.

With respect to external communications, we must properly handle outside inquiries to ensure that our communications with the public are accurate and consistent. Anyone who receives a request for information from an outside source, such as an investor, security analyst, or the media, should forward it to a member of the Company's Investor Relations or Legal team. We should engage in social media responsibly and in accordance with our **Social Media and Blogging Policy** in the Success Guide.

# Identifying, Avoiding, and Disclosing Conflicts of Interest

**We must all act in the best interests of our Company at all times.**

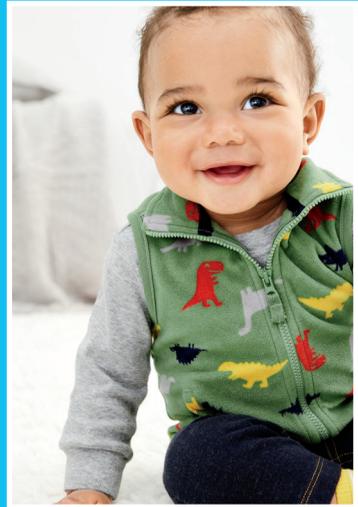
We must avoid any actual or apparent conflict of interest. A conflict of interest arises when our personal interests conflict with the Company's interests or limit (or could appear to limit) our ability to perform our work objectively and without bias. If you believe you are facing an actual or apparent conflict of interest, you must immediately disclose it to your supervisor or to a member of the Human Resources team.

Remember, having a conflict of interest does not violate our Code, but failing to disclose it does. For more information, please refer to our **Conflicts of Interest and Gift Policy**.



**To avoid conflicts of interest:**

- Don't accept goods or services from a business partner at a cost or pricing not available to the general public
- Don't use Company assets for your personal gain
- Don't work for a competitor or maintain a consulting or freelance position that has competing interests with the Company
- Don't allow a private business to distract you from your Company commitments





## Receiving Gifts

**You should not accept a gift that gives the appearance of a conflict of interest or lack of objectivity in your decision making.**

Some of us may be offered a gift by or on behalf of a current or potential supplier, vendor, agent, consultant, or customer of our Company. Gifts include merchandise, products, services, or discounts on personal services or purchases.

Although receiving gifts is generally not encouraged, you may accept them as long as they are:

- Nominal in value
- Unsolicited
- Not given with the intent of influencing a business decision
- In line with accepted business practices
- Infrequent
- Not in the form of cash or cash equivalents, such as gift cards and gift certificates

If a gift fails to meet these criteria, you should refuse or return it. Even if it meets these guidelines, you should also refuse or return a gift if acceptance of it could create the appearance of a conflict of interest.

The value of any gift must not raise any questions regarding any obligation on the part of the employee who receives it. If you find yourself in a situation where refusing a gift may give offense to the person offering it but the gift exceeds nominal value, you may accept the gift on behalf of the Company and report the gift immediately to your supervisor. In these situations, the Company will generally donate the gift to charity or share it broadly with other employees.

The same rules that apply to employees apply to their family and friends; a gift that is given to a family member or friend may be accepted only if it meets all of the above criteria. You and your family and friends should not accept any form of improper payment, even if it is offered as a gift, when it is connected with any Company business. For more information, please refer to our **Conflicts of Interest and Gift Policy**.



## question

**?** Henry recently received a gift card for \$250.00 from a Carter's supplier. What should Henry do with the gift?

## answer

**✓** As the gift exceeds nominal value and is in the form of a gift card, which is the same as cash, Henry must politely return the gift. Our Company's guidelines on accepting gifts apply to anyone doing or seeking to do business with our Company. The fact that this gift came from an established Carter's supplier doesn't mean an apparent conflict of interest will not arise. In addition, Henry may conduct business with this supplier in the future, and accepting this gift could call into question the objectivity of his future decisions.

## ⇒ Meals, Travel, and Entertainment Expenses ⇒

**Everyone must adhere to our values and policies when traveling for the Company.**

Guidelines similar to those for gifts also apply to business entertainment of customers, suppliers, vendors, and other entities. Business entertainment such as meals, sporting events, shows, or golf outings (including the cost of travel to such events) must be carefully monitored. To be authorized, the primary purpose of business entertainment must be to enhance the conduct of business and must be:

- Unsolicited
- Infrequent
- Reasonable in value and appropriate in venue
- Attended by both the giver and recipient

These requirements apply whether or not the Company is hosting the business entertainment. When the Company is hosting the entertainment, the most senior Company employee at the event should pay for the event.

