

“United Athle’s Updated Response,” 15 December 2023

Production in Myanmar is carried out through Teijn frontier co., ltd. (hereafter referred to as Company A).

We discover the factory that received the order from Company A had been outsourced in violation of the rules.

The business agreement with Company A stipulates that if the factory subcontracts, we must check the factory before manufacturing.

In addition, it sets out the following CSR guidelines.

[Compensation]

Manufacturers shall, at a minimum, comply with all applicable laws and regulations pertaining to the wage and time, and provide statutory welfare benefits. These laws and regulations include the ones pertaining to minimum wage, overtime work, maximum working hours, piece rate pay and other remunerations.

[Labor against Workers’ Free Will]

Do not use prison labor, bonded labor, indentured servitude, or any other form of labor obtained through force or against workers’ free will.

Regarding this matter, our company provided guidance to Company A.

And we instructed Company A to provide guidance to their factory to re-aware that they can’t subcontract without our approval.

In addition, a memorandum of understanding was exchanged between Company A and the factory that received orders from Company A which says if work is to be subcontracted, the factory must report and approval to Company A before manufacturing.

The above measures will be taken to prevent recurrence.