

OTTER PRODUCTS, LLC
FORCED AND CHILD LABOUR REPORT 2023

This Forced and Child Labour Report 2023 (this “**Report**”) is made pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”) and has been prepared on behalf of Otter Products, LLC (“**Otter**”). As required by the Act, this Report summarizes the steps that Otter has taken in the financial year ended December 31, 2023 (the “**Reporting Period**”) to prevent and reduce the risk that forced or child labour is used at any step of the production of goods imported into Canada by Otter. The terms “we,” “our,” “us,” and “Otter” as used in this Report refer collectively to Otter and its affiliated entities, unless the context suggests otherwise. These terms are used for convenience only and are not intended as a precise description of any separate legal entity within Otter.

A. Steps Taken to Prevent and Reduce Labour Risks in the Last Financial Year

Otter actively participates in the comprehensive management of its supply chain. This includes actively mapping and monitoring all aspects, conducting thorough internal and external risk assessments, establishing and enforcing diligent policies to identify and eradicate forced and child labour, as well as crafting and providing training and awareness materials for its suppliers. Otter’s efforts to manage its supply chain relationships responsibly include the following actions:

1. **Verification of Supply Chain:** Otter strives to establish close relationships with its Tier 1 suppliers and requires that they comply with all aspects of the Responsible Business Alliance Code of Conduct (the “**RBA Code of Conduct**”) including those aspects that relate to forced and child labour. For purposes of this Report, the term “Tier 1” means suppliers that Otter directly conducts business with.
2. **Supplier Audits:** Otter reserves the right to verify supplier compliance with company standards and the RBA Code of Conduct. Otter utilizes independent third-party auditors to perform announced supplier audits annually and to verify supplier compliance. If Otter becomes aware of any actions or conditions not in compliance with its company standards or the RBA Code of Conduct, Otter reserves the right to demand corrective measures which may include terminating the supplier’s contract. Moreover, third-party auditors have recently expanded their audit inquiries to include more detailed scrutiny on issues related to forced and child labour.
3. **Certification Requirements for Tier 1 Suppliers:** Otter presents the RBA Code of Conduct as a total supply chain initiative and requires suppliers to comply with laws regarding forced and child labour. Otter also requires suppliers to monitor the performance of their next-tier suppliers against the requirements of the RBA Code of Conduct.
4. **Developing and Implementing Training and Awareness Materials:** As of Spring 2024, Otter offers an online global modern slavery training module which is available to all employees. It is mandatory for Otter employees who have direct responsibility for supply chain management, and Otter maintains a record through its learning management system of all employees who have completed the training and passed the post-training assessment. The training contains specific content relating to the identification of human rights violations, including forced and child labour. These employees also have access to information on all company policies, practices, and procedures designed to identify and respond to issues related to forced and child labour in the supply chain as well as to mitigate risks within the supply chain.
5. **Supplier Management Systems:** To comply with the RBA Code of Conduct and labor standards, suppliers must create management systems with policies, procedures, and documents that uphold these requirements and all relevant laws, including those against forced and child labor. Otter confirms the existence and maintenance of those management systems through its supplier audit program.
6. **Internal Accountability Standards and Procedures:** Otter requires its employees to comply with company policies, including, but not limited to, policies prohibiting the use of forced and child

labour in its operations. Otter provides channels to report concerns about any potential violation of law or company policy including those related to forced and child labour. Otter promptly investigates any such reports and takes all necessary corrective actions.

B. Company Structure, Activities, and Supply Chain

Headquartered in Fort Collins, Colorado, United States of America, Otter is a Colorado limited liability company with a global presence in the consumer electronics sector. Specializing in the sale of premium protective products for smartphones and tablets, Otter utilizes a global supply chain and omnichannel distribution to distribute its products. Moreover, Otter facilitates domestic distribution in Canada through product imports.

