

1. Introduction

Canada Sportswear Corp. commenced operations September 30th 1954. We started off solely as a manufacturer in apparel located in Toronto. In the 1980's we began importing apparel garments and fabric in addition to our domestic manufacturing which continues until this day. In 2014 we expanded our product assortment to include bags and we currently service about 2,500 wholesale accounts across North America.

2. Steps taken to prevent and reduce the risk of forced labour or child labour.

Governance

The Canada Sportswear Corp. Code of Conduct is a document provided to each of our factories and mills. It outlines requirements for working with Canada Sportswear Corp. All Code of Conduct documents must be signed and returned by an Authorized Officer of each company. The Code of Conduct is renewed annually.

The Code of Conduct includes statements on the necessity of respecting Human rights in the workplace and complete prohibition on the use of Forced or Indentured labour of any kind.

There is a specific section on the prohibition of Child labour.

Canada Sportswear Corp monitors this to the best of our ability. Any company found in violation of these terms will have their business terminated with Canada Sportswear Corp.

Monitoring and Maintenance

- a) The factories allow Canada Sportswear Corp and or our Representatives, including 3rd party, unrestricted access to all facilities and to all relevant records, at all times, with or without advance notice.
- b) Canada Sportswear Corp employs Q.C in each country we work in. They are responsible for monitoring garment and or fabric production for quality of product and to the best of our ability and knowledge, ensure labour standards are maintained, on a regular basis.
- c) Third Party inspection is conducted to further ensure social compliance and health and safety including labour standards are being met to the best of our ability.

Supply Chain

Canada Sportswear Corp. works directly with our manufacturing partners. We do not work with Trading companies or Buying houses. This ensures transparency and therefore to the best of our ability control over who is making our product.

We work directly with the Mills producing our fabrics. For consistency of product, we prefer to use the same Mills year after year. If we introduce new Mills, they are thoroughly vetted before we begin business. We then decide which of our vetted factories will make the product.

We do not switch factories often, preferring to work with the same factories each season. This maintains consistency in our product, but also allows us to form relationships with the factories making our product.

Most of our factories have been working for Canada Sportswear Corp for several years and know our standards. Our QC team have direct contact with the factory people, right down to the ones sewing our garments. This allows us unfettered access to the people making our product, and therefore the ability to monitor the labour component of our product, to the best of our ability.

Canada Sportswear Corp has implemented a policy forbidding the use of materials sourced from Xinjiang regions of China over concerns of human rights violations.

The factories manufacturing for Canada Sportswear Corp are located in small towns and villages and employ local workers from the surrounding areas. This greatly reduces and or eliminates to the best of our knowledge, the chance of migrant workers, who might be at risk of abuse or forced labour.

Canada Sportswear does not allow subcontract manufacturing of our product. Our product is produced in the factories which we have vetted. This further reduces and or eliminates the chances of migrant labour and therefore potential forced labour making our product.

All factories, including old and new ones, are vetted by the Director of Sourcing, who meets with all factories at least once per year.

Sourcing

Canada Sportswear Corp implemented a corporate policy in 2021 against use of Cotton, or any other materials sourced from Uzbekistan, Turkmenistan, or the Xinjiang Uyghur Autonomous region of China due to concerns over Human Right violations.

Canada Sportswear Corp continues to strive for improvement in all aspects of our business. We are continuously working with our manufacturing partners to help them improve.

We invite you to read our corporate code of conduct, all companies working with Canada Sportswear Corp are required to follow. We strive to the best of our abilities to hold all companies to these standards.

CANADA SPORTSWEAR CORP.

Vendor Compliance and Code of Conduct

This Code of Vendor Conduct applies to all factories that produce goods for Canada Sportswear Corp. or any of its subsidiaries, divisions, affiliates, or agents.

While Canada Sportswear recognizes that there are different legal and cultural environments in which factories operate throughout the world, this Code sets forth the basic requirements that all factories must meet to do business with Canada Sportswear. The Code also provides the foundation for Canada Sportswear's ongoing evaluation of the factory's employment practices and environmental compliance. Each factory must comply with this Vendor Code of Conduct.

Canada Sportswear will continue to develop monitoring systems to assess and ensure compliance. If Canada Sportswear determines that any factory has violated this Code, Canada Sportswear may either terminate its business relationship or require the factory to implement an immediate corrective action plan. If corrective action is advised but not taken, Canada Sportswear will suspend placement of future orders and may terminate current production.

