

# PREMIER BRANDS GROUP HOLDINGS LLC

## FORCED LABOR AND MODERN SLAVERY - JOINT REPORT FOR PREMIER BRANDS GROUP HOLDINGS LLC AND ITS PARTICIPATING ENTITIES

### Participating Entities<sup>1</sup>:

JASPER APPAREL GROUP CANADA LP,  
ONE JEANSWEAR GROUP LLC,  
KASPER GROUP LLC, and  
THE JEWELRY GROUP INC.

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<sup>1</sup> Each of the Participating Entities is a wholly owned subsidiary of Premier Brands Group Holdings LLC.

# PREMIER BRANDS GROUP HOLDINGS LLC

## & its Participating Entities

### EXECUTIVE SUMMARY

Premier Brands Group Holdings LLC (“PBGH”) and its wholly owned, participating subsidiaries, namely, Jasper Apparel Group Canada LP (“Jasper”), One Jeanswear Group LLC (“OJG”), Kasper Group LLC (“Kasper”), and The Jewelry Group Inc. (“TJG” and collectively with PBGH, Jasper, OJG, and Kasper referred to herein as “PBG”) are committed to legal compliance and ethical business practices in all of its operations worldwide and take the risks of slavery and human trafficking in our supply chains very seriously. PBG carefully chooses suppliers and contractors who share these beliefs. This joint report outlines PBG’s commitment to mitigating the risk of forced labor and human trafficking within the organization and our supply chains.

PBG internally assesses the risk of slavery, human trafficking, and forced labor within our supply chains throughout the year. This 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 and lists all the risks identified. PBG files annual risk assessments with United States Customs as part of its annual security profile for continued participation in the Customs Trade Partnership Against Terrorism (“CTPAT”) program. The risk assessment also leverages numerous reports publically issued which deal with human trafficking. Specifically, PBG utilizes, among other resources, 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.

PBG continuously evaluates the various risks as new information becomes available for any country in which PBG produces products in, to ensure that the highest standards are maintained by each of PBG’s suppliers. PBG communicates its message of ethical sourcing both internally, as well as to each of its suppliers and vendors. Further, PBG’s compliance department requires independent audits to be conducted annually at tier one suppliers (e.g. factories) and tier two suppliers (e.g. mills) to reduce any likelihood of forced labor, slavery, and trafficking.

The following pages outline the commitment and steps that PBG takes to mitigate the risk of forced labor and human trafficking within our organization and its supply chains. This topic will always remain a core focus at PBG.

In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”), and in particular section 11 thereof, I attest that I have reviewed the information contained in this report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above. Further, I have the authority to bind PBGH, and the Participating Entities, which are wholly owned subsidiaries of PBGH.



5/31/2024

\_\_\_\_\_  
Date

Morris Tbeile  
President & CEO  
Premier Brands Group Holdings LLC

# PREMIER BRANDS GROUP HOLDINGS LLC

## & its Participating Entities

Jasper, OJG, Kasper, and TJG (collectively the “Participating Entities”) are wholly owned subsidiaries of PBGH. PBGH, through the Participating Entities, designs and markets a broad array of products, including sportswear, jeanswear, dresses, accessories and costume jewelry under several nationally and globally recognized brands. PBG produces and manufactures its products through international suppliers, namely fabric mills and manufacturing factories located in various territories throughout the world. PBG sells its products throughout the world, through trusted established retailers, including but not limited to, TKMaxx, Macy’s, and amazon.com. PBG works tirelessly to maintain its reputation and combat risks of slavery, forced labor, and human trafficking, by implementing and maintain policies to oversee each and every step in its supply chain, as well as all the components that go into the fabrication of PBG’s products.

PBG uses various steps and methods to reduce the risk of slavery, forced labor, and human trafficking in its supply chains. The following joint report highlights a combination of ongoing training, audits, and partnerships that are in place at PBG to address this topic:

### 1. Standards for Contractors and Suppliers

All tier one suppliers (e.g. factories) and tier two suppliers (e.g. mills) are required to sign an agreement setting forth the terms and standards for PBG’s contractors and suppliers (“Standards for Contractors and Suppliers Agreement”), as part of PBG’s onboarding process. PBG also periodically requires its suppliers to re-sign these agreements as regulations and policies change, as well as to re-emphasize what PBG stands for as an organization. The Standards for Contractors and Suppliers Agreements cover various categories, including, but not limited to, labor, hours of work, and discrimination. Each of the Standards for Contractors and Suppliers Agreements specifically state that PBG’s 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

As part of its onboarding process, PBG’s quality assurance team physically visits each of its suppliers’ facilities, inspects the working environment, and evaluates the capabilities of such supplier to ensure the supplier’s facilities are up to PBG’s standards. Additionally, PBG’s compliance department requires a current social audit report on file for each of its suppliers prior to onboarding.

