

## **Anti-bribery and Anti-corruption Policy**

### **1. PURPOSE**

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GLG Corp Ltd. and Group of Companies (“GLG”) are committed to conducting our business in accordance with all applicable laws, rules and regulations and the highest ethical standards, and this commitment is embodied in the Code of Business Conduct and Ethics.

The purpose of this Anti-Bribery and Anti-Corruption Policy is to reiterate GLG’s commitment to full compliance by the Company, its subsidiaries and affiliates, and its officers, directors, employees and agents with any local anti-bribery or anti-corruption laws that may be applicable. This Policy supplements the Code of Business Conduct and Ethics and all applicable laws and provides guidelines for compliance Company policies applicable.

For the purposes of this Policy, a “supplier”, “contractor”, “consultants” “agent” or “vendor” is defined as a third-party entity or individual who provides, and receives payment for, services or goods related to any aspect of a GLG operation. A “non-supplier vendor” is defined as a third-party individual, company, organization, and/or Government or Government related entity that will receive payment from GLG but will not provide goods or services in return.

### **2. SCOPE**

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This Policy is applicable to every employee of GLG, including senior executive and financial officers, and to members of the GLG Board of Directors. The reporting requirement of this Policy is also applicable to GLG’s contractors and suppliers. This Policy is intended to supplement all applicable laws, rules, and other corporate policies. It is not intended to supplant any local laws.

### **3. DEFINITION**

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Corruption is the misuse of public power for private profit, or the misuse of entrusted power for private gain. Bribery is the offer, promise, or payment of cash, gifts, or even excessive entertainment, or an inducement of any kind offered or given to a person in a position of trust to influence that person’s views or conduct or to obtain an improper advantage. Bribery and corruption can take many forms, including the provision or acceptance of:

- Cash payments or any cash payment in kind;
- Phony jobs or “consulting” relationships;
- Kickbacks;
- Political contributions;
- Charitable contributions;
- Gratuity or loans;
- Social benefits; or/and
- Gifts, travel, hospitality, entertainment and reimbursement of expenses.

#### **4. POLICY REQUIREMENTS**

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No employee may ask for or receive for his/her personal benefit any advantage in money or in kind from the customers, principals, suppliers, contractors or any person having business relations with the Company without the prior and specific approval from the Management. Should an employee be confronted with such an offer of advantage in money or in kind, he/she shall report the matter to his/her Head of Department immediately. Any employee found to breach this Company rule, he/she will be liable for disciplinary dismissal. In addition, a report may also be made to the relevant government authority if the Company deems appropriate.

#### **5. AUDITS**

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Audits of GLG sites, operating units, and contractors may be conducted periodically to ensure that the requirements of this Policy and applicable procedures and guidelines are being met. Audits may be conducted internally by GLG, or externally by retained third parties. Audit documentation shall include performance improvement action plans.

#### **6. INTERACTION WITH OTHER CORPORATE POLICIES**

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Other GLG policies impacted by, and which should be construed consistent with this Policy, include the Code of Business Conduct and Ethics, the Supplier Requirements Manual, Conflict Minerals Policy and Employee Handbook.

#### **7. DISCIPLINE**

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Any employee who violates the terms of this Policy will be subject to disciplinary action. Any employee who has direct knowledge of potential violations of this Policy but fails to report such potential violations to Company management will be subject to disciplinary action. Any employee who misleads or hinders investigators inquiring into potential violations of this Policy will be subject to disciplinary action. In all cases, disciplinary action may include termination of employment. Any third party agent who violates the terms of this Policy, who knows of and fails to report to GLG management potential violations of this Policy, or who misleads investigators making inquiries into potential violations of this Policy, may have their contracts re-evaluated or terminated.

## **Annexure 1 - Code of Conduct**

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GLG Corp is committed to the highest standards of business conduct. It is important that all of us at GLG Corp observe the highest standards of ethics, integrity and behaviour. This Code of Conduct outlines the standards of behaviour everyone at GLG Corp including Directors, employees, consultants and contractors, must meet. A more detailed business conduct policy is contained in the company's employee handbook.

### **Business and Personal Conduct**

- We always act with honesty and integrity.
- We avoid conflicts of interest.
- We protect confidential and proprietary information.
- We treat others equitably and with courtesy, trust, dignity, respect and fairness.

### **Adherence to the Law**

As part of the company's commitment to being a good corporate citizen, everyone at GLG Corp complies with all legislation and codes that govern its business.

- We are committed to implementing any directives of the company which aid it in complying with legal requirements.
- If we become aware of any potential or actual breaches of a law by the company, we will report it to our managers immediately.

### **Privacy**

GLG Corp takes privacy very seriously.

- We will all comply with the company's Privacy Policy, which is set out in the company's employee manual.

### **Conflicts of Interest**

We will avoid circumstances that could compromise our ability to act with objectivity and exercise independent judgment.

- We will not have a direct or indirect personal financial interest in any business transaction involving the company or competing with the company without disclosing it and obtaining an appropriate level of approval.
- We will not direct or divert business away from the company to any other party.
- We will take care that relationships we may form with people while conducting business on the company's behalf do not lead to a situation in which impartiality or allegiances could be or appear to be compromised.
- We will make sure that all transactions with all suppliers, customers and others doing business with GLG Corp are conducted in a completely transparent and arms length manner without favour or preference based upon any personal considerations.

