

Social Report

2021-22







Contents

| 1. | Intro | oduction | 3 |
|----|-------|--|------|
| | 1.1. | CEO Statement | 3 |
| | 1.2. | Our 2021-22 Achievements | 3 |
| | 1.3. | Fair Wear Foundation | 4 |
| | 1.4. | Our Organisation | 4 |
| | 1.5. | Covid-19 | 5 |
| 2. | Soui | rcing strategy | 6 |
| | 2.1. | Global Sourcing | 6 |
| | 2.2. | Pricing | 7 |
| | 2.3. | Production Cycle | 7 |
| | 2.4. | Manufacturing Partner Relations | 8 |
| | 2.5. | Integrating Monitoring into Sourcing Decisions | 9 |
| 3. | Mon | itoring and Remediation | . 10 |
| | 3.1. | Overview | . 10 |
| | 3.2. | Bangladesh | . 12 |
| | 3.3. | Cambodia | . 12 |
| | 3.4. | China | . 13 |
| | 3.5. | Indonesia | . 14 |
| | 3.6. | Myanmar | . 15 |
| | 3.7. | Philippines | . 16 |
| | 3.8. | United Kingdom | . 16 |
| | 3.9. | Viet Nam | . 16 |
| 4. | Com | plaints Handling | . 17 |
| 5. | Traiı | ning and Capacity Building | . 18 |
| | 5.1. | Informing Our Teams | . 18 |
| | 5.2. | Informing Our Manufacturing Partners | . 18 |
| 6. | Info | rmation Management | . 18 |
| 7. | Tran | sparency | . 19 |
| 8. | Stak | eholder Engagement | . 19 |



1. Introduction

1.1. CEO Statement

2021 was a year of challenges; the continuation of covid-19, global retail and manufacturing lockdowns, and supply chain cost and availability pressures all made for a perfect storm.

We had our first Fair Wear Brand Performance Check in 2021 and achieved the rating of 'Good' partly due to the strong and open relationships we have with our manufacturing partners. These relationships allowed us to manage production peaks and shipping challenges more effectively despite no in-person meetings since March 2020.

We further embedded our Fair Wear membership by auditing two of our most important factories and supporting them with specialist Fair Wear training.

Like everyone, in 2021 we settled into new ways of working, leaning heavily on video conferencing and online tools. These have worked well but are no consolation for meeting face to face. Business growth has forced us to onboard new partners remotely. Something that is not ideal, and which we would avoid if possible. Our internal processes, pre-evaluation, due diligence and third-party audits have helped make this as smooth, open and risk-free as possible.

Although currently looking no more stable, we are hoping that 2022/3 will allow me the chance to once again visit our key factories in person. I want to ensure that the improved processes are being recognised and engaged with at the factory level and ensure that my team in the UK continue to support our production partners in a fair and transparent way through these continually challenging times.

- Matt Gowar

Chief Executive Officer

1.2. Our 2021-22 Achievements

- Commissioned Fair Wear audits and training at key manufacturing partners for the first time to further promote fair and safe working conditions
- Expanded our CSR team's capacity to enable us to support remediation at all our manufacturing sites, including helping one of key partners to achieve an A-rated amfori BSCI audit
- Continued to build relationships and drive improvements despite the ongoing covid restrictions
- Proved the value of our new Due Diligence Policy in selecting new manufacturing partners with the introduction of a scorecard that includes employment conditions
- Improved our supply chain monitoring with monthly cross-functional meetings



1.3. Fair Wear Foundation

This Social Report relates to our financial year 1st February 2021 to 31st January 2022 and is published in accordance with our membership of Fair Wear Foundation.



Fair Wear is a movement for change that seeks to push the garment industry towards the new normal: a world where working

conditions are fair for the people who make our clothes. Fair Wear Member Brands are committed to supporting garment workers' rights to safe, dignified and properly paid employment, and making garment production fair for everyone.

