

Columbia Sportswear Co.

TICKER NAS:COLM

DISCLOSURES

MARKET CAPITALIZATION US\$7 billion HEADQUARTERS United States

TARGETS None

UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: Yes

OVERALL RANKING

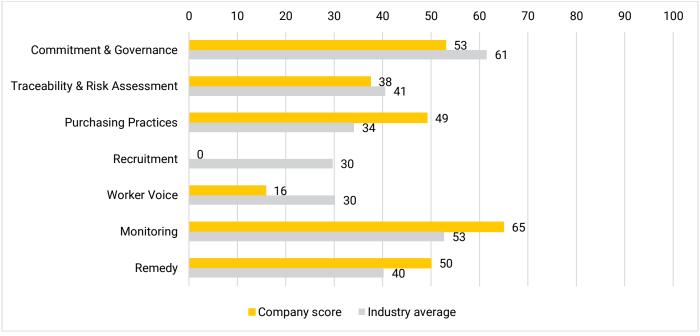
23 out of 37

(2018 Rank: 25 out of 43)

39 Out of **100**

SUMMARY Columbia Sportswear Co. (Columbia Sportswear), one of the largest outerwear companies in the world,¹ ranks 23rd out of 37 companies and discloses less information on its forced labor policies and practices than its peers. Compared to 2018, it improved its score by eight points by disclosing details on engaging with stakeholders on forced labor, requiring suppliers to ensure that subcontractors meet its standards before being approved for production, and including the requirement to adhere to its supplier code of conduct in 100% of its supplier contracts. It scores higher than average on the themes of Purchasing Practices, Monitoring, and Remedy and lower than average on the remaining themes. Columbia Sportswear does not disclose the steps it has taken to address the risks of alleged Uyghur forced labor across its supply chain tiers. It is encouraged to improve on the themes of Recruitment, Worker Voice, and Remedy.

THEME-LEVEL SCORES





KEY DATA POINTS

SUPPLIER LIST Yes	DATA ON PURCHASING PRACTICES
IMPROVEMENTS OF FREEDOM OF ASSOCIATION No	REMEDY FOR SUPPLY CHAIN WORKERS
HIGH-RISK RAW MATERIALS ² Cotton and wool	HIGH-RISK SOURCING COUNTRIES Brazil, China, India, and others
LEADING PRACTICES None.	

NOTABLE FINDINGS

Stakeholder Engagement: Columbia Sportswear reports that it is part of the Joint Association Forced Labor Working Group, which includes other industry groups and with which it meets weekly to discuss addressing forced labor in its supply chains. The company is also a Fair Labor Association Licensee and a partner of Better Work in Cambodia, Indonesia, Jordan, and Vietnam initiatives focused on improving working conditions in the sector.

Traceability and Supply Chain Transparency: Columbia Sportswear publishes a transparency map that includes the names and addresses of its finished goods factories as well as the employee range and gender ratio per supplier.

Monitoring: Columbia Sportswear states that it conducts unannounced monitoring visits on its suppliers that include worker interviews, site visits that assess worker housing, and a review of documents such as trade association membership, employment contracts, and a sample of earnings records and time sheets. It states that, in 2020, it monitored 64% of its finished goods suppliers.

OPPORTUNITIES FOR IMPROVEMENT

Recruitment: To address the risk of exploitation of migrant workers through recruitment agencies in its supply chains, Columbia Sportswear is encouraged to take steps to ensure that workers in its supply chains are not charged fees during any recruitment-related process. It may further consider taking steps to ensure that such fees are reimbursed to the workers and/or provide evidence of payment of recruitment-related fees by suppliers. It is also encouraged to take steps to ensure that the rights of workers in vulnerable conditions, such as women or migrant workers, are respected (e.g., to verify workers' passports and other personal documents are not retained).

Worker Voice: To support collective worker empowerment, Columbia Sportswear is encouraged to work with local or global trade unions to support freedom of association in its supply chains. Where there are regulatory constraints on freedom of association, it may consider ensuring workplace environments in which workers in its supply chains are able to pursue alternative forms of organizing. Further, the company is encouraged to disclose examples covering different supply chain contexts of how it improved freedom of association and/or collective bargaining for its suppliers' workers, such as migrant workers.

Remedy: Columbia Sportswear may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labor and disclosing details on this process, such as



responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers.

ENGAGED WITH KNOWTHECHAIN³

Yes (Provided Additional Disclosure).

¹ Columbia Sportswear, "<u>A Diversified Revenue Base</u>." Accessed 27 January 2021.

² For further details on high-risk raw materials and sourcing countries, see <u>KnowTheChain's 2021 Apparel and Footwear</u> <u>Benchmark Report</u>.

³ Research conducted through November 2020 or through February 2021, where companies provided additional disclosure or links. For more information, see the full dataset <u>here</u>. For information on a company's positive and negative human rights impact, see the <u>Business & Human Rights Resource Centre website</u>.