

**PROPOSITION 65 SETTLEMENT AGREEMENT
(Susan Davia AG Notices 2024-00341 & 2024-02228)**

1. INTRODUCTION

1.1 The Parties

This settlement agreement (“Agreement” or “Settlement Agreement”) is entered into by and between noticing party Susan Davia (“Davia”) and noticed parties SHEIN US Services, LLC and SHEIN Distribution Corporation (hereafter, collectively “SHEIN”), with Davia and SHEIN each referred to as a “Party” and collectively referred to as the “Parties.”

1.2 Davia

Davia is an individual residing in the State of California who seeks to promote awareness of exposure to toxic chemicals and improve human health by reducing or eliminating hazardous substances contained in consumer products.

1.3 SHEIN

For purposes of this settlement agreement only, each SHEIN US Services, LLC and SHEIN Distribution Corporation does not dispute that it is a person in the course of doing business for purposes of the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code §§ 25249.6 *et seq.* (“Proposition 65”).

1.4 General Allegations

Davia alleges that SHEIN is responsible for the design, manufacture, distribution and/or sale, in the State of California, of SHEIN PVC belts made with vinyl components that expose users to di(2-ethylhexyl)phthalate (DEHP) without first providing a “clear and reasonable warning” under Proposition 65. Pursuant to Proposition 65, DEHP is listed as a carcinogen and reproductive toxin. DEHP shall be referred to hereinafter as the “Listed Chemical.”

1.5 Notices of Violation

On January 24, 2024, Davia served Roadget Business Pte Ltd dba SHEIN Distribution

Corporation and various public enforcement agencies with a document entitled “60-Day Notice of Violation” that provided public enforcers and the noticed entities with notice of alleged violations of Health & Safety Code § 25249.6 for failing to warn consumers of the presence of DEHP found in PVC belt Covered Products (hereafter defined) sold in California (AG Notice 2024-00341).

On June 4, 2024, Davia served SHEIN US Services, LLC and SHEIN Distribution Corporation and various public enforcement agencies with a document entitled “Supplemental 60-Day Notice of Violation” that also provided public enforcers and the noticed entities with notice of alleged violations of Health & Safety Code § 25249.6 for failing to warn consumers of the presence of DEHP found in PVC belt Covered Products (hereafter defined) sold in California (AG Notice 2024-02228).

The January 24, 2024, Notice of Violation and June 4, 2024, Supplemental Notice of Violation shall hereafter collectively be referred to as “Notices.” To the best of the Parties’ knowledge, no public enforcer has commenced or is otherwise prosecuting an action to enforce the violations alleged in the Notices.

1.6 No Admission

This Agreement resolves claims that are denied and disputed by SHEIN. The Parties enter into this Agreement pursuant to a full and final settlement of any and all claims between the Parties for the purpose of avoiding prolonged and costly litigation between them. SHEIN denies the material factual and legal allegations contained in the Notices, maintains that it did not knowingly or intentionally expose California consumers to the Listed Chemical through the reasonably foreseeable use of the Covered Products and otherwise contends that, all Covered Products it has manufactured, distributed and/or sold in California have been and are in compliance with Proposition 65. Nothing in this Agreement shall be construed as an admission by SHEIN of any fact, finding, issue of law, or violation of law, nor shall compliance with this

Agreement constitute or be construed as an admission by SHEIN of any fact, finding, conclusion, issue of law, or violation of law, such being specifically denied by SHEIN. However, notwithstanding the foregoing, this section shall not diminish or otherwise affect SHEIN's obligations, responsibilities, and duties under this Agreement.

1.7 Consent to Jurisdiction

For purposes of this Agreement only, the Parties stipulate that the Marin County Superior Court has jurisdiction to enforce the provisions of this Agreement until performance in full of the terms of the settlement.

2. DEFINITIONS

2.1 "Covered Product" shall mean the Transparent PVC Belt w/ Grommet Holes, sc2310166419775769.

2.2 "Reformulated Covered Products" shall mean any accessible component of any Covered Product contains less than or equal to 1,000 parts per million ("ppm") of DEHP as determined by a minimum of duplicate quality controlled test results using Environmental Protection Agency ("EPA") testing methodologies 3580A and 8270C or equivalent methodologies utilized by federal or state agencies to determine the presence and measure the quantity of phthalates in solid substances.

2.3 "California Customer" shall mean any customer with a shipping address in California.

2.4 "Effective Date" shall mean April 18, 2025.