Central to Fair Wear is the <u>Code of Labour Practices</u>. This code sets out internationally recognised standards that member brands and their manufacturing partners must commit to and uphold.

| | 1. Employment is freely chosen | 1800 | 5. Payment of living wage |
|-----------|--|------|--|
| and which | 2. Freedom of association and the right to collection bargaining | | 6. Reasonable hours of work |
| | 3. There is no discrimination in employment | | 7. Safe and healthy working conditions |
| | 4. No exploitation of child labour | Tu | 8. Legally binding employment relationship |

1.4. Our Organisation

Equip Outdoor Technologies UK Ltd is an international business with our head office based in Derbyshire, UK. We are proud to own two specialist outdoor brands — Rab (established 1981) and Lowe Alpine (established 1967). We design technical outdoor products to meet the needs of our active customers.



We employ approximately 210 team members in the UK. 150 of these team members work in our head offices designing, developing, marketing, and selling our products or providing core functions to our business. 50 of these team members work in our distribution warehouse and factory site, where we fill our down sleeping bags, distribute them to retailers and consumers, and operate a service centre for washing and repairing our products.



A further 45 Equip employees work across Germany, the Netherlands, Norway, Finland, Canada, and the USA marketing and selling our products to international markets and running our product service centres. We also have small teams in China and Vietnam who are responsible for monitoring our manufacturers in Asia.

Equip's membership of Fair Wear is led by our Corporate Social Responsibility (CSR) Team with the backing of our Senior Leadership and support from several relevant teams, as outlined in Figure 2.

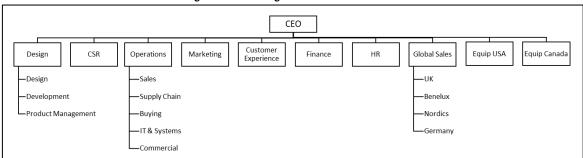
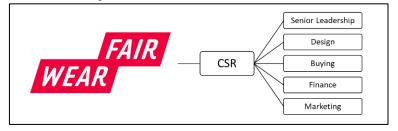


Figure 1: Our organisation's structure

Figure 2: How we work with Fair Wear



1.5. Covid-19

Covid-19 continued to disrupt both our business and our supply chain in 2021-22. The impacts of disruptions were compounded as all tiers of our supply chain were affected, from fabric mills down to shipping.

Throughout the year there were new waves of Covid infections and restrictions in many of our key sourcing countries, including Vietnam, Cambodia, China, Indonesia, and Bangladesh. Multiple manufacturing sites were forced to close for weeks or months at a time. We provided as much support as possible and worked with the teams to replan production schedules in line with capacity to allow partners to catch up with orders once the sites reopened.

With our industry continuing to face unpredictable times, we regard close communication and flexibility with our partners in all tiers of our supply chain as key to our success and will continue to embrace these principles.

Ensuring minimum wage payments in countries where governments have allowed waivers when manufacturing sites were forced to close due to Covid remains a challenge. However, by requesting transparency of worker payments and using our positive partner relationships, we are confident that we can protect both the workers' and our partners' financial stability.



2. Sourcing strategy

2.1. Global Sourcing

Equip is proud to still run our manufacturing site in the UK, where we hand fill all our down sleeping bags, manufacture our expedition suits, and wash and repair products for our customers. All our other manufacturing takes place in Asia, by manufacturing partners who meet our high technical standards.

In our 2021-22 financial year, we worked with 17 manufacturing partners who operate 25 sites across Bangladesh, Cambodia, China, Indonesia, Myanmar, Philippines, and Viet Nam who cut, make, and trim (CMT) our products. Over 21,500 people are employed by our manufacturing partners globally. We primarily work directly with the manufacturing sites, though we do occasionally use intermediaries for sites where we purchase smaller volumes.

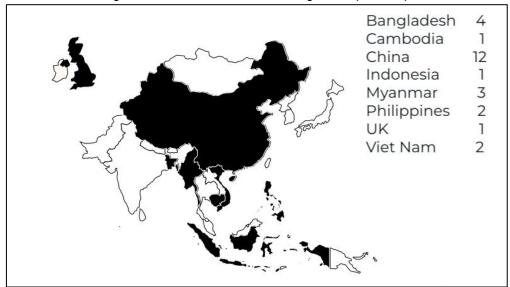


Figure 3: Our 2021-22 manufacturing sites by country

We maintain long-term relationships with our manufacturing partners as this enables them to invest in both the individuals that work there and the facilities they provide. 86% of our production volume in 2021-22 was manufactured by partners with who we've been doing business with for more than five years. We understand long terms partnerships don't guarantee good working conditions, however, we believe our influence and support contribute to improving conditions over time.

