

# TALBOTS

*Established 1947*

February 22, 2011

We have reviewed the report issued by the Institute for Global Labour & Human Rights (IGLHR) regarding working conditions at the Ocean Sky factory in El Salvador, and take the allegations raised in this report very seriously. Talbots remains committed to operating under the highest ethical standards. The working conditions described in the report are inconsistent with our expectations as set forth in *The Talbots, Inc. Merchandise Supply Chain Code of Conduct*.

For a variety of business reasons, we made the decision to discontinue working with this particular factory in the second quarter of 2010. Talbots apparel was last produced in this factory in October 2010, and we do not have any plans to produce apparel in this factory moving forward. If we decide to work with this factory in the future, we will engage with factory management to ensure our standards and expectations are fully understood and adhered to.

While Talbots does not own nor operate any production facilities around the world, we are dedicated to ensuring contract factories provide acceptable working conditions for their workers. All factories that produce garments for Talbots are expected to adhere to *The Talbots, Inc. Merchandise Supply Chain Code of Conduct* and we employ independent, third-party monitoring firms to audit apparel factories for compliance to our standards throughout the year.

Recognizing that no factory is compliant with all our standards 100% of the time, our goal is to develop long-term partnerships with each of the factories we do business with so we can work together for continuous improvement of factory working conditions.