

“United Athle’s response”, 23 January 2024

Production in Myanmar is carried out via a major domestic trading company (hereafter referred to as Company A).

Our business agreement 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.

Therefore, this incident was a violation of our CSR terms.

The selection of the factory is Company A's decision, and Company A is responsible for using the factory.

Based on that, we would like to respond to the following four points.

1. We will stop doing business with Company A until they improve their ability to audit CSR guidelines.
2. Our company was using the factory without being aware that such an incident occurred.
3. Production has already ended at the factory and there are no plans for future use.
4. Even the case additional production has required, we are not going to use the factory as we confirmed that such an incident occurred.