

Forced and Child Labour in Supply Chains Act Report for Fiscal Year 2023

1. Introduction

This report is made pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act S.C. 2023, c.9. It provides background information to 4imprint's business model and steps taken to prevent and remediate Forced and Child Labour in our business and supply chain. Additional information in regard to 4imprint's business, supply chain and ethical policies can be found at www.investors/4imprint.com

2. Company Overview/structure

4imprint plc is a direct marketer of promotional products (merchandise that is custom printed with a logo) with operations in North America, the UK and Ireland. Our purpose is to harness the enduring appeal of promotional products to help our customers build their brand, achieve their marketing goals and make lasting connections with those that are important to them. In 2023 we processed over 2 million orders with reported annual revenue of US\$1,302.6 billion, 98% derived from our North American market.

The North American market, including our Canadian customers are serviced from our 4imprint Inc, Oshkosh, Wisconsin facility. The information provided below relates to that entity.

We sell an extensive range of consumer products covering apparel, drinkware, bags, stationery, office and leisure products. These products are marketed on our Canadian facing website www.4imprint.ca. Additional information in regard to 4imprint's business, supply chain and ethical policies can be found at www.investors/4imprint.com

3. Supply Chain Overview

Our direct tier 1 suppliers are North American based. These Tier 1 suppliers take care of the importing of finished product, inventory management, printing, and shipping of thousands of customized orders on a daily basis. In 2023 there were 130 contracted suppliers representing 99% of our spend. This is a very stable group of partners with a small number of new suppliers added or relationships ended each year. In 2023 90% of our spend went to those that 4imprint has worked with for over 20 years.

Our Tier 2 is largely where the manufacturing and assembly of our products takes place. The key locations for this work are China, at approximately 60%, North America - 14% (including some of our Tier 1 suppliers own facilities) and the Central American/Caribbean apparel bloc comprises 7%. The remainder is largely spread across SE Asia countries. Our Tier 3 and beyond supply chain expands further on a global basis.

4. Risk Management in our Operations and Supply Chain

Our Canadian customers are served from our Oshkosh, Wisconsin base where at the end of 2023 we had 1593 employees. Our operations form an office facility which includes our customer service, supply/product, marketing and operational teams. Many associates now work from home or on a hybrid basis, all living within the local area. In addition, we have two facilities focused on the

decorating for some of our apparel products, however these are largely focused on the USA market. Temporary workers are utilized to a seasonal peak of 100 via a long-term temporary agency partner. Our staff, whether directly employed or engaged as temporary employees, are not in a category that is generally viewed as vulnerable to forced or child labour, our focus is therefore directed to our supply chain.

Our end-to-end supply chain is long and complex and as such our business activities can have a significant impact at many levels. Our intention is to make that impact a positive one from a social, environmental and economic perspective, however its scale, complexity, and distance from us bring with it risks, including those of child and forced labour.

Our goal is therefore to work with Tier 1 suppliers who are diligent in managing their own Tier 1 suppliers (our Tier 2). This is supported by several key procedures and activities.

4.1. Supplier Agreement.

Contracted suppliers are required to re-sign our Supply Agreement on an annual basis. This includes our '4imprint Supply Chain Code of Conduct' which is based on the International Labour Organizations 'Declaration on Fundamental Principles and Rights at Work' and is fully aligned with the Fair Labor Associations Workplace Code of Conduct. This document and signatory form the basis of our agreed ethical approach to managing our supply chain including child and forced labor risk with our Supplier Partners.

4.2. Monitoring Programmes

Work to increase monitoring of our Tier 1 suppliers against our Code started in earnest in 2019. Our initial objective was to grow the programme to cover more than 90% of annual auditable spend through having a social audit on file and remediated. This target was first achieved in 2023 hitting 97% of auditable spend. Going forward our short-term objective is to increase the number of audits experienced by smaller suppliers and maintain the percentage of spend to over 95%. All audits are third party managed with LRQA(Elevate) ERSA or SEDEX 4 Pillar being our preferred protocols. The 4imprint team are there to support and manage any remediation.

In addition to Tier 1 we work with our suppliers to develop their own programs to manage their Tier 1, our Tier 2 facilities. We provide financial support for elements of that work and in 2023 funded 22 LRQA (Elevate) ERSA audits with Tier 2 facilities.

Our apparel supply chain has a greater presence of established brands and suppliers. 60% of our North American apparel revenue is derived from brands that are accredited Fair Labor Association Participating Companies and one core promotional apparel supplier.

4.3 Team Structure

Our dedicated Supply Chain Social Responsibility team manages our work related to supplier and factory monitoring, external provider management and is committed to continuously progressing our work in this space. It is comprised of 3 team members including a director and reports to our VP of Supply Chain Compliance. That role reports to our SVP – Merchandising & Supply Chain enabling strong coordination and collaboration

across neighboring supply related teams such as merchandising and supplier management.

5. Measures taken to Remediate

5.1 Tier 1.

In 2023 our monitoring programme uncovered three instances that can be considered indicators of forced labour risk.

1. Supplier A, facility based in the USA: Evidence was found in the employee manual stating that some overtime would be mandatory. Supplier confirmed this was old information, no longer managed in that way and removed statement from internal literature.
2. Supplier B, facility based in the USA: An external recruitment agency had charged new recruits for fees relating to drug and background checks. The supplier had not been aware; employees were re-embused and expectations of external recruiter re-enforced.
3. Supplier C, facility based in Mexico (operated by USA based supplier). A subcontracted security service had mandated overtime to security personnel. The security service provider has since been changed and requirements for voluntary overtime re-enforced.

No instances or indicators of child labour were found in our Tier 1 audits or other supplier visits/work in 2023.

5.2 Tier 2.

No indicators or instances of forced or child labor were found in our Tier 2 audits or other supplier visits/work in 2023.

6. Training and Effectiveness

We consider training and education for our own and our suppliers' teams to be an important part of our process. It also enables us to benchmark against good practice and identify opportunities for improvement.

Via our participation of the FLA's collegiate licensee program we have access to numerous training opportunities including those focused on child and forced labour. Our affiliation mandates that at least one 4imprint employee has to complete the training, however we pay to include team members in Suppliers Operations, Category Management and other associated internal teams to ensure they develop a strong awareness of challenges that can occur in supply chains and our role in preventing and mitigating them.

We continue to work with our US trade association (Promotional Product Association International) in its supply chain leadership work, arranging training sessions and an annual conference geared towards increasing understand and best practices in social responsibility and allied topics.

We continually look to be educated by and take guidance on best practice from experts in this field including the Fair Labor Association, American Apparel & Footwear Association, monitoring organizations such as LRQA (Elevate) and utilize reports such as the US State Department's Trafficking in Persons Report.

Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above. I have the authority to bind 4imprint Inc.



Kevin Lyons-Tarr
CEO
4imprint plc
Date: 08/25/24