1. General Principle

Factories that produce goods for Canada Sportswear shall operate in full compliance with the laws of their respective countries and with all other applicable laws, rules, and regulations.

- A. The factory operates in full compliance of all applicable laws, rules, and government directed regulations, including those relating to labour, worker health and safety, and the environment.
- B. The factory allows Canada Sportswear and/or its representatives or agent's, unrestricted access to its facilities and to all relevant records, at-all times, whether (or not) advance notice is provided.

II. Environment

Factories must comply with all applicable environmental laws and regulations. Where such requirements are less stringent than those of Canada Sportswear, factories are encouraged to meet the standards outlined in Canada Sportswear's statement of environmental principles.

- A. The factory has an environmental management system or plan.
- B. The factory has procedures for notifying local community authorities in case of accidental discharge or release or any other environmental emergency.

III. Discrimination

Factories shall employ workers based on their ability to do the job, not based on their personal characteristics or beliefs.

- A. The factory shall employ workers without regard to race, color, gender, nationality, religion, age, maternity, or marital status.
- B. The factory shall pay worker's wages and provide benefits without regard to race, color, gender, nationality, religion, age, maternity or marital status.

IV. Forced Labor

Factories shall not use any prison, indentured, or forced labor.

- A. The factory does not use involuntary labor of any kind, including prison labor, debt bondage or forced labor by governments.
- B. If the factory recruits foreign contract workers, the factory pays agency recruitment commissions and does not require any worker to remain in employment for any period against his or her will.

- C. The factory or mill, agrees not to source any materials, be they raw materials such as cotton, yarns, fabrics, or accessories of any kind from the Chinese region of Xinjiang or from Turkmenistan over concerns of human rights violations.

V. Child Labor

Factories shall employ only workers who meet the applicable minimum legal age requirement of their countries, or are at least 14 years of age, whichever is greater. Factories must also comply with all other applicable child labor laws. Factories are encouraged to develop lawful workplace apprenticeship programs for the education benefit of their worker, provided that all participants meet both Canada Sportswear's minimum age standard of 14 and the minimum legal age requirement.

- A. Every worker employed by the factory is at least 14 years of age or meets the applicable minimum legal age requirements.
- B. The factory complies with all applicable child labor laws, including those related to hiring (legal age required), wages, hours worked, overtime and working conditions.
- C. The factory encourages and allows eligible workers, especially younger workers, to attend nightclasses and participate in work-study programs and other government-sponsored educational programs.
- D. The factory maintains official documentation for every worker that verifies the workers date of birth. In those countries where official documents are not available to confirm exact date of birth, the factory confirms age using an appropriate and reliable assessment method.

VI. Wages & Hours

Factories shall set working hours, wages and overtime pay in compliance with all applicable laws. Workers shall be paid at least minimum legal wage or a wage that meets local industry standards, whichever is greater. While it is understood that overtime is often required in garment production, factories shall carry out operations ways that limit overtime to a level that ensures humane and productive working conditions.

- A. Workers are paid at least the minimum legal wage or the local industry standard, whichever is greater.
- B. The factory pays overtime and any incentive (or piece) rates that meet all legal requirements or the local industry standard, whichever is greater. Hourly wage rates for overtime must be higher than the rates for the regular work shift.
- C. The factory does not require, on a regularly scheduled basis, a work week more than 60 hours, including overtime.
- D. Workers may refuse overtime without any threat of penalty, punishment, or dismissal.
- E. Workers have at least one day off in seven.
- F. The factory provides paid annual leave and holidays as required by law or which meet the local industry standard, whichever is greater.
- G. For each pay period, the factory provides workers and understandable wage statement which includes days worked, wage or piece rate earned per day, hours of overtime at each specified rate, bonuses, allowances and legal or contractual deductions.

VII. Working Conditions

Factories must treat all workers with respect and dignity and provide them with a safe and healthy environment. Factories shall comply with all applicable laws and regulations regarding working conditions. Factories shall not use corporal punishment or any other form of physical or psychological

coercion. Factories must be sufficiently lighted and ventilated, aisles accessible, machinery maintained, and hazardous material sensibly stored and disposed of. Factories providing housing for workers must keep these facilities clean and safe.

