



Report under the Fighting Against Forced Labour and Child Labour in Supply Chains Act

Financial Year Ended February 1, 2025

This document is designed to meet the reporting obligations of The Children's Place (Canada), LP under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act (Statutes of Canada 2023, Chapter 9)* (the "Act").¹ The Children's Place (Canada), LP is an indirect, wholly-owned subsidiary of The Children's Place, Inc. and is the entity through which The Children's Place, Inc. operates its Canadian business. For purposes of this report, the reporting entity is The Children's Place (Canada), LP, but certain policies described in this report may be administered and/or implemented by other entities within the corporate structure in a manner that has them apply to goods sold by The Children's Place (Canada), LP. As a result, the terms "The Children's Place", "TCP", "we", "us", or "our" as used herein refer collectively to The Children's Place, Inc. and its subsidiaries, taken as a whole, which shall include The Children's Place (Canada), LP. The Children's Place, Inc. and its subsidiaries share the same core business operations and supply chains, policies prohibiting forced and child labor, and related activities. The report summarizes The Children's Place policies and practices to respect human rights and the steps that we have taken during the Reporting Period to prevent and reduce the risk of forced labor or child labor in our supply chain.

¹ For the purpose of the Act, The Children's Place (Canada), LP is the only 'entity' and makes this statement as a single report pursuant to Section 11 of the Act for the 52-week period ending February 1, 2025 (the "Reporting Period"). The Children's Place, Inc., the ultimate parent company of The Children's Place (Canada), LP, also reports under the California Supply Chains Act and a copy of that report can be found [here](#). For the purpose of the relevant approval and signing requirements, this report has been approved by the governing body of The Children's Place (Canada), LP and has been signed by an officer of TCP Investment Canada II Corp., the general partner of The Children's Place (Canada), LP.

Introduction

At The Children's Place, we are committed to ethical and responsible conduct in our global operations, and we respect all human rights, including those of our employees and our third-party workers in our supply chain. We continually work to identify, prevent, and reduce risks of forced labor and human rights violations in our operations, supply chains and business relationships through the policies and procedures we implement.

Structure, Activities and Supply Chain

Structure and Activities

The Children's Place, Inc. is the parent and controlling entity of The Children's Place (Canada), LP. The Children's Place (Canada), LP is an indirect, wholly-owned subsidiary of The Children's Place, Inc. and is the entity through which we operate our Canadian business. The Children's Place (Canada), LP is a limited partnership with TCP Investment Canada II Corp., a Nova Scotia corporation, as its General Partner. The Children's Place (Canada), LP employs over 800 employees in Canada and operates over 50 retail stores in Canada.

The Children's Place is a children's specialty retailer in North America with an omni-channel portfolio of brands. We design, contract to manufacture, and sell apparel, accessories, and footwear primarily under our proprietary brands: "The Children's Place", "Gymboree" and other sub-brands. Our global retail and wholesale network includes two digital storefronts, 495 stores in North America, wholesale marketplaces, 190 international points of distribution in 13 countries through six international franchise partners, and social media channels.

Supply Chain

The Children's Place does not own or operate any manufacturing facilities. We contract and source all our goods from our diverse network of third-party vendors and factories to support our operations. Our Global Sourcing team manages our vendor and supplier base that spans across three continents and 16 countries, purchasing primarily from Bangladesh, Vietnam, India, Kenya, Ethiopia, China, and Indonesia. Bangladesh and Vietnam accounted for more than 15% of our production.

Governance and Policies

Governance

Policy creation and implementation of our Forced for Hire and Human Rights Policy resides with the General Counsel, Head of Sourcing, and the Responsible Sourcing Team. Internal stakeholders own the policy creation, implementation, and deployment across the organization. Our teams monitor related legislation and trade regulations to ensure corporate responsibility and global policies are being upheld and maintained. We also have an internal forced-labor assessment working group that includes senior executives from the Legal, Sourcing and Responsible Sourcing teams. This group typically convenes several times a quarter to discuss forced labor in the industry, related legislation and trade regulations, and ways to enhance our due diligence process.