86% of our production volume came from partners who we've worked with for more than 5 years

The outdoor industry is primarily a seasonal business, with key demand peaks in Spring and Autumn. To minimise the impact of peaks and troughs in our partners' manufacturing cycles, we provide regular production forecasts to our partners and allow for long-lead times. We're proud that 62% of our production volume comes from manufacturing sites where we have a continuous production plan. This means they operate at a similar capacity all year, employing workers permanently rather than on seasonal contracts.

62% of our production volume came from partners who we have a continuous production plan with



2.2. Pricing

Equip strives to provide responsible and fair payment terms to our manufacturing partners. As standard, we pay for finished goods upon receiving the bill of lading with no delay in payment. If partners require us to alter our standard terms, such as partial upfront payment, we remain willing to meet their requests as far as practically possible.

As is standard for our industry, our manufacturing partners quote us for the CMT cost of each style. The CMT cost includes the cost of labour, the cost of any additional trims and fabrics, operating overheads, and our manufacturing partners' profit margin.

To better understand the link between the prices we pay and workers' wages, in 2021-22, our Development team started to collect the labour cost of each style in addition to the CMT cost. As this is not common practice in our industry, our manufacturing partners were cautious at first and required reassurance of our intentions. However, once we explained the purpose of collecting this information, we were able to secure the labour cost for the majority of our carryover styles. Going forwards, the costing process for all new styles will include both the CMT and labour costs.

2.3. Production Cycle

Equip produces two ranges each year, an Autumn/Winter range and a Spring/Summer range. Each range includes both our classic styles and new ones. Our Design and Development Teams start working on new styles approximately 18-months before they are delivered to our customers.

Each range is signed off at our international sales meetings the previous year, November for Autumn/Winter ranges and May for Spring/Summer ranges. Our manufacturing partners produce sales samples in time for our international sales meetings, which are then used for launching our ranges with retailers.

Production lead times for our bulk orders are approximately five months. We share production forecasts with manufacturing partners as early as possible and regularly update them on any revisions to our forecasts. Our production cycle allows our manufacturing partners to be producing our bulk orders for the majority of the year, approximately six months for each season.

Q2-19 Q3-20 Q1-21 **Production Step** Q3-19 Q4-19 Q1-20 Q2-20 Q4-20 Q2-21 Q3-21 Q4-21 Design and Development Sales Samples Range Signed Off Orders Submitted Production Shipping Delivered to Retailers

Figure 4: Autumn/Winter 2021 Production Cycle Example



2.4. Manufacturing Partner Relations

Equip is committed to maintaining long-term business relations with our manufacturing partners. As shown in Figure 5, the majority of our production volume comes from manufacturing sites with whom we've worked for many years.



Figure 5: Our 2021-22 production volume by manufacturing partner relationship length

2.4.1 New production sites

In 2021 Equip has seen record growth, resulting in increased production volumes for the coming seasons. It is, therefore, necessary to find new manufacturing sites that align with our social and quality requirements to meet our increased demand

- In 2021-22, we started working with two new manufacturing partners, both in China.
- We expanded our production with one supplier by sourcing from an additional site they
 operate.
- One of our manufacturing partners moved premises during 2021-22

The manufacturing sites' technical expertise, production capacity, and employment conditions were all considered during the decision process. In total, we started sourcing from four new manufacturing locations in 2021-2022.

2.4.2 Exiting production sites

In 2021-22, we announced our decision to stop sourcing from two manufacturing locations. This decision was made primarily due to quality and pricing. In line with our Responsible Exit Strategy,

- · we informed the suppliers as soon as possible,
- provided a reason for our exit, and
- agreed upon a production phase-out with a clear timeline.

We also received our final orders from three manufacturing sites where we had announced our exit from in 2020-21. Additionally, one of our suppliers permanently closed one of their manufacturing locations in 2021-22.



