

**ONE JEANSWEAR GROUP
JASPER APPAREL GROUP CANADA LP**

**FORCED LABOR AND
MODERN SLAVERY REPORT -
2023**





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Executive Summary

One Jeanswear Group LLC and Jasper Apparel Group Canada LP (the “Company,” “OJG,” or “we”) are committed to legal compliance and ethical business practices in all of our operations worldwide and we take the risks of slavery and human trafficking in our supply chain very seriously. We choose suppliers and contractors who we believe share that commitment. This document outlines our commitment to mitigating the risk of forced labor and human trafficking within our organization and its supply chain.

The Company internally assesses the risk of slavery, human trafficking and forced labor within our supply chain throughout the year. We evaluate which of our sourcing countries presents the highest risk levels. Our review uses a variety of methods, but starts with a formal risk assessment that includes interviews with key personnel in critical departments throughout the organization listing all the risks identified. We file our annual risk assessment with US Customs as part of our annual Security profile for continued participation in the C-TPAT program. The risk assessment also leverages numerous reports publically issued dealing with human trafficking. Specifically we utilize the U.S. State Department’s annual Trafficking in Persons Report’s country rankings, the United Nations Office on Drugs and Crime’s Global Report on Trafficking in Persons, the Director-General of the International Labour Organization’s reports on forced labor, and the U.S. Department of Labor’s List of Goods Produced by Child Labor or Forced Labor.

The Company continuously assesses risk as information becomes available for any country we produce garments in to ensure the highest standards are maintained at the suppliers we use. Our message of ethical sourcing is communicated at OJG and each supplier. We have a Social Compliance Department that not only requires independent audits to be conducted at tier 1 (factories) and tier 2 (mills) suppliers, but we also conduct foreign migrant worker audits to reduce the likelihood of forced labor, slavery or trafficking.

The following pages will outline the commitment and steps that The Company has taken to mitigate risk of forced labor and human trafficking within our organization and its supply chain. This topic will always remain a focus at the Company.

A handwritten signature in black ink, appearing to read "Jack Gross".

Jack Gross
CEO
One Jeanswear Group LLC

The Company uses various steps and methods to reduce the risk of slavery, forced labor or human trafficking in our supply chain. The following highlights a combination of ongoing training, audits, partnerships that are in place to address this topic:

1. OJG Standards for Contractors and Suppliers (appendix A)

All tier one (factories) and tier two (mills) are required to sign our Standards for subcontractors and suppliers document as part of our onboarding process. OJG also periodically requires our suppliers to sign this document again to re-emphasize what we stand for. This includes many categories such as Labor, Hours of Work, Discrimination, etc. The Labor category is broken down into child labor, forced labor and migrant labor. The forced labor section includes the following statement:

- Our contractors and suppliers shall not use any form of forced, coerced, trafficked, compulsory, bonded, indentured or prison labor, and shall not purchase materials from suppliers using any such labor.

2. Annual Social Audits

The Compliance Department requires a current social audit report on file prior to the onboarding of any factory. This is in conjunction with our QA team physically visiting the facility, inspecting the working environment, evaluating the capabilities of the supplier and seeing if they are up to our standards of work.

After QA approves the supplier, we initiate a social audit to be conducted by an independent 3rd party or evaluate an existing report and grade it to our standards. Each audit includes specific procedures to test payroll, evaluate hours/OT, interview employees, use of personal protective equipment and no visible hazards. As part of the audit, we evaluate the languages spoken and note any migrant workers within the facility.

In 2022, we enhanced our processes to include a more detailed audit to be performed by our independent audit partner that drilled down deeper into the employee base at each supplier.

3. Foreign Migrant Worker Audit

This review focuses on areas where we know migrant workers are used within our supply chain. This audit is a specialized audit focused specifically on migrant workers primarily conducted in Jordan and Egypt. Usually this could be added onto a social audit (described above) or can be a stand-alone review.

4. Responsible Recruitment Policy

The Compliance Department is committed to the fair treatment of workers in the apparel supply chain. Our policy requires all new hires complete the Responsible Recruitment form, which includes three areas of focus: Recruitment Fees, Travel Documents and Terms of Employment. Our commitment is to work with our global supply chain partner to create conditions so that:

- If an employee has paid recruitment fees, their employer reimburses them within 30 days of employment

- Employees have control over their travel documents and full freedom of movement
- Employees are informed of their basic terms of their employment before leaving home in their local language or one that is understood
- No worker pays for their job

Both the employee and factory representative signatures are required on the form. As an added layer of security, OJG audits the forms periodically to ensure the information is accurate.

Note: we only require this policy in countries using migrant workers (countries: Jordan & Egypt).

