

ULLAC

SUSTAINABILITY IN ACTION
AT UNITED LEGWEAR & APPAREL CO.

2025



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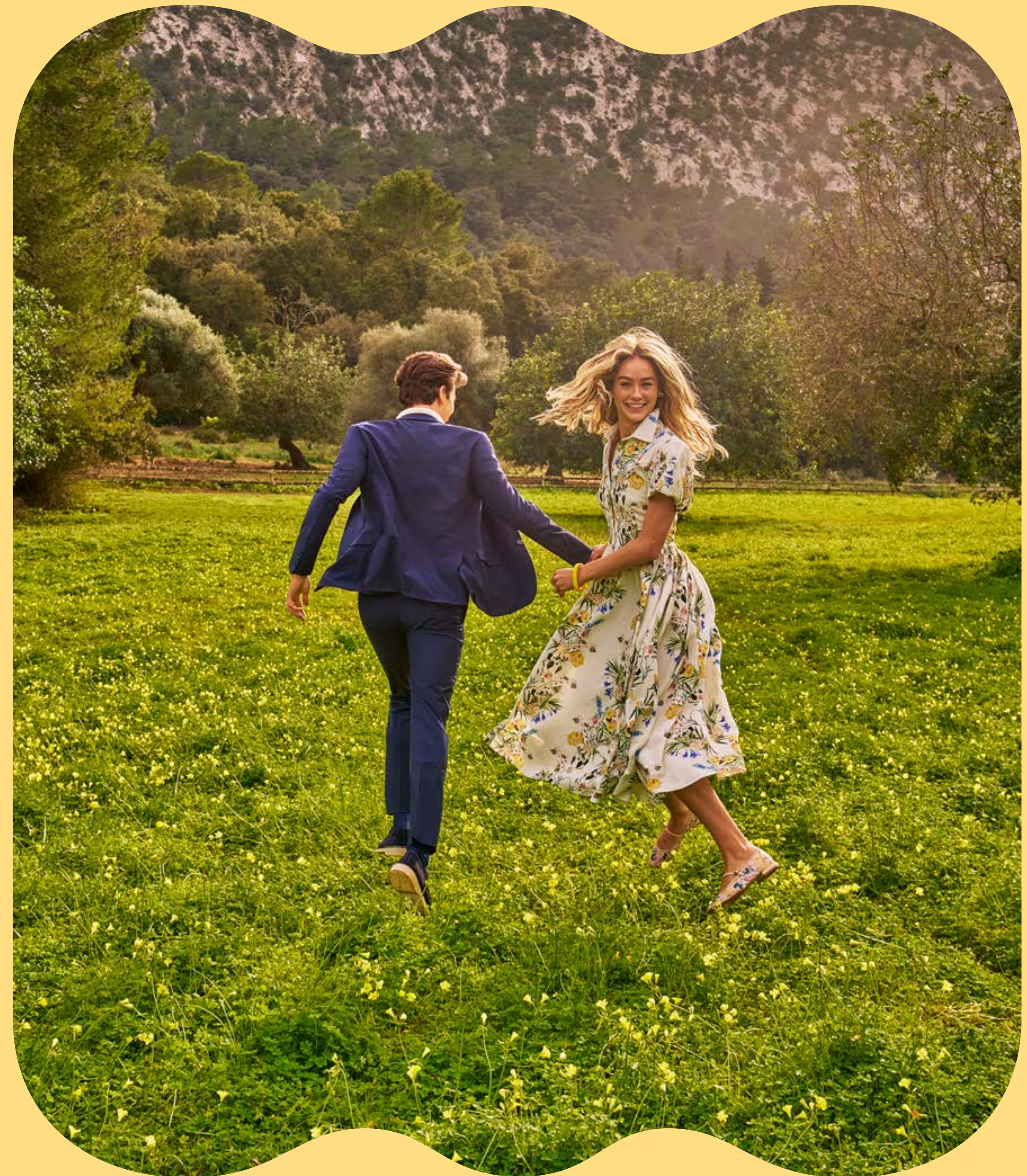
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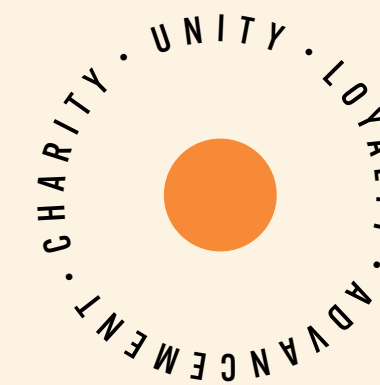


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Message

04 EXECUTIVE LETTER

06 ABOUT THIS REPORT



As we strengthen
supplier partnerships
and navigate global trade
pressures, we remain
grounded in what
matters most: delivering
lasting quality with a
responsible, sustainable
business.

Dear Stakeholders,

AS OUR COMPANY grows and the world around us shifts, we are learning to move more nimbly without compromising the ULAC values that define who we are.

In 2024, we laid the groundwork for long-term progress by upgrading our data tracking, impact measurement, and risk management processes. From supply chain transparency to smarter packaging choices, we’re building stronger systems to improve accountability and unlock new efficiencies.

As we strengthen supplier partnerships and navigate global trade pressures, we remain grounded in what matters most: delivering lasting quality with a responsible, sustainable business.

This year’s progress reflects our commitment to a sustainable approach:

- We reached 55% sustainable packaging by using Forest Stewardship Council (FSC) certified paper and Global Recycled Standard (GRS) certified recycled plastic, more than doubling our 2023 levels.
- Our textile recycling efforts expanded through nonprofit partnerships, helping us reduce waste and extend product lifecycles.
- We received validation from the Science-Based Targets initiative for our goal to reduce Scope 1 and 2 emissions by 42% by 2030, using 2022 as our baseline, and began laying the groundwork to assess and address Scope 3.
- By expanding our use of the Higg Facility Environmental Module (FEM) and implementing a new factory data platform, we improved environmental visibility across more than 200 core suppliers.
- We have maintained three Textile Exchange certifications, affirming that our sourcing strategy continues to evolve in line with global standards.



Just as important are the systems we’ve built behind the scenes. From supplier mapping to packaging data to pay equity, we’re establishing infrastructure to measure and manage what matters most. These efforts support better decision-making for years to come.

As ULAC grows, so does our responsibility to support a team culture where people are equipped to succeed and grow. In 2024, we strengthened our onboarding process, piloted new leadership development programs, and expanded our communication across languages and work styles.

Looking ahead, we’ll continue to focus on integration: connecting strategy with execution, data with decisions, and sustainability with operational excellence.

Thank you for your continued trust and partnership. We’re proud to do this work the ULAC way.

Sincerely,

Isaac E. Ash, CEO, President and Founder

Christopher J. Volpe, Chief Operating & Financial Officer, and Sustainability Champion





About This Report

THE REPORT COVERS the period from January 1, 2024, to December 31, 2024, and is produced annually in alignment with our financial reporting.

We are guided by the 2021 GRI standards, SASB standards for Apparel, Accessories & Footwear, and the UN Sustainable Development Goals (SDGs).

Contact sustainabilityulc@ulac.com for further information.



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Roots

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HIGHLIGHTS



Who We Are And What We Do.



The letters in our name spell out our core values:

UNITY

ULAC is a family, and everyone is an equally important part of the whole. Like links in a chain, we work together to achieve success.

LOYALTY

We reward hard work, promote from within, and offer employees fulfilling, long-term careers.

ADVANCEMENT

Nearly three decades of integrity, passion, and hard work have advanced ULAC’s position in the industry from a small, family-run business to a global corporation.

CHARITY

Working with trusted 501(c)3 organizations, ULAC contributes millions of dollars each year to help those in need.

UNITED LEGWEAR & APPAREL CO. (ULAC) is a privately held global entity that conscientiously designs and responsibly manufactures and distributes apparel and accessories for some of the world’s most recognizable brands.

Innovation drives everything we do, from developing clothing and accessories to delivering products from our state-of-the-art warehouse and distribution centers to all tiers of retail.

ULAC was founded with a vision to create high-quality apparel and accessories, with a commitment to ethical practices and social responsibility. This vision has guided the company since our inception and continues to shape our strategies and actions.

Our Mission

ULAC’s mission is to deliver quality, value, and style through apparel and accessories that elevate everyday life, while upholding integrity, innovation, and respect across our global network. Driven by innovation and powered by people, we strive to move fashion forward—responsibly and reliably.

Our Products

We dress the world, head-to-toe, with a wide range of clothing, legwear, bodywear, and accessories.

Legwear

From daily wear to high-performance needs, our legwear blends functionality, durability, and style in every design.

Accessories

Our accessory line includes everything from backpacks and belts to cold-weather gear and small essentials, built for everyday use with modern appeal.

Bodywear & Loungewear

Designed for comfort and longevity, our bodywear for all ages features everyday staples like boxer briefs, bras, and seamless underlayers. For down time at home, loungewear options include those with relaxed silhouettes and trending styles.

Swimwear

Our swim collections for kids and adults include a wide variety of styles, from classic trunks and board shorts to active-ready pieces designed for movement and sun.





Our Products

Kids’ Apparel

Playful and practical pieces like tees, hoodies, sets, and seasonal favorites for growing wardrobes are available for everyone, from the smallest kids up to girls’ size 16 and boys’ size 20.

Men’s Apparel

This collection covers everything from tailored shirts to casual basics, offering versatile options for workdays, weekends, and everything in between.