2.5. Integrating Monitoring into Sourcing Decisions

Our Due Diligence Policy sets out how we assess, onboard, monitor, and responsibly exit manufacturing partners. This includes communicating our membership of Fair Wear to new partners during initial visits, requiring them to complete a pre-evaluation survey to provide information on their working conditions, and an evaluation of their completed survey by our CSR Team and discussed at our monthly supply chain monitoring cross-functional meeting.

Following its introduction in 2020-21, our Due Diligence Policy proved its value in 2021-22. We brought teams together monthly to conduct cross-functional reviews of our supply chain, further improving our shared knowledge and enabling us to coordinate our sourcing and monitoring activities and decisions.

2.5.1 Onboarding

We followed the Due Diligence Policy in selecting and onboarding several manufacturing partners throughout the year. We further finetuned the process in 2021-22 by creating a supplier scorecard where all relevant teams submit feedback before the sourcing decision is made. Our new scorecard includes criteria assessing each partner's country risk, employment conditions, and sustainability practices.

2.5.2 Ongoing relationship

During onboarding, and thereafter annually, we issue Equip's Manufacturing Supplier Manual. All manufacturing partners are required to sign and return the Manual. This document regulates how we interact with our manufacturing partners. The Manual formally establishes our requirement for manufacturing partners to comply with Fair Wear's Code of Labour Practices, how often we expect them to be audited, and how we expect them to respond to non-compliances identified in audits or complaints submitted to Fair Wear.

2.5.2 Responsible exit

Our Due Diligence Policy also outlines our Responsible Exit Strategy, the process that governs how we end contracts with manufacturing partners. This process distinguishes between leaving a contract due to a labour non-compliance and leaving due to other issues such as changes to our range. We are committed to working with a manufacturing partner if a labour non-compliance is identified, exiting the contract is always treated as a last resort after all remediation has failed.



3. Monitoring and Remediation

3.1. Overview

Internally, Equip's monitoring procedures are established in our Due Diligence Policy, setting out how and when partners are monitored and who is responsible for each step. Externally, Equip's Manufacturing Supplier Manual establishes our monitoring requirements and communicates our expectation for partners to work with us to remediate any findings from visits, audits, or complaints.

3.1.1 Site Visits

We have regular in-country meetings with our manufacturing partners. Personnel from Equip at all levels, including our Directors, Design, Development, Buying, Quality Control, and CSR teams have regular discussions and make frequent site visits.

We have Asian team members permanently based at four of our Asian manufacturing sites. The primary role of these colleagues is quality control; however, they are also familiar with both Fair Wear's Code of Labour Practices and social audit requirements and will report any concerns to our CSR Team who follow up with the manufacturing partner.



In 2021-22, we introduced a Site Visit Checklist to improve our monitoring of working conditions when conducting factory visits. After each site visit, Equip employees complete the checklist that includes indicators relevant to all the standards in Fair Wear's Code of Labour Practices, allowing our CSR team to follow up with manufacturing partner if any concerns or shortcomings are reported.

As Covid restrictions continued in 2021-22, we were unable to make as many visits as we would normally. However, despite the Covid challenges, we still managed to visit many of our strategic manufacturing sites, accounting for 46% of our 2021-22 production volume.

46% of our production volume came from manufacturing sites visited by our teams in 2021-22



3.1.2 Audits

In addition to our Fair Wear membership, we require all our strategic manufacturing partners to be audited against <u>amfori's BSCI Code of Conduct</u> (or equivalent) which establishes standards that companies must abide by to protect their workers' human rights. The amfori BSCI Code of Conduct is directly comparable to Fair Wear's Code of Labour Practices as both are based upon the same international human rights and labour rights treaties.

All our strategic manufacturing partners are required to be audited by third parties at least every two years. We expect our manufacturing partners to follow the principle of continuous improvement and remedy issues that are identified in the audit. We use amfori's sustainability platform to monitor and verify partners' improvements.

In 2021, we increased the capacity of Equip's CSR team to improve our ability to follow up on remediation activities and offer guidance to manufacturing partners throughout our supply chain. The CSR team has meetings at least every quarter with our strategic suppliers and regularly follows up on CAPs with all suppliers.

