

2020

CORPORATE RESPONSIBILITY REPORT





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ABOUT THIS REPORT

REPORTING SCOPE

This Report covers Columbia Sportswear Company's 2020 fiscal year (January 1, 2020 through December 31, 2020).

DATA INTEGRITY

Environmental and social sustainability data is shaped by evolving methodologies, emerging standards, and increased data accessibility. Adapting to these changes while maintaining comparability in our data is critical to the integrity of the data and related insights. To that end, we've been focused on designing tighter controls governing our sustainability data processes and systems. 2020 marked the first year CSC's internal audit team reviewed the Report, resulting in considerable improvement in our data collection process. Internal Audit's review also identified opportunities for continuous improvement of our systems and controls guiding sustainability reporting. In cases where shifts in scope, methodology, and/or data quality led to changes in previously reported performance results, we restated historically reported results and discussed the changes in this Report and related appendices.

The data presented in this Report has been collected, reviewed, and internally validated for completeness and accuracy, and represents the most complete and accurate information at the time of publication.

DISCLOSURE PRACTICES

Columbia Sportswear Company is committed to publicly reporting its performance on environmental and social sustainability topics. Reporting helps us measure our progress and engage internal and external stakeholders for continuous improvement. Within this report we reference the following reporting frameworks:

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) –

SASB is an independent, private sector standards-setting organization dedicated to enhancing the efficiency of the capital markets by fostering high-quality disclosure of material sustainability information that meets investor needs. This is the second year CSC has reported to SASB. [Appendix A](#) contains our SASB disclosure.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs) –

The UN SDGs are a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity. [Appendix B](#) maps sections of this Report and our related work to the UN SDGs.

Throughout this Report we may refer to Columbia Sportswear Company as "CSC," the "Company," "we," "us," or "our." This Report may contain forward-looking statements. Forward-looking statements often use words such as "will," "anticipate," "estimate," "expect," "should," "may" and other words and terms of similar meaning or reference future dates. CSC's expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis; however, each forward-looking statement involves a number of risks and uncertainties, including those set forth in this document, those

described in CSC's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q under the heading "Risk Factors," and those that have been or may be described in other reports filed by CSC, including reports on Form 8-K, all of which are expressly incorporated herein by reference. Forward-looking statements relate to the date initially made, and CSC undertakes no obligation to update them.



ABOUT US



COLUMBIA SPORTSWEAR COMPANY

At Columbia Sportswear Company (CSC), we connect active people with their passions by providing them with the products they need to seek inspiration and adventure. CSC was founded 82 years ago, when CEO Tim Boyle's grandparents fled Nazi Germany and bought a small hat company in Portland, Oregon. They named it after the Columbia River that flows through Portland. In the 1960s, CSC was run by Tim's father, Neal, who grew the business into a small sportswear wholesale business. Neal passed away suddenly in 1971, leaving Tim, a college journalism student, and his mother, Gert, a stay-at-home mom, to run the Company. Despite lacking business experience, Gert and Tim built CSC into a global leader in outdoor and lifestyle apparel, footwear, and equipment. Gert, who served as Chairman of the Board, passed away in 2019 at the age of 95, but her strong spirit and embodiment of our core values continues to inspire our employees and influence how CSC does business today.

OUR CORE VALUES

COMPETE TO WIN

RELENTLESS IMPROVEMENT

CULTURE OF HONESTY, RESPECT & TRUST

DOING THE RIGHT THING
FOR CUSTOMERS, EMPLOYEES,
THE COMPANY AND OUR COMMUNITY





OUR BRANDS

We design, source, market, and distribute outdoor, active, and everyday lifestyle apparel, footwear, accessories, and equipment under four primary brands; each complementing the other to address the diverse needs of customers:



Our Columbia brand (Columbia), headquartered in Portland, Oregon, is our largest brand. Columbia’s mission is to unlock the outdoors for everyone. It offers performance and casual products, such as apparel, footwear, accessories, and equipment. The innovation, durability and functionality of our Columbia brand products make them ideal for a wide range of outdoor and active lifestyle activities, serving a broad customer demographic, including skiers, snowboarders, mountain climbers, hikers, hunting and fishing enthusiasts, endurance trail runners, golfers and outdoor-inspired customers.



SOREL, headquartered in Portland, Oregon, combines expert craftsmanship and of-the-moment design to create powerful footwear for unstoppable individuals. What began decades ago with premium boots crafted with an unparalleled balance of construction and protection, is now a brand dedicated to both functionality and fashion.



Mountain Hardwear, headquartered in Richmond, California, offers premium apparel, accessories, and equipment primarily for the high-performance needs of mountaineering enthusiasts, as well as other athletes, and customers inspired by the outdoor lifestyle. Mountain Hardwear’s mantra is “to make gear that works, because out here, it matters.”



prAna, headquartered in Carlsbad, California, offers stylish and versatile active lifestyle apparel and accessories designed and manufactured in concert with its mission to provide “Clothing for Positive Change” through an emphasis on sustainable materials and processes. prAna’s designers incorporate innovative fabrics to improve performance and promote sustainability, while elevating each season’s design. prAna’s apparel is created for customers whose active lifestyles include rock climbing, yoga, outdoor watersports, hiking and adventure travel.



MESSAGE FROM OUR CEO

2020 was a year for the history books. Like all companies, we had to rethink business operations and pivot to strategies in response to the 2020 global COVID-19 pandemic. Throughout the year, we remained true to our core values by continuing to invest in our employees and sustainable manufacturing practices, while focusing on urgent social challenges.

I'm proud that our employees rose to the challenge of the COVID-19 pandemic, not only by being as productive as ever, but by excelling. Our distribution center and call center employees continued to work on-site, enabling us to fulfill online sales orders, while our health and safety teams worked diligently to ensure on-site employees continued to feel safe and protected. Our corporate workforce moved quickly to remote work.

Throughout 2020, the United States reckoned with social justice challenges. We responded by doubling down on our values of diversity, equity, and inclusion – not as human resources initiatives – but throughout every aspect of our business.

I recognize the contributions of our employees and customers in the face of what we are calling One Tough Year, and I'm grateful for their continued perseverance and dedication to Columbia Sportswear