The important aspect to remember is that each of us must avoid even the appearance of a conflict of interest or lack of objectivity in our business judgments, so avoid any situation where it would appear to an outsider that your decisions could have been influenced because of business entertainment or gifts. For more information, please refer to our **Travel and Entertainment Policy**.

## ⇒ Protecting Our Physical Property ⇒

**We must preserve all physical property.**

We are expected to treat Company property with the same care and respect that we do our own possessions. Theft, damage, carelessness, misuse, and waste have a direct impact on our Company's profitability and success. If you suspect this may be happening to Company assets, immediately report it to your supervisor.

Occasional personal use of certain Company equipment (such as use of Company email for personal reasons) may be authorized by appropriate Company personnel. However, you must ensure this use does not interfere with your ability to perform your work. You may never use Carter's property for personal gain or for the gain of another person or organization. At the end of your employment, you must return all Company property in your possession.

## ⇒ Protecting Our Intellectual Property ⇒

**Each of us must identify and disclose situations that threaten our intellectual property.**

Company “intellectual property” refers to an idea, process, design, copyright, or trademark, also known as “intangible assets,” that we create on Company time, at Company expense, or within the scope of our job duties. The Company owns the rights to anything you create in connection with your work with the Company, regardless of whether this work is patentable or protectable by copyright, trade secret, or trademark.

We expect others to respect our original designs, and we expect our teams to respect the intellectual property rights of others and will not copy or use software, designs, art, photography, copyrights, or trademarks of another party, except as permitted by an applicable license agreement or by law.

Everyone involved in creating new products, designs, campaigns, or programs for the Company must avoid infringing upon or violating the rights of other companies and individuals. Innovation is a vehicle that helps to drive the growth of our brands. As such, we generate so many new ideas with so many sources of inspiration that we have to be careful not to infringe on the intellectual property rights of others - not only in design but also in the development of written materials and technology. We must keep in mind that even an allegation of infringement could be costly and hurt our reputation.

Before using the intellectual property that belongs to another, you should ask yourself the following:

- Do I have permission to use this?
- If the situation were reversed, would I be comfortable with somebody using my ideas or intellectual property without my permission?

If you spot a copy of one of our products or designs or see one of our trademarks being used by others, **Raise Your Hand** and report it to a member of the Legal team.

If your job involves any use of intellectual property or the development of new intellectual property for the Company, the Legal team will help ensure you are following our guidelines.

## ≡ Using Computer Assets and Systems ≡

**Your use of the Company's technology must always follow our policies and values.**

We are each entrusted with computers and systems to aid us in our job duties. The computers and systems belong to the Company and include email, voicemail, Internet and Intranet access, and computer software, as well as the data they contain. Each of us has a responsibility to protect these assets from damage, alteration, theft, fraud, and unauthorized access.

We have a responsibility to use these resources in an efficient, professional, ethical, and lawful manner. We may never use Company computer assets or systems to download, display, or store material that is unlawful, inappropriate, or offensive. If you receive such content, report the incident to your supervisor or a Human Resources representative immediately. Do not use Company systems to send unauthorized solicitations or conduct business for other organizations. For more information, please refer to our **Internet, Computer, and Email Use Policy**.

While you may make limited personal use of Company computer assets and systems, you must ensure that your use does not interfere with your ability to do your work (or with workplace productivity in general). Your use of computer assets and systems must be professional, ethical, and lawful. Additionally, while we respect employee privacy, the Company must service and protect its computer assets and systems. Our Company monitors Internet usage and the data and communications created, stored, sent, or received on all computer systems.

To safeguard our information systems:

- Never share your passwords with anyone.
- Never leave laptops or other mobile devices unattended while traveling or in an exposed location where they can be stolen.
- Never download unauthorized or unlicensed software or files on Company computers.

If you suspect a data breach or become aware of any situation in which data has been compromised, including the loss or theft of a laptop or handheld device, immediately report the situation to the Information Technology or Legal team.



## ⚡ Social Media ⚡

**Each of us must be respectful in our online communications.**

We recognize the growing importance of social media and believe it can be a great vehicle for communicating our passion and knowledge to our customers and consumers. The communication power that comes with social media require us to ensure that what we say, blog, post, tweet, or wiki does not disclose company confidential or proprietary information without authorization or, negatively affect our brand.