Women’s Apparel

Centered around elevated tops and blouses, this line features fashion-forward choices, timeless fits, and on-trend patterns.

Hardlines

Our hardlines offering includes recreational gear and casual footwear, such as soccer balls, flip-flops, and shower slides designed for ease and utility.

ULAC At A Glance

650+

DIRECT EMPLOYEES GLOBALLY

13

ASSOCIATIONS & MEMBERSHIPS

1999

ULAC IS FOUNDED

15

BRANDS IN THE PORTFOLIO

180M+

UNITS OF PRODUCT SHIPPED ANNUALLY

15

GLOBAL LOCATIONS

50+

CHARITIES SUPPORTED

2M+

SQUARE FEET OF STATE-OF-THE-ART WAREHOUSE FACILITIES

300+

INDIRECT EMPLOYEES



Performance Highlights

55% of packaging materials were FSC-certified paper or recycled plastic, up from 23% in 2023

219 Tier 1 and 2 factories completed verified Higg FEM assessments

Science-Based Target validated: 42% reduction in Scope 1 and 2 emissions by 2030

80% of drayage trucks are now electric or zero-emission

12% of all materials used were from responsible sources, with three categories exceeding 25% preferred fiber use (exceeding our 20% preferred fiber goal)

100% corrugated cardboard recycled across our warehouse network

Performance Highlights

Ambassador Program piloted in our Beaumont, California, distribution center to build peer leadership

Green Leaf Challenge to promote sustainable practices in our products and the workplace

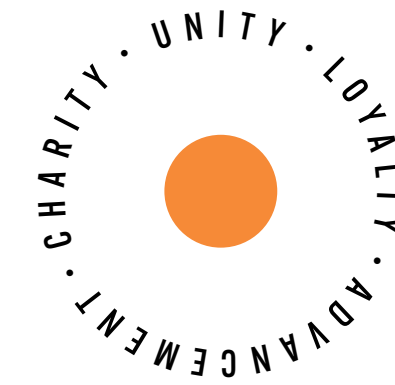
Textile Exchange Certified: Global Recycled Standard (GRS), Recycled Claim Standard (RCS), and Organic Content Standard (OCS)

Town halls and training expanded in English and Spanish at select sites

Supply chain mapping expanded across all Softline (apparel, socks, and accessories) suppliers

Pay equity framework in progress with job tiers, pay bands, and skill-based differentiation





Alignment with the United Nations Sustainable Development Goals

We are committed to supporting the United Nations Sustainable Development Goals (UN SDGs) in the areas where we can make the most meaningful impact.

Aligned with our strategic priorities, our efforts focus on driving practical changes that contribute to a more sustainable, equitable future.

Our SDG Focus Areas

We have prioritized eight SDGs that align with our mission and where we believe our business can create the greatest value. These eight goals reflect the social and environmental issues most relevant to our operations and stakeholders, and we use them as a practical framework to identify and act on the topics where we have the greatest impact and responsibility.



SDG 5: Gender Equality

Gender equity is essential in a global apparel industry where women make up the majority of the workforce. We promote gender equality in our workplace and supply chain by empowering women and ensuring equal access to opportunities. Our diversity, equity, and inclusion (DEI) initiatives are central to fostering fairness for all employees.



SDG 6: Clean Water and Sanitation

Water is a critical input in apparel manufacturing, making responsible use and access a key industry concern. We take steps to conserve water by using drought-tolerant landscaping, capturing rainwater, and installing water-saving fixtures. FloWater stations in our offices have further reduced usage and diverted 20,000+ single-use plastic bottles from landfills.



SDG 7: Affordable and Clean Energy

Energy use in manufacturing and transportation contributes to emissions across the apparel supply chain. We are reducing our dependence on fossil fuels through investments in solar energy and a growing fleet of electric vehicles. Our participation in the U.S. Environmental Protection Agency’s SmartWay transportation program also helps limit emissions from freight operations by leveraging a comprehensive system for benchmarking and reporting freight emissions across our network.





SDG 8: Decent Work and Economic Growth

Protecting workers' rights is fundamental in a labor-intensive, global sourcing environment.

We uphold human rights and fair labor standards across our global supply chain, and we do not tolerate forced labor, child labor, or unsafe working conditions. Our practices include rigorous supplier onboarding, social compliance audits, and regular risk assessments, all aimed at ensuring ethical working conditions and expanding access to decent work across our value chain.



SDG 10: Reduced Inequalities

In a sector with complex, diverse labor and consumer markets, we must create fair opportunities.

Our hiring, pay, and promotion practices are structured to reduce bias and support diversity, equity, and inclusion. We work to ensure every employee is treated with dignity and respect.



SDG 12: Responsible Consumption and Production

The fashion industry's environmental footprint makes sustainable design and waste reduction essential.

We are focused on designing, producing, and packaging our products more sustainably. We are committed to utilizing more recycled and sustainable materials, while minimizing waste. The Five Rs of sustainability guide us: Remove, Reduce, Redesign, Recycled content, and Recyclability.



SDG 13: Climate Action

The clothing sector overall contributes significantly to global emissions, demanding concerted climate leadership.

We are reducing our greenhouse gas emissions in line with our approved Science-Based Targets. Tools like the Higg FEM and other metrics help us measure progress, identify new ways to cut emissions, and increase our use of clean energy.



SDG 15: Life on Land

Raw materials that are part of our supply chain rely on the biodiversity of forests and ecosystems.

We support efforts to protect and restore ecosystems. We design our sourcing practices to prevent deforestation and avoid harm to biodiversity. This includes our continued focus on "design for recycling," choosing safer materials, testing for restricted chemicals, and ensuring product durability.



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Pathways

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Our Sustainability Strategy

OUR STRATEGY REFLECTS our realities: rising expectations for sustainability from customers and retail partners, a tightening macroeconomic landscape, and the need to compete by innovating responsibly. Built on a foundational assessment of our environmental, social, and economic impacts, our strategy is guided by a simple goal: Do better at every stage of the value chain.

From design and sourcing to operations and compliance, every function plays a role in strengthening our sustainability performance.

Our approach is also anchored in science, and the Science-Based Targets initiative (SBTi) has validated our emissions goals.





**ENVIRONMENTAL
STEWARDSHIP ISN'T
A STAND-ALONE
INITIATIVE FOR
US. IT'S CORE TO
HOW WE RUN OUR
BUSINESS, SHAPING
EVERYTHING
FROM PRODUCT
DEVELOPMENT
TO SUPPLIER
RELATIONSHIPS.**



Real-Time Visibility through the Higg FEM

We use the Higg Facility Environmental Module (FEM) to evaluate environmental performance across our core supplier network—an essential tool for enhancing our tier 1 and 2 suppliers' ability to manage environmental management systems, energy, waste, water, wastewater, air emissions, and chemicals effectively.

100% compliance goal: Our goal is to reach 100% FEM participation from a group of core suppliers linked to specific agents with high volume and contract value. Participation helps us to ensure consistent environmental standards across our value chain.

Progress to date: In 2021, we made FEM assessments mandatory for Tier 1 suppliers. Since then, participation has expanded from 60 to ~180 core factories.

2024 results: A total of 219 Tier 1 and 2 factories have completed and verified their FEM assessments, representing more than 90% participation among those suppliers.

Data-driven decisions: We piloted a new Factory Data Tool from Worldly, giving us real-time insight to shape decisions related to Tier 1 supplier metrics including energy, waste, and water.



PRODUCT

PRODUCT GOALS
Responsible Packaging
55% achieved in 2024; 70% goal for 2025. Core packaging to use FSC mix or recycled paper. Polybags to contain at least 50% recycled content

Responsible Design
12% achieved in 2024; 20% goal for 2025. Increase use of recycled fibers, organic materials, and Better Cotton (BCI)

DPP Initiate Pilot



OPERATION

Re-baselined 2022 GHG inventory


PEOPLE
Focus on DEI and Gender Equality



PRODUCT

PRODUCT GOALS
Responsible Packaging
• 80% goal for core packaging by 2026

• 100% transition to recycled plastic swift tags or fabric string

• Transition recycled polybags to FSC paper bags for e-com

Responsible Design
25% preferred fiber consumption by 2026

DPP Phase 1 implementation for apparel by Spring 2026



OPERATION

ULAC MAIN DISTRIBUTION CENTRE (2025-2026):
Shrink Wrap recycling

Corrugated boxes
100% diversion from landfill

Direct to Customer
Transition from cardboard boxes to paper mailers

Renewable Energy
Purchase Renewable Energy Credits (REC)

On-site Solar
Explore options to increase capacity at Main Distribution Centre

Supply Chain
All core Suppliers to have Higg vFEM ≥ 60% score



PEOPLE

PEOPLE GOALS
Supply Chain Core Suppliers
• Track with platform

• Supply Chain Mapping T1-T5

• Social Compliance Audits

• Non-Compliance Trends

ULAC
• Training Programs

• Retention

• Effective HR processes

• Incorporate ESG practices



PRODUCT

PRODUCT GOALS
Responsible Packaging
• 90% goal by 2028

• Transition virgin plastic to 30% recycled plastic

• Recycled plastic to FSC paper

Responsible Design
35% preferred fiber usage by 2028

DPP
Full implementation and compliance for Apparel and Accessories



OPERATION

Supply Chain
Maintain 100% Higg vFEM and ≥70% score for core suppliers

SBTi ULAC 28% reduction in GHG by 2028

On-site Solar
Increase by 5% at Main Distribution Centre


PEOPLE
Supply Chain
Manage core suppliers' Chain of Custody documents within the platform



PRODUCT

PRODUCT GOALS
Responsible Packaging
90%-100% goal by 2030. Shift from FSC paper to bio-based alternatives.

