

WILLIAMS-SONOMA, INC.

SOCIAL COMPLIANCE

At Williams-Sonoma, Inc. (WSI), we hold our manufacturing suppliers to high social standards in their operations and are committed to integrity and honesty throughout all aspects of our business. We work with suppliers who meet rigorous standards for safe, healthy work conditions, and whose employment practices conform with local law, best industry practices and our company standards. These standards include strict prohibitions against child labor, prison or forced labor, unsafe working conditions, unfair wage practices, or non-compliance with any local regulation. All of our suppliers are expected to sign and abide by our Vendor Code of Conduct and corresponding Implementation Standards, which lay out specific requirements around Labor Practices, Health and Safety, Environmental Protection, Ethical Conduct, Sub-Contracting, Management Systems and Transparency.

AUDIT PROCESS

To ensure the factories we use are safe, secure and fair places of employment for workers, factories in our audit scope are audited each year through semi-announced audits within a three-week window. Audits are conducted on site for one or two days, by qualified auditors from independent third-party audit firms who are trained in-depth on WSI audit standards and protocols.

Through a complete factory tour (including production and non-production areas), document and record reviews, as well as worker and management interviews, the auditors review the compliance of the factory against set standards for Transparency, Labor Practices, Health & Safety, Ethical Conduct and Environmental Protection. The violations identified during the audit are ranked according to four levels of severity, from “Needs Improvement” to “Zero Tolerance.” WSI has a rigorous zero tolerance policy and monitoring process. The audit results in a social rating, from A to D, based on the number and severity of the non-compliance items identified on site. This social grade allows us to benchmark factory performance, as well as measure factory improvement over time. Factory grading is integrated into our vendor scorecards and business decisions and is intended to reward those partners with strongest performance, as well as protect our business from risk.

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Vendor Code of Conduct

[<Download>](#)

Supply Chain Labor Practices Policy (CA Transparency in the Supply Chain Act)

[<Download>](#)

REMEDIATION & CONTINUOUS IMPROVEMENT

We work with factories to develop Corrective Action Plans (CAP's) based on audit findings and to support remediation. We have a dedicated team of corporate social responsibility experts in our major markets to work directly with factories on continuous improvements plans, supporting them to identify root causes to non-compliance items, build timebound action plans, and implement solutions that prevent recurrence and are validated through a follow-up audit.

Beyond the audit process, we partner with vendors to help build long-term management systems that sustain their social compliance performance. Additionally, we invest in developing and delivering targeted training and capacity-building programs to our vendors that directly address organizational priorities, such as factory health and safety. High standards in our labor practice aligns with our company values and contribute to a strong and resilient supply chain. Our social compliance programs and progress are subject to oversight by our Board of Directors.

BEYOND COMPLIANCE

At WSI, we go beyond compliance to develop industry-leading initiatives that improve the lives of workers. We were the first home retailer to bring Fair Trade USA®'s factory certification program into the home sector. We were the founding partner with nonprofit Nest on its Ethical Handcrafted Program to bring transparency to artisanal supply chains and the first retailer to feature the Nest Ethically Handcrafted seal on product. Through partnerships with HERproject and VisionSpring, we've invested in financial and health education as well as vision services to increase the well-being and prosperity of 100,000 workers in our supply chain by 2020. Learn more about our Worker Wellbeing and Beyond Compliance initiatives [here](#).

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