

Modern Slavery and Supply Chain Transparency Statement – 2026

Introduction

This Modern Slavery and Supply Chain Transparency Statement (the “Statement”) has been prepared pursuant to the:

- California Transparency in Supply Chains Act of 2010,
- UK Modern Slavery Act of 2015,
- Australia Modern Slavery Act of 2018, and
- Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act of 2024

This Statement covers all steps that the Elevate Textiles, Inc. family of brands (“Elevate Textiles”, “Company”, and “our”), which includes American & Efird LLC, Burlington Industries LLC, Cone Denim LLC, Gütermann GmbH, Safety Components Fabric Technologies LLC, and all their regional subsidiaries has taken to prevent forced labor and child labor in our own operations and supply chain. The Statement constitutes disclosure for Elevate Textiles’ 2025 fiscal year, which ended December 31, 2025.

About Elevate Textiles

Structure

Elevate Textiles is the parent company of some of the most prominent sewing thread and fabric brands in the world with nearly 13,000 employees worldwide engaged in research and development, manufacture, and sale of textiles. The Company is organized into two business segments: Threads and Fabric. The Threads segment is made up of American & Efird LLC, Gütermann GmbH, and their regional subsidiaries. The Fabrics segment consists of Burlington Industries LLC, Cone Denim LLC, Safety Components Fabric Technologies LLC, and their regional subsidiaries.

Each of our brands source, manufacture, and market independently from each other but are assisted by several Elevate Textiles corporate teams, including the Elevate Textiles Environmental, Health, Safety, and Sustainability (“EH&S”) team. The EH&S team continually assesses and manages risk, provides employee training, conducts supply chain due diligence, and ensures that all employees adhere to the Global Code of Conduct and all direct suppliers to the Vendor Code of Conduct while continually assessing effectiveness of these procedures.

Operations and Activities

Elevate Textiles is a tier two manufacturer of fabric and sewing thread within the apparel supply chain which owns and operates production facilities in ten countries, contracts several licensee facilities, and operates sales offices worldwide. Our products are sold directly to manufacturers all around the world for use in a wide variety of products, which include but are not limited to; tier one (cut-and-sew) apparel, consumer goods, automotive, and industrial products.



Supply Chain

Elevate Textiles relies on a network of over 2,000 suppliers globally and is founded upon fostering long-term relationships with suppliers who have signed our Vendor Code of Conduct and passed risk screening to ensure ethical business practices and compliance with international regulations and local laws. Our supply chain primarily consists of fiber, filament, and yarn suppliers from whom we procure polyester, cotton, aramids, among other materials. Chemicals and dyes also make up a significant part of our supply chain, as well as the capital equipment and machinery to produce our textile goods. To ensure long-term success, Elevate Textiles has built sustainability and equitability into our procurement strategy by prioritizing engagement with suppliers and licensees who meet the same robust environmental, social, and safety expectations we hold ourselves accountable to. Elevate Textiles is committed to continuous risk identification and mitigation in the supply chain by exercising due diligence and mapping suppliers to provide transparency to our customers and relevant stakeholders as a key part of our growth strategy.

Policies

Our policies convey our commitment to upkeeping our values and assist our uncompromising efforts to prevent forced labor and child labor in our operations and supply chain. These include our robust [Global Code of Conduct](#), Vendor Code of Conduct, and Sustainable Procurement Policy.

Global Code of Conduct

Our [Global Code of Conduct](#) is built upon the 10 Principles of the UN Global Compact, of which Elevate Textiles is a [signatory](#). All employees of Elevate Textiles are required to sign the Global Code of Conduct, which guides them in making ethical business decisions by directly addressing human rights and fair labor practices which explicitly prohibit child labor and forced labor. Additionally, in our Global Code of Conduct we commit to:

- Following local applicable wage and hour laws, including minimum wage, overtime pay, and maximum hour laws,
- Respecting employees' right to a workplace free of threats, violence, and private or public security forces,
- Respecting employees' right to be heard and collectively bargain, and
- Responsible recruitment of all workers at our facilities and supply chain partners facilities.

Employees receive a copy of the Code of Conduct in their primary language when they join Elevate Textiles and agree in writing to comply with it. Furthermore, all employees receive Global Code of Conduct training annually.