We commissioned Fair Wear audits at two of our most important strategic manufacturing partners' sites for the first time in 2021-22. These audits assign greater importance to worker interviews providing us with new findings and further opportunities to improve conditions for their workers. We have also been experimenting with other audit standards, such as the Higg Facility Social & Labor Module (FSLM) to further widen our monitoring opportunities.

92% of our production volume in 2021-22 came from manufacturing sites that had been audited against either Fair Wear's Code of Labour Practices or amfori's BSCI Code of Conduct in the past 3-years.

The following subsections highlight the monitoring and remediation conducted in each of the eight countries we sourced from in 2021-22. We have included our manufacturing partners' results, graded on a scale of A-E by the auditor, for the eight Performance Areas that are directly comparable to Fair Wear's Code of Labour Practices.

92% of our production volume came from manufacturing sites audited at least once in the last three years

It should be noted that the amfori BSCI approach to the fifth standard differs from Fair Wear's. Whilst Fair Wear focuses on living wages, amfori BSCI audits look at wider remuneration, which includes paying legal minimum wages and providing social insurance schemes for workers.



3.2. Bangladesh

We sourced from two manufacturing partners operating four sites in Bangladesh.

- We received our final order from one of these suppliers in 2021-22, after announcing our decision to exit in the previous year.
- Due to Covid travel restrictions, none of the factories were visited by our team in 2021-22. However, we have plans to visit them in 2022-23 now that restrictions have been lifted.
- All of the Bangladeshi manufacturing locations we source from have been audited at least once in the past three years.
- All four of these manufacturing sites have been inspected for fire, building, and electrical safety in compliance with the Bangladesh Accord, and have made significant progress in correcting any issues.
- We did not receive any complaints regarding manufacturing sites in Bangladesh in 2021-22.

| Fair Wear ID | 1. No Forced Labour | 2. Freedom of Association | 3. No Discrimination | 4. No Child Labour | 5. Remuneration | 6. Working Hours | 7. Health and Safety | 8. Employment Contracts |
|--------------|------------------------|------------------------------|-------------------------|-----------------------|-----------------|------------------|-------------------------|----------------------------|
| 9686 | Α | Α | Α | Α | В | Α | Α | Α |
| 12355 | Α | Α | Α | Α | Α | С | Α | Α |
| 15439 | Α | Α | С | Α | В | Α | В | Α |
| 33996 | Α | Α | С | Α | В | D | Α | Α |

3.3. Cambodia

We started sourcing from a manufacturing site in Cambodia for the first time in 2021-22. This site belongs to a manufacturing partner that we have already worked with for several years, sourcing from another one of their sites in China.

- This site has been audited annually for the last three years.
- We were unable to visit the site in 2021-22 due to Covid restrictions, but our CEO visited the site in 2019.
- We did not receive any complaints regarding the manufacturing site in Cambodia in 2021-22.

| Fair Wear ID | 1. No Forced Labour | 2. Freedom of Association | 3. No Discrimination | 4. No Child Labour | 5. Remuneration | 6. Working Hours | 7. Health and Safety | 8. Employment Contracts |
|--------------|------------------------|------------------------------|-------------------------|-----------------------|-----------------|------------------|-------------------------|----------------------------|
| 33824 | Α | Α | В | Α | Α | Α | Α | Α |



3.4. China

We sourced from 11 manufacturing partners operating 12 sites in China in 2021-22.

- Two of these manufacturing partners were new in 2021-22.
- We either visited or had a team member permanently based at seven of the 12 manufacturing sites in China in 2021-22.
- Of the 12 manufacturing sites, ten have been audited at least once against the amfori BSCI Code of Conduct in the past three years.
- Two of these sites have been audited by Fair Wear at least once in the last three years, including one of the sites that has not been audited against the amfori BSCI Code of Conduct.
- We received one complaint regarding a manufacturing site in China in 2021-22. See Section 4 for more information.