3. INJUNCTIVE-TYPE RELIEF

3.1 Options for Remedial Obligations

Commencing on the Effective Date, and continuing thereafter, SHEIN agrees that it will either (1) not distribute, sell, or offer Covered Products for sale in California or to a California Customer; (2) comply with the product reformulation requirements of Section 3.2 for Covered

Products sold in California or to a California Customer; or (3) provide the warning described in Section 3.3 for Covered Products sold in California or to a California Customer.

3.2 Product Reformulation


On and after the Effective Date, should SHEIN opt to sell Covered Product in California or to a California Customer, SHEIN shall provide the Reformulated Covered Products concentration standards of Section 2.2 to its manufacturers, vendors or third party sellers of any Covered Product and request such entities not incorporate any raw or component materials that do not meet such Reformulated Covered Products phthalate concentration standards into any Covered Product or supply any Covered Product to SHEIN that is not a Reformulated Covered Product. SHEIN shall maintain copies of all vendor correspondence relating to the Reformulated Covered Product concentration standards for two years and shall produce such copies to Davia within fifteen (15) business days of receipt of written request from Davia.

3.3 Clear and Reasonable Warnings for Covered Products

As of the Effective Date, the sale of any Covered Products by SHEIN to a California Customer that are not Reformulated Covered Products, shall be accompanied by a clear and reasonable warning, as described herein.

Each warning utilized by SHEIN for any Covered Product shall be comprised of the capitalized and emboldened wording substantially similar to the following:

(Long-Form Warning)

 **WARNING:** This product can expose you to chemicals including di(2-ethylhexyl)phthalate (DEHP), which is known to the State of California to cause cancer and birth defects or other reproductive harm. For more information go to www.P65Warnings.ca.gov.

or


(Short Form Warning)

 **WARNING:** Cancer and Reproductive Harm - www.P65Warnings.ca.gov

This short form warning may only be used until January 1, 2028, at which point the language must change to reflect the revised short form requirements. As of January 1, 2028, to the extent SHEIN chooses to employ a short form warning on a Covered Product, such short form warning shall comply with the requirements of 27 C.C.R. § 25603(b), examples of which include:

 **WARNING:** Risk of cancer and reproductive harm from exposure to di(2-ethylhexyl)phthalate (DEHP). See www.p65warnings.ca.gov/

or

 **WARNING:** Can expose you to di(2-ethylhexyl)phthalate (DEHP) a carcinogen and reproductive toxicant. See www.p65warnings.ca.gov/

Each warning shall be accompanied by a symbol consisting of a black exclamation point in a yellow equilateral triangle with a bold black outline. When the warning is placed on a product label, but the label is not printed using the color yellow, the symbol may be printed in black and white. The symbol shall be placed to the left of the text of the warning, in a size no smaller than the height of the word "WARNING".

3.3.1 Internet Ecommerce Covered Product Warnings

As of the Effective Date, should SHEIN opt to sell Covered Products in California or to a California Customer that are not Reformulated Covered Products, SHEIN shall provide the Long-Form warning for each Covered Product they sell on the internet to California Customers (or the Short-Form Warning, but only if it is also provided on the Product's label or package) on the product display page, the shopping cart page, or the checkout page. If the warning is provided on the product display page, it shall be provided conspicuously on the page or by a clearly marked hyperlink on the page. If the warning is provided on the shopping cart page or

checkout page, it shall either be provided: (1) conspicuously by hyperlink from a hazard triangle next to each product requiring a warning, or (2) a hazard triangle next to each Product requiring a warning, with a matching hazard triangle to the left of the text of the warning found conspicuously on the page, for example, immediately below the products listed in the shopping cart or checkout. A hazard triangle shall consist of a black exclamation point in a yellow equilateral triangle with a bold black outline. For Products that Settling Defendants provide for another entity to sell on the internet, Settling Defendants shall either place a warning on the Product's label or provide notice to such entity pursuant to 27 Cal. Code Regs. § 25600.2(6) of the warning message to be provided for any online sales of the Product. Settling Defendants are not responsible for implementation of the online warning beyond such actions for third-party websites that are not operated or controlled by Settling Defendants.

To the extent that consumer information for the Covered Product is provided in a language other than English, the warning in this section must also be provided in that language in addition to English.

If Office of Environmental Health Hazard Assessment regulations require or permit specific safe harbor warning text and/or methods of transmission different than those set forth above, SHEIN shall be entitled to use, at its discretion, such other specific safe harbor warning text and/or methods of transmission without being deemed in breach of this Settlement Agreement.