Factory:

- A. The factory does not engage in or permit physical acts to punish or coerce workers.
- B. The factory does not engage in or permit psychological coercion or any other form of non-physical abuse, including threats of violence, sexual harassment, screaming or other verbal abuse.
- C. The factory complies with all applicable laws regarding working conditions, including worker health, and safety, sanitation, fire safety, risk protection, and electrical, mechanical and structural safety.
- D. Work surface lighting in production areas – such as sewing, knitting, pressing and cutting – must be adequate for the safe performance of production activities.
- E. The factory is well ventilated. There are windows, fans, air conditioners or heaters in all work areas for adequate circulation, ventilation, and temperature control.
- F. There are sufficient, clearly marked exits allowing for the orderly evacuation of workers in case of fire or other emergencies. Emergency exit routes are posted and clearly marked in all sections of the factory in compliance with all applicable laws.
- G. Aisles, exits and stairwells should always be kept clear for work in process, finished garments, bolts of fabric, boxes and all other objects that could obstruct the orderly evacuation of workers in case of fire or other emergencies. The factory indicates with a “yellow box” or other markings that the areas in front of exits, the firefighting equipment, control panels and potential fire sources are to be kept clear.
- H. Doors and other exits are kept accessible and unlocked during all working hours for orderly evacuation in case of fire or other emergencies. All main exit doors open to the outside.
- I. Fire extinguishers are appropriate to the types of possible fires in the various areas of the factory, are regularly maintained and charged, display the date of their last inspection, and are mounted on walls and columns throughout the factory so they are visible and accessible to workers in all areas.
- J. Fire alarms are on each floor and emergency lights are placed above exits and on stairwells.
- K. Evacuation drills are conducted at least annually.
- L. Machinery is equipped with operational safety devices and is inspected and serviced on a regular basis.
- M. Appropriate personal protective equipment- such as masks, gloves, goggles, ear plugs and rubber boots are made available at no cost to all workers and instruction in its use is provided.
- N. The factory provides water for all workers and allows reasonable access to it throughout the working day.
- O. The factory places at least one well-stocked first aid kit on every factory floor and trains specific staff in basic first aid. The factory has procedures for dealing with serious injuries that require medical treatment outside the factory.
- P. The factory maintains clean and sanitary toilet areas and will not place unreasonable restrictions on their use, throughout all working hours,
- Q. The factory stores hazardous and combustible materials in secure and ventilated areas and disposes of them in a safe and legal manner.

Housing (if applicable)

- A. Dormitory facilities meet all applicable laws and regulations related to health and safety, including fire safety, sanitation, risk protection, and electrical, mechanical, and structural safety.
- B. Sleeping quarters are segregated by sex.

- C. The living space per worker in the sleeping quarters meets both the minimum legal requirement and the local industry standard.
- D. Workers are provided their own individual mats or beds
- E. Dormitory facilities are well ventilated. There are windows to the outside or fans and/or air conditioners and/or heaters in all sleeping areas for adequate circulation, ventilation, and temperature control.
- F. Workers are provided their own storage space for their clothes and personal possessions.
- G. There are at least two clearly marked exits on each floor, and emergency lighting is installed in halls, stairwells and above each exit.
- H. Halls and exits are kept clear of obstructions for safe and rapid evacuation in case of fire or other emergencies
- I. Directions for evacuation in case of fire or other emergencies are posted in all sleeping quarters.
- J. Fire extinguishers are placed in or accessible to all sleeping quarters.
- K. Hazardous and combustible material used in the production process are not stored in the dormitory or in buildings connected to sleeping quarters.
- L. Fire drills are conducted at least every six months
- M. Sleeping quarters have adequate lighting
- N. Adequate toilets and showers are provided, segregated by sex, they are in safe sanitary, accessible, and private areas.
- O. Portable water or facilities to boil water are available to dormitory residents
- P. Dormitory residents are free to come and go during their off-hours under reasonable limitations imposed for their safety and comfort.

VIII. Freedom of Association

Workers are free to join an association of their own choosing. Factories must not interfere with workers who wish to lawfully and peacefully associate, organize or bargain collectively. The decision whether (or not) to do so should be made solely by the workers.

- A. Workers are free to choose whether (or not) to lawfully organize and join associations
- B. The factory does not threaten, penalize, restrict, or interfere with workers' lawful efforts to join associations of their choosing.

Canada Sportswear Corporation.

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Vendor

Name: _____

Signature: _____

Title: _____

Date: _____

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