Policies

Our policies below support our commitment to ethical conduct in our global operations within the supply chain:

❖ **Forced for Hire and Human Rights Policy**

We support the principles articulated in the Universal Declaration of Human Rights and the International Labor Organization (ILO) Core Conventions. As outlined in our Forced for Hire and Human Rights Policy, we strive to avoid adverse human rights impacts in our own operations and across our business relationships. We carry out human rights due diligence as part of the conduct of our business and work to embed human rights considerations into business decisions. Violations of human rights, such as modern slavery in the form of forced and compulsory labor, child labor, human trafficking, and similar violations are not tolerated in the TCP supply chain. In addition, suppliers are required to confirm that they shall comply with Uyghur Forced Labor Prevention Act (UFLPA) and shall ensure that all subcontractors and any third party in its supply chain shall comply with UFLPA, including without limitation, not purchasing or procuring, whether directly or indirectly, any services or raw materials, from any supplier included on the Uyghur Forced Labor Prevention Act (UFLPA) Entity List.

❖ **Code of Business Conduct**

Our Code of Business Conduct outlines our commitment to acting with integrity in everything we do. This means displaying ethical, honest and fair behavior in our interactions with employees, customers, shareholders and external business partners. The Code of Business Conduct applies to all our associates and to the Board of Directors. In addition, the Code of Business Conduct applies to anyone working for or on behalf of TCP, including agents and independent consultants. If an associate or consultant fails to comply with any company policy, we work to take corrective action, as deemed necessary.

❖ **Vendor Code of Conduct**

Our Vendor Code of Conduct provides the standards against which we work to hold our global third-party vendors and factories accountable and states that all The Children's Place third-party vendors are to meet the listed standards. The Vendor Code of Conduct includes code provision categories that align with the principles stated in international standards, such as the ILO Core Conventions, the UN Guiding Principles on Business and Human Rights, and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

❖ Reporting and Non-Retaliation

We encourage all our associates and supply chain to speak up if they have concerns about violations of our policies. The Children's Place has an open communications policy, and offers reporting channels through managers, representatives from the Human Resources, Internal Audit, Legal or Loss Prevention departments, and anonymously through a confidential third-party hotline. Details of the calls submitted to our Ethics Hotline are reviewed by our management team and, as appropriate, with the Audit Committee of our Board of Directors. We prohibit any form of retaliation against any party making a good-faith report of a violation/suspected violation of the Code, our policies, established procedures or cooperating in an investigation.

Due Diligence Process

As The Children's Place sources its products from vendors and suppliers worldwide, we are inevitably exposed to some forced and/or child labor risks in our supply chain. However, The Children's Place strives to manage such supply chain risk through our policies and standards, programs on compliance and worker well-being, and operational responsibility. We also engage with industry groups to validate our work to better understand the broader landscape on emerging social and environmental topics.

Risk Assessment

Vendor Onboarding

The Children's Place seeks to work with global vendors whose business practices align with our principles on human rights, especially for at-risk groups such as women, children, and other highly vulnerable populations. We implement an onboarding process for our vendors and, subject to limited exceptions, factories supplying products to us undergo a pre-sourcing assessment, which includes risk screenings and a review of social and labor requirements, as outlined in our Vendor Code of Conduct, in an attempt to identify factories that may have a higher risk of forced and/or child labor. We utilize external resources such as the Bureau of International Labor Affairs (ILAB) (which lists goods that it has reason to believe are produced by forced and/or child labor), as well as other risk screening tools. We conduct internal and third-party screening of suppliers (Tier 1 and 2 facilities) against companies named in media sources, Withhold Release Orders (WROs), the UFLPA and sanctions lists, including but not limited to, those published by Global Affairs Canada, the U.S. Department of Treasury (Office of Foreign Assets Control) and the U.S. Department of Commerce. Assessed vendors are not approved for production until the assessment is satisfactorily completed and there is sign-off from both Sourcing and Responsible Sourcing leadership.

Vendor Certification

We require all our vendors to certify on an annual basis that they conduct their business in-line with our policies, including but not limited to, our Vendor Code of Conduct and our Forced for Hire and Human Rights Policy. By doing so, the vendors agree to abide by our prohibition of forced and/or child labor and will not knowingly conduct business with other vendors/suppliers that source raw material from certain regions such as Xinjiang, China.