## **Ethical Standards**

GLG Corp is committed to fostering a climate of ethical behaviour and business practice. Key issues which we will consider when making any decision on the company's behalf are:

- Is it the right thing to do?
- Is the decision or contemplated business conduct lawful?
- Is it consistent with company policy?
- What will be the outcome for the company, shareholders, colleagues and other stakeholders?
- Does a conflict of interest arise?
- Is the decision one that would stand public examination and scrutiny?
- If our decision or contemplated business conduct concerns the manufacture of apparel (including by a third party contractor), does it comply with:
  - GLG Corp's Social Compliance Manual;
  - GLG Corp's Corporate Social Compliance Checklist; and
  - any compliance manual of the relevant customer?

## **Gratuities**

- We do not accept any substantial gifts such as trips away, anything which put us in a position of significant financial gain, or an item worth a significant amount of money, eg cameras, laptops, mobile phone and so on, in the course of conducting business on the company's behalf.

## **Confidentiality**

- We will not disclose or use any confidential information that we obtain, unless we have been authorised to do so.

## **Health and Safety**

- The safety of all our people is of paramount concern to all of us at GLG Corp and we will do all we can to maintain a safe working environment.
- We will always have regard to matters of Health & Safety and observe all relevant law and regulations, and apply responsible standards.
- If we become aware of any potential threat to anyone's health & safety, we will report it immediately.
- We will always act in an environmentally responsible way.
- In relation to the manufacture of apparel (including by a third party contractor), we will always comply with the workplace conditions, health and safety aspects described in:
  - GLG Corp's Social Compliance Manual;

- GLG Corp's Corporate Social Compliance Checklist;
- GLG Corp's C-TPAT Compliance Manual; and
- any compliance manual of the relevant customer.

**Internal Controls**

- We will not approve or make any payment on the company's behalf except in accordance with board-approved delegations, or with the intention that it is to be used or applied for a purpose other than what appears in the documents supporting the payment.
- We will not establish undisclosed or unrecorded funds or assets for any purpose.
- We will not make false or misleading entries in any books or records of the company.

**Harassment and Discrimination**

- We are committed to providing all employees with a harmonious equal opportunity working environment free of harassment or discrimination.

Any one breaking this code will be subject to disciplinary action which may, depending on the circumstances, include dismissal proceedings.

## **Annexure 2 – Supplier Requirements Manual**

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### **EXECUTIVE SUMMARY**

All orders placed by GLG and its divisions, subsidiaries and affiliates are subject to the terms of GLG Purchase Order, Terms and Conditions for Suppliers, and this Supplier Manual (“Manual”). The terms contained in the GLG Purchase Order and Terms and Conditions for Suppliers are hereby incorporated into this Supplier Manual. By shipping product to GLG, you acknowledge and agree to all provisions contained in the foregoing documents unless otherwise stated on the face of the attached Purchase Order. Please send all invoices and shipment notifications to GLG Purchasing Department by email/Fax.

GLG is a global textile and apparel supply chain manager of casual lifestyle knitwear apparel to major U.S. retailers. We supply over 62 million garments a year through our global marketing and manufacturing network. We offer you a total solution package with an integrated one-stop service approach, from in-house product design and development, commercialization of orders, material management, production planning and control, to comprehensive post manufacturing logistics solutions.

### **Supplier Requirements Overview**

GLG recognizes the very important role our Suppliers have in the value we offer our customers. As an extension of our own operations, we rely on our Suppliers to provide material, products, and services that meet all of the requirements of GLG contracts, applicable specifications, and the quality management requirements outlined herein.

The purpose of this manual is to provide an overview of the requirements and expectations that GLG has for its Suppliers. Our suppliers play an integral role in our ability to continuously provide products of the highest quality possible to our customers. Your continued engagement with GLG as a supplier is your acknowledgement of the awareness of your contribution to product/service conformity and product safety. In addition to the requirements GLG has set, some industries or business sectors that GLG serves may require placing additional requirements upon suppliers. All industry-specific requirements that apply to each supplier will be communicated through documents including but not limited to this manual, purchase orders, written procedures, terms and conditions or other quality agreements/contracts.

This manual specifies additional requirements for GLG Suppliers. Current and prospective suppliers must make all reasonable efforts to comply with all specified GLG requirements. For questions regarding any requirement, please contact GLG Corporate Quality Manager whose information has been provided to you.

### **1.0 Supplier Code of Conduct**

**Code of Conduct and Policy Enforcement** This policy applies to Suppliers and their sub-tier sources. It is the responsibility of the Supplier to verify and monitor compliance of this code at their operations and sub-tier source operations.

GLG’s Suppliers agree to ensure that their operations are being performed in a manner that is appropriate, as it applies to their ethical, legal, environmental, and social responsibilities. Our basic requirements are as follows:

## **LEGAL COMPLIANCE AND BUSINESS INTEGRITY**

Suppliers must comply with all applicable laws and regulations in their country of operation. Also, suppliers must not directly or indirectly give or receive improper business advantage via the giving or receiving anything of value in exchange for preferential treatment.

### **GUIDANCE:**

- The following procedures are prohibited: bribing, conflict of interest, falsification of documents, collusive bidding, price fixing, price discrimination, or unfair trade practices in violation of antitrust laws.
- The Foreign Corrupt Practices Act (FCPA) makes it unlawful for certain classes of persons and entities to make payments to foreign government officials to assist in obtaining or retaining business.
- Suppliers should take appropriate steps to protect confidential and proprietary information belonging to GLG Company.

## **SOCIAL AND WORKING CONDITIONS**

### **Child Labour**

GLG is committed to the elimination of the “worst forms of child labour,” as defined by International Labour Organization (ILO) Convention 138 & 182, from its supply chain. We expect our suppliers to support and participate in industry efforts aimed at the elimination of such practices wherever they exist in the supply chain.

