



## OUTERSTUFF FAIR COMPENSATION PUBLIC COMMITMENT STATEMENT

January 1<sup>st</sup>, 2022

As a Fair Labor Association (FLA) Participating Company (PC), we are committed to work with our suppliers towards a fair compensation strategy for workers. Fair compensation ensures factories are obligated to meet a worker's basic needs as well as providing for some discretionary income during a regular work week, and upheld in Outerstuff's code of conduct.

Starting in 2017, we began to initiate fair compensation conversations both internally with management and our owners, as well as externally with factory owners and management. Topics included, but were not exclusive to:

- FLA Participating Company fair compensation definitions, expectations, and obligations.
- Outerstuff incorporating specific language into our published code of conduct; and
- Introduction of the FLA Wage Data Collection Tool to Outerstuff global suppliers.
- Gathering feedback and measuring progress from suppliers to set wage targets and collaborate how purchasing practices impact their ability to pay fair wages.

Utilizing the Wage Data Collection Tool, we were able to capture wage data from 2019 through 2021, from our global suppliers that covered 9 countries. The FLA Dashboard allows us to compare factory wages against varying national and local benchmarks that include the Global Living Wage Coalition. Current data collected and confirmed with the annual audits conducted at these factories, showed all our suppliers met minimum wages, and 18% met living wage benchmarks.

We continue to review and educate the impact of wages on workers with Outerstuff management and communicate the role of accountability to uphold living wages through our purchasing practices and civil society engagement. We will initiate new cycles of data wage collection annually with our suppliers to track progress and gaps that still must be addressed with factory management. These findings and progress will be reported out to our internal team, and global suppliers through trainings and industry experts. Outerstuff is fully transparent, and will make our findings, progress and gaps available to all stakeholders.

Outerstuff takes worker's rights and fair compensation very seriously, and we will continue to support and drive high level conversations, trainings, reporting of progress. Following through with continuous collaborations and an open dialogue with both Outerstuff owners and our global suppliers.

1412 Broadway

18th Floor New York, NY 10018

Tel.: 212-594-9700 • Fax: 212-239-4268