Except as permitted by law, we expect you not to engage in disrespectful conduct with regard to our consumers, customers, business partners or co-workers or post disparaging or harmful statements about the Company. If you are ever unsure about posting comments or information, ask a Human Resources representative before proceeding.

Remember, posts on social media and networking sites (such as blogs, chat rooms, Facebook, Twitter and LinkedIn) are permanent, transferable records that can impact our Company’s reputation. Before posting an electronic message, always ask yourself if you would want the general public to read the message—because someday they may. For more information, please refer to our **Social Media and Blogging Policy** in the Success Guide.



## question

**?** Elsa works at a retail location and often uses her breaks and lunches to post mobile updates on her Facebook account from her own smart phone. In her personal information section, she lists Carter’s as her employer and occasionally writes about her personal political and religious beliefs. Sometimes she makes fun of customers. Elsa assumes that she is exercising free speech and just “blowing off steam.” Is Elsa right?

## answer

**✓** No. While Elsa has a right to express her opinions, by working for Carter’s, she has made a commitment to follow Company policy. Therefore, she may not post any disparaging, harmful statements about customers. By doing so, she compromises our Company’s reputation and good name and, therefore, may be subject to disciplinary action.



our number  
one **priority** is  
**product**  
**safety.**

# LOVE for our consumers and business partners

## Ensuring Product Quality and Safety

**With the most trusted brands in young children’s apparel and related products, our number one priority is product safety.**

Our brands have been known for generations as the most trusted in young children’s apparel and related products, and as the leaders in product value, quality, and safety.

Our number one priority is product safety. To uphold this reputation, we must make sure the products we sell are safe, comply with all applicable laws and regulations, and consistently meet or exceed the high standards we have set. If you have any concerns about the safety of our products, immediately inform any supervisor or any resource listed at the back of this book.

To maintain the trust we have earned, our suppliers must also provide safe products of superior quality. If you are involved in supplier selection or management of suppliers, be sure to familiarize yourself with our Vendor Sourcing Manual. If you know or suspect that a supplier is not upholding its commitments to quality and safety, report the situation promptly to any supervisor or resource listed at the back of this book.



## ⚡ Obeying Antitrust Laws ⚡

**The success of our business is built on honest and fair competition.**

We must all comply with antitrust and unfair competition laws in the locations where we do business. These laws are designed to promote a competitive marketplace that provides consumers with high-quality goods and services at fair prices. Failure to comply with these laws can have serious and far-reaching consequences for the Company.

You must avoid even the appearance of agreeing with a competitor to limit how we compete with one another.

You should:

- Never disclose to competitors our pricing or pricing policy, costs, marketing, or strategic plans
- Never agree with business partners or competitors on the prices we will charge customers
- Never agree with business partners or competitors to divide customers, markets, territories, or countries
- Never boycott certain customers, suppliers, or competitors

Be especially cautious when interacting with competitors at conferences and other similar events. Even if there is no formal written agreement, the mere exchange of information can create the appearance of an informal understanding, creating potential legal risk. If a competitor attempts to discuss any of the above topics with you, stop the conversation immediately. Then, promptly report the incident to a supervisor or a member of the Human Resources or Legal team.

It is also important that we comply with all applicable competition laws when interacting with our suppliers and customers.

You should seek advice before engaging in the following:

- Entering into an exclusive agreement with a customer or supplier
- Setting the price or terms under which our customers or licensees resell our products

If you need guidance regarding competition laws, contact a member of the Legal team.



## question

? Cynthia, an OshKosh sales representative, has a good friend who works for a competing retailer. Cynthia's friend suggests that if she could get OshKosh to charge more for their new summer collection, he would ensure that his company would charge the same amount for a similar line. Should Cynthia agree to this strategy?

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## answer

✓ No. If Cynthia were to enter into this type of agreement, she may be guilty of what is known as "price fixing." This is a violation of competition laws and may carry severe penalties for both Cynthia and our Company.



## ⚡ Promoting Fair Competition ⚡

**We strive to lead the baby and children’s market in all categories, but we will not do so by relying on trade secret or confidential information of our competitors.**

We like to know what our competitors are doing. It helps us grow and strengthen our market-leading position. What we cannot do, however, is seek out a competitor’s information in inappropriate, deceitful, or unlawful ways.