### **GUIDANCE:**

- Children should not be kept from school to work on the factory.
- Children should not carry heavy loads that harm their physical development.
- Children should not be present on the factory while product chemicals are applied.
- Young children, generally considered to be under 14 years of age, should not use sharp implements.
- Trafficking of children or forcing children to work are included among the Worst Forms of Child Labour (WFCL).

### **Forced/Prison Labour**

Suppliers must not utilize or benefit in any way from forced or compulsory labour, nor utilize factories or subcontractors that force unpaid labour. The use of official prison rehabilitation programs is not a breach of the Code.

#### **GUIDANCE:**

- Suppliers must not utilize or benefit in any way from forced or compulsory labour, including any forms of slavery.
- The recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force, coercion or other means, for the purpose of exploiting them is prohibited.

### **Working Hours and Wages**

Suppliers should provide wages at least equal to the applicable legal minimum wage and any associated statutory benefits. If there is no legal minimum wage, suppliers must ensure that wages are at least comparable to those at similar companies in the local area or to prevailing industry norms. Working hours should reflect applicable legal norms and overtime hours should be paid at the legally mandated premium or at least at the same rate as regular hours worked if there is no mandated premium.

#### **GUIDANCE:**

- Suppliers must comply with applicable laws regarding working and overtime hours.
- Regularly, except for operational circumstances, suppliers should provide employees with at least one day off following six consecutive work-days.
- Total working hours must be within allowable limit under applicable law or agreement.
- Suppliers must comply with legal minimum wage laws and regulations, and overtime hours must be paid at the legally mandated premium.
- Accurate written records of employees' regular and overtime hours should be maintained.

**SOCIAL AND WORKING CONDITIONS**

**Freedom of Association**

Suppliers should respect employees’ right to freedom of association including the right to collectively bargain, consistent with local laws and ensure that all employee relationships are of a voluntary nature.

GUIDANCE: • Respect employees’ right to freedom of association (including the right to collectively bargain). • Suppliers should provide confidential channels for employees to raise grievances, and records should be maintained.

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Non-Discrimination Hiring and employment decisions, including those relating to compensation, benefits, promotion, training and development, discipline, and termination, should be made solely on the basis of the skill, ability, and the performance of workers. Discrimination is not permitted on the basis of race, religion, gender, political opinion, national extraction, or social origin. (International Labor Organization Conventions 100 and 111) In addition, unfair treatment of pregnant employees is prohibited.

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**Health and Safety**

The Supplier must provide employees with a safe and healthy working environment for all employees that includes appropriate controls, safety procedures, preventative maintenance, and protective equipment. Practices must comply with all relevant local and national laws, codes and regulations.

GUIDANCE:

- Suppliers provide a safe and healthy workplace. Safety and Health procedures must comply with all relevant local and national laws, codes and regulations.
- Records of health and safety trainings, accidents and injuries at the workplace, should be maintained.
- Suppliers must train employees on emergency evacuation procedures.
- If applicable, suppliers must ensure dormitories are clean, well maintained, and in compliance with safety regulations.

## **ENVIRONMENT AND SUSTAINABILITY**

Environmental impact is a key part of GLG Company's business practices and the company is committed to supporting sustainable and green product at its production. At a minimum, suppliers must fully comply with all local environmental laws and regulations and should strive to conduct their operations in a way that conserves natural resources.

### **Pollution Prevention and Resource Reduction**

Suppliers should reduce waste and usage of all types by implementing appropriate conservation measures in their operations. Improvement plans for waste reduction, recycling, energy conservation and greenhouse gas mitigation policies should be in place, along with demonstrable evidence of implementation.

### **Environmental Permits and Reporting**

Suppliers must obtain, maintain and keep current all required environmental permits (e.g. discharge monitoring) and registration and any operational and reporting requirements shall be followed. Wastewater and Solid Waste Wastewater and solid waste are to be monitored, controlled and treated as required prior to discharge or disposal and records of effluent monitoring shall be maintained.

### **Air Emissions**

Air emissions generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge and records of air monitoring shall be maintained.

GLG is dedicated to providing safe high-quality products, and its suppliers must deliver products and services that meet textile safety and quality standards required by applicable law and GLG Company quality standards.

## **VERIFICATION AND COMPLIANCE**

Suppliers should have adequate monitoring and record keeping systems to ensure compliance with the Code. GLG Company reserves the right to monitor, review and verify compliance with the Code.

### **GUIDANCE:**

- In case of Non-Compliance, corrective actions will be set forth, in order to comply with laws and regulations.
- GLG Company reserves the right to terminate its business relationship with a Supplier who is unwilling to comply with the Code.

## **SUPPLIER'S CERTIFICATION OF COMPLIANCE**

By its acceptance of any purchase order from GLG Company, the Supplier acknowledges its acceptance of the Code and intention to comply with its requirements. If you have additional questions about this Supplier Code of Conduct, please contact your buyer, or email to GLG's procurement department.

### **Supplier Conduct & Quality**

Supplier conduct has a direct impact on GLG's ability to provide quality services to its customers. Our Suppliers are expected to adhere to the above policies and to apply them in all dealings with, and on behalf of, GLG. Acceptance of a purchase order from GLG is your acknowledgement of your importance to our quality management system and your agreement to abide by the policies set forth herein. Failure to abide by GLG ethics and quality policy in business dealings may result in disqualification from consideration for business, and/or future business, with GLG. Suppliers are fully responsible for ensuring that any employee, subcontractor, agent, or other third party assigned to provide services to GLG, as permitted by agreement with GLG, acts consistently with this Policy. As a Supplier, you agree to flow down these requirements to your employees, subcontractors, agents and suppliers.