| Fair Wear ID | 1. No Forced Labour | 2. Freedom of Association | 3. No Discrimination | 4. No Child Labour | 5. Renumeration | 6. Working Hours | 7. Health and Safety | 8. Employment Contracts |
|--------------|------------------------|------------------------------|-------------------------|-----------------------|-----------------|------------------|-------------------------|----------------------------|
| 5428 | Α | Α | Α | Α | В | D | Α | Α |
| 15429 | Α | Α | Α | Α | В | D | Α | Α |
| 15430 | Α | Α | Α | Α | Α | D | Α | Α |
| 15431 | Α | Α | Α | Α | В | С | Α | Α |
| 15432 | Α | Α | Α | Α | В | D | Α | Α |
| 15433 | Α | Α | Α | Α | В | D | Α | Α |
| 15435 | Α | Α | Α | Α | В | D | В | Α |
| 15436 | Α | Α | Α | Α | Α | D | В | Α |
| 15440 | Α | Α | Α | Α | В | D | В | Α |
| 33687 | Α | Α | Α | Α | В | D | Α | Α |
| 4576 | 1 | - | ı | 1 | - | - | - | - |
| 33871 | 1 | - | - | - | - | - | - | - |

We commissioned Fair Wear training at one of our strategic manufacturing sites in China in 2021-22. Delivered by local Fair Wear experts, the training seeks to make workers aware of Fair Wear, their rights,

and how to raise a complaint through the Fair Wear hotline if issues are not addressed internally. Managers are also provided with training to ensure they know the standards they need to uphold.

We received positive feedback from the manufacturing partner and their workers, with 99% reporting they knew more about their rights after the training and 98% reporting that they knew how to file a complaint internally or externally.





3.5. Indonesia

We sourced from one manufacturing partner in Indonesia in 2021-22.

- This site completed both an amfori BSCI and Fair Wear audit in 2021-22.
- Due to travel restrictions, this site was not visited by Equip staff in 2021-22, however, has already been visited at the start of our 2022-23 financial year.
- We did not receive any complaints regarding our manufacturing partner in Indonesia in 2021-22.

| Fair Wear ID | 1. No Forced Labour | 2. Freedom of Association | 3. No Discrimination | 4. No Child Labour | 5. Remuneration | 6. Working Hours | 7. Health and Safety | 8. Employment Contracts |
|--------------|------------------------|------------------------------|-------------------------|-----------------------|-----------------|------------------|-------------------------|----------------------------|
| 5521 | Α | Α | Α | Α | Α | Α | Α | Α |

Since 2019-20, we've been working closely with our manufacturing partner in Indonesia to improve working conditions. In their most recent amfori BSCI audit, the report showed that they had successfully remediated all the previous findings and were scored an A. We're proud of the improvements they have made, improving from a D to an A in only two years.

To further drive improvement at the site, we commissioned a Fair Wear audit and Fair Wear Communication Training at the site at the end of 2021. Both activities have already resulted in improvements at the site, with workers and managers collaborating to address shared issues using the social dialogue tools taught in the three-month training programme.





3.6. Myanmar

We sourced from two manufacturing partners operating three sites in Myanmar in 2021-22.

- Of the three manufacturing sites, two have been audited against BSCI's Code of Conduct at least once in the past three years.
- The third manufacturing site was audited by Fair Wear in 2019.
- Due to travel restrictions, none of the sites were visited by our team in 2021-22.
- We did not receive any complaints regarding the manufacturing sites we source from in Myanmar in 2021-22.

| Fair Wear ID | 1. No Forced Labour | 2. Freedom of Association | 3. No Discrimination | 4. No Child Labour | 5. Remuneration | 6. Working Hours | 7. Health and Safety | 8. Employment Contracts |
|--------------|------------------------|------------------------------|-------------------------|-----------------------|-----------------|------------------|-------------------------|----------------------------|
| 10775 | Α | Α | Α | Α | Α | D | Α | Α |
| 12399 | Α | Α | Α | Α | В | Α | Α | Α |
| 9416 | | - | | ı | | - | | - |

Equip condemns the actions of Myanmar's military and opposes any undemocratic change of government. When the military coup took place in February 2021, we were sourcing from three factories in Myanmar but had already announced our decision to exit two of them.

