
Coghlan's Ltd.

Bill S-211 – 2023 Report

Version 1

May 22, 2024

Introduction – Purpose of this report

As an industry leader in outdoor camping accessories, Coghlan's recognizes the reality of forced and child labor in the global supply chain. We are committed to combating these issues collaboratively with our employees, suppliers, and external stakeholders. This report outlines the comprehensive measures Coghlan's takes to prevent and mitigate the risks of forced and child labor within its supply chain and production processes.

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Organization Structure and Activities

Founded in 1959 and headquartered in Winnipeg, Manitoba, Coghlan's distributes its reliable and user-friendly camping accessories primarily to the North American market, with customers worldwide. Our mission is to create simple and effective products that inspire people of all experience levels to enjoy the outdoors and make lasting memories. We are committed to improving environmental stewardship and social responsibility.

Coghlan's supply chain is a centralized function responsible for production, transportation to our facilities, storage, order fulfillment, and shipping products to customers and end users. This structure ensures that our customers are consistently supplied with our high-quality camping accessories.

Policies and Due Diligence Processes

Coghlan's has implemented a comprehensive human rights policy designed to protect human rights and prevent child and forced labor. This policy aligns with the United Nations Declaration of Human Rights and International Labor Organization conventions, ensuring we adopt best practices for human rights.

We have adopted a strict code of conduct that took aspects of both the Outdoor Industry Fair Labor Code of Conduct and the Global Recycling Standard Code of Conduct, which outlines the standards of behavior and practices expected from all suppliers. Our code explicitly prohibits forced labor, including prison, bonded, and child labor, ensuring compliance with local and international laws. Our code serves as a guiding principle for our relationships with suppliers. Our employee handbook also outlines our internal social policies and workplace expectations.

Risk Assessment and Management and Actions to Address Risk

Coghlan's employs various tools and processes to proactively assess, investigate, evaluate, and mitigate potential human rights and labor issues within our supply chain. Recognizing that our most significant risk of forced and child labor arises from our third-party suppliers in higher-risk geographical regions, we have implemented a comprehensive risk assessment process.

As part of our due diligence, and before any supplier is onboarded, they must all sign our supplier code of conduct, which outlines our expectations and compliance requirements when conducting business with our company. To verify compliance, we conduct on-site visits and inspections by designated third-party agents or in-person visits. These third-party inspections are conducted by auditing services equipped and certified to conduct Social Compliance Certifications, such as the BSCI (Business Social Compliance Initiative) and GRS (Global Recycling Standard) certifications. This allows us to observe operations firsthand and ensure adherence to our standards.

Additionally, Coghlan's periodically audits its direct Tier 1 suppliers in partnership with a global leader in social compliance audits. This partnership utilizes recognized methodologies to identify and remediate risks within our supply chain, providing a thorough understanding of our suppliers' practices and ensuring ongoing compliance with our standards.

Coghlan's has not identified any instances of forced labor or child labor within its business or supply chain, and thus has not needed to take any remedial action. Nevertheless, we remain vigilant and committed to continuous monitoring and improvement to uphold our commitment to human rights and labor standards.

If a human rights violation or a breach of our code of conduct were found, all business with the supplier would immediately stop, audits would be conducted, and any product from said supplier would be put on hold. Secondary Audits will be performed to investigate the issue; if no resolution can be found, all relations with said supplier will be terminated.

Training and Awareness and Effectiveness

All Coghlan's employees undergo comprehensive and mandatory review of our social policy as part of their onboarding process, ensuring they are aware of our commitments and procedures related to human rights and labor standards.

As part of our annual review and training procedures, we conduct reviews of our processes to ensure continued compliance and improvement. We perform a review and update of our supply chain processes. This involves identify any potential areas for enhancement, ensuring that our practices remain current and effective.

In addition to process reviews, implement training as needed to keep up-to-date and relevant. This ensures that the employees responsible for interacting with our suppliers are well-informed about the latest standards and expectations regarding human rights and labor practices.

We also carry out both internal and external audits of all required documents and reports. These audits help us identify and address any gaps or discrepancies in our compliance efforts. By doing so, we ensure that all documentation is accurate and reflective of our commitment to ethical practices.

Training is a crucial component of our strategy. Employees who interact with suppliers receive specific training on Coghlan's code of conduct and the necessary social compliance requirements. This training equips them with the knowledge and skills needed to uphold our standards when dealing with suppliers.

Moreover, we utilize third-party audits to assess the effectiveness of our policies. These audits provide us with risk scores based on various inputs, allowing us to measure our performance and identify areas for further improvement. By incorporating these diverse evaluation methods, we maintain a robust and transparent supply chain that aligns with our commitment to preventing forced and child labor.

Actions Taken within the Reporting Year

The following steps and actions were taken within this reporting year (2023):

- Staff training on company policies and the code of conduct.
- Revised supplier code of conduct and received signed copies from all suppliers.
- Collected and conducted 3rd party social audits (BSCI).
- Received Global Recycling Standard certification from Textile Exchange, which includes social and environmental audits.

Conclusion

In this report, we have outlined Coghlan's comprehensive measures to prevent and mitigate the risks of forced and child labor within our supply chain. Our commitment to human rights and ethical practices is embedded in every aspect of our operations, from our rigorous policies and codes of conduct to our proactive risk assessment and management strategies.

Coghlan's recognizes the importance of a collaborative approach involving our employees, suppliers, and external stakeholders to address these critical issues. Our organizational structure supports a centralized and systematic method for ensuring compliance with our standards, which are based on international human rights conventions and best practices.

Our policies, such as the Outdoor Industry Fair Labor Code of Conduct, explicitly prohibit any form of forced or child labor, and we enforce these standards through diligent supplier management and regular audits. By requiring our suppliers to adhere to these rigorous standards and conducting periodic audits, we actively monitor and mitigate risks within our supply chain.

Training and awareness are key components of our strategy. By educating our employees and suppliers on our social policies and compliance requirements, we ensure that everyone involved in our operations is equipped to uphold our ethical standards. The effectiveness of these measures is assessed through continuous improvement processes and third-party audits, allowing us to maintain transparency and accountability.

Coghlan's has not identified any instances of forced or child labor within its supply chain, reflecting the robustness of our policies and the diligence of our monitoring efforts. However, we remain vigilant and committed to ongoing improvements to ensure that our supply chain remains free from these unethical practices.

In conclusion, Coghlan's dedication to ethical business practices and human rights is unwavering. We will continue to build on our strong foundation, working collaboratively with all stakeholders to enhance our supply chain's integrity and ensure that we contribute positively to the global community. Through these efforts, we strive to set a standard for responsibility and sustainability in the outdoor camping accessories industry.

I, Jeff Stevens, President of Coghlan's Ltd., confirm that the submitted report is accurate and meets the reporting requirements outlined in Bill S-211.