### **Confidentiality**

The Supplier shall ensure the confidentiality of GLG -contracted projects under development, and related product information, as well as intellectual property shared as a result of our working relationship. Documents furnished by GLG to the Supplier are furnished solely for the purpose of doing business with GLG. Proprietary documents may be furnished to the Supplier in hard copy, electronic or other media. The Supplier is responsible for controlling and maintaining such documents to preclude improper use, loss, damage, alteration and/or deterioration.

Unless authorized by the GLG Buyer in writing, the Supplier may not transmit or furnish any GLG furnished documents, or copies of such documents, to anyone outside the Supplier's business organization except to a sub-tier source used by the Supplier for performance of work on the GLG order. Suppliers may be required to sign a non-disclosure agreement, and the requirements of this section must flow-down to all subcontractors.

## **2.0 Supplier Quality System Requirements**

Suppliers agree to maintain a Quality Management System (QMS) suitable to the products and services provided to GLG. We strongly recommend that Supplier Quality Management Systems be certified by an accredited third-party certification body and to the latest version that meets GLG needs.

- 2.1 Documented Quality System Suppliers agree to have a fully documented and implemented quality system that is focused on prevention of process non-conformities. Supplier quality systems at a minimum should reflect established processes and procedures to ensure quality. ISO 9001, or an equivalent quality control program, is recommended. GLG's Purchasing Managers conduct reviews of Suppliers to determine if Suppliers meet GLG's minimum standards, and acceptance for business is at their discretion.

- a. Suppliers that are outside of GLG's direct sourcing control must meet any applicable GLG customer requirements regarding registration and are strongly encouraged to document and implement a quality management system that is compliant to the ISO 9001 standard.
- b. Upon request, the Supplier agrees to furnish GLG with a copy of the Supplier's Quality Management System Manual, which is to be current and approved by the Supplier's management, including or making reference to related documents. The quality management system documentation shall include Supplier's statements of a quality policy and quality objectives. Top management shall define quality objectives and measurements that should address customer expectations and be achievable within a defined period of time. The Supplier shall promptly notify the GLG

Purchasing Department Buyer of any substantive changes to the Supplier's quality management system or personnel.

- c. In some circumstances and depending on the product, its application, value, and criticality, GLG may authorize the acceptance of other evidence of quality compliance in the absence of third-party QMS certification. This may include a GLG audit, an orders subject to testing requirement, site visits, past performance, business history review, and Supplier (self)-assessment to the applicable criteria above, or to a set of alternative basic quality requirements.
  - d. At a minimum, value-added suppliers must be able to demonstrate a viable document control system and be able to exercise control over its own value-added processes.
- 2.2 Additional Registration requirements Some industries and market segments that GLG serves may necessitate registration with additional quality standards. Suppliers will be informed of any additional registration requirements that apply and the necessary documentation that will need to be provided to prove compliance.
- 2.3 Contact Information Suppliers are required to have on file a primary and back up contact as well as escalation contacts. The supplier is required to notify GLG in writing when there are significant facility or organization changes such as company name, location, or senior quality management. GLG expects all suppliers to provide support to GLG and facilitate rapid response to delivery, quality or unresolved issues. Any changes to the contact information should be communicated at the time of change.
- 2.4 Competency of Personnel Suppliers agree to determine and provide the persons necessary for the effective implementation, operation, and control of its processes. Suppliers agree to ensure that all personnel performing activities that impact the quality of the supplier's services or product have been adequately trained in those processes as applicable. Pertinent training records shall be maintained for all staff, and should be available for review as necessary.

GLG expects all Suppliers to:

- determine the necessary competence of person(s) doing work under its control that affects the performance and effectiveness of the quality management system on a periodic basis;

- ensure that these persons are competent on the basis of appropriate education, training, or experience;
- where applicable, take actions to acquire the necessary competence, and evaluate the effectiveness of the actions taken;
- retain appropriate documented information as evidence of competence.

**The Supplier should ensure that all personnel are aware of GLG's and the Supplier's own quality policies and how the proper implementation of these policies affects downstream customers.**

### **3.0 General Requirements**

#### **3.1 Compliance to Contractual Requirements**

Upon accepting a GLG contract or purchase order, the Supplier is responsible for compliance to all contract (ex. engineering drawing, specification, purchase order) requirements. All documents, drawings and specifications, regardless of origin, are applicable to the Supplier when specified in the contract or documents referenced in the contract, and are required to be used at all levels of the supply chain. Neither audit, surveillance, inspection or tests made by GLG, representatives of GLG or its customer(s), at Supplier's facilities, at any sub-tier facilities, or upon receipt at GLG, relieves the Supplier of the responsibility to furnish acceptable products or services that conform to all contract requirements; nor does it preclude subsequent rejection by GLG or its customers.

#### **3.2 Subcontractor Control and Flow-down Requirements**

The Supplier, as the recipient of the contract or purchase order, is responsible for meeting all requirements, including work performed by the Supplier's subcontractors. When the Supplier uses sub-tier sources to perform work on products and/or services scheduled for delivery to GLG, the Supplier shall include (flow-down) on contracts, to its sub-tier sources, all of the applicable technical and quality requirements contained in the GLG purchase order contract, including quality system requirements, regulatory requirements, the use of GLG designated sources, and the requirement to document and control 'key characteristics' and/or 'key processes,' and to furnish certifications and test reports as required. GLG and its customers reserve the right-of-entry to sub-tier facilities, subject to proprietary considerations.

