## TOPGOLF CALLAWAY

October 12, 2023

Ms. Kate Jelly Labour Rights Researcher Business & Human Rights Resource Center

## RE: Invitation to Respond on behalf of OGIO – Myanmar Garment Worker Allegation

Dear Ms. Jelly:

Topgolf Callaway Brands Corp. provides the following response to your email of October 5, 2023, regarding alleged abuses at the Clotho Yangon (Neo Bags) factory ("Factory") where OGIO® products are reportedly being produced in Myanmar. OGIO International, Inc., the owner of the OGIO® brand of products, is a subsidiary of Topgolf Callaway Brands Corp. (OGIO International, Inc. and Topgolf Callaway Brands are collectively referred to herein as "Callaway").

Callaway's internal mission statement provides, "we conduct our global business honestly, ethically and legally, believing that good ethics is good business." We take all allegations of misconduct seriously and thoroughly investigate any claims that relate to Callaway or its products. As such, we can assure you we are looking into the allegations set forth in your email.

Callaway has strict policies regarding compliance with global human rights laws and social compliance, which are set forth in its Supplier Code of Conduct and in various other policies. Suppliers are carefully vetted and regularly audited. Callaway's Corporate Social Responsibility Audits (conducted by a third party) evaluate supplier compliance with the following:

- Callaway's Supplier Code of Conduct, including, but not limited to, legally required benefits (per ILO Convention No. 102, including parental leave, bereavement leave, annual leave, statutory holidays);
- (ii) the local country legal requirements as to labor contracts, including fair wages, benefits, leaves, etc., and the United Nations Global Compact: Principle 4 Labour requirements, which includes:
  - (a) Make available employment contracts to all employees stating the terms and conditions of service, the voluntary nature of employment, the freedom to leave (including the appropriate procedures) and any penalties that may be associated with a departure or cessation of work; and
  - (b) Write employment contracts in languages easily understood by workers, indicating the scope of and procedures for leaving the job.
- (iii) workplace health and safety laws; and
- (iv) no harassment, discrimination, or abuse of any employee in the workplace.

In addition, Callaway has an Enterprise Human Rights Policy, which all suppliers must agree to abide by, that considers the principles described in the United Nations Universal Declaration of Human Rights (UDHR). Details regarding Callaway's Corporate Social Responsibility and Environmental, Health and Safety Program specific to the OGIO brand can be found at <u>www.ogio.com</u>.

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As stated above, it is Callaway's directive to its global suppliers that they comply with all local laws, human rights laws, social compliance guidance, and the like, as well as respect their employees' rights, and Callaway spends time and provides resources to verify that its suppliers are in compliance. We will continue to investigate the allegations related to this Factory and take appropriate action.

Should you have questions, please contact me directly at (760) 804-4500, or by email at jeffc@tcbrands.com.

Sincerely,

09:15 PDT)

Jeff Cross Vice President, Global Supply Chain



:Is Lisa/OneDrive/Myanmar/OGIO Response (FINAL) 2023-10-12





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