5. Annual Risk Assessment

The objective of the Compliance Risk Assessment is to identify current risks to OJG as it relates to Customs and CTPAT and assist in helping guide our focus each year. The risk assessments purpose is to identify current risks to the organization at the time of the review. The risks can change from year to year depending on market conditions. A key feature of the assessment requires the review and evaluation of multiple reports on crime and trafficking for each country we do business in.

The goal of the risk assessment is to help identify areas that Compliance can focus on in the coming year and ones that management needs to focus on. The Compliance Department, which is comprised of Customs and Social Compliance professionals, conducts the assessment. The risks identified in the most recent report include economic conditions/trends, sourcing/pricing risk, volatility of international business, technology, factory sub-contracting, staffing, physical security risks and compliance with regulations.

6. Forced Labor Training

OJG's Compliance Team conducts mandatory Forced Labor training every year for the following groups: QA, Fabric, Compliance and Sourcing Mangers. The training is designed to educate our OJG teams on what forced labor is, how to identify forced labor within our supply chains and how we can work together to mitigate and eliminate risk by identifying indicators of forced labor within the countries that we source from. Knowledge from these trainings are designed to be applied by OJG QA teams during factory/mill physical visits prior to conducting of a social audit or factory onboarding.

OJG will be conducting an in person training in 2024 for key vendors in China. This training will include Forced labor, human trafficking and anti- slavery training.

7. Seminars and Training

The OJG Compliance team actively participates in both online and in-person seminars and trainings held by industry associations, governmental entities and independent 3rd parties. These sessions provide valuable insights into the Apparel industry focus and provides guidance that helps us to incorporate new laws and regulations into our existing policies and statements.

OJG utilizes the AAFA, Nirapon, CBP, the Blue Campaign and organizations to gather information and ensure compliance with all relevant laws that apply to our company structure. Additionally, OJG Compliance team completes annual mandatory trainings required by key customers (i.e. Costco, WM) that are focused on forced labor, slave labor and Human Trafficking within the supply chain. We share these customer trainings with cross-functional teams (QA, sourcing, production, etc.) at OJG and our T1 and T2 suppliers.

8. Forced Labor and Human Trafficking Laws and Regulations

The Company is committed to actively addressing the risk of forced labor and human trafficking in its supply chain. We consistently strive to ensure compliance with all relevant laws and regulations in this area. Since 2012, OJG has been fully compliant with the California Transparency in Supply Chains Acts across all five key areas: audits, certifications, and internal accountability, training, and risk assessments.

APPENDIX

APPENDIX A: STANDARDS FOR SUBCONTRACTORS AND SUPPLIERS

APPENDIX B: California Transparency in Supply Chains Act of 2010 (California Senate Bill 657)

APPENDIX A

STANDARDS FOR SUBCONTRACTORS AND SUPPLIERS

One Jeanswear Group LLC (“OJG”) is committed to legal compliance and ethical business practices in all of our operations worldwide. We choose contractors and suppliers who we believe share that commitment. We require our contractors and suppliers to comply with all applicable laws and regulations of the country, or countries, in which they are conducting business. Our standards are summarized as follows. As used in these Standards, the term “contractors and suppliers” includes, but is not limited to, factories, agents, vendors and suppliers of component parts.

Labor

1. **Child Labor**

Contractors and suppliers shall not use child labor, defined as workers under the age of 16, or if older than 16, the age of compulsory education if the country of manufacture requires compulsory education beyond 16 years of age.

2. **Forced Labor**

Our contractors and suppliers shall not use any form of forced, coerced, trafficked, compulsory, bonded, indentured or prison labor, and shall not purchase materials from suppliers using any such labor.

3. **Migrant Labor**

Contractors and suppliers that recruit or employ foreign contract workers shall ensure that these workers are treated fairly and on an equal basis with the local workforce. Workers shall not be charged any fees, costs or deposits for recruitment, travel or processing official documents and work visas, and if such fees are paid by the workers, the contractor or supplier shall reimburse them promptly. Migrant workers shall be provided with their employment contract prior to deployment. The use of supplemental agreements and the practice of contract substitution (the replacement of an original contract or any of its provisions with those less favorable to the worker) are strictly prohibited. Contractors and suppliers shall ensure that all original travel and identification documents remain with the workers, and that workers have secure individual storage to safely maintain those documents during the time of their employment.

In 2019, OJG signed AAFA’s commitment to responsible recruitment. Our commitment includes working with our global supply chain partners to create conditions so that:

- No worker pay for their job
- Workers retain control of their travel documents and have full freedom of movement; and
- All workers are informed of the basic terms of their employment before leaving home.

Wages/Benefits

Employees shall be compensated for all hours worked, at rates that meet the national minimum standards or local industry standards, whichever is higher. Overtime shall be compensated at legally mandated rates, or if there is no applicable legally mandated rate, at a rate at least equal to the regular hourly wage. Employees shall be provided all legally mandated benefits.

