



LANDS' END

SEARS HOLDINGS MANAGEMENT CORPORATION AND SEARS CANADA INC.

GLOBAL COMPLIANCE PROGRAM REQUIREMENTS

Sears Holdings Management Corporation (collectively, "Sears Holdings" and all retail formats operating under Sears, Kmart, and Lands' End, including but not limited to: Sears Roebuck and Co., Sears, Sears Essentials, Sears Grand, Sears Canada, the great indoors, Kmart, Super K, Lands' End (catalog) and Lands' End (retail stores)) is committed to conducting its business in accordance with a high standard of business ethics, a regard for human rights, and in compliance with all applicable laws. Moreover, Sears Holdings expects its vendors and production facilities to demand similar standards in owned or contracted production facilities.

While Sears Holdings recognizes that different cultural, legal and ethical systems exist in the countries in which merchandise purchased by Sears Holdings is manufactured, these Global Compliance Program Requirements set forth certain basic requirements that all factories or subcontracted factories producing merchandise for Sears Holdings -- domestic and foreign -- must satisfy as a condition of doing business with us.

Compliance with the Law. Sears Holdings will only produce merchandise in facilities that we consider reputable and whose business and labor practices conform to the requirements of applicable law and our Program Requirements. Where our Program sets a higher standard, it will prevail. Sears Holdings will not do business with companies that violate the law, and will terminate factories that do.

Health and Safety. Conditions in all production and residential facilities must be safe, clean, and consistent with all applicable laws and regulations, and the Program Requirements.

Child Labor. No worker shall be employed under the age of 15, or under the age of completion of compulsory education, or under the minimum age for employment in the country of manufacture, whichever is greater.

Forced/Slave Labor, Human Trafficking. We will not allow forced or involuntary labor whether in the form of prison labor, indentured labor, or bonded labor. Overtime hours must be voluntary. Migrant workers should be provided with contracts, treatment, and wages that equal those of local workers.

Harassment or Abuse. No worker shall be subject to any physical, sexual, psychological, or verbal harassment or abuse.

Discrimination. Discrimination in employment, including recruitment, hiring, training, working conditions, job assignments, pay, benefits, promotions, discipline, termination, or retirement on the basis of gender, race, ethnicity, social origin, religion, age, disability, sexual orientation, national origin, or political opinion is prohibited.

Working Hours. Except in extraordinary business circumstances, workers shall not be required to work (inclusive of overtime) more than the legally prescribed limits or 60 hours, whichever is less, and one day off in every seven day period shall be provided. Production facilities shall comply with applicable laws that entitle workers to vacation time, leave periods and holidays.

Wages and Benefits. Wages are essential for meeting the basic needs of workers. Workers will be compensated by wages, including overtime pay and benefits which satisfy all applicable laws and regulations.

Freedom of Association. All workers must have the right to establish and join a legal organization of their own choosing, without being penalized for the non-violent exercise of these rights.

Environmental Compliance. Adherence to all local laws protecting the environment is required. Factories must conduct business so as to minimize the impact on the environment, including reducing waste and maximizing recycling initiatives.

Notice and Record Keeping. The Global Compliance Program Requirements must be posted in a location accessible to the workers in the appropriate local language. Factories must also maintain current and sufficiently detailed records that enable Sears Holdings to determine their compliance with the Program, and make records available to Sears Holdings representatives upon request.

Factory Security. Factories must implement minimum security criteria and best practices to help secure our supply chain from terrorist activity. The criteria are based on a set of recommendations developed as a result of the Customs-Trade Partnership Against Terrorism (C-TPAT) initiative with US importers.

Violations

To report suspected violations of the Global Compliance Program Requirements, contact the Sears Holdings Global Compliance Department in the US at 1-847-286-7424, in Hong Kong at 852-8233183, in China at 86-755-82187383, or e-mail (laborc@searshc.com)