

L.L.Bean: Remediation of Forced Labor and Human Trafficking

Introduction

L.L.Bean prohibits any form of forced labor or slavery including human trafficking, illegal prison labor, indentured labor, and bonded labor as stated in our **Code of Conduct**. All Supply Chain vendors involved in the manufacturing or finishing of L.L.Bean products are expected to uphold our prohibition, which specifically includes requiring the vendors we contract with to assess compliance to our Code of Conduct against forced labor benchmarks. To this end, vendors agree that they will ensure no forced labor, slavery and human trafficking are occurring in their supply chains and that they will comply with all the standards set forth in the L.L.Bean Code of Conduct, local laws, and where applicable, collective bargaining agreements.

According to the ILO Forced Labor Convention, 1930 (No. 29), forced or compulsory labor is "all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily" and encompasses "traditional practices of forced labor, such as vestiges of slavery or slave-like practices, and various forms of debt bondage, as well as new forms of forced labor that have emerged in recent decades, such as human trafficking." Under these circumstances, victims of human trafficking are often subject to modern day forms of slavery and forced labor such as involuntary labor, bonded labor, and indentured labor. In the supply chain, these consequences are endured by workers who contract with labor brokers or other third-party entities to gain employment in a foreign country or another region within their own country.

How we manage

1. Review and Investigate

Upon receiving information or allegations, the L.L.Bean Global Compliance Team (housed in the Legal Department) will carefully and immediately activate the following investigation and remediation protocol. Simultaneously several actions would occur, including, but not limited to:

- a. Reviewing the findings and relevant local laws to understand the gaps and problem areas that need to be addressed.
- b. Communicating with the source that reported the issues e.g., social compliance auditors, NGOs, workers, victims, etc. to obtain maximum information surrounding the allegation(s).
- c. Communicating with factory management to inform them of the findings or allegations and to gather supplemental information. The Global Compliance Team and our Sourcing Department may also place the factory on temporary probation where orders are placed on hold while the investigation is occurring.
- d. Assembling an investigative team which consists of the L.L.Bean Global Compliance team and expert organizations (if needed). If L.L.Bean is aware of other

compatible brands that also source from the same factory, we will engage with them to exchange information and potentially perform a joint investigation.

2. Establishing Corrective Actions and Monitoring Plan:

- a. Once an investigation has been conducted and the forced labor concern is properly confirmed, L.L.Bean will approach factory management and begin the corrective action process. A formal report will be sent requiring a written reply that factory management is willing to address all concerns and agrees to comply with next steps to fully remediate the situation. The Global Compliance and Sourcing teams may also extend the factory probation period until all concerns are sustainably remediated.
- b. Per the laws of the country or countries involved, the incident would be reported to the proper authorities. If we have partnered with another brand, then this process will be done jointly as agreed upon by both parties and in compliance with relevant US laws.
- c. Impacted workers reparations: L.L.Bean would collaborate with the expert organizations and authorities to ensure impacted workers are offered safe harbor and provided with financial and other assistance and support such as:
 1. Medical attention if needed, on-going counseling, return of deposits and fees from broker and/or the factory, payment of all legally required wages and benefits, option of free transportation to return home or to be placed in a safe and suitable transition housing.
 2. Follow-up visits to check on the impacted worker's progress to ensure proper remediation is provided.
- d. Whistleblower protections: L.L.Bean would treat both the information provided and the source as confidential and would not disclose without a valid reason as set by law. L.L.Bean would collaborate with the expert organizations and authorities to ensure the source is protected from retaliation for reporting the concerns.
- e. Factory management will be expected to acknowledge and analyze the identified issues. A root cause analysis of each problem identified in the initial investigation and audit must be conducted and demonstrated to L.L.Bean.
- f. Once the root cause analysis process has been identified, L.L.Bean will work with the factory in designing sustainable corrective action plans and timelines.
- g. L.L.Bean will monitor the factory's progress according to the corrective action timelines. A physical follow-up audit will be conducted at appropriate intervals and unannounced surveillance may be arranged. In all cases, interviews, whether on-site or off-site, as deemed appropriate, will be conducted with both affected and non-affected workers.
- h. Monitoring will continue until the factory has demonstrated adequate and sustainable remediation. Once this point is reached, monitoring will continue annually, at minimum and the factory would be taken off probation status.

3. Escalation Policy:

As part of our factory disciplinary procedure and in addition to probationary actions, L.L.Bean has established an escalation policy if a factory refuses to cooperate, makes little or no progress in remediation and/or demonstrates a lack of commitment.

- a. If a factory fails to improve within timelines, it will be issued a warning stating their continued business with L.L.Bean is in jeopardy.
- b. If factory fails to show immediate cooperation after receipt of the warning letter, L.L.Bean will sever business and plan a responsible exit strategy per normal practice.