We may gather any publicly available information about our competitors. However, we may never attempt to gather such information through misrepresentation or other inappropriate methods. In addition, we may never attempt to influence another person to breach an agreement of confidentiality. For example, you should never ask a new employee to reveal competitive information he or she acquired during former employment and that is subject to a confidentiality agreement. If you have a question or concern about appropriate use of competitive information, contact a member of the Legal team.



## question

**?** How can I legitimately obtain competitive intelligence?

## answer

**✓** Competitive intelligence can be obtained fairly and ethically from publicly available sources, such as media reports, trade journals, annual reports, governmental filings, speeches of company executives, and from customers in the context of meeting competitive offers. Competitive intelligence should never be obtained through misrepresentation, trespassing, theft, invasion of privacy, or obtaining confidential information from co-workers about previous employers.

## ≡ Doing Business Honestly and Fairly ≡

**We must always deal honestly and fairly with our consumers, customers, suppliers, business partners, and competitors.**

We must never use an unfair practice to take advantage of any party with whom we do business. Honesty and personal integrity must be our guide in all of our sales and marketing activities. We must make only complete, factual, and truthful statements about the Company and its products.

When dealing with consumers, customers, suppliers, business partners, or competitors, we must:

- Provide accurate information when marketing and selling our products
- Avoid making misleading, false, or exaggerated claims concerning our products or those of our competitors
- Do business in a straightforward and transparent manner

You should be familiar with any sales and marketing review procedures that apply to your work. If you have any questions, please consult your supervisor.

You must never make or accept any bribe, kickback, or other improper payment in connection with any business activity or promotion. This includes any situation where something of value is given—to you or by you—in the hopes of influencing a business action or decision. The Company will not tolerate this activity, whether done directly or indirectly through consultants, brokers, middlemen, or other agents acting on our behalf.

## ≡ Protecting Consumer Data ≡

**We must always protect the privacy of our consumers.**

We are committed to respecting the trust that our consumers extend to us when sharing their personal information. We must maintain that trust by protecting the privacy and security of this information.

Our Company has made a commitment to protect the privacy of consumer information, including names, addresses, and credit card information. This means we must:

- Always handle personal data responsibly and follow all applicable privacy laws and company policies.
- Only collect, use, and process personal data for legitimate business purposes.
- Never release the personal information of others to third parties without a current contract with respect to such information or a legal requirement to do so. For more information, please refer to our **Internet, Computer, and Email Use Policy, Data Classification and Handling Policy, and Privacy Policy.**

Depending on the nature of our work, our customers and suppliers may entrust us with confidential information about their companies. It is our duty to protect that information as carefully as we protect our own confidential information. We should use this information only for legitimate business purposes. We also must take all possible steps to keep that information secure and make it available only to colleagues who have a legitimate business need for it. This obligation continues even after your employment with the Company ends.

## ⇒ Building Honest Supplier Relationships ⇒

**We seek to have mutually beneficial relationships with our suppliers.**

We engage in honest and fair supplier selection. We must always:

- Communicate to our suppliers that we expect them to compete fairly and vigorously for our business
- Select suppliers objectively and based strictly on merit, not because of any personal benefit
- Comply with all bidding processes, sourcing policies, and purchasing guidelines

We require that all of our suppliers embrace our vision, values, and conform to our legal and ethical standards in all of their business practices. For more information, please refer to our **Vendor Sourcing Manual** and our **Social Responsibility Policy and Standards**.

## ⇒ International Trade ⇒

**Everyone involved in the import or export of goods must comply with trade regulations.**

As a global company, we transfer goods, services, and technology across national borders. Our business transactions are subject to various trade controls and laws that regulate export and import, including government-imposed export controls, trade restrictions, trade embargoes, legal economic sanctions, and boycotts.

Each of us involved in the transfer of goods or services across national borders on behalf of the Company or our customers must comply with these laws, regardless of where you are located. If U.S. law conflicts with a local trade law, U.S. law may apply. When questions arise, contact the Legal team for guidance.

# LOVE for our communities

## Being a Responsible Corporate Citizen

We act responsibly in our communities and encourage each employee to do so as well.

We act as responsible and responsive corporate citizens in the communities in which we live, work, and do business. We support charitable organizations whose missions promote the health, safety, and welfare of children. We are each encouraged to be avid participants in charitable causes. For more information, please refer to our **Corporate Contributions Policy**.

## Protecting Human Rights

We respect the human rights of all people throughout the world.