Hours of Work

On a regular basis, employees shall not be required to work more than the lesser of 60 hours per week, including overtime, or the number of hours specified by the applicable labor code. Workers shall have at least one day of rest in every seven.

Disciplinary Practices

One Jeanswear will not utilize contractors or suppliers who use corporal punishment or any form of mental or physical coercion or harassment.

Discrimination

Contractors and suppliers shall not discriminate against employees or potential employees in employment practices, including hiring, wages, benefits, advancement, disciplinary procedures, termination or retirement, on the basis of gender, race, religion, age, disability, nationality, political opinion, sexual orientation, ethnic origin, maternity or marital status.

Freedom of Association

Employees shall be free to join organizations of their own choice. Employees shall not be subject to intimidation or harassment in the exercise of their right to join (or to refrain from joining) any organization. Where the right to freedom of association and collective bargaining is restricted under law, the employer should take steps to create an open means of communication for employees to discuss issues and express concerns in a positive environment.

Health & Safety

Contractors and suppliers shall comply with all applicable laws and regulations regarding working conditions and shall provide workers with a safe and healthy environment. All required health and safety permits shall be obtained and their operational and reporting requirements followed.

Contractors and suppliers shall identify and assess potential emergency situations in the workplace and in any other company-provided facilities, and shall minimize their potential impact by implementing emergency plans and response procedures. Contractors and suppliers shall provide workers with access to first aid, health and safety information and hazard information to educate, inform, train and protect workers from workplace hazards. Contractors and suppliers shall protect workers from overexposure to chemical, biological, physical hazards including noise and stress, and physically demanding tasks in the workplace.

Dormitory

Where provided by contractors or suppliers, worker housing must provide a clean, safe and healthy residence environment. Dormitory facilities must comply with all applicable legally-mandated standards for public domiciles in the country in which they are located.

Environment

Suppliers and contractors shall comply with applicable laws and regulations regarding the protection and preservation of the environment and take appropriate actions to reduce adverse impacts on human health and the environment. All required environmental permits shall be obtained and their operational and reporting requirements followed.

Contractors and suppliers shall have policies and procedures in place to manage and minimize environmental impacts with respect to energy, air, emissions, water, waste, hazardous materials and other significant environmental risks. Contractors and suppliers shall have programs in place for the safe storage and handling of chemicals, as well as to prevent or mitigate catastrophic releases of chemicals.

Subcontracting

Contractors and suppliers shall not subcontract any operation in the manufacturing process without prior written consent from One Jeanswear. All approved subcontractors shall implement and adhere to One Jeanswear's Standards.

Product Safety

Contractors and suppliers shall comply with consumer product safety standards and requirements under laws and regulations administered by the U.S. Consumer Product Safety Commission and with the One Jeanswear Restricted Substances Policy. In addition, contractors and suppliers are expected to eliminate unnecessary hazardous substances in the production process.

Customs and Security

Contractors and suppliers shall comply with all applicable laws and regulations regarding the importation and trans-shipment of merchandise into the United States. This includes U.S. Customs and Border Protection (USCBP)'s C-TPAT (Customs-Trade Partnership Against Terrorism) supply chain security program and where applicable, USCBP's Importer Security Filing requirement.

Ethical Business Practices

Contractors and suppliers shall not offer bribes, gifts, discounts or other unlawful or unethical payments or compensation in dealings with public officials or individuals in the private sector to influence any act or decision or otherwise to secure a business advantage.

Management Systems

Contractors and suppliers should adopt a management system that provides processes, procedures and appropriate resources to ensure that the production facility consistently complies with the specific requirements and spirit of the One Jeanswear's Standards and local law. Contractors and suppliers should take all necessary corrective actions to remediate deficiencies identified by internal or external assessments, inspections and reviews.

Documentation and Inspection

Contractors and suppliers shall maintain on file all documentation needed to demonstrate compliance with these Standards and applicable laws and shall make these documents available for the One Jeanswear or its designated representatives at any time, whether or not notice is provided in advance.

APPENDIX B

California Transparency in Supply Chains Act of 2010 (California Senate Bill 657)

RISK ASSESSMENT

The Company internally assesses the risk of slavery and human trafficking with respect to the supply chain for all of its products. To judge which of its sourcing countries presents the highest risk levels, the Company utilizes several resources, including the U.S. State Department's annual Trafficking in Persons Report's country rankings, the United Nations Office on Drugs and Crime's Global Report on Trafficking in Persons, the Director-General of the International Labour Organization's reports on forced labor, and the U.S. Department of Labor's List of Goods Produced by Child Labor or Forced Labor. The Company continuously assesses its risk as these resources are updated and as new, credible resources become available. In 2016 we began requiring factories and mills to register and complete the HIGG Index Social/Labor Module, which provides greater insight into recruitment and hiring practices, worker treatment, communication, and hours of work.