Vendor Code of Conduct

To ensure that our suppliers share our commitment and responsibilities to prevent modern slavery and uphold the highest ethical standard of business conduct, we require suppliers to sign our Vendor Code of Conduct before any transaction is made. The Vendor Code of Conduct mandates our suppliers meet the same expectations we hold ourselves to in the Global Code of Conduct. The Vendor Code of Conduct requires that our suppliers provide a secure, safe, and healthy workplace for their employees and remain in compliance with all relevant human rights and labor laws. Additionally, the Vendor Code of Conduct explicitly states that no suppliers shall employ child laborers, utilize involuntary, or forced labor. Vendors shall also commit to responsible sourcing and labor practices while maintaining customs compliance. All vendors shall provide training programs to the extent necessary to comply with the Vendor Code of Conduct and all applicable laws.

If a supplier is found out of compliance with Vendor Code of Conduct, serious violations may lead to the termination of the business relationship.



Sustainable Procurement Policy and Supplier Sustainability Desktop Audit

Adopted in 2024, this policy aligns our purchasing practices with our environmental and social values, goals, and management systems. The Sustainable Procurement Policy is intended to communicate the company's commitment to sustainable purchasing to its employees, vendors, and community and provide guidance on supplier management, which is done through:

- Vendor Code of Conduct compliance,
- PREP Form and ZDHC compliance for all chemical and dye suppliers, and
- Supplier Sustainability Desktop Audit.

In 2025, we rolled out the first phase of the Supplier Sustainability Desktop Audit, marking the first step toward becoming a part of the new supplier approval process. This phase engaged 47 strategic suppliers across all our brands, representing a meaningful share of our total procurement spend. Suppliers in key categories such as filaments, fibers, yarns, dyes, and chemicals were assessed first for their input into our final products.

This audit enables our procurement team to actively assist with supply chain due diligence by evaluating suppliers on their environmental impact, labor practices, and business conduct by giving suppliers a reflective score. Specific questions are included on social practices, supply chain due diligence, and the adoption of a Code of Conduct which includes sections on forced labor and child labor. For suppliers who score below our expectations, we engage by providing training and a corrective action plan. We are committed to working with suppliers to improve their scores, while reserving the right to sever the business relationship with those who refuse to take corrective action. Throughout this year and beyond, the effectiveness of this audit will be continually reviewed.

Due Diligence and Risk Assessment

With human rights protections built into the heart of our operations, Elevate Textiles places a high priority on conducting due diligence to identify and mitigate risks in our own operations and supply chain. Our work in this area is conducted through:

- Written verification of our Global Code of Conduct and Vendor Code of Conduct prohibiting the use of forced labor and child labor in our own operations and at every level of our supply chain. We reserve the right to conduct in-person audits with our supply chain partners on receipt of prior notice.
- The Supplier Sustainability Desktop Audit to monitor and assess new and existing suppliers' environmental and social impacts, specifically the commitment to prohibiting forced and child labor in their operations and supply chain.
- Prioritizing sourcing products which have obtained certifications from organizations including Better Cotton Initiative, US Cotton Trust Protocol, Global Recycled Standard, and others which verify equitable working conditions for all employees in the supply chain which explicitly includes the prohibition of forced labor and child labor.
- The completion of the third-party verified Higg Facility Social & Labor Module (FSLM) in our owned facilities and licensee partner facilities to verify our claims of equitable working conditions for all employees on a yearly basis.
- Through active identification and assessment of risks using publicly available information, such as the US Customs and Border Patrol WRO Dashboard and UFLPA Entity List, our sustainability team monitors new and existing suppliers for the use of forced or child labor. When a potential risk is identified, we engage directly with the supplier to verify the adherence of suppliers to all local and international laws regarding forced labor.

Through robust internal policies, regular third-party auditing, product certifications, and continuous due diligence operations, Elevate Textiles has a multi-faceted and dynamic system to detect whether forced or involuntary labor, human trafficking, or child labor exists in our supply chain. Notwithstanding our faith in our current systems and processes, we continuously monitor and update our due diligence practices to facilitate comprehensive forced and child labor risk assessment, analysis, and mitigation.



Addressing Risk

Remediation

Elevate Textiles will not engage in or condone the unlawful employment of children in the workplace or engage in or condone the use of child labor. The Company has a minimum age for employment that is the highest of the following: 16 years, the local minimum age, or the mandatory school age in the region of employment. We also support the Universal Declaration of Human Rights of the United Nations.

In cases where child labor is identified within our supply chain or operations, Elevate Textiles is committed to implementing remedial actions in line with international best practices. These may include:

- Collaborating with local organizations and stakeholders to ensure the child is safely withdrawn from work,
- Providing access to educational opportunities, vocational training, or other forms of support, including financial support, to the affected child and their family, and
- Conducting a thorough review of relevant policies and practices to prevent recurrence.