Responsible Design
50% Preferred Fiber usage by 2030

Circularity
Implement advanced DPP and explore and prepare for Full Circular DPP



OPERATION

SBTi Goal ULAC to Reduce carbon footprint by 42% by 2030.

Higgs vFEM Core suppliers to score >70% on Higgs vFEM



PEOPLE

SUPPLY CHAIN
Achieve full traceability & transparency.

The Road Ahead

Our sustainability roadmap continues to evolve, with new metrics, tools, and operational goals on the horizon. We will continue to refine our strategy and work closely with partners, because long-term value depends on sustainable practices today.

ULAC'S 8 SDGS

PRODUCT SDG 12, 13, 15

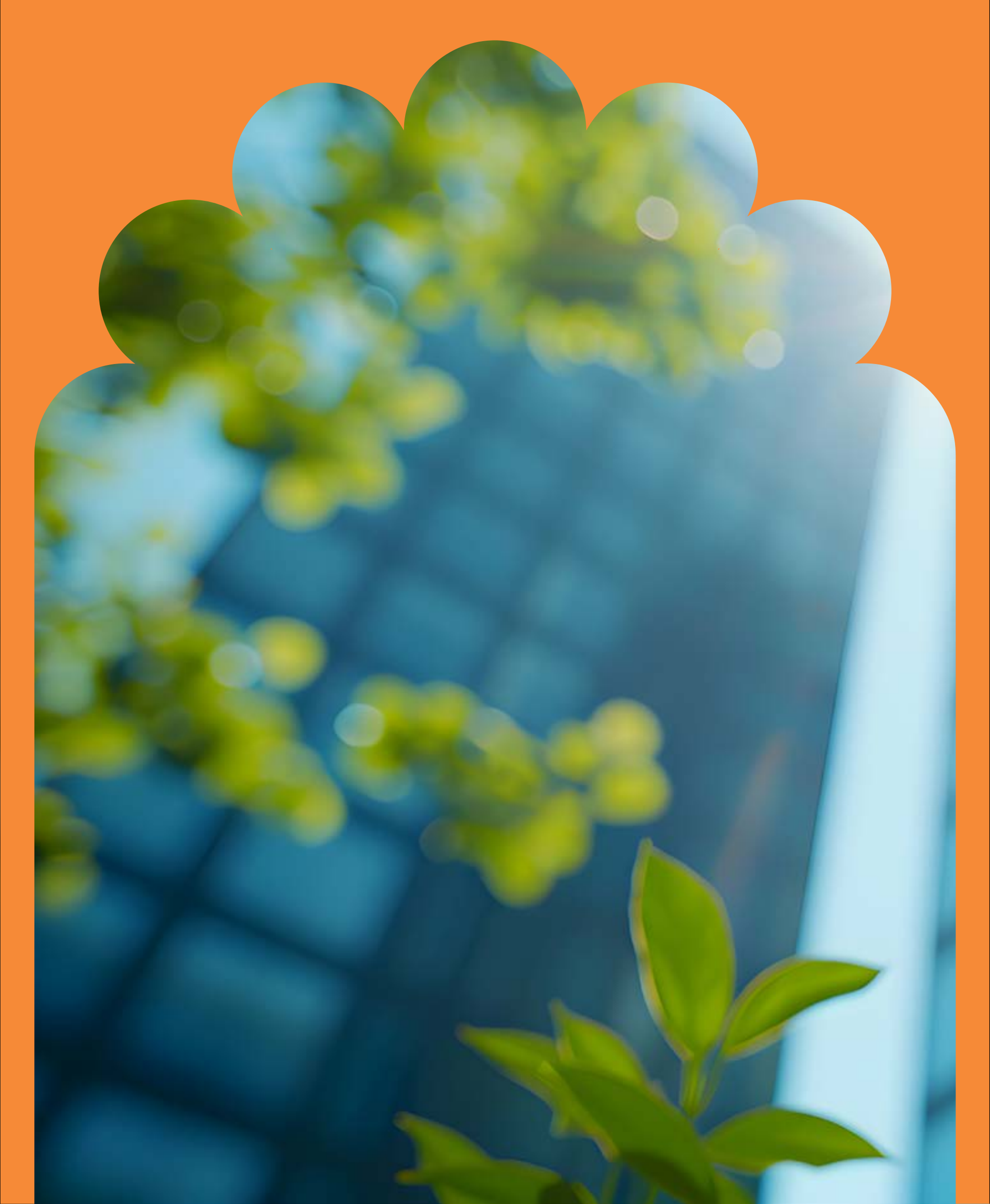
OPERATIONS SDG 6, 7

PEOPLE SDG 5, 8, 10

Energy & Emissions

WE ARE FOCUSED ON reducing overall consumption, expanding renewable energy sources, and cutting emissions across our operations and supply chain. From facility-level upgrades to reducing freight emissions, our strategy reflects a company-wide effort to reduce our environmental impact.

ULAC continues to invest in solar energy to reduce reliance on non-renewable sources. We installed solar panels at multiple locations, including our major distribution centers in Rialto and Beaumont, California.



We are making meaningful progress to reduce transportation-related emissions:

- **Electric vehicles (EVs)**
As of 2024, 80% of trucks serving our sites are electric or zero-emission, and we primarily use electric forklifts in our operations.
- **Conserving energy consumption**
We optimize energy consumption by utilizing smart chargers throughout our operations.
- **Reducing freight emissions**
Our participation in the EPA's SmartWay transportation partnership also helps us identify and select more efficient freight carriers, service providers, transport modes, equipment, and operational strategies to improve supply chain sustainability and lower costs from goods movement. As part of SmartWay, all logistics partners comply with anti-idling rules to support cleaner air around our sites.



Carbon Reduction Targets

In 2024, the Science-Based Targets initiative (SBTi) validated our goal to cut Scope 1 and 2 greenhouse gas (GHG) emissions by 42% by 2030, using 2022 as our baseline. This aligns our efforts with the global 1.5°C temperature target.

TO REACH THIS GOAL, WE ARE PURSUING

- Energy efficiency facility upgrades
- Expanded use of on-site solar
- Increased data transparency and monitoring
- Renewable energy credits

Recalibrating Based on Growth

In 2024, our reported emissions increased from the 2022 baseline. This change reflects our rapid business growth, including an increase in physical footprint and expanded operational activity across key sites. While this trend was expected, it reinforces the importance of continuing to scale efficiency measures and improving how we capture and track emissions data.

Next Steps: Scope 3 and Beyond

IN 2024, WE BEGAN laying the groundwork to measure and manage Scope 3 emissions—the indirect emissions that occur throughout our value chain, including materials sourcing, logistics, and product use. We will begin collecting this data in the second half of 2025.

Our next priority is increasing the availability and reliability of data to support long-term decision-making across Scopes 1, 2, and 3.



EMISSIONS SCOPES

- Scope 1**
Direct emissions from combustion of fossil fuels (e.g., natural gas in owned buildings, gasoline in vehicles, etc.)
- Scope 2**
Indirect emissions associated with purchased electricity, heat, chilled water, or stream
- Scope 3**
Indirect emissions associated with business activities outside of the company’s operational boundaries.

EXECUTIVE SUMMARY HIGH-LEVEL RESULTS				
	2022	2024	% DIFFERENCE	
 Facility (ft2)	969,2000	3,160,444	↑226%	
 Electricity (tCO23)	616	1,953	↑217%	
 Natural Gas (tCO2e)	870	579	↓33%	
 Refrigerant Gasses (tCO2e)	234	807	↑217%	
 Total MB Emissions (tCO2e)	1,720	3,340	↑94%	



KEY TAKEAWAYS

- United Legwear and Apparel Co. underwent notable natural business growth between 2022 and 2024.
- 5 new offices
 - 2 new Distribution centers
 - 2 new showrooms
- This increase in the operational footprint resulted in increased lighting, heating, and cooling accounting for an increase in Scope 1&2 emissions.



Waste & Water

Waste Management

ACROSS OUR OPERATIONS, we're implementing strategies that prioritize reduction, recycling, and reuse, while investing in systems that support long-term conservation.

We also aim to divert waste from landfills wherever possible, partnering with nonprofits and improving internal systems to reduce materials across the value chain.

KEY PROGRAMS INCLUDE

- **Cardboard recycling**
We continue to achieve 100% diversion of corrugated cardboard across our warehouses, ensuring that high-volume packing materials are recycled, not wasted.
- **Textile recycling and donation**
In 2024, we donated or recycled 854 pounds of fabric in partnership with FABSCRAP. These efforts complement our ongoing charitable donation programs, which support those in need and help reduce waste.
- **Reducing plastic use**
In our New Jersey office, process changes such as replacing single-use plastic utensils with compostables continue to reduce waste. As a direct result of our FloWater drinking water stations, we avoided more than 75,000 plastic water bottles going to landfill from our New Jersey and New York offices and California distribution centers in 2024.



