Effective Date: December 1, 2021



# **Human Rights Policy**

#### **Our Commitment**

Fabletics, Inc. and its subsidiaries ("Fabletics" or "we" or "Company") is committed to maintaining a strong culture with deep respect for human rights. Fabletics recognizes that business can contribute to positive human rights impacts across its operations, supply chain, and the communities where we do business, as expressed in the International Labor Organization's (ILO) Declaration in Fundamental Principles Rights at Work, the Universal Declaration of Human Rights, the United Nations (UN) Guiding Principles on Business and Human Rights, and the International Bill of Human Rights.

We strive to avoid causing, or contributing to, adversely impacting human rights and work to prevent or mitigate the impeding of human rights possibly linked to our operations, products, and services.

We expect all our employees and business partners, including vendors and suppliers, to uphold the same standards.

The purpose of this Policy is to establish the principles, accountabilities, and responsibilities for implementing, monitoring, reviewing, and reporting Human Rights violations within Fabletics operations.

#### Scope

The Policy applies to Fabletics, the entities that we own and hold a majority interest in, the facilities that we manage and all employees, including part-time and temporary workers. This policy also applies to our business partners, including their part-time and temporary workers, contractors, vendors, suppliers, service providers, and consultants of Fabletics.

### **Policy**

Fabletics uses several policies and procedures to safeguard human rights, including our supplier approval process, our Employee Code of Conduct and Ethics, and our Ethical Sourcing Code. Fabletics requires that all suppliers comply with the requirements set out in its Ethical Sourcing Code.

The Ethical Sourcing Code is based on the Ethical Trading Initiative's base code and the International Labor Organization (ILO) standards, including the eight fundamental core conventions and other industry-accepted good labor practices.

The eight fundamental Convention areas are as follows:

- 1. Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87)
- 2. Right to Organize and Collective Bargaining Convention, 1949 (No. 98)
- 3. Forced Labor Convention, 1930 (No. 29)
- 4. Abolition of Forced Labor Convention, 1957 (No. 105)
- 5. Minimum Age Convention, 1973 (No. 138)
- 6. Worst Forms of Child Labor Convention, 1999 (No. 182)
- 7. Equal Remuneration Convention, 1951 (No. 100)
- 8. Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

Fabletics prohibits, amongst other issues, child labor, prison labor, forced labor, slavery, human trafficking, corporal punishment, discrimination or harassment, and unsafe working conditions throughout all of its

operations, including the operations of its business partners, including vendors, suppliers, and other service providers.

Fabletics also expects its business partners to respect the rights of local communities and protect the environment where they operate.

When operating in areas or countries with high levels of conflict, poor human rights records, or weak governance, Fabletics strives to follow international best practice principles.

Fabletics conducts social audits through third-party auditors and highly experienced corporate sourcing team members to ensure compliance with the Ethical Sourcing Code. Fabletics also accepts third-party audits conducted by credible auditors for other companies if they have been completed within twelve months and are legitimate non-falsified audit reports. The scope of these audits includes all nominated suppliers.

Fabletics employs a risk-based approach when working with potential suppliers, including an on-going social audit program, and tracks supplier performance over time using a supplier social compliance scoring system based on audit scores. At a minimum, suppliers are audited during the onboarding process and annually based on their scoring.

Fabletics strives to work with the suppliers to continuously improve their social compliance performance; however, Fabletics may terminate business with suppliers with severe violations or ongoing non-compliance issues.

We encourage our employees, suppliers, and stakeholders to speak up, without retribution, about any concerns. Any employees, suppliers and others are encouraged to report any suspected violations to local management, local or regional human resources, and the legal department.

## **Oversight**

The Human Rights Policy is overseen by Fabletics' Board of Directors, including the Chief Executive Officer. They have delegated the responsibility to implement the policy to senior operational executives, including our Chief Operating Officer and General Counsel. Our Chief Operating Officer oversees the overall implementation and reports on progress and impact to the Board of Directors and the leadership team on a regular basis.