4. MONETARY PAYMENTS

4.1 Civil Penalty

In settlement of all claims referenced in this Settlement Agreement, SHEIN shall pay a total of \$1,200 in civil penalties in accordance with California Health & Safety Code § 25249.12(c)(1) and (d), with 75% of the funds remitted to the California Office of Environmental Health Hazard Assessment (“OEHHA”) and the remaining 25% of the penalty remitted to Davia.

4.2 Augmentation of Penalty Payments

For purposes of the penalty assessment under this Agreement, Davia is relying entirely upon SHEIN for accurate, good faith reporting to Davia of the nature and amounts of relevant sales activity. If within nine (9) months of the Effective Date, Davia discovers and presents evidence to counsel for SHEIN that the Covered Products have been sold by SHEIN in California in sales volumes materially different (more than 25% or more than 10 units, whichever is greater) than those identified by SHEIN prior to execution of this Agreement, and SHEIN does not provide Davia with competent and credible evidence to dispute this claim, then SHEIN shall be liable for an additional penalty amount of \$10,000.00. Davia agrees to provide counsel for SHEIN with a written demand for all such additional penalties and attorney fees under this Section. After service of such demand, SHEIN shall have thirty (30) days to either present evidence to counter this claim or to agree to the amount of fees and penalties owing by SHEIN and submit such payment to Davia in accordance with the method of payment of penalties and fees identified in Section 4.1 and 4.4 (the "Notice Period") Should this thirty (30) day period pass without any such resolution between the parties and payment of such additional penalties and fees, the Parties agree that they will proceed with mediation to resolve the dispute within sixty (60) days of the expiration of the Notice Period. If the mediation does not resolve the dispute in good faith, Davia shall be entitled to file a formal legal claim for the additional civil penalties pursuant to this Section and the prevailing party to such action shall be entitled to all reasonable attorney fees and costs relating to such claim.

4.3 Reimbursement of Davia's Fees and Costs

The Parties acknowledge that Davia and her counsel offered to resolve this dispute without reaching terms on the amount of fees and costs to be reimbursed to them, thereby leaving this fee issue to be resolved after the material terms of the agreement had been settled. The Parties then attempted to (and did) reach an accord on the compensation due to Davia and

her counsel under general contract principles and the private attorney general doctrine codified at California Code of Civil Procedure section 1021.5, for all work performed in this matter. Under these legal principles, SHEIN shall pay Davia's counsel the amount of \$19,800 for fees and costs incurred investigating, litigating and enforcing this matter.

4.4 Payment Procedures

SHEIN shall satisfy the obligation to pay civil penalties pursuant to Section 4.1 and attorney fees and costs pursuant to Section 4.3 by delivery of a civil penalty by wire transfer, instructions for which shall be provided by the Sheffer Law Firm.

All civil penalty and attorney fee/cost payments shall be delivered to Davia's counsel's identified Trust Account within thirty (30) days of receipt by SHEIN's counsel of the executed Settlement Agreement and a W-9 for Davia and the Sheffer Law Firm:

Sheffer Law Firm
Attn: Proposition 65 Controller
232 E. Blithedale Ave., Suite 210
Mill Valley, CA 94941

SHEIN shall be liable for payment of interest, at a rate of 10% simple interest, for all amounts due and owing from it under this Section that are not received by Sheffer Law Firm within five business days of the due date for such payment.

While the obligations of this agreement are binding upon execution, the Release of SHEIN shall not become effective until after all monetary payments have been made by SHEIN and all funds have cleared.

4.5 Issuance of 1099 Forms

After this Agreement has been executed and the settlement funds have been transmitted to Davia's counsel, SHEIN shall issue three separate 1099 forms, as follows:

- (a) issued to the Office of Environmental Health Hazard Assessment, P.O. Box 4010, Sacramento, CA 95814 (EIN: 68-0284486) in the amount paid pursuant to

Section 4.1;

(b) issued to Davia in the amount paid pursuant to Section 4.1, whose address and tax identification number shall be furnished upon request; and

(c) issued to the Sheffer Law Firm (EIN: 55-08-58910) in the amount paid pursuant to Section 4.2.

5. RELEASES

5.1 DAVIA'S RELEASE OF SHEIN

5.1.1 This settlement agreement is a full, final and binding resolution between Davia, and SHEIN of any violation of Proposition 65 that was or could have been asserted by Davia, individually and on behalf of her past and current representatives, agents, attorneys, successors and/or assigns ("Releasor") against SHEIN, and each of their parents, subsidiaries, affiliates, shareholders, directors, members, officers, employees, attorneys, principals, owners, investors, insurers, successors and assignees, as well as their downstream distributors, retailers, and customers ("Releasees"). The parties intend that Compliance with the terms of this Agreement constitutes compliance with Proposition 65 by SHEIN with regard to the alleged or actual failure to warn about exposure to DEHP from Covered Products manufactured, sold or distributed for sale after the Effective Date.