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WASTE REDUCTION IN ACTION

WHEN WE RECYCLED AND DONATED MORE THAN 1,000 POUNDS OF TEXTILES OTHERWISE DESTINED FOR LANDFILL, WE NOT ONLY CONSERVED MATERIALS, WE ALSO SAVED 8.5 TONS OF CO₂ EMISSIONS. THAT'S EQUIVALENT TO MORE THAN 21,000 MILES DRIVEN BY AN AVERAGE PASSENGER VEHICLE, OR NEARLY 9,500 POUNDS OF COAL BURNED.

”

Water Efficiency

We are taking practical steps to reduce water use across our sites further:

- Landscaping with drought-resistant plants
- Rainwater recycling systems
- Low-flow and efficient toilet installations

These efforts support our broader environmental goals while lowering operational water consumption.



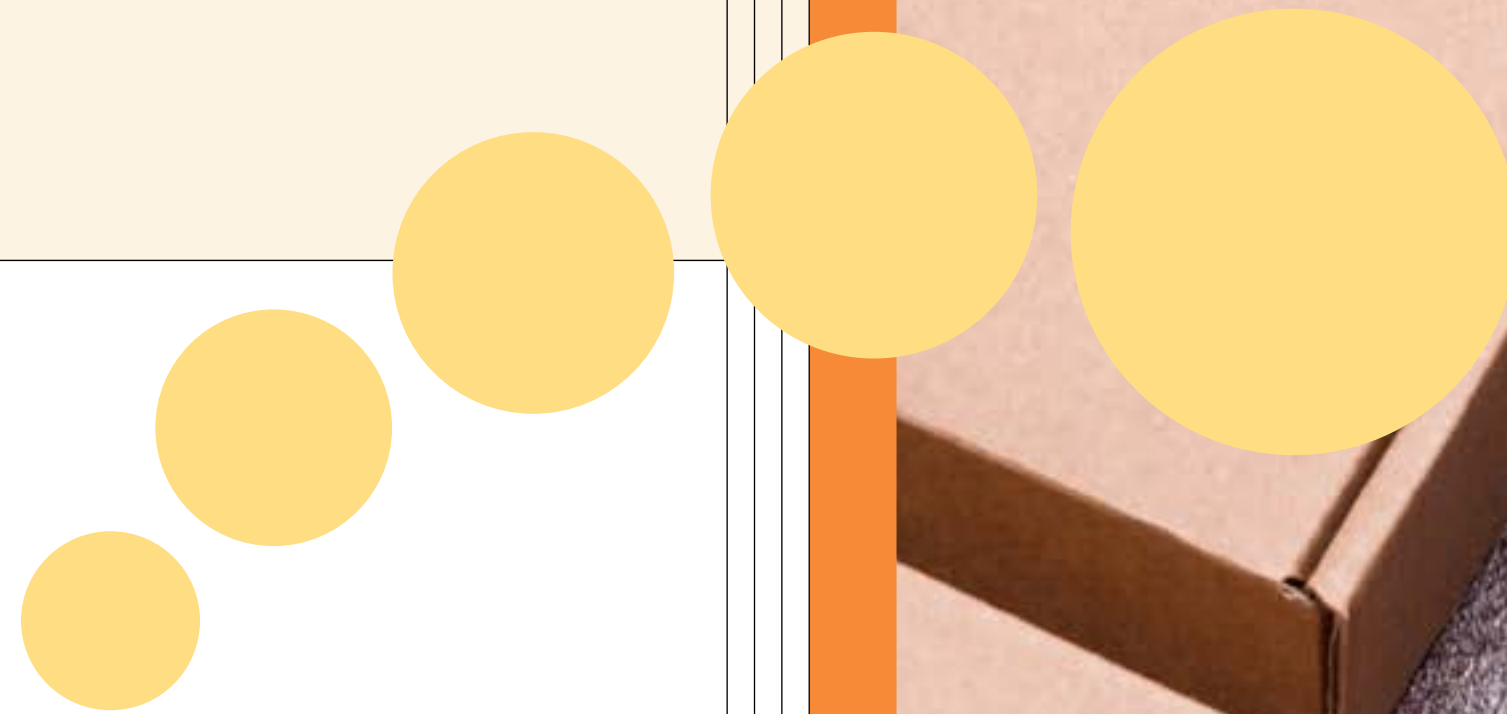
Packaging

Responsible Packaging Strategy

WE PRIORITIZE RECYCLABLE, certified, and reduced-impact materials, without compromising the performance our partners expect.

Every packaging decision is made with durability, compliance, and circularity in mind.

We continue to build systems that meet our non-negotiable requirements for quality and function, while introducing more sustainable options at every stage of the process.





Progress with Purpose

WE CONTINUE TO challenge our teams with aggressive internal goals and achieved 55% sustainable packaging materials in 2024—a significant increase from 23% in 2023.

This includes materials used across paper goods, polybags, and branded packaging components.

Details that Matter

Changing the smallest elements can add up to a significant impact.

One key driver of our 2024 progress was reducing excess materials—removing unnecessary hang tags and replacing plastic swift tags (fasteners) with recycled alternatives.

Extended Producer Responsibility (EPR) Compliance

ULAC continues to comply with EPR regulations in Canada, ensuring proper reporting across all provinces, as well as in Oregon in the U.S. We are also preparing for EPR rules to take effect in California, Maine, Maryland, Minnesota, and Colorado in 2025, and will also meet similar requirements in Europe.

These regulations challenge us to innovate ahead of compliance, improving material efficiency, recyclability, and responsible design.

AT ULAC, PACKAGING IS MORE THAN A NECESSITY—IT'S A REFLECTION OF OUR VALUES. WE'RE COMMITTED TO LEADING THE WAY WITH SUSTAINABLE SOLUTIONS THAT BALANCE FUNCTIONALITY, QUALITY, COMPLIANCE, AND DESIGN INTEGRITY FOR THE FUTURE.

Looking Forward

OUR WORK IN SUSTAINABLE packaging is far from complete. We are focused on:

- Exploring mono-material and curbside-recyclable options
- Improving labeling and guidance for responsible disposal
- Driving cross-functional collaboration to improve sustainability without sacrificing product integrity



Product Materials

Prioritizing Better Materials Without Compromising Performance

Every ULAC product must be sourced responsibly and produced according to the standards outlined in our Compliance and Quality Assurance Manual. From material selection to supplier verification, our process is built to meet our retail partners' expectations, while being good stewards of our natural resources. That includes piloting digital product passports (DPPs) to make information on materials, recyclability, and disposal instructions more accessible.

Our approach is flexible by brand and pricing strategy, but our direction is consistent: favor responsible fibers whenever feasible, without sacrificing quality or affordability.



Core Customers, Outsized Impact

In our Bodywear business, we were able to build rapid momentum and implement material improvements at scale by working closely with high-volume core retail customers—especially those already committed to sustainability. The design team prioritized core customer relationships with high sell-through potential, helping us shift millions of units toward preferred materials with immediate, measurable results, including reaching ~28% preferred materials like recycled polyester.





Nicholas Fiallo's team, covering bodywear for Puma, Scotch & Soda, Puma Retail, Private Label, & Hurley, achieved 30% preferred fiber usage in 2024.



Aiming High and Making Meaningful Progress

IN COLLABORATION WITH our customers and their needs, we continued to work toward our 20/20 goal for 2024: at least 20% of products made with a minimum of 20% sustainable fibers.

Our Swim, Accessory, and Bodywear product categories performed exceptionally well, although other categories fell short of our ambitious aim.

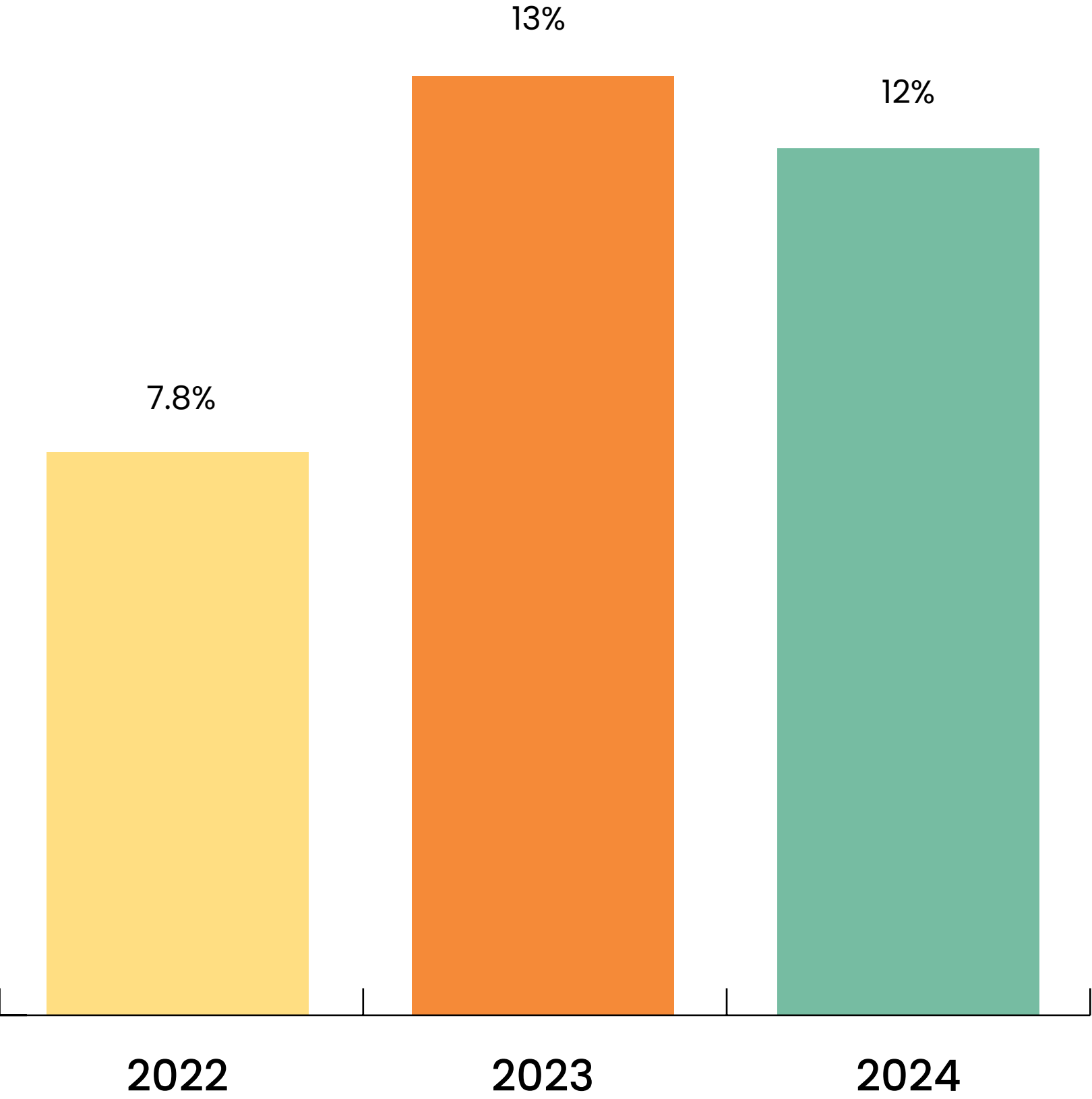
In 2024, we began tracking material consumption to better understand our material footprint. This provides deeper insight into the materials we use most and where we can continue to make improvements.