Carter's does not condone or permit the use of child, forced, or involuntary labor in any of our operations. We will only do business with suppliers and other business partners who have a similar commitment to human rights. We expect our suppliers to treat their employees with dignity and respect and to provide them proper pay and a clean, safe, and healthy workplace.



## ⇒ Promoting Responsible Advertising and Marketing ⇒

**We communicate accurately and truthfully about our products.**

We have built a well-earned reputation by providing accurate and true information to consumers about our products. To ensure we honor and retain this reputation, all of us must adhere to the following principles:

- Never knowingly make a false statement about the qualities of our products
- Communicate truthfully about the qualities of our products in all advertising and marketing
- Ensure price accuracy
- Honor our return policy

We must ensure our marketing programs conform to applicable laws and regulations as well as applicable policies of each department or function, including our guidelines relating to marketing to children.

## ⇒ Promoting Environmental Responsibility and Sustainability ⇒

**We strive to improve our environmental impact for current and future generations.**

We manage our operations in ways that respect the environment. We work to ensure that all our operations are environmentally friendly, economically beneficial for our communities, and adhere to our standards of responsibility and integrity. We understand the need for environmental responsibility and sustainability for the preservation of the earth and natural resources. As such, we continually strive to improve our operations to minimize our impact on our planet.

## ⇒ Engaging in Political Activities ⇒

**You cannot engage in partisan politics on behalf of the Company.**

We strongly encourage each of you to support your communities by participating in activities of your choice, which may include political activities. However, you may participate in such activities only on your own time and at your own expense. You may never use the Company's name and property, including facilities, for political activities. In addition, you should never engage in any political activities on the Company's behalf.

The Company does not make contributions to political candidates or campaigns. No employee will be reimbursed for any political contribution.

## ≡ Waivers of Our Code ≡

Compliance with our Code is a key responsibility for us all. Waivers of our Code are unlikely; however, any requests to waive provisions of our Code will be reviewed by the Legal team and, in cases involving Directors or executive officers, by the Board of Directors. If waivers are granted, they will be appropriately disclosed.

## ≡ A Final Note ≡

### Resources

Doing the right thing matters, although it is not always clear how we should go about doing so. At times, you will face situations in which you must make difficult decisions about what is ethical or legal. While our Code and the resources it provides will help you make the right choice, they may not always answer all of your questions.

If you find yourself with questions after using the information in this Code or Company policies, always **Raise Your Hand** and ask a question. Seek guidance from any of the following Company resources:

- Any supervisor
- Any member of the Human Resources team
- Any member of the Legal team
- Any member of the Leadership Team
- Any member of the Audit Committee of our Board of Directors

Additionally, you may always communicate any questions or concerns anonymously through our Ethics and Compliance Hotline.

### Ethics and Compliance Hotline (toll free):

<b>United States</b>	1-866-516-3413	<b>Myanmar</b>	9512390036
<b>Bangladesh</b>	09610991099	<b>Malaysia</b>	1-800-81-2300
<b>Canada</b>	1-877-747-5307	<b>Mexico</b>	01-800-123-9568
<b>Cambodia</b>	00855-23962548 (local rate)	<b>Philippines</b>	1-800-1441-0214
<b>China</b>	4001-204952 (national rate)	<b>Sri Lanka</b>	2422173 (NB must prefix with 011 if outside Colombo)
<b>Ethiopia</b>	01249-661-808 (international dialing rate)	<b>Singapore</b>	800-4481-398
<b>El Salvador</b>	50322595703 (local rate)	<b>Thailand</b>	001800-441-0657
<b>Hong Kong</b>	800-90-8258	<b>Taiwan</b>	00801-44-4292
<b>India</b>	000800-4401102	<b>United Kingdom</b>	0800-097-0025
<b>Indonesia</b>	00180-344-1476	<b>Vietnam</b>	12032419

**NOTE: The “access code” for all hotline numbers is 22783.**

### Emails:

integrity@carters.com  
carters.legal@carters.com  
auditcommittee@carters.com

### Hotline Website:

<http://cartersethicshotline.com>

### Internal Mail:

Carter’s Legal Department

### External Mail:

Carter’s Ethics and Compliance c/o  
Carter’s Legal Department  
3438 Peachtree Road NE, Suite 1800  
Atlanta, GA 30326



**RAISE  
YOUR  
HAND!**