#### **3.3 E-Business and the Use of Electronic Documents**

To facilitate the flow of information between GLG, Suppliers and GLG's customers, the use of electronic business tools is key. Contracts, delivery schedules, notification of product rejections, requests for corrective action, etc. may be transmitted to Suppliers electronically, and GLG expects that Suppliers will adopt these tools to reduce errors and improve efficiency. The accuracy and authenticity of electronic documents and forms submitted to GLG is of highest importance.

### **3.4 Business Continuity**

The Supplier should have a business continuity plan that would allow for the safeguarding, storage and recovery of designs, electronic media, and production screen in the event of damage or loss. This plan should also contain contingency plans to satisfy GLG requirements in the event of significant utility interruptions, labor shortages, equipment failure and field returns.

### **3.5 Site Visits**

Suppliers agree to allow GLG's employees or representatives to visit all manufacturing, processing or storage facilities of Supplier or its subcontractors in which the Products are being processed, stored or Dyed/Printed; provided that, (1) GLG gives Supplier reasonable advance notice of each visit; and (2) such visit does not unreasonably disrupt the operating capability of Supplier or subcontractor, or violate any safety or clean room procedures.

### **3.6 Product Conformance Data**

Suppliers may be requested to provide data showing product conformance to specifications and requirements. The content and submission requirements / frequency will be communicated to the supplier. Suppliers are expected to comply with GLG's requests to provide this information.

### **3.7 Commitment to Continuous Improvement**

All suppliers are expected to have a process in place for continuous improvement and should focus on continued reduction in variation, improvement in efficiencies and elimination of waste.

### **3.8 Conflict Minerals Policy**

Certain regions, where several minerals used in the electronics industry originate, have been identified as "conflict" regions. The Democratic Republic of the Congo and adjoining countries are identified as conflict regions due to reported human rights abuses, environmental concerns and actions against citizens. Certain minerals that originate (are mined) from this region have been identified as "conflict minerals" and include gold (Au), tantalum (Ta), tungsten (W) and tin (Sn). Suppliers are required to undertake due diligence in reviewing / assessing their supply chain to assure that these minerals, if they are contained within the product supplied, are not sourced from mines that are in this conflict region which are controlled by non-government military groups, or unlawful military factions. Please refer to GLG's Conflicts of Mineral Policy (Annexure 3).

Suppliers are expected to, wherever applicable:

- Have in place (and provide information about upon request) a conflict free sourcing policy and controls for assuring only conflict free minerals are procured
- Monitor their supply chain as reasonably necessary to help avoid procuring "Conflict Minerals"
- Provide, upon request, supporting data / information confirming status and compliance, and
- Support the Electronic Industry's activities and initiatives in this area

### **3.9 Compliance with Laws; Sourcing from Xinjiang Region of China, U.S. Commerce Department Entity List, XPCC and its subsidiaries,**

In performing work under this Purchase Order, Seller and its subcontractors to review the U.S. Commerce Entity List and the list of XPCC subsidiaries and confirm that their supply chain for products in this Purchase Order does not include any financial transactions with an organisation on the the U.S. Commerce Department List, the XPCC or any XPCC subsidiaries and have no direct or indirect production that take place in in Xinjiang, China , and that no cotton or yarn from the region be used in any product procured under this Purchase Order. Seller and its subcontractor to also strictly comply with all applicable export control laws and regulations of the United States and all applicable trade regulations under U.S., foreign or other relevant jurisdictions. The Buyer reserves the right to cancel any Order without penalty or liability to Buyer in the event Seller's performance under this Order does not comply with such laws, rules and regulations. Seller will defend, indemnify and hold Buyer harmless for any non-compliance by Seller or its subcontractors against any potential liability relating to this breach.

### **3.10 Supplier Laboratories and Test Facilities**

Suppliers providing testing, lab, or calibration services must comply with requirements of ISO/IEC 17025 or ANSI/NCSL Z540-1 (calibration) as applicable. These value-added suppliers are expected to provide traceability of measurements to national standards, international standards or intrinsic standards. Calibration service providers must provide NIST Traceable Calibration certificates with each service.

### **4.0 Supplier Approval Process**

GLG requires all Suppliers to be approved prior to the issuance of contracts or purchase orders. All Suppliers must be approved by GLG, regardless of approvals by customers or other entities.

#### **4.1 Supplier Identification and Approval**

GLG employs an evaluation process for suppliers being considered for addition to GLG Supply Chain strategies lists. Examples of methods used to consider sources for addition to these lists include:

- a. Supplier Initial Assessment- GLG may request the Supplier to provide a copy of its quality management system certificate and/or complete a self-assessment of its business and quality management system and capabilities (i.e., quality, delivery, technology, cost, and continual improvement objectives).
- b. Documentation Audit- In those cases where a Supplier's quality management system has not been certified by an accredited certification body, GLG may request a copy of the Supplier's Quality Manual and supporting procedures (and perhaps internal audit reports) to determine if the Supplier's quality management system meets GLG requirements.
- c. Completion of an on-site assessment- Generally, when a Supplier is certified to a related standard by an accredited certification body, GLG will not conduct an on-site assessment of the Supplier's quality management system against the same criteria. However, GLG and/or its customers, due to product/process complexity or criticality, may elect to conduct on-site assessments of a Supplier's product or process capabilities.

GLG may review:

- Business and Manufacturing Operations to determine whether the Supplier has the financial resources, production capacity, and other business resources needed to fulfill project needs and continuity of supply.
- Continual Improvement Initiative to determine if the Supplier's culture, methods and skills are present to actively pursue continual improvement.
- Technology Assessment to determine whether the Supplier has the needed technical resources, including production and inspection equipment, facilities, engineering resources to perform project.
- Subcontractor Control to evaluate the effectiveness of the Suppliers sub-tier management processes and ensure that products or services procured from sub-tier sources and delivered to GLG conform to all applicable GLG requirements

The requirements that need to be satisfied in order to be added to the list are communicated to suppliers that are being considered for addition. Corrective actions for items identified during this process are expected to be completed and submitted to GLG in a timely manner. The timeliness and quality of provided responses are also considered in the evaluation process.