We are also working to increase the use of regenerative and sustainable fibers by 5%–10%, including organic cotton, recycled polyester, and manmade cellulosic fibers (MMCFs).

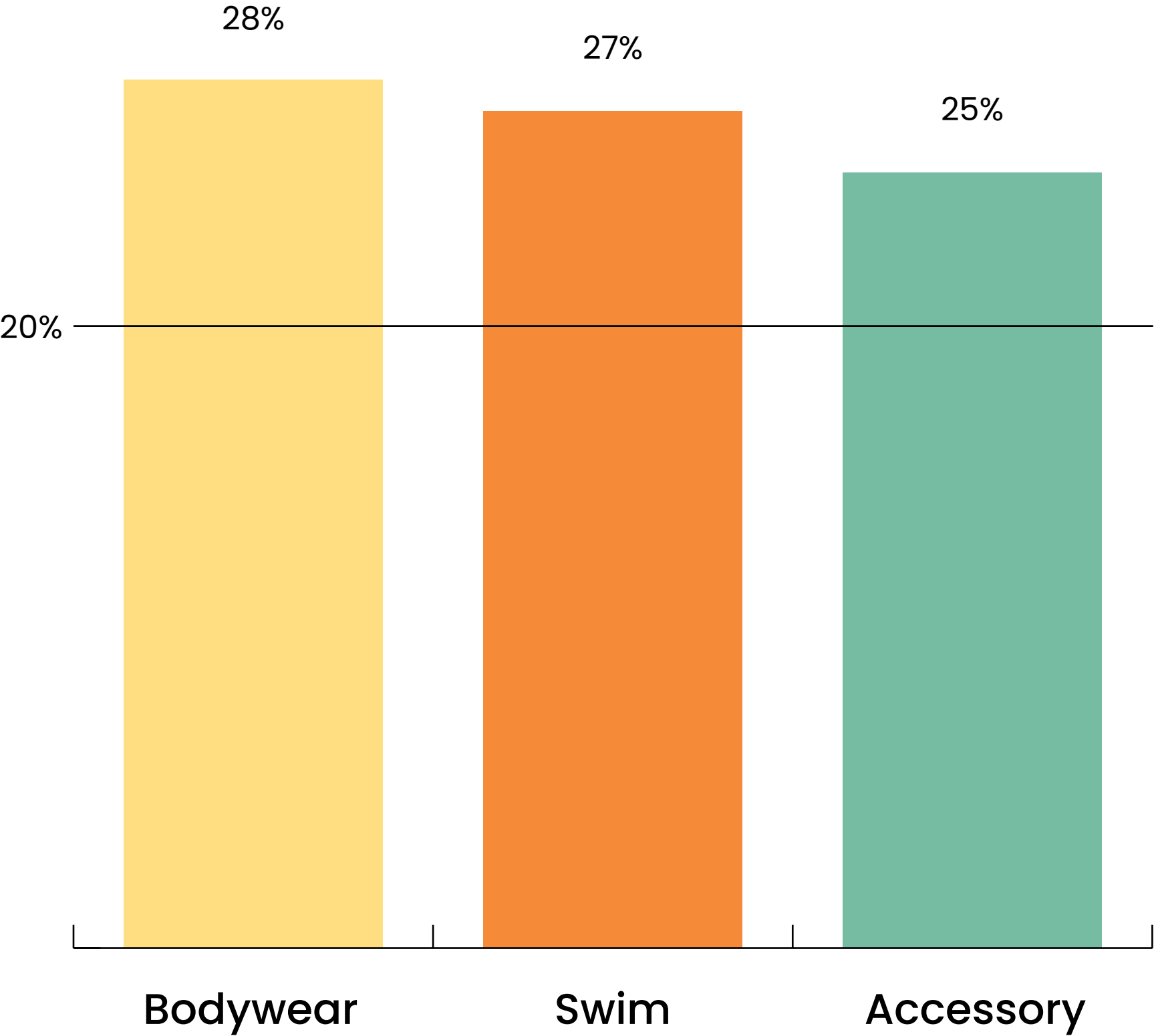
Preferred Fiber Alternatives

- Natural fibers: Organic cotton (Global Organic Textile Standard, or GOTS, OCS), pre-consumer cotton
- Recycled synthetics: Recycled polyester, nylon, wool, and leather (RCS, GRS)
- Certified animal fibers: Responsible down, wool, alpaca, and cashmere (Responsible Wool Standard, Responsible Alpaca Standard, Responsible Mohair Standard)
- Branded fibers: REPREEVE® and other third-party verified synthetics
- Sustainable MMCFs: TENCEL™ lyocell, Birla, Canopy Planet
- Innovative MMCFs: Econyl®, Desserto®, Flocus®, often made from recycled or agricultural waste

Total material usage made of responsible (organic and recycled) fibers:



Exceptional 2024 progress in specific categories that exceed 20% material goal:





4

People

35 SUPPLIERS

39 COMMUNITY

42 TEAM MEMBERS

Suppliers

Responsible Sourcing Strategy

WE WORK WITH long-standing sourcing and manufacturing partners, primarily in China, Southeast Asia, the Middle East, and Africa, to deliver quality products to our consumers. We view our suppliers as essential business partners, and we hold them to the same high standards we expect of ourselves.

Our supplier engagement strategy starts with a rigorous selection process. Every potential partner is evaluated through a detailed pre-screening checklist and subsequent on-site visit before any contract is signed.

We assess business practices, compliance history, and alignment with ULAC's ethical standards, to ensure that each relationship is built on trust, safety, and shared responsibility.





“

VISIBILITY IN ACTION

IN 2024, WE LAUNCHED A NEW DATA MANAGEMENT PLATFORM TO BEGIN CENTRALIZING SUPPLY CHAIN DOCUMENTATION AND IMPROVE VISIBILITY ACROSS ALL SUPPLIERS. WHEN UPDATES ARE COMPLETE BY THE END OF 2025, THE SYSTEM WILL MAKE IT EASIER TO VERIFY THAT RECORDS ARE COMPLETE AND UP TO DATE, AND ENABLE TIMELY FOLLOW-UP WHEN GAPS ARE IDENTIFIED.

”

Raising the Bar for Accountability and Transparency

We require all suppliers to meet specific standards designed to prevent labor abuses and promote ethical operations:

- A written Supplier Code of Conduct that explicitly prohibits forced labor and child labor
- Full traceability of raw materials, including chain-of-custody documentation available upon request
- Training records that show adherence to ULAC’s Compliance & Quality Assurance Manual
- Monitoring and audit processes to verify social compliance with our standards
- Current third-party social compliance audits to confirm good standing and freedom from forced labor
- Certifications such as WRAP (Worldwide Responsible Accredited Production), BSCI (Business Social Compliance Initiative), or equivalent, ensuring a safe and healthy workplace environment
- We maintain a zero-tolerance policy for Code of Conduct violations, which prohibit excessive hours, discrimination, unsafe conditions, and other unethical labor practices.