Our immediate priority was, and still is, to support our manufacturing partners and their workers while we produce in the country. We have remained in close communication with our partners, Fair Wear, and other Fair Wear members sourcing from the country since the coup. We were flexible with delivery dates during the months following the coup as we believed it was critical that workers' right to protest was protected.

We continued to honour our exit agreement with the two sites and emphasised the importance to protects workers' rights during this challenging time to both our manufacturing partners in Myanmar. Both manufacturing partners in Myanmar are foreign-owned and don't have any direct connection to the local authorities or military.

In November 2021, we decided to exit the third manufacturing site. As per our Responsible Exit Policy, we will continue to source from the site in 2021-22 as we phase out our orders to best protect workers' livelihoods.

In October 2021, we started a relationship with an additional manufacturing site in Myanmar, operated by one of our manufacturing partners in Bangladesh. Due to capacity issues and development timelines at our partner's Bangladesh site, our 2022-23 production with them will be temporarily sourced through their Myanmar site. We are working with the partner and Fair Wear to ensure that COLP standards are adhered to during this transition period. We had no commercial relationship with the Myanmar site in 2021-22 but will report on their activity in 2022-23.



3.7. Philippines

We sourced from one manufacturing partner in the Philippines in 2021-22. During the year, the manufacturing partner moved into a new site a short distance from their old building. Under Fair Wear's monitoring rules, this factory is considered a new factory.

- Both the old and new sites were audited at least once in the past three years but were not visited by our team in 2021-22.
- We did not receive any complaints regarding our manufacturing partner in the Philippines in 2021-22.

| Fair Wear ID | 1. No Forced Labour | 2. Freedom of Association | 3. No Discrimination | 4. No Child Labour | 5. Remuneration | 6. Working Hours | 7. Health and Safety | 8. Employment Contracts |
|--------------|------------------------|------------------------------|-------------------------|-----------------------|-----------------|------------------|-------------------------|----------------------------|
| 15437 | Α | Α | Α | Α | Α | Α | Α | Α |
| 33872 | Α | Α | Α | Α | Α | Α | Α | Α |

3.8. United Kingdom

We're proud to still operate our manufacturing site in Derbyshire, UK. This is where we hand fill all our down sleeping bags, manufacture our expedition gear, and repair and wash our customers' cherished products.

We do not use external auditors to monitor our manufacturing site for two reasons. Firstly, Fair Wear has designated the UK a 'low-risk country' which does not require auditing given the effective labour regulations. Secondly, we have direct oversight of our site with all of our manufacturing team members being directly employed, some of which who have worked for us since Rab was founded in 1981. The site is less than 2km from Equip's HQ.

- We did not receive any complaints from our UK manufacturing site through the Fair Wear complaints hotline in 2021-22.
- Our manufacturing site is visited weekly by our Senior Operations Team, as well as frequently by our CSR and Development teams.

3.9. Viet Nam

We sourced from two manufacturing partners in Viet Nam in 2021-22.

- One of the two manufacturing sites was audited at least once in the past three years.
- We have staff permanently based at one of these sites, the other was not visited in 2021-22.
- We did not receive any complaints regarding our manufacturing partners in Viet Nam in 2021-22.

| Fair Wear ID | 1. No Forced Labour | 2. Freedom of Association | 3. No Discrimination | 4. No Child Labour | 5. Remuneration | 6. Working Hours | 7. Health and Safety | 8. Employment Contracts |
|--------------|------------------------|------------------------------|-------------------------|-----------------------|-----------------|------------------|-------------------------|----------------------------|
| 11333 | Α | Α | Α | Α | Α | Α | Α | Α |
| 14390 | - | - | - | - | ī | - | - | - |



4. Complaints Handling

Fair Wear's Complaints System is an important element of effective monitoring of manufacturing sites. It enables workers' voices to be heard and provides us with insights into the working conditions in our manufacturing partners' manufacturing sites. The system does not seek the replace internal grievance mechanisms but acts as a safety net that workers can call upon if internal mechanisms fail.

When a complaint is raised by a worker, the details of the complaint and which manufacturing site it regards are passed to us as a member brand. Importantly the complainant remains anonymous unless the worker consents otherwise. If the manufacturing partner does not agree with the complaint, Fair Wear will investigate if the complaint is grounded or not.