## **5.0 Product Qualification & Requirements**

This section defines the generic requirements for production part qualification and approval. The purpose is to determine if the Supplier properly understands all GLG requirements. Supplier's products or services may be subject to source inspection by GLG, representatives of GLG or applicable government or regulatory agencies.

Source inspection requirement may be included on the contract and may apply to any and all operations performed by the Supplier or the Supplier's sub-tier sources, including prior to delivery of products to GLG. The Supplier shall provide the necessary access, equipment and resources required to effectively accomplish the source inspection.

### **5.1 Packaging, Labeling, Delivery & Record Retention**

The Supplier shall be responsible for ensuring that items provided under this any purchase order are packaged in such a manner that the dimensional integrity is preserved, contamination and corrosion are prevented, and no physical damage occurs. Packaging, when specified, shall be in accordance with the drawing, or other applicable customer specified requirement and prevents damage, deterioration, substitution or loss in transit.

The Supplier shall label the exterior of the package to ensure adequate identification of precautions needed to ensure the integrity of the product being shipped. The Supplier must specify the handling and shipping methods that ensure proper and on-time delivery without damage to the product. The Supplier shall ensure that special labeling requirements shall also be listed in the appropriate shipping documents and on each package. Preservation, packaging, labeling, and shipping methods must comply with common industry practices, GHS Standard and GLG requirements specified on the contract or purchase order.

- a. Preservation:** In order to detect deterioration, the condition of product in stock should be assessed at appropriate planned intervals. A process should be in place to detect and prevent against foreign object debris or dust. To assist with dust prevention:
- Work areas and tools should be cleaned as required to ensure no particles or contaminants are present.
  - Cleaned components and subassemblies should be covered if not being worked on.
  - Waste-producing operations should be performed in designated areas separate from assembly areas.
  - Work stations should be maintained cleanly and neatly with only essential items present.
- b. Packaging:** Components and assemblies shall be appropriately packaged to exclude foreign objects and contaminants. The Supplier must adequately plan for packaging designed to prevent product contamination, deterioration or loss and to eliminate shipping damage. Suppliers should provide expendable packaging or returnable containers, where appropriate, that provide for sufficient density and protection from any likely damage that may occur. Expendable materials and packaging must meet local and national standards for safe disposal and/or recycling.
- c. Labeling:** Labeling and bar code requirements may vary among GLG divisions. The GLG Buyer will provide the Supplier with the necessary specifications if required and all labelling must follow the GHS standard.
- d. Delivery:** The Supplier should systematically inform GLG of any delay in delivering product and provide a new dispatch date. The Supplier is responsible for additional transport costs due to delays.

## 5.2 Government Compliance

Suppliers must comply with all applicable governmental, regulatory and environmental requirements (including those of the country where products are manufactured as well as where it is shipped to GLG). This applies to the design, manufacture and delivery of products to GLG. Suppliers are required to have processes in place to monitor changes in applicable governmental, regulatory and environmental requirements, determine the impact of the changes to their operations and products that are supplied to GLG and take appropriate actions to ensure continuing conformance.

## 5.3 Record Retention

The Supplier agrees to retain quality records for a time period specified by GLG's purchase order contract or related reference documents. This period of retention shall be no less than three (3) years for commercial products. Upon request, the Supplier shall be capable of retrieving and delivering required records to GLG within 48 hours from time of request by GLG.

Prior to discarding, transferring to another organization, or destruction of such records, the Supplier shall notify the GLG Buyer in writing and give GLG the opportunity to gain possession of the records. These requirements are applicable to records generated by Supplier's sub-tier sources.

## **6.0 Supplier Performance & Review**

### **6.1 Supplier Performance**

GLG applies a combination of service factors to develop an overall Supplier performance rating. This rating serves as an objective measure to determine whether GLG expectations are being met. At GLG's discretion, the GLG purchasing team with support from Operations may determine that to address the Supplier's performance deficiencies a corrective action and improvement plan is required.

### **6.2 Supplier Assessment**

GLG assesses potential and current sources of supply by conducting supplier evaluations including: surveys, audits, review of product alerts, on-time delivery reports, supplier cancellations, reviews of supplier ratings elsewhere and other quality data to determine past and future performance.

Suppliers whose performance is deemed to need improvement in one or more categories may be requested prepare and submit a corrective action plan to GLG to address any issues. Supplier review is an ongoing process, and necessary to ensure that GLG and its customers' needs are being met.

A supplier's status on GLG's preferred or qualified suppliers list(s) can be impacted by ongoing performance issues. GLG's supplier approval and source selection criteria is documented, maintained, and available to its Customers upon request.

### **6.3 Preclusion of Purchases from Sources**

GLG does not purchase from sources of supply who have repeatedly failed to detect and avoid fraudulent/counterfeit parts or otherwise failed to exercise due diligence in the detection and avoidance of such parts. Approved suppliers who have repeatedly failed to detect and avoid fraudulent/counterfeit parts or otherwise failed to exercise due diligence in the detection and avoidance of such parts or that have more than 3 major nonconformities within 1 calendar year, shall be placed on probation, suspended or removed until an acceptable corrective action is implemented.

Suppliers with pending corrective actions shall be placed on probationary status until a supplier corrective action report ("SCAR") has been completed and accepted by GLG. If the SCAR is accepted, the supplier shall remain on probation for 90 days. During this period, the supplier will be reviewed and will be unable to supply GLG except with management approval. If the supplier's SCAR is not accepted, or not completed, the supplier will be immediately removed as a qualified supplier.