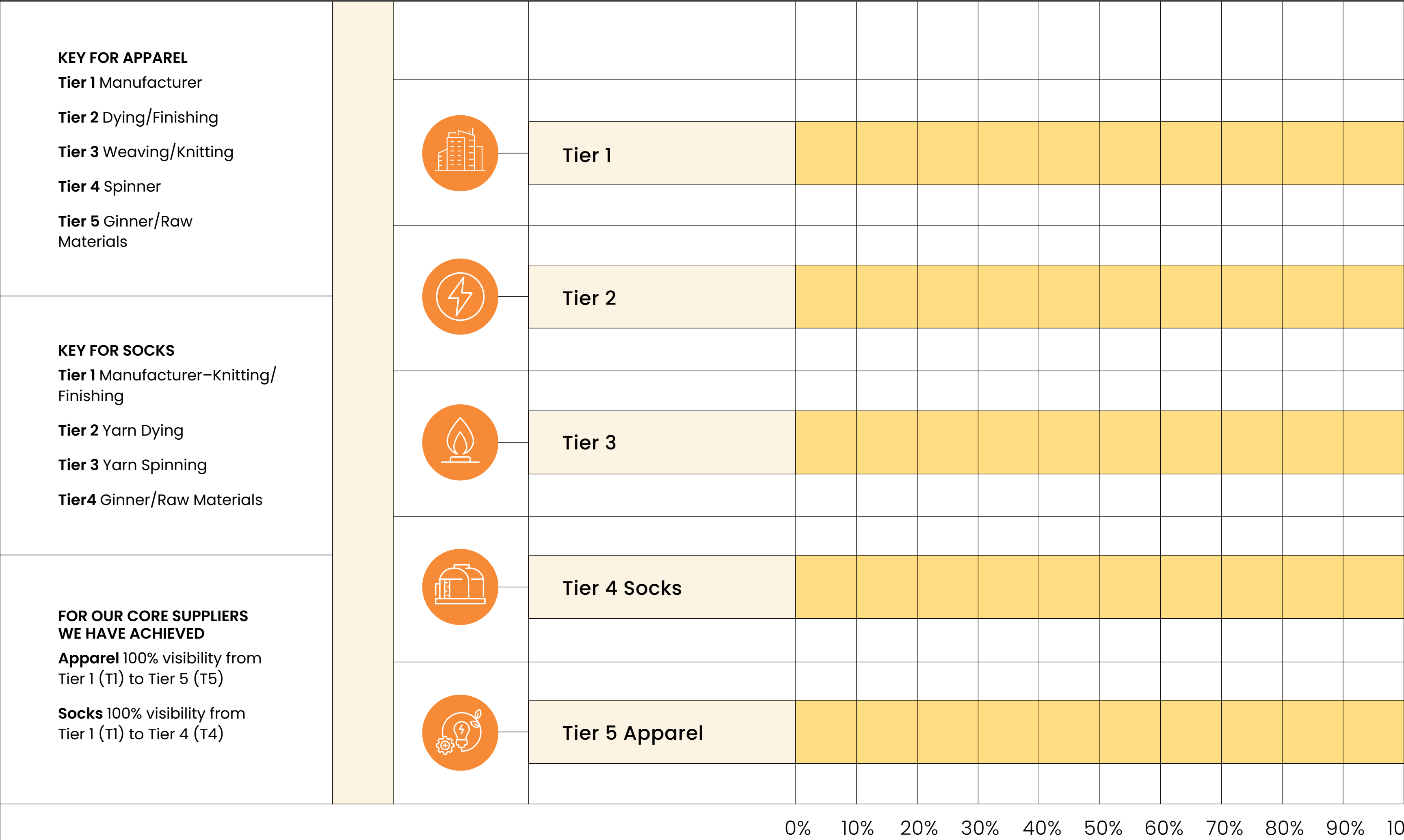
Traceability and Supplier Mapping

WE ARE CONTINUOUSLY enhancing our traceability efforts to strengthen our due diligence processes. We are committed to collecting data to ensure transparency throughout our supply chain.

All Softline suppliers, which includes apparel, socks, and accessories, now participate in a multi-step supply chain mapping process to ensure visibility from fiber to final product.

In 2024, we implemented a system and rolled out Supply Chain transparency for core Softline suppliers in three phases:

- Supply Chain Mapping: 100% complete, enabling 100% visibility across the value chain
- Social Compliance Reports: 100% complete, enabling us to identify areas of non-compliance, trends, and resolution
- Chain of Custody Documentation: By the end of 2025, core suppliers will be able to test and upload their documents from Tier 1 to Tiers 4/5 (for socks and apparel, respectively), further helping to drive traceability and transparency within our supply chain.



Proactive Communication and Issue Mitigation

TO PROTECT OUR business and uphold human rights, we require that all partners:

- Report incidents within 24 hours related to ethical or legal compliance
- Conduct routine risk assessments
- Take immediate, documented action when concerns arise



“
TRANSPARENCY AND
ACCOUNTABILITY ARE
NON-NEGOTIABLE. BY
WORKING CLOSELY
WITH ALL PARTIES IN
OUR SUPPLY CHAIN,
WE CONTINUE TO
IMPROVE OUTCOMES
FOR WORKERS, ENSURE
SAFE CONDITIONS,
AND UPHOLD OUR
RETAIL PARTNERS’ AND
CUSTOMERS’ TRUST.
”

Community

**\$10 MILLION
IN FINANCIAL
AND IN-KIND
CONTRIBUTIONS,
NEARLY DOUBLED
FROM 2023**

GIVING BACK STRENGTHENS our culture and deepens the connections we have with our communities. Our contributions focus on providing support with dignity, from hands-on local volunteering to product donations.

In 2024, we focused our efforts on three core areas: providing essential products, volunteering locally, and forming partnerships with organizations that share our values. From socks and undergarments to school supplies and food pantry support, these efforts reflect the same commitment to quality and respect that shapes our business.

Dignity Starts with Essentials

OUR WORK WITH Delivering Good—a highly rated nonprofit that channels product and monetary donations to families in need—continues to grow. Following our successful five-year “A Million Pairs of Socks” initiative, Delivering Good launched “A Million Bras” to extend reach in support of women’s health and dignity. We donated 15,000 bras to this program in 2024.

Through The Undie Chest, we donated more than 1,800 pairs of socks and underwear to people experiencing homelessness in 2024, providing dignity and comfort while diverting more than 200 pounds of textiles from landfills.





Time + Energy = Impact

ACROSS OUR SITES, team members join together to contribute their time and labor to a variety of local causes. These efforts represent a shared responsibility to support friends and neighbors in our communities, while enhancing bonds within our teams.

Site teams go beyond product donation to personally compile care packages for neighbors in need through collaborations with local Chambers of Commerce, senior centers, and youth-serving organizations.

For example:

- Our Beaumont facility donated backpacks with kids' back-to-school essentials and holiday gifts of socks and slippers for seniors, helping 300 of our neighbors.
- Our Toronto office provided backpacks filled with socks and underwear to a community organization that serves adults with disabilities.
- Our Costa Mesa, California office donated nearly 850 articles of clothing to Foster Love, a nonprofit that supports foster families and children in need.

Other initiatives included personal care drives, animal shelter support, and fabric recycling, as well as engagements with the Aaron Judge ALL RISE Foundation, Skechers' Pier to Pier Friendship Walk, and the Father's Day/Mother's Day Council, Incorporated. Together, these efforts allowed employees to spend hundreds of hours together in community service.



OUR TEAM MEMBERS are the foundation of a successful business. Our employee engagement strategy focuses on creating opportunities for growth, building an inclusive culture, and providing the resources our teams need to thrive.

Diversity, equity, and inclusion (DEI) are embedded into our management approach. We continue to evolve our practices to stay aligned with regulatory expectations, individual needs, and industry best practices.

Team Members

Supporting a Culture of Long-Term Growth

OUR INCLUSIVE AND collaborative culture helps us attract, grow, and retain top talent. We continue to refine internal practices so team members feel engaged and recognized for their contributions.

In 2024, we launched a new 30/60/90 onboarding program to help all team members—from line-level team members in our distribution centers to senior leaders in our corporate offices—start their ULAC careers with a strong foundation.

From alignment on expectations to goal-setting and feedback, the first three months are structured to create a supportive on-ramp into life at ULAC. We began the pilot in our distribution centers and plan to expand in 2025 and beyond, until it is standard practice on all teams.

We also support team members’ ongoing professional growth through:

- Access to nearly 30,000 digital training programs, including environment, social, and governance (ESG) and DEI modules
- Continuous opportunities for skill-building and upskilling, including high-demand topics like automation



Leading from Within

Launched as a pilot program in 2024, we created the ULAC Ambassador Program to strengthen workplace culture while supporting individual growth.

The inaugural class includes eight standout team members from our Beaumont distribution center—recognized for their high performance and positive impact on team morale.

The “Class of 2024” completed a customized curriculum focused on leadership development and practical, on-the-floor support skills. Now, they serve as peer guides for new team members, helping build a stronger, more connected workplace.

The program is set to expand with a new “Class of 2025” and ultimately extend to other sites.



Town hall meeting
at the Beaumont
distribution center

Our Equity and Inclusivity Journey

ULAC’S WORKFORCE REFLECTS a wide range of experiences, cultures, and perspectives across our global footprint.

While we do not publish specific demographic data at this time, our people come from diverse personal and professional backgrounds that strengthen how we think, work, and grow together. We also have a history of gender equity in leadership, with strong representation from women at every level of the organization, including senior roles. This diversity helps drive innovation and supports a more inclusive, resilient company culture.

Pay Equity

Our approach to pay equity reflects our values, as we work to ensure that compensation remains equitable and competitive across our diverse workforce. In 2024, we focused on creating consistency across our footprint, including regions without mandated pay transparency laws like New York and California have.

This work includes developing standardized job descriptions, clearly defined role tiers, and pay bands that account for responsibilities, skill level, and tenure.

Pay equity isn’t a one-time goal; it’s an ongoing process of validation, adjustment, and accountability. We’re building systems to support fairness today and in the long term.