5.1.2 In further consideration of the promises and agreements herein contained, and for so long as SHEIN remains in compliance with the terms of this Agreement, Releasor hereby waives all rights to institute or participate in, directly or indirectly, any form of legal action and releases all claims that Davia may have, including, without limitation, all actions, and causes of action, in law or in equity, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses, or expenses—including, but not limited to, investigation fees, expert fees, and attorneys' fees—for any alleged violations of Proposition 65, arising from failure to warn about alleged exposures to DEHP contained in Covered Products and similar products, such as belts made

with vinyl components, that were sold and/or offered for sale through the Effective Date, regardless of the date any Releasee downstream distributes or sells the Covered Product or similar products.

Any claim as to a Covered Product that is no longer under the control or possession of SHEIN (i.e., already in the stream of commerce) as of the Effective Date is released in this Settlement Agreement.

5.1.3 Releasor also provides a general release herein which shall be effective as a full and final accord and satisfaction, as a bar to all actions, causes of action, obligations, costs, expenses, attorneys' fees, damages, losses, claims, liabilities and demands of Davia, of any nature, character or kind, known or unknown, suspected or unsuspected, arising out of the subject matter of the Notice as to Covered Products and similar products, such as belts made with vinyl components, manufactured, distributed or sold by SHEIN or Releasees before the Effective Date. Davia acknowledges that she is familiar with section 1542 of the California civil code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Releasor expressly waives and relinquishes any and all rights and benefits that she may have under, or which may be conferred on her by the provisions of Section 1542 of the California Civil Code as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that she may lawfully waive such rights or benefits pertaining to the released matters. In furtherance of such intention, excepting Section 4.2, the release hereby given shall be and remain in effect as a full and complete release notwithstanding the discovery or existence of any such additional or different claims or facts arising out of the released matters.

5.1.4 This section 5.1 release shall not extend upstream to any entities, other than Shein, Inc. and Shein Merchandising, Inc. that manufactured the Covered Products or any component parts thereof, or any distributors or suppliers who sold the Covered Products or any component parts thereof to SHEIN. Each of the Releasees is an intended beneficiary of the releases and agreements in its favor set forth in this agreement, and on that basis my enforce this Agreement to the extent he, she, or it is benefited by any release, covenant, or provision of this Agreement.

5.2 SHEIN's Release of Davia

The Release by Davia is mutual. SHEIN and each of their parents, subsidiaries, affiliates, shareholders, directors, members, officers, employees, attorneys, principals, owners, investors, insurers, successors and assignees, as well as their downstream distributors, retailers, and customers, hereby waives any and all claims against Davia and her attorneys and other representatives, for any and all actions taken or statements made (or those that could have been taken or made) by Davia and her attorneys and other representatives, whether in the course of investigating claims, otherwise seeking to enforce Proposition 65 against it in this matter, or with respect to the Covered Products. SHEIN acknowledges that it is familiar with Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASING PARTY.

SHEIN expressly waives and relinquishes any and all rights and benefits which it may have under, or which may be conferred on it by the provisions of Section 1542 of the California Civil Code as well as under any other state or federal statute or common law principle of similar effect, to the fullest extent that he may lawfully waive such rights or benefits pertaining to the

released matters. In furtherance of such intention, the release hereby given shall be and remain in effect as a full and complete release notwithstanding the discovery or existence of any such additional or different claims or facts arising out of the released matters.

6. ENFORCEMENT

Prior to bringing any motion, order to show cause, or other proceeding to enforce Proposition 65 or any terms of this Agreement relating to the alleged sale of any Covered Product in California, in actual or alleged violation of this Agreement, Davia shall provide a Notice of Violation (“NOV”) to SHEIN. The NOV shall include: the date of alleged violations(s), place of sale, date and proof of purchase (if relevant), and any test data obtained by Davia regarding Covered Product. Davia shall take no further action regarding any alleged violation nor seek any monetary recovery for herself, her agents or her counsel if, within 30 days of receiving such NOV, SHEIN demonstrates that the Covered Product was manufactured distributed, sold or offered for sale by SHEIN before the Effective Date.

