



KONTOOR BRANDS

TERMS OF ENGAGEMENT

Kontoor operates under a Code of Business Conduct, which sets forth the key principles under which the Company and its worldwide subsidiaries are required to operate. The Code of Conduct states that the conduct of business with employees, customers, consumers, suppliers, and all others shall be on an honest, fair, and equitable basis. It has been and will continue to be the Company's policy to obey the laws of each country and to honor our obligations to society by being an economic, intellectual, and social asset to each community and nation in which the Company operates.

In the selection of its contractors, suppliers and agents, Kontoor works hard to choose reputable business partners who are committed to ethical standards and business practices compatible with those of the Company. At the very minimum, Kontoor expects its contractors, suppliers, and agents, to comply with all legal requirements applicable to their operations and employment.

The purpose of these TERMS OF ENGAGEMENT is to make clear that, considering differences in cultures and legal requirements; we expect that wherever our products are manufactured they will be manufactured in a manner compatible with the high standards that have contributed to the outstanding reputation of our brands and our Company. Each of the Company's contractors, suppliers, and agents, agrees that, by accepting orders from the Company or any of its subsidiaries, it will abide by and implement these Terms of Engagement and require the same from each of its Kontoor approved and authorized subcontractors. Each of the Company's contractors, suppliers and agents acknowledges that its failure to honor this agreement will compel Kontoor to reevaluate, and possibly terminate, its business relationship with such supplier.

1. ETHICAL STANDARDS

Kontoor will only do business with contractors, suppliers and agents who operate within a set of ethical standards compatible with Kontoor's Code of Business Conduct.

2. LEGAL REQUIREMENTS

Kontoor will only do business with contractors, suppliers and agents that comply with the applicable laws and regulations of the jurisdictions in which they operate

3. INTELLECTUAL PROPERTY RIGHTS

We will not do business with contractors, suppliers and agents who do not respect our intellectual property rights in our brands.

4. PRODUCT LABELING

All Kontoor contractors, suppliers and agents must accurately label our products with the country of origin in compliance with the laws of the United States and those of the country of manufacture. For products shipped to countries other than the United States, the laws of the importing country will prevail.

5. INDEMNIFICATION

Each Kontoor contractor, supplier or agent will indemnify and hold Kontoor harmless from and against all losses arising out of or resulting from such contractor's failure to adhere to these Terms of Engagement.

6. KONTOOR GLOBAL COMPLIANCE PRINCIPLES

All Kontoor contractors, suppliers and agents will manufacture products in accordance with the Kontoor Global Compliance Principles.

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GLOBAL COMPLIANCE PRINCIPLES

At Kontoor we are a purpose-led, performance-driven and value-creating organization. Our success is built on a culture of integrity, empathy, curiosity, perseverance, and courage. These values extend to the expectations we have of those with whom we do business.

These Global Compliance Principles apply to all facilities that produce goods for Kontoor or any of our subsidiaries, divisions, or affiliates, including facilities owned and operated by Kontoor and our contractors, agents, and suppliers, referred to in this document as Kontoor Authorized Facilities. These Global Compliance Principles are in addition to Kontoor's policies and other requirements that must be followed by Kontoor Authorized Facilities.

While these Global Compliance Principles set forth the basic requirements that must be met to do business with us, we strongly encourage all Kontoor Authorized Facilities to exceed these principles and to promote best practices and continuous improvement throughout all of their facilities.

Principle 1 – Legal and Ethical Business Practices: Kontoor Authorized Facilities must fully comply with all applicable laws of the countries in which they are located including all laws, regulations, and rules relating to wages, hours, employment, labor, health and safety, the environment, immigration, and the apparel industry. Employers must be ethical in their business practices.

Principle 2 - Child/Juvenile Labor: No person shall be employed at an age younger than 15 (or 14 where consistent with International Labor Organization guidelines) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15. All Kontoor Authorized Facilities must observe all legal requirements for work of associates under 18 years of age, particularly those pertaining to hours of work and working conditions.

Principle 3 - Forced Labor: Kontoor Authorized Facilities will not use forced labor, whether indentured, bonded, prison, slave, trafficked or any other involuntary or compulsory labor.

Principle 4 - Wages and Benefits: Kontoor believes all workers in our global supply chain have the right to living wages that meet their own and their families' basic needs and attain a decent life that is considered acceptable within their society given its level of economic development and we believe the best way to improve labor conditions in the countries where we operate is through meaningful dialogue between employees and employers. Kontoor Authorized Facilities must compensate their employees fairly by providing compensation packages comprised of wages and benefits that, at the very least, comply with legally mandated minimum standards or the prevailing industry wage, whichever is higher, and shall provide any benefits required by law. Employees must be fully compensated at a premium rate for overtime according to local law and each employee must be provided with a clear, written accounting for each pay period.

Principle 5 - Hours of Work: Kontoor Authorized Facilities must ensure associates' hours worked shall not, on a regularly scheduled basis, exceed the lesser of (a) the legal limitations on regular and overtime hours in the jurisdiction in which they manufacture or (b) 60 hours per week including overtime (except in extraordinary business circumstances). Associates must be informed at the time of hiring if overtime is a condition of employment. All associates will be entitled to at least one day off in every seven-day period.