Making Information Accessible

As we engage with team members, we recognize that people take in information in different ways, whether visually, verbally, through reading, or hands-on learning. We also account for neurodiversity, disability, and language differences that can shape how individuals engage with content.

In 2024, we began sharing key updates in multiple formats and languages—expanding access to town halls, written communications, and training materials in both English and Spanish at select sites.

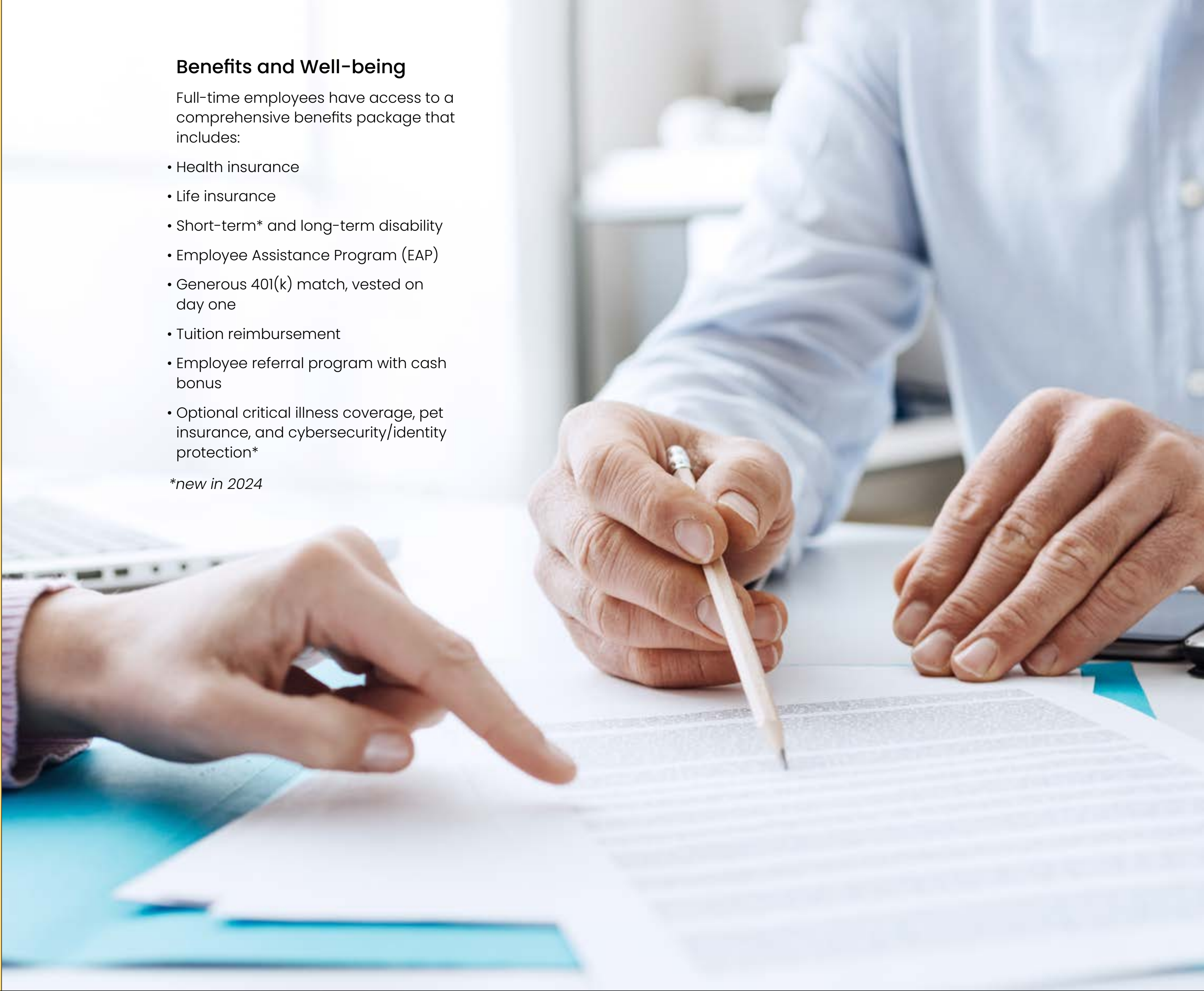
This is part of a broader effort to make our internal communications more inclusive and accessible, ensuring every team member receives information in ways that help them learn and work at their best.

Benefits and Well-being

Full-time employees have access to a comprehensive benefits package that includes:

- Health insurance
- Life insurance
- Short-term* and long-term disability
- Employee Assistance Program (EAP)
- Generous 401(k) match, vested on day one
- Tuition reimbursement
- Employee referral program with cash bonus
- Optional critical illness coverage, pet insurance, and cybersecurity/identity protection*

*new in 2024



Fairness in Talent Management

To further advance equity and inclusion across the company, we’ve continued to strengthen our hiring and promotion practices.

Each stage of the hiring process is documented and regularly audited to help ensure fairness and transparency. Our HR team is directly involved in selection decisions, with a focus on merit-based evaluation.

This approach supports both talent attraction and retention, including strong representation of women in leadership roles.

Making Information Accessible

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Governance

47 ETHICS &
TRANSPARENCY

Ethics & Transparency

ETHICAL CONDUCT AND TRANSPARENCY are foundational to our operations, decision-making, and stakeholder engagement across our entire value chain. These principles are embedded in our daily practices and reflected across all levels of the business.

We maintain open, consistent communication around our ethical standards, both internally and with external partners. This ongoing dialogue helps ensure that everyone we work with is aligned on expectations and accountability.

A strong ethical foundation requires more than intent. Our policies set clear expectations for behavior, helping us build a culture rooted in fairness, respect, and accountability.



Our key governance policies include:

- Code of Business Conduct and Ethics
- Corporate Governance Guidelines
- Human Rights Policy and Code of Conduct
- Anti-Corruption Policy
- Supply Chain Risk Management and Transparency Policy

Building Stronger Risk Foundations

IN 2024, WE BEGAN strengthening our enterprise risk management (ERM) structure, formalizing how we identify, assess, and respond to strategic, operational, and external risks.

To lead these efforts, we created a Steering Committee comprised of leaders from across the business, with responsibility to drive, communicate, and integrate efforts, ultimately helping to ensure teams make well-informed business decisions considering identified risks.

This work helps ensure we are prepared to respond nimbly to the evolving risk landscape.





Data Protection & Privacy

ULAC TAKES DATA PROTECTION and privacy seriously. Our Cybersecurity Policy outlines clear security requirements for the responsible use of Information Technology systems across our operations.

Designed to safeguard the integrity, privacy, and reliability of our systems, the policy helps protect both the company and its users from potential risks to business performance and reputation.

It applies to everyone who accesses our digital environment—including employees, vendors, visitors, and temporary users—to help ensure consistent compliance and a secure experience for all stakeholders.

6



Appendix

51 FORWARD-LOOKING STATEMENTS

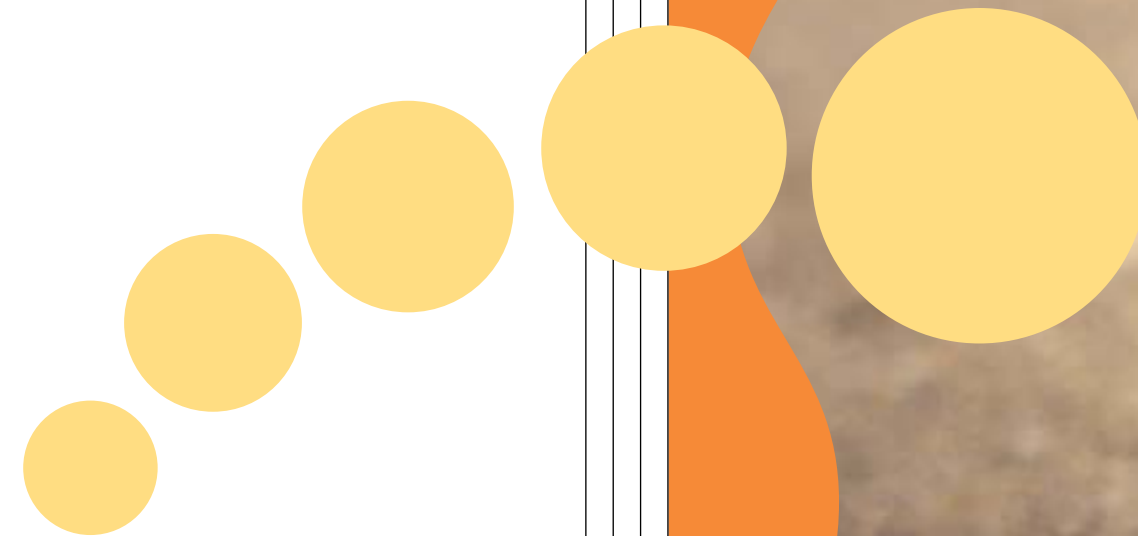
52 GRI CONTENT INDEX

56 SASB INDEX

Forward-Looking Statements

THE CONTENTS OF THIS REPORT may include statements that are, or may be deemed to be, “forward-looking statements.” These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes,” “hopes,” “estimates,” “anticipates,” “expects,” “intends,” “may,” “will,” “aspires,” or “should” and other similar expressions, and include statements we make concerning the company’s global production and distribution strategy or its expectations of market trends.