Training

Upon employment, every employee is required to complete mandatory Global Code of Conduct training. This training confirms comprehension and commitment to prohibition of forced labor and child labor in the employee's primary language. Additionally, this training includes sections on fair compensation and ethical hours of work according to ILO regulations. Each year, employees are required to retake the training to refresh their knowledge of the expectations of Elevate Textiles.

Elevate Textiles diligently and continuously monitors compliance with our Vendor Code of Conduct by mandating that all vendors provide training programs and/or cooperate with Elevate Textiles with providing training programs to the extent necessary to ensure compliance with our Code of Conduct and applicable laws. It is required that all vendors must keep written documentation of their adherence to the Global Code of Conduct on site and such documentation shall be made available upon request to Elevate.

Phase one of the Supplier Sustainability Desktop Audit exhibited with positive results and active supplier engagement. When a supplier scores below our minimum expectations, we have implemented an escalation procedure. This procedure involves direct supplier engagement, training, and additional resources to improve their environmental and social practices. In addition to training, suppliers are required to fill out and execute a corrective action plan (CAP) to identify areas of improvement and implement corrective actions.

Assessing Effectiveness and Monitoring

With continuous improvement as a core value at Elevate Textiles, our policies and procedures are constantly under review to assess their effectiveness and strengthen their processes.

Elevate Textiles participates in the Higg Facility Social and Labor Module (FSLM) at each of our owned facilities and licensee facilities. Included in the Higg FSLM is a "Worker" section, which asks about the Company's efforts to address labor rights standards, such as forced labor, child labor, and unsafe working conditions. These questions are aligned with the ILO Core Conventions and require extensive evidence to confirm that fair labor practices are in place. When the results of these modules are published, we continually look for ways to improve upon the practices and procedures assessed within the FSLM.

When sourcing cotton fibers and other raw materials, Elevate Textiles sources from regions that have been determined to carry a low risk of forced labor. To establish traceability in our cotton supply chain, Elevate Textiles partners with the independent forensic isotope testing service Oritain to verify that cotton was not sourced from regions with a high risk of forced labor, child labor, subject to sanctions, and/or prohibited from importation.



In 2026, we strive to expand the scope of the Supplier Sustainability Desktop Audit by assessing a larger share of our procurement spend than in the prior year and to further integrate the results into the procurement process. This will enable us to better confirm the prohibition of forced labor and child labor in their own operations and upstream supply chain. When applicable, we will continue to require suppliers to submit the results of third-party social and labor audits in the desktop audit at our request. To ensure the effectiveness of this audit, we will require suppliers scoring below our expectations to undergo training and submit a corrective action plan to address lapses in expected key environmental and social practices. Once improvements outlined in the corrective action plan are complete, the supplier will have the opportunity to retake the audit. From these results we track key performance indicators (KPIs) to review for improvement and effectiveness.

Steps Taken in the Past Year

Through our robust policies and extensive due diligence practices, Elevate Textiles has not identified, or been made aware of, any instances of forced labor or child labor in our own operations or supply chain. Therefore, we have not identified any loss of income to vulnerable individuals or families because of the measures we have taken.

Despite this, we are continually assessing and updating our conduct policies and due diligence practices. Steps taken in 2025 include:

- Successfully implemented phase one of our Supplier Sustainability Desktop Audit to self-certify and support our supply chain partners in their environmental and social improvement journeys,
- Adapted our Sustainable Procurement Policy to further align our sustainable values with our sourcing strategies, and
- Continuously evaluated and monitored our policies and procedures to assess the effectiveness of preventing all instances of forced and child labor in our operations and supply chain.

Please review our [2025 Sustainability Report](#) for more information on steps we have made within the past year.

Conclusion and Approval

Elevate Textiles is committed to continuously improving all efforts to identify, prevent, and rectify the human rights impacts of forced labor and child labor in our supply chain. As we continue to make progress, we will make updates to this Statement.

In accordance with the requirements of the *California Supply Chain Transparency Act*, *UK Modern Slavery Act*, *Australia Modern Slavery Act*, and *Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act*, and in particular Section 11 thereof, I, in the capacity of Chief Sustainability Officer, attest that the Company has approved and I have reviewed the information contained in the report on behalf of the governing body of Elevate Textiles, Inc. and all entities under its control. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Acts cited herein, for the reporting year listed within this report.

Jimmy Summers

Vice President – Environment Health, Safety, & Sustainability

Chief Sustainability Officer

January 1, 2026