Factory Audits

We administer a global factory audit program (for our Tier 1 facilities) that is designed to hold vendors and factories accountable to their commitment to comply with our policies, including but not limited to, our Vendor Code of Conduct and our Forced for Hire and Human Rights Policy. We strive to conduct audits of our Tier 1 facilities, depending on our risk assessment of each facility, on an unannounced and/or semi-announced basis. We use our internal compliance auditors as well as external independent audit firms to conduct factory auditing and monitoring. These auditors are based in the key countries from which we source and are generally native to the region so that they have knowledge of cultural background that may affect workforce dynamics. They typically speak the local language or we strive to hire a local interpreter to better communicate with factory managers and workers.

We incorporate worker interviews as a part of our audit to better understand potential concerns from workers on the factory floor. Worker interviews are in-depth conversations conducted in the applicable local language with workers outside of the factory production areas, and generally in an area where they feel comfortable. We believe this allows workers to speak more freely on topics such as workplace conditions and job satisfaction. It also allows our Responsible Sourcing team to better understand and support workers with potential employment and welfare concerns. The worker interview questions are also designed to identify Forced Labor Indicators as per the International Labor Organization standards.

Traceability & Transparency

Supply chain traceability and transparency are priorities for The Children's Place in our sourcing of raw materials, such as cotton.

The Children's Place actively engages with industry groups and peer brands to identify best practices when sourcing cotton from various geographical locations to prevent the introduction of forced labor cotton in the supply chain. We have developed a fabric mill risk matrix, cotton fiber forensic testing program, and industry tools to trace the chain of custody for raw materials, such as cotton, throughout our supply chain. In 2024, we launched a supply chain traceability program, in partnership with a third-party technology provider, to select vendors, and began mapping our supply chain.

Remediation Measures

If non-compliance issues are found, our first step is to partner with the factory to institute needed improvements over time. While we reserve the right to terminate our business relationship for breaches of our Vendor Code of Conduct, we first work collaboratively with the vendor on a corrective action plan ("CAP") in an attempt to address issues while minimizing disruption to our business so that workers are not adversely affected.

Our Responsible Sourcing team leads these efforts by working with suppliers to develop CAPs and providing support to identify compliance issues. We believe in a continuous improvement model and, when needed, engaging with audit firms, peer brands and independent experts to help support remediation efforts and implement capacity building programs.

We believe that workers should be recruited responsibly. Remediation for identified instances of recruitment or other fees paid by workers includes reimbursement of such fees paid. The vendor must calculate and repay fees if it has been identified that workers have paid recruitment fees. Should a factory fail to adequately remediate these issues in accordance with our requirements, it would be subject to review.

In 2024, we did not identify occurrences of the loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains. As such, we have not taken measures to remediate these issues during the Reporting Period.

Training

Compliance Training is integral to our commitment to upholding our ethics principles. We have developed a training program for both internal staff and suppliers. We conduct training for our corporate and international offices on an annual basis. The number of courses assigned is based on the associate's start date, location, and role within the business, with the Human Trafficking & Slavery course being required for Senior Leaders and corporate and international associates who are involved with our product supply chain. The assigned training is to be completed during a defined period.

Effectiveness and Continuous Improvement

At The Children's Place, we use key metrics to support our factory audits, which identify supply chain risk and support remediation efforts to improve facility compliance management systems. The results of these audits are used to identify non-compliances, such as forced and/or child labor, and will alert us to whether a CAP is required and perhaps a more frequent re-audit requirement in order to effectively manage risks in our supply chain. We continue to strive to improve our audit program and promote our policies and values moving forward.

Approval and Attestation

This report was approved by the board of directors of TCP Investment Canada II Corp., the general partner of The Children's Place (Canada), LP, as a report of for the fiscal year ended February 1, 2025 in accordance with subparagraph 11(4)(a) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this report. 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 Period listed above.

"I have the authority to bind The Children's Place (Canada), LP."



Name: Jared Shure

Title: Secretary, TCP Investment Canada II Corp., as the general partner of The Children's Place (Canada), LP

Date: May 28, 2025