### **6.4 Product Quality Concern Resolution**

Suppliers are responsible for the quality of the product that they supply to GLG. Product quality concerns can lead to disruptions in our customers' manufacturing operations and additional costs being incurred that impact our customer. Additional costs incurred as the result of a supplier quality concern may potentially be subject to a request for cost recovery.

Upon notification of a quality concern / request for corrective action, suppliers are expected to:

- a. Institute immediate containment action(s) for product within their facility(ies), in transit and at GLG or customer facilities.
- b. Submit an initial containment plan to the GLG requestor within 24 hours of notification.
- c. Provide approved product as requested
- d. Submit an initial failure analysis and corrective action update within 5 working days of notification

- e. Provide verification and recurrence prevention actions / evidence within 10 working days
- f. Provide a final corrective action report with supporting data within 30 days of notification.
- g. Continue containment activities until corrective action closure confirmation has been received from GLG.
- h. Provide additional support as may be required.

Any exceptions to the requirements stated above are at GLG's discretion and must be approved by the GLG requestor prior to the due date.

## 6.5 Shipment of Suspected Non-Conforming Product

In the event that a supplier suspects that non-conforming material has been shipped, they are required to immediately contact GLG to with the following information:

- a. Item Name
- b. Quantity impacted
- c. The suspected non-conformance
- d. Lot number(s) impacted
- e. Date code(s) impacted f. Ship date, carrier, tracking number etc

Suppliers are expected to contain the suspect product, arrange for the shipment and receipt of approved replacement product to protect order and production requirements and the return of all suspect products.

When it is determined by GLG that the defect is the fault of the supplier, the supplier will be subject to actions regarding any costs incurred by GLG resulting from the non-conforming material. Such costs may include but are not limited to a) cost of raw product, b) transportation costs, c) product recall costs, d) Direct labor and material costs incurred by GLG or its customer prior to the discovery of the nonconformity, and e) other costs.

## 6.6 Corrective Action Requests

Upon receipt from GLG, Supplier shall complete a Supplier Corrective Action Request (SCAR) form and return it to GLG supplier quality within the allotted time noted on the request. If the form cannot be returned within the allotted time a request for extension must be submitted to GLG within the original allotted time

GLG reserves the right to disapprove the corrective action and request additional and/or amended corrective action, if needed. Failure to respond to requests for corrective action or subsequent information in a timely manner may result in an additional non-conformance against the suppliers' corrective action system itself.

### **Annexure 3 – Conflict Minerals Policy Trimmed Accessories Suppliers**

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This document contains GLG and group of companies’ policy regarding the use of conflict minerals in customers’ private label products. Hereinafter “we” or “our” refers to GLG with respect to private label

This policy will be reviewed and updated as needed.

#### **REGULATION OVERVIEW**

On Aug 22, 2012, the Securities and Exchange Commission (the “SEC”) adopted a conflict minerals rule (the “Conflict Minerals Rule”) as mandated by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The mining and trade of certain minerals is believed to help finance armed groups that are committing human rights abuses in the Democratic Republic of the Congo (the “DRC”) and its adjoining countries. The Conflict Minerals Rule is intended to reduce a significant source of funding for these groups.

“Conflict minerals” are defined in the Conflict Minerals Rule as cassiterite, columbite-tantalite (coltan), gold, wolframite and three specified derivatives: tin; tantalum; and tungsten. In addition to the DRC, the “covered countries “ are defined as : (1) Angola (2) Burundi (3) Central African Republic (4) the Republic of the Congo (5) Rwanda ( 6) South Sudan (7) Tanzania (8) Uganda and ( 9) Zambia

To the extent that conflict minerals are necessary to the functionality or production for GLG customers’ products, we are required to engage in a reasonable country of origin inquiry to determine whether the conflict minerals originated in the DRC or one of the “covered countries”. Hence GLG requires all metal trim components to be covered and definitions as given below.

#### **<sup>1</sup>Necessary to the production**

A conflict mineral will be considered to be necessary to the production of a product when:

1. It is intentionally included in the product's production process, other than if it is included in a tool, machine, or equipment used to produce the product (such as computers or power lines);
2. It is included in the product (MUST be contained in the product to be applicable); and
3. It is necessary to the product.

#### **<sup>2</sup>Necessary to the functionality**

A conflict mineral will be necessary to its functionality of a product if it meets the following:

1. Is intentionally added to the product or any component of the product and is not a naturally occurring byproduct.
2. Is necessary to the product's generally expected function, use or purpose; and
3. Is incorporated for the purpose of ornamentation, decoration, or embellishment, whether the primary purpose of the product is ornamentation or decoration

To the extent that our customer label products contain minerals that are necessary to their functionality or production, we are required to make certain disclosures on Conflict Mineral Report Form. Additional diligence and disclosure obligations are triggered to the extent that the conflict minerals are from a covered country or we are unable to determine the source of the conflict minerals

### **Our Policy Statement**

We take our obligations under SEC and other regulations seriously.