Equip's CSR team is responsible for responding to any complaints. They work with the manufacturing partner and other brands sourcing from the site to resolve the issue and address root causes so that it doesn't happen again. Fair Wear verifies that the issue has been resolved, typically by corresponding with the complainant. You can find out more about how Fair Wear's Complaints System works here.

All our new manufacturing partners are informed about Fair Wear's complaints system as part of our onboarding process. We require all suppliers to annually provide us with photographic evidence of information about the Complaints Helpline being displayed in the local language at their sites. In 2021-2022, we commissioned Fair Wear training at two of our strategic suppliers which, amongst other topics, explained to workers how they can access the complaints hotline.

In 2021-22 we received one complaint from our manufacturing partners' workers.

| | Complaint No. 1095 |
|--------------------|---|
| Country: | China |
| Labour Standard(s) | Living Wage |
| Summary: | The complainant reported that an unfair deduction had been made from their monthly wages following an absence from work. Working with another Fair Wear member brand that sources from the same site, Equip took the lead in corresponding with the supplier. After checking the payroll records, the supplier recognised that a mistake had been made and agreed to repay the full amount to the complainant. The complainant confirmed that they had been repaid and were satisfied with the outcome. We continue to monitor the supplier alongside the other Fair Wear member and have encouraged the supplier to update their policies. |
| Status: | Resolved |



5. Training and Capacity Building

5.1. Informing Our Teams

Our membership of Fair Wear is important to our company and is regularly communicated to our colleagues. We were proud to share the outcome of our 2020-21 Brand Performance Check with all our global employees in June 2021. We also held separate meetings with our Board and our Buying and Development departments to discuss in detail how we can implement Fair Wear's recommendations.

Internal support from teams, such as Buying, Finance, and Marketing, has been critical to our membership journey. Representatives from these teams have joined various Fair Wear webinars since 2020.

5.2. Informing Our Manufacturing Partners

Informing workers in our supply chain about Fair Wear and the Code of Labour Practices (COLP) is a central element of our approach. In 2021-22, we commissioned Fair Wear training at two of our strategic manufacturing partners to ensure workers were aware of their rights and knew how to raise complaints if issues were not addressed internally. This was in addition to our manufacturing site that had already received Fair Wear training as other Fair Wear members already source there.

61% of our 2021-22 production volume came from a manufacturing site where the workers have been trained by Fair Wear.

In 2021-22 we also encouraged our manufacturing partners to join specific Fair Wear webinars that were relevant to their contexts. These included changes to local labour laws and how to operate safely during Covid outbreaks.

6. Information Management

As established in our Due Diligence Policy, Equip requires all manufacturing partners to complete the Fair Wear Questionnaire annually to ensure we have up to date information.

This includes information on any subcontractors used by manufacturing partners. All information gathered through this process is cross-checked with information previously provided and the information available on the amfori Sustainability Platform.

We have further improved our oversight in 2021-22 by also collecting the latitude and longitude coordinates of our manufacturing sites to ensure there is no mistake in their addresses.

When our staff visit manufacturing locations, they complete a site visit checklist that is sent to our CSR team. This checklist reminds staff about the indicators about unreported subcontracting which they are encouraged to report to the CSR team to follow up on.



7. Transparency

Equip is a proud member of Fair Wear and communicates this externally to retailers and consumers. We posted our 2020-21 Brand Performance Result on our social media channels, our external electronic newsletter and use on-garment logos and point of sales displays to further educate customers about Fair Wear. We dedicated a full page of our 2021 Sustainability Report to our Fair Wear membership and educate our sponsored athletes about Fair Wear at our seasonal summits.

8. Stakeholder Engagement

Equip is a member of various industry associations which focus on human rights and sustainability. These include the European Outdoor Group, European Outdoor Conversation Association, the Outdoor Industry Association, the Higg Index, and the Microfibre Consortium. We regularly attend meetings and webinars organised by Fair Wear and these associations and work with other members to address sector-wide sustainability issues.

You can find out more about our wider sustainability commitments and projects on our website and in our Rab DNA Sustainability Report that is published annually in May.