C. Policies and Due Diligence Processes

1. **Policies:** Otter has developed a number of policies and procedures to help ensure activities and business at Otter, including those by its suppliers, are carried out in a responsible and efficient manner including the following:
 - a. **Global Modern Slavery Statement:** In compliance with relevant regulations including the Act, Section 54 of the UK Modern Slavery Act 2015, and the California Transparency in Supply Chains Act 2010, Otter has developed a *Global Modern Slavery Statement*. This statement, accessible on Otter's websites, outlines potential supply chain risks and Otter's mitigation efforts.
 - b. **Supplier Code of Conduct:** As stated above, Otter has adopted the RBA Code of Conduct. The RBA Code of Conduct requires, among other things, that its Tier 1 suppliers ensure they do not engage in or support forced and child labour. In addition, the RBA Code of Conduct requires suppliers to adopt and maintain terms of employment for their employees that comply with local laws and requirements. These standards prioritize human rights and require the treatment of workers to be respectful and dignified. Standards include appropriate labour, health and safety, environmental, ethics, and management standards. Otter employees trained in this area are continuously monitoring this effort.
 - c. **Anti-Corruption and Anti-Bribery Policy:** Otter's anti-corruption and anti-bribery policy reflects the core values, beliefs, and business practices of Otter concerning competition and its expectations of employees. This applies to suppliers, contractors, consultants, agents, and other suppliers of goods. This policy, together with mandatory annual anti-corruption and anti-bribery training, prescribes behaviors and procedures that seek to mitigate risks. In addition, the training explains how to avoid those risks, as well as establishing reporting obligations for certain types of events and interactions with public officials.
 - d. **Master Supply Agreement:** By the end of 2024, Otter's master supply agreement will be updated to include standard contractual terms highlighting and addressing forced and child labour issues and concerns. This agreement requires those we do business with to take reasonable steps to identify and address risks of forced and child labour practices in their operations and supply chains.
2. **Due Diligence:** While improving operational efficiency, Otter continues to strengthen its processes to reduce risks related to forced and child labour. Otter's supply chain organization engages with its Tier 1 suppliers to assess, mitigate, and prevent the risks of human rights violations. Additionally, Otter utilizes independent third-party auditors to perform annual supplier audits and verify supplier compliance. If Otter becomes aware of any actions or conditions not in compliance with its company standards and/or the RBA Code of Conduct, Otter reserves the right to demand corrective measures which may include terminating the supplier's contract.

D. Areas That Carry Risk and Actions to Assess and Manage Risk

Otter employs a multi-pronged approach to assess and mitigate risks of forced and child labor throughout its supply chain. This includes conducting third-party audits of suppliers, but also encompasses supplier selection based on ethical sourcing standards, ongoing monitoring through site visits, and maintaining open communication channels with suppliers. If Otter becomes aware of or uncovers any indication or confirmation of forced or child labour within its supply chains, it will promptly investigate and implement suitable corrective actions. These actions may include cessation, prevention, or mitigation of any resulting adverse effects. During the Reporting Period, no instances of forced or child labour were identified within its supply chains. Consequently, no remedial measures were taken, including those related to remediating the economic impact on the most vulnerable families. If situations arise, the third-party auditor will identify the issues and work with Otter to determine corrective actions.

E. Measures Taken to Remediate Forced and Child Labour Risks

As stated above, Otter utilizes independent third-party auditors to perform annual supplier audits and verify supplier compliance. Any findings of forced labour or child labour will require immediate corrective action from its suppliers.

F. Measures Taken to Remediate Loss of Income to Vulnerable Families

Otter does not operate in locations that have previously been identified as high risk for forced labour or child labour which may require Otter to remediate the loss of income to vulnerable families. As such, no remediation activities have been undertaken. However, Otter monitors for any shifts in high-risk areas and is prepared to adjust practices if necessary.

G. Training Provided to Employees on Forced and Child Labour

As of Spring 2024, Otter deployed an online global modern slavery training module that is available to all employees. It is mandatory for employees who have direct responsibility for supply chain management. For more details, refer to Section A.4. above.

H. Assessing Effectiveness in Ensuring that Forced and Child Labour Are Not Being Used in Our Business and Supply Chains

Otter recognizes the importance of maintaining constant vigilance to identify and address any instances of forced and child labour throughout its business and supply chains. Otter intends to assess its effectiveness in preventing and reducing risks of forced labour and child labour in its activities and supply chains on an annual basis including, but not limited to, through its annual audit program. Additionally, Otter will continue to evaluate the efficacy of its aforementioned due diligence efforts through annual audits of its suppliers.

I. Otter's Action Plan for the 2024 Financial Year and Beyond

To strengthen its commitment to Otter's "*We Grow to Give*" mission, Otter is taking significant steps to improve its supply chain with a focus on eliminating forced and child labor. Here are some key initiatives:

1. **Enhanced Contract Language:** Otter is revising supplier contracts to include clear expectations on forced and child labor mitigation throughout the entire supply chain. It will explicitly outline these supplier expectations across all levels of the supply chain and will require its Tier 1 suppliers to incorporate similar expectations into all lower-tier contracts.
2. **Advanced Supplier Mapping:** Otter is actively evaluating new solutions to gain greater transparency into its supplier network and expects to have a recommendation prepared by end of 2024 for budget consideration going into 2025.

J. 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 or entities 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 Otter Products, LLC.

OTTER PRODUCTS, LLC

A handwritten signature in blue ink, appearing to read 'Jonathan C. Richardson', is written over a horizontal line.

By: Jonathan C. Richardson

Its: Chief Executive Officer

Date: May 10, 2024