Principle 6 - Freedom of Association and Collective Bargaining: Kontoor Authorized Facilities shall obtain and comply with current information on local and national laws and regulations regarding Freedom of Association and Collective Bargaining. No associate shall be subject to harassment, intimidation, or retaliation in their efforts to freely associate or bargain collectively.

Principle 7 - Health and Safety: Kontoor Authorized Facilities must provide their associates with a clean, safe, and healthy work environment, designed to prevent accidents and injury to health arising out of or occurring during work. All Kontoor Authorized Facilities are required to comply with all applicable, legally mandated standards for workplace health and safety in the countries and communities in which they operate.

Principle 8 - Nondiscrimination: While Kontoor recognizes and respects cultural differences, employment – including hiring, remuneration, benefits, advancement, termination, and retirement – must be based on ability and not on belief or any other personal characteristics. Kontoor Authorized Facilities may not discriminate based on race, age, color, national origin,

gender, religion, sexual orientation, disability, political opinion, or social or ethnic origin.

Principle 9 - Harassment: Kontoor Authorized Facilities must treat all associates with respect and dignity. Kontoor Authorized Facilities may not subject associates to corporal punishment, physical, sexual, psychological, or verbal harassment or abuse. In addition, Kontoor Authorized Facilities may not use monetary fines as a disciplinary practice.

Principle 10 - Women's Rights: Kontoor Authorized Facilities must ensure that women associates will receive equal remuneration, including benefits, equal treatment, equal evaluation of the quality of their work, and equal opportunity to fill all positions open to male associates. Pregnancy tests will not be a condition of employment, nor will they be demanded of associates. Associates who take maternity leave (of a duration determined by local and national laws) will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former employment at the same rate of pay and benefits. Associates will not be forced or pressured to use contraception. Associates will not be exposed to hazards, including glues and solvents, that may endanger their safety, including their reproductive health. Facilities shall provide appropriate services and accommodation to women associates in connection with pregnancy.

Principle 11 - Subcontracting: Kontoor Authorized Facilities will not utilize subcontractors in the manufacturing of Kontoor products or components without Kontoor's written approval and only after the subcontractor has agreed to comply with the Terms of Engagement and Global Compliance Principles.

Principle 12 - Monitoring and Compliance: Kontoor Authorized Facilities will maintain on site all documentation necessary to demonstrate compliance with these Global Compliance Principles. Kontoor and its subsidiaries will undertake affirmative measures, such as announced and unannounced on-site inspections of production facilities, to monitor compliance with these Global Compliance Principles. Kontoor Authorized Facilities must allow Kontoor representatives full access to production facilities, associate records, and associates for confidential interviews in connection with monitoring visits. In addition, Kontoor Authorized Facilities must respond promptly to reasonable inquiries by Kontoor representatives concerning the subjects addressed in the audit.

Principle 13 - Informed Workplace: Kontoor Authorized Facilities must inform associates about the workplace standards orally and through the posting of standards in a prominent place and undertake other efforts to educate associates about the standards on a regular basis.

Principle 14 - Worker Residence (Dormitory): Dormitories of Kontoor Authorized Facilities must provide a clean, safe, and healthy residence environment. The dormitory design must provide adequate privacy, security, and freedom of movement for all occupants. Dormitory facilities must comply with all applicable, legally mandated standards, for public domiciles in the countries and communities in which they are located.

Principle 15 - Facility Security: It is Kontoor's policy that all suppliers establish facility security procedures to guard against the introduction of non-manifested cargo into outbound shipments. Such items would include drugs, biological agents, explosives, weapons, radioactive materials, illegal aliens, and other contraband.

Principle 16 - Environment: Kontoor Authorized Facilities must comply with all laws and regulations relating to environmental protection in the countries in which they operate. Facilities must have policies and procedures in place to ensure environmental impacts are minimized with respect to energy, air emissions, water, waste, hazardous materials, and other significant environmental risks. Facilities are expected to make sustainable improvements in environmental performance and require the same of their suppliers and sub-contractors.

Violations of these Global Compliance Principles will be appropriately remedied at the cost of the facility. Kontoor reserves the right to take necessary measures to ensure future compliance with these Global Compliance Principles. Failure to comply with these Global Compliance Principles may result in termination of the relationship between Kontoor and the Authorized Facility.

Anyone who wishes to raise a concern about a potential violation of our Global Compliance Principles can contact us via email

KBResponsibleSourcing@KontoorBrands.com

Ethics@KontoorBrands.com





KONTOOR BRANDS

CERTIFICATION OF TERMS OF ENGAGEMENT

KONTOOR AND ITS SUBSIDIARIES RESERVE THE RIGHT TO CANCEL ALL CURRENT PURCHASE ORDERS WITH ANY CONTRACTOR, SUPPLIER OR AGENT FOUND TO BE IN VIOLATION OF THE TERMS OF ENGAGEMENT STANDARDS.

I have read and fully understand Kontoor's Terms of Engagement and certify that we are in compliance with these terms.

**Contractor, Supplier or Agent
Company Name:**

(Print) Address:

Contractor, Supplier or Agent Representative:

(Signature)

(Print - RepresentativeName)

(Representative's Title)

Date: _____