After PBG’s quality assurance team approves the supplier, PBG schedules a third party social audit to evaluate the supplier, or to review an existing social audit report, and grade the supplier using PBG’s standards. Among other things, each audit will: test payroll, evaluate hours (including any overtime), interview employees, confirm the use of personal protective equipment, and ensure there are no visible working hazards. As part of the audit, PBG evaluates the languages spoken and notes any migrant workers within the suppliers’ facilities.

In 2022, PBG enhanced its procedures to include a more detailed audit by an independent audit partner, which conducted a deeper evaluation of the employee base within each of PBG’s suppliers.

### **3. Foreign Migrant Worker Audit<sup>2</sup>**

As part of its review, PBG also focuses on areas wherein migrant workers are known to be used within supply chains. Specifically, PBG conducts a specialized audit focused on migrant workers; these are primarily conducted in Jordan and Egypt. This review is typically done in conjunction with a social audit (described above), however, it is occasionally conducted as a stand-alone review.

### **4. Responsible Recruitment Policy<sup>3</sup>**

PBG's compliance department is committed to the fair treatment of workers in all of PBG's supply chains. PBG's policies require all new hires to complete a Responsible Recruitment Form, which includes three areas of focus: Recruitment Fees, Travel Documents, and Terms of Employment. Both the employee and a representative of the supplier are required to sign these forms. As an added layer of security, PBG audits these forms periodically to confirm the information is accurate. The main purpose of these policies are to create conditions to ensure:

- Employees are reimbursed by the employer for any recruitment fees the employee incurred, 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
- No worker pays for their job

### **5. Annual Risk Assessment**

The objective of the annual risk assessment is to identify current risks to PBG as it relates to customs and CTPAT and assist in helping guide the organization's focus each year. PBG conducts these assessments annually, as the risks tend to vary 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 in which PBG has suppliers located.

The overarching goal of the risk assessment is to identify areas that the compliance department will focus on in the upcoming year, as well as informing management of new risks they should focus on. PBG's compliance department, which is comprised of customs and social compliance professionals, conducts these assessments. For example purposes only, the risks identified in the most recent annual risk assessment 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<sup>4</sup>**

PBG's compliance team conducts mandatory forced labor training every year for the following internal departments: quality assurance, fabric, compliance and sourcing managers. These trainings are designed to educate our teams on what forced labor is, how to identify forced labor within supply chains, and how to mitigate and eliminate these risks by identifying indicators of forced labor within the countries that PBG

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<sup>2</sup> This policy/procedure is specific to OJG and Jasper.

<sup>3</sup> This policy is only required in countries using migrant workers, namely Jordan and Egypt.

<sup>4</sup> This policy/procedure is specific to OJG and Jasper.

sources product from. Knowledge from these trainings are designed to be applied by the quality assurance teams during physical visits to supplier facilities, prior to the conducting of a social audit or onboarding.

## **7. Seminars and Training**

PBG actively participates in both online and in-person seminars and trainings held by industry associations, governmental entities, and independent third parties. These sessions provide valuable insights into the apparel and jewelry industry focus and gives guidance that assists the incorporation of new laws and regulations into PBG's existing policies and statements.

PBG utilizes, among other resources, the American Apparel & Footwear Association (AAFA), the Fashion Jewelry & Accessories Trade Association (FJATA), Nirapon, the U.S. Customs and Border Protection (CBP), the Blue Campaign, and other organizations/associations to gather information and ensure compliance with all relevant laws which are applicable to PBG. Additionally, PBG completes annual mandatory trainings required by key customers (i.e. Costco, Walmart) focused on forced labor, slave labor, and human trafficking within the supply chain. PBG shares these customer trainings with cross-functional teams internally (e.g., quality assurance, sourcing, and production) and with PBG's suppliers.

## **8. Forced Labor and Human Trafficking Laws and Regulations**

PBG is committed to actively addressing the risk of forced labor and human trafficking within its supply chains. PBG consistently strives to ensure compliance with all relevant laws and regulations in this area. Since at least as early as 2012, PBG has been fully compliant with the California Transparency in Supply Chains Acts across all five key areas: audits, certifications, internal accountability, training, and risk assessments.

## **9. Loss of Income to Most Vulnerable Families**

No measures are currently necessary to remediate the loss of income to the most vulnerable families.

## **10. Remediation Measures for Discovered Forced Labor or Child Labor**

In the event PBG suspects any of its suppliers are using, or have used, any forced labor, child labor, or indentured labor, within the suppliers facilities, PBG launches a full investigation and fact finding operation. If PBG has reason to believe that the supplier has actually used, or is currently using any forced labor, child labor, or indentured labor, PBG immediately notifies such supplier, ceases any and all business operations with such supplier, and submits a report to the relevant governing authorities.