We do not directly source conflict minerals from mines, smelters, or refiners, and are in most cases several or more levels removed from these market participants. Therefore, we require the cooperation of our suppliers in the implementation of this policy and in enabling us to meet our SEC compliance obligations on a timely basis

### **Supplier Requirements**

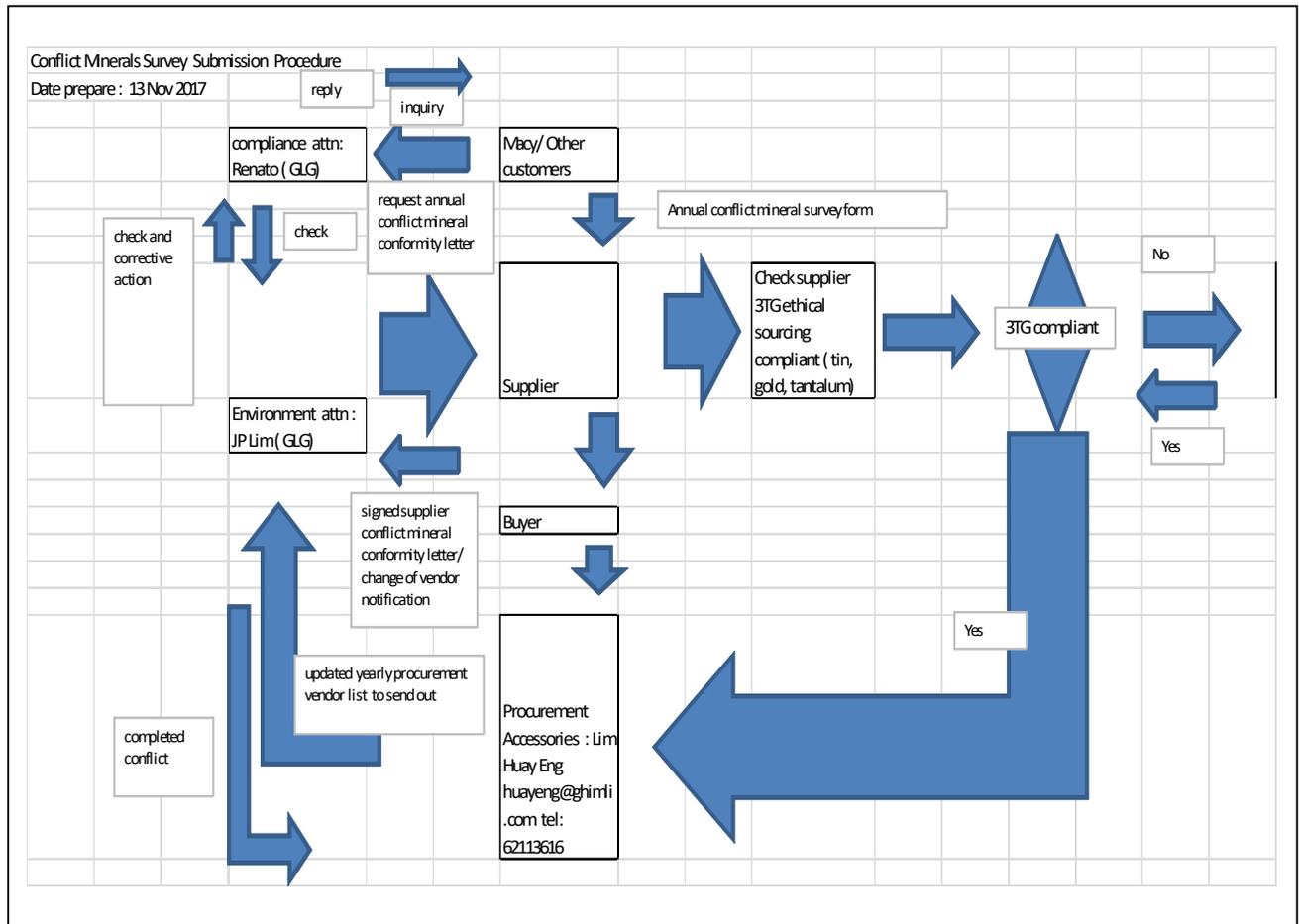
We expect our suppliers who supply or manufacture components, parts or products containing conflict minerals to source those minerals from sources that do not directly or indirectly (i) contribute to conflict or (ii) benefit or finance “ armed groups “ ( as that term is defined in the Conflict Minerals Rule) in the covered countries.

In furtherance of this policy we expect our suppliers to:

1. Implement and communicate to their personnel and suppliers’ policies that are consistent with this policy and required their direct and indirect suppliers to do the same; to sign a supplier declaration letter for each fiscal year.
2. Familiarize themselves with the Conflict Minerals Rule and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict- Affected and High-Risk Ares ( the “ Guidance” ) available here: [www.oecd.org](http://www.oecd.org) and <http://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Editions3.pdf>
3. Put in place procedures for the traceability of conflict minerals at least to the smelter or refiner level, working with their direct and indirect suppliers as applicable.
4. Where possible, source conflict minerals from smelters and refiners validated as being conflict free, and require their direct and indirect suppliers to do the same;
5. Maintain for five (5) years reviewable business records supporting the source of conflict minerals
6. From time to time, at our request, provide to us, or our representative, written certifications and other information concerning the origin of conflict minerals included in products and components supplied to us and the supplier’s compliance with this policy generally, and require their direct and indirect suppliers to do the same; and
7. Otherwise establish, and require their direct and indirect suppliers to establish, policies, due diligence framework and management systems that are consistent with the Guidance.

**Tracing of metal materials and maintain documentation**

All suppliers are required to investigate your downstream vendor (see attached flow chart) for compliance to conflict minerals prior to filling up of the CMRT form:



After your investigation of your downstream vendors , you are required to upload a conflict Minerals Reporting Template ( CMRT version 3.0 or higher) to source intelligence and to provide a copy to GLG Environment Department a softcopy for reference before uploading to the source intelligence by 1 Oct 2018.

We reserve the right to request from any suppliers at any time such information, certifications, and documentation as it shall deem necessary to monitor or assess compliance with this policy.