Forward-looking statements are not statements of historical fact, nor are they guarantees or assurances of future performance. Forward-looking statements are based on our expectations and assumptions as of the date of this presentation. They are subject to inherent uncertainties, risks, and changes in circumstances that may differ materially from those contemplated by the forward-looking statements. These forward-looking statements speak only to conditions existent as of the date of publication of this document. Given these uncertainties, the reader is advised not to place any undue reliance on such forward-looking statements. We undertake no obligation to publicly update or revise the information in this press release, including any forward-looking statements, except as may be required by law.



GRI Content Index

This index contains our disclosures referencing the Global Reporting Initiative (GRI) Standards, providing transparency on key ESG topics. We reference relevant reports and policies where applicable. All data are for the year ended December 31, 2024, unless otherwise noted.

	GRI Standard and Disclosure	Reference and/or Response
GRI 2: GENERAL DISCLOSURES 2021		
2-1	Organizational details	Who We Are & What We Do, page 8
2-2	Entities included in the organization’s sustainability reporting	Who We Are & What We Do, page 8
2-3	Reporting period, frequency and contact point	About This Report, page 6

	GRI Standard and Disclosure	Reference and/or Response
2-4	Restatement of information	There were no restatements of previously reported information.
2-5	External assurance	The data in this report was not externally assured.
2-6	Activities, value chain and other business relationships	Who We Are & What We Do, page 8
2-7	Employees	ULAC at a glance, page 11, ulac.com
2-15	Conflicts of interest	United Legwear & Apparel Co Code of Conduct
2-16	Communication of critical concerns	ULAC Supply Chain Risk Management and Transparency Policy
2-22	Statement on sustainable development strategy	Executive Letter, page 4-5
2-23	Policy commitments	United Legwear & Apparel Co. Code of Conduct 2024 Modern Slavery Report ULAC Compliance & Quality Assurance Manual ULAC Supply Chain Risk Management and Transparency Policy ULAC Traceability of Raw Material SOP

	GRI Standard and Disclosure	Reference and/or Response			GRI Standard and Disclosure	Reference and/or Response
2-24	Embedding policy commitments	Details of how ULAC embed our policy commitments are found throughout this report.			GRI 3: MATERIAL TOPICS 2021	
				3-1	Process to determine material topics	Alignment with the United Nations Sustainable Development Goals, pages 14-16
2-25	Processes to remediate negative impacts	United Legwear & Apparel Co. Code of Conduct 2024 Modern Slavery Report ULAC Supply Chain Risk Management and Transparency Policy ULAC Traceability of Raw Material SOP		3-2	List of material topics	Alignment with the United Nations Sustainable Development Goals, pages 13-15
				3-3	Management of material topics	Alignment with the United Nations Sustainable Development Goals, pages 14-16 Details of how ULAC manages our material topics are found throughout this report.
2-26	Mechanisms for seeking advice and raising concerns	United Legwear & Apparel Co Code of Conduct 2024 Modern Slavery Report ULAC Human Rights Policy and Code of Conduct			GRI 205: ANTI-CORRUPTION 2016	
2-28	Membership associations	ULAC At a Glance, page 11 ULAC Corporate Profile 2024		205-1	Operations assessed for risks related to corruption	All ULAC’s associates, consultants, vendors, factories, agents and other third parties are required to comply with the anti-corruption policies and/or guidelines of ULAC as set out in the Company Code of Conduct and all relevant anti-bribery and anti-corruption laws, regulations, and rules.
2-29	Approach to stakeholder engagement	ULAC Corporate Profile 2024				
2-30	Collective bargaining agreements	ULAC employees are not covered by collective bargaining agreements.		205-2	Communication and training in anticorruption policies and procedures	All ULAC’s employees and contractors are required to comply with United Legwear’s Code of Conduct and ethical expectations, regardless of local business practices or social customs.

	GRI Standard and Disclosure	Reference and/or Response
GRI 302: ENERGY 2016		
302-1	Energy consumption within the organization	Energy & Emissions, pages 21-23
302-2	Energy consumption outside of the organization	ULAC does not track energy consumption outside of the organization.
302-4	Reduction of energy consumption	We are focused on reducing overall consumption, expanding renewable energy sources, and cutting emissions across our operations and supply chain.
GRI 303: WATER AND EFFLUENTS 2018		
303-1	Interactions with water as a shared resource	Not applicable: All ULAC facilities are leased, and water is managed by the landlord/property manager
GRI 305: EMISSIONS 2016		
305-1	Direct (Scope 1) GHG emission	Energy & Emissions, pages 21-23
305-2	Energy indirect (Scope 2) GHG emissions	Energy & Emissions, pages 21-23

	GRI Standard and Disclosure	Reference and/or Response
305-4	GHG emissions intensity	Energy & Emissions, pages 21-23
305-5	Reduction of GHG emissions	ULAC is pursuing energy efficiency facility upgrades, expanded use of on-site solar, Increased data transparency & monitoring, and renewable energy credits.
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016		
308-1	New suppliers that were screened using environmental criteria	100% of new suppliers are screened for environmental criteria. Suppliers, pages 35-38
308-2	Negative environmental impacts in the supply chain and actions taken	Our Sustainability Strategy, pages 18-19; Packaging, pages 27-29; Product Materials, pages 30-33; Suppliers, pages 35-38
GRI 401: EMPLOYMENT 2016		
401-1	New employee hires and employee turnover	ULAC does not share the turnover rate externally.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Team Members, pages 42-45

	GRI Standard and Disclosure	Reference and/or Response
● GRI 404: TRAINING AND EDUCATION 2016		
404-2	Programs for upgrading employee skills and transition assistance programs	Team Members, pages 42-45
● GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016		
405-1	Diversity of governance bodies and employees	Team Members, pages 42-45 ULAC is in the early stages of tracking workforce diversity. The organization has begun collecting voluntary demographic data and are working toward building a more detailed view by level and function.
● 408: CHILD LABOR 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Suppliers, pages 35-38 ULAC Human Rights Policy and Code of Conduct 2024 Modern Slavery Report
● 409: FORCED OR COMPULSORY LABOR 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Suppliers, pages 35-38 ULAC Human Rights Policy and Code of Conduct 2024 Modern Slavery Report

	GRI Standard and Disclosure	Reference and/or Response
● GRI 413: LOCAL COMMUNITIES 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Community, pages 39-41
● GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016		
414-1	New suppliers that were screened using social criteria	Suppliers, pages 35-38 ULAC Compliance & Quality Assurance Manual
414-2	Negative social impacts in the supply chain and actions taken	Suppliers, pages 35-38 ULAC Compliance & Quality Assurance Manual ULAC Human Rights Policy and Code of Conduct ULAC Supply Chain Risk Management and Transparency Policy

SASB Index

This index aligns our disclosures with the Sustainability Accounting Standards Board (SASB) Apparel, Accessories & Footwear standard, providing transparency on key ESG topics. We reference relevant reports and policies where applicable. All data are for the year ended December 31, 2024, unless otherwise noted.

TOPIC	CODE	METRIC	RESPONSE
Management of Chemicals in Products	CG-AA-250a.1	Discussion of processes to maintain compliance with restricted substances regulations	ULAC Compliance & Quality Assurance Manual
	CG-AA-250a.2	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	ULAC Supply Chain Risk Management and Transparency ULAC Traceability of Raw Materials SOP

TOPIC	CODE	METRIC	RESPONSE
Environmental Impacts in the Supply Chain	CG-AA-430a.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits or contractual agreements	1: Not reported 2: Not reported
	CG-AA-430a.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition’s Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	Real-Time Visibility Through the Higg FEM, page 19
Labor Conditions in the Supply Chain	CG-AA-430b.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	1: 100% 2: Not reported 3: 100%
	CG-AA-430b.2	(1) Priority non-conformance rate and (2) associated corrective action rate for suppliers’ labor code of conduct audits	1: Not reported 2: Not reported
	CG-AA-430b.3	Description of the greatest (1) labor and (2) environmental, health and safety risks in the supply chain	ULAC Human Rights Policy and Code of Conduct 2024 Modern Slavery Report

TOPIC	CODE	METRIC	RESPONSE
Raw Materials Sourcing	CG-AA-440a.3	(1) List of priority raw materials; for each priority raw material: (2) environmental or social factor(s) most likely to threaten sourcing, (3) discussion on business risks or opportunities associated with environmental or social factors and (4) management strategy for addressing business risks and opportunities	1: Polyester (conventional & preferred), Cotton (conventional & preferred), Elastane, Nylon (conventional & preferred) Ethylene-Vinyl Acetate (EVA), Rubber 2: Odd weather patterns (wet or drought like conditions), geopolitical issues, trade wars, limited material availability 3: Not reported 4: In 2025, ULAC launched the first Enterprise Risk Management Committee.
	CG-AA-440a.4	(1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental or social standard, by standard	1: Polyester (virgin): 20227968.12 kg Cotton (conventional): 6969125.72 kg Elastane/Spandex: 1186752.27 kg Nylon (virgin): 736562.43 kg EVA: 157088.02 kg Rubber: 154020.84 kg 2: Global Recycled Standard Polyester: 1,971,840.69 kg Recycled Cotton: 128,529.44 kg Recycled Nylon: 132,324.95 kg
Activity Metric	CG-AA-000.A	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	1: Tier 1 suppliers: 214 2: We are working to collect comprehensive upstream supply chain information to ensure full transparency and traceability.

ULAC

FOR MORE INFORMATION VISIT WWW.ULAC.COM
OR EMAIL SUSTAINABILITYULC@ULAC.COM