

Know the Chain 2020

Columbia Sportswear Company's additional disclosures are in blue.

1.5 Stakeholder Engagement In the last three years, the company has engaged relevant stakeholders by:

(2) actively participating in one or more multi-stakeholder or industry initiatives focused on eradicating forced labor and human trafficking across the industry.

- We actively participate in the Joint Association Forced Labor Working Group (AAFA, NRF, RILA, and USFIA), which meets weekly to discuss how to combat forced labor in our supply chains and create sustainable solutions for the industry.

3.2 Supplier Section:

(2) addresses risks of forced labor related to sub-contracting and discloses details on the outcomes of this process.

(2 Comments) Not disclosed. It states in its supplier manual that it requires its suppliers to maintain an accurate list of factories, and requests that it notifies it at least two months in advance of including new factories that it plans to use, changing factory name or address or deleting factories that it will no longer use. However, it is unclear whether this applies to its suppliers' use of subcontractors.

- This requirement applies to any finished goods factory, including factories that our suppliers subcontract production to. They must notify us in advance of moving production to a subcontractor, and the subcontractor must go through our new source approval process which includes having a SMP (social compliance) audit, the results of which meets our standards before being approved for production.

3.3 Integration into Supplier Contracts

(1) integrates the ILO core labor standards, which include the elimination of forced labor, into supplier contracts;

(2) discloses the percentage of suppliers whose contracts include such standards; and

- The supply agreement (contract) for our finished goods suppliers as well as raw material suppliers specify that they agree to and must comply with our Standards of Manufacturing Practices (SMP), which is based upon ILO core labor standards and the Fair Labor Association Standards, and includes a standard on Forced Labor. 100% of these suppliers' contracts include this language.

4.1 Recruitment Approach

(2) requires employment and recruitment agencies used by its suppliers to respect the ILO core labor standards, which include the elimination of forced labor; and

- Our Foreign Migrant Worker Policy states:
 - Suppliers shall conduct proper due diligence on recruitment agents and sub-agents prior to their engagement. Such due diligence shall evaluate the recruitment agent's legal status, ethical practices, any record of penalties or complaints, and their ability to fulfill all Supplier's requirements as well as meeting the specifications of this standard and CSC's SMP.
 - CSC's SMP (Standards of Manufacturing Practices) outlines our standard around Forced Labor.

4.2 Recruitment Fees

(1) requires that no worker in its supply chains should pay for a job—the costs of recruitment (i.e., recruitment fees and related costs) should be borne not by the worker but by the employer ("Employer Pays Principle"); and

- Our Foreign Migrant Worker Policy states:
 - Foreign migrant workers shall not be required to pay for their employment. The costs and fees associated with recruitment, travel and processing of foreign migrant workers shall be covered by the Supplier.

6.2 Monitoring Disclosure

(1) the percentage of suppliers monitored annually;

- In 2020, we monitored 64% of our finished goods suppliers. This percentage is lower compared with previous years due to the COVID-19 pandemic, which caused travel restrictions within countries and between countries, as well as factories placing restrictions on outside visitors, so our internal auditing staff as well as third party auditing service providers were limited on being able to perform audits.