7. SEVERABILITY

If any of the provisions of this Agreement are found by a court to be unenforceable, the validity of the enforceable provisions remaining, after express agreement of the Parties, shall not be adversely affected, unless the Court finds that any unenforceable provision is not severable from the remainder of the Agreement.

8. GOVERNING LAW

The terms of this Agreement shall be governed by the laws of the State of California.

9. NOTICES

When any Party is entitled to receive any notice under this Agreement, the notice shall be sent by certified mail or electronic mail to the following:

For SHEIN to:

Vincent Liu
SHEIN US Services, LLC and SHEIN Distribution Corporation
777 S. Alameda St., Second Floor
Los Angeles, CA 90021
vincent.liu@sheingroup.com
us_legal@sheingroup.com

With a copy to:

Roadget Business Pte, Ltd.
12 Marina Boulevard, #15-01
Marina Bay Financial Centre
Singapore (018982)

And a copy to their counsel:

Will Wagner
Greenberg Traurig, LLP
400 Capitol Mall, Suite 2400
Sacramento, CA 95814
Will.Wagner@gtlaw.com

For Davia to:

Proposition 65 Coordinator
Sheffer Law Firm
232 E. Blithedale Ave., Suite 210
Mill Valley, CA 94941
gregs@sheffer-law.net

Any Party may modify the person and address to whom the notice is to be sent by sending each other Party notice by certified mail and/or other verifiable form of written communication.

10. COMPLIANCE WITH HEALTH & SAFETY CODE § 25249.7(F)

Davia agrees to comply with the reporting form requirements referenced, in California Health & Safety Code §25249.7(f).

11. MODIFICATION

This Agreement may be modified only by written agreement of the Parties.

12. ENTIRE AGREEMENT

This Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments, and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties. No supplementation, modification, waiver, or termination of this Agreement shall be binding unless executed in writing by the Party to be bound. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any of the other provisions whether or not similar, nor shall such waiver constitute a continuing waiver.

13. ATTORNEY'S FEES

13.1 Should either Party prevail on any motion, application for order to show cause or other proceeding to enforce a violation of this Agreement, that Party shall be entitled to its reasonable attorney fees and costs incurred as a result of such motion, order or application, consistent with C.C.P. §§ 1021 and 1021.5.

13.2 Except as otherwise specifically provided herein, each Party shall bear its own costs and attorney's fees in connection with the Notices.

13.3 Nothing in this Section shall preclude a Party from seeking an award of sanctions pursuant to law.

14. NEUTRAL CONSTRUCTION

Both Parties and their counsel have participated in the preparation of this Agreement and this Agreement is the result of the joint efforts of the Parties. This Agreement was subject to revision and modification by the Parties and has been accepted and approved as to its final form by all Parties and their counsel. Accordingly, any uncertainty or ambiguity existing in this Agreement shall not be interpreted against any Party as a result of the manner of the preparation

of this Agreement. Each Party to this Agreement agrees that any statute or rule of construction providing that ambiguities are to be resolved against the drafting Party should not be employed in the interpretation of this Agreement and, in this regard, the Parties hereby waive California Civil Code Section 1654.

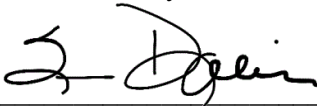
15. COUNTERPARTS, FACSIMILE SIGNATURES

This Agreement may be executed in counterparts and by facsimile or portable document format (PDF), each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

16. AUTHORIZATION

The undersigned are authorized to execute this Agreement on behalf of their respective Parties and have read, understood, and agree to all of the terms and conditions of this Agreement.

IT IS SO AGREED.

<p>Dated: February __, 2026</p> <p>_____ Shein US Services, LLC and Shein Distribution Corporation</p>	<p>Dated: February ^{2/27/2026} __, 2026</p> <p> _____ Susan Davia</p>
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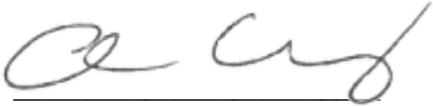
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This Agreement may be executed in counterparts and by facsimile or portable document format (PDF), each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same document.

16. AUTHORIZATION

The undersigned are authorized to execute this Agreement on behalf of their respective Parties and have read, understood, and agree to all of the terms and conditions of this Agreement.

IT IS SO AGREED.

<p>Dated: March <u>19</u>, 2026</p>  <p>_____ Shein US Services, LLC and Shein Distribution Corporation</p>	<p>Dated: March ____, 2026</p> <p>_____ Susan Davia</p>
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