AUDITS.

The Company conducts audits of its direct suppliers to evaluate compliance with the Company's Standards for Contractors and Suppliers, which include standards for slavery and human trafficking in the supply chain. To determine factory selection and timing for audits we look at several criteria, including factory location (country), size, workforce composition and past compliance performance, if available, to determine facility risk and audit priority. In addition to our internal staff, we retain a number of recognized, unaffiliated third party workplace compliance audit firms to conduct both announced and unannounced factory audits on our behalf. The Company utilizes a scorecard system to assign risk levels to suppliers objectively based on audit results. The scorecard concept is a data-driven process, with the underlying premises that not all violations should be

Treated equally and that some findings are more serious and not as easily corrected as others are. By comparing audit results, the scorecard system allows the Company to evaluate and determine where monitoring is needed most. Over time, audit scores reflect the compliance status of a factory, making it a useful tool for internal production divisions to benchmark their factories, vendors and agents when making sourcing decisions. The Company also supports ongoing supplier improvements through training and technical assistance.

SUPPLIER CERTIFICATION

The Company requires that all of its suppliers comply with applicable laws within their country of business regarding slavery and human trafficking. Since 1996, the Company has required all of its contractors and suppliers to adhere to its Standards for Contractors and Suppliers, which, among other things, prohibits child labor and any form of forced, compulsory, bonded, indentured or prison labor and requires compliance with applicable laws and regulations regarding health and safety in working conditions. In addition, as part of the Company's purchase order and commercial invoice processes, factories are required to certify compliance with the Company's Standards concerning elimination of the risk of slavery and human trafficking practices in their supply chains.

ACCOUNTABILITY STANDARDS AND PROCEDURES

All Company employees and agents with production, sourcing or quality control responsibilities, as well as internal buying offices and trading companies doing business with the Company, are provided with copies of the Company's compliance program policies and procedures related to the enforcement of its Standards for Contractors and Suppliers. These policies and procedures, which are outlined in our Corporate Compliance Operations Manual, include issuance of zero tolerance notifications for violations of the Company's prohibition on use of child or forced labor and implementation of corrective action plans. In the case of non-compliance, the Company examines the specific situation and develops an appropriate strategy for resolution.

TRAINING AND DEVELOPMENT

The Company conducts internal training of its managers and employees with direct responsibility for supply chain management that specifically raises awareness of slavery and human trafficking and focuses on mitigating the risks within our supply chain. In addition, the Company's internal corporate compliance employees, as well as third party monitors contracted to audit facilities in the Company's supply chain, have participated in training jointly developed and delivered by the United Nations Global Initiative to Fight Human Trafficking ("UN.GIFT") and the International Labor Organization ("ILO"). That training helps internal and external monitors to thoroughly monitor the risk of forced labor in the Company's supply chain and to develop and deliver training programs for agents, vendors and other supply chain partners on the issue, including how to identify and mitigate forced labor and trafficking risks in their recruitment processes.

The Company also conducts training programs targeted to suppliers on topics that support awareness of the Company's Standards for Contractors and Suppliers to ensure the appropriate participants in supply chain management are knowledgeable concerning the Company's requirements for suppliers. The Company encourages its agents, vendors and suppliers to participate in seminars and training programs on social compliance issues (including the issues of slavery and human trafficking) to further raise awareness of the issues and mitigate the risks within the Company's supply chain.

RELEVANT CONTACTS/ INFORMATION

WEBSITE

Company Website: www.OJG.com

Link to Report:

CONTACTS

Compliance

1. Christian Schrader, **VP Compliance** email: Cshrader@ojg.com
2. Samantha Phillips, **Manger Social Compliance** email: Sphillips@ojg.com
3. Julia Sicklick Social, **Compliance Specialist** email: jsicklick@ojg.com

Legal

4. Jessie Levitt, **Assistant General Counsel:** jlevitt@pbgholdings.com

RESOURCES USED

1. AAFA - https://www.aafaglobal.org/AAFA/Shop/Cart_Home.aspx
2. Blue Campaign - <https://www.dhs.gov/blue-campaign>
3. Forced Labor Training Video - <https://www.commerce.gov/sites/default/files/HTFLGSC/story.html>
4. US Department Annual Trafficking in Person's report - <https://www.state.gov/trafficking-in-persons-report/>
5. The United Nations Office of Drugs and Crime Organizations Report - <https://www.unodc.org/unodc/en/data-and-analysis/world-drug-report-2023.html>
6. List of Goods Produced by Child Labor or Forced Labor 2023- <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>

APPLIES TO THE FOLLOWING LAWS:

1. **Modern Slavery Statement for Canada Modern Slavery Act (S-211)**
2. **California Transparency in Supply Chains Act of 2010 (California Senate Bill 657)**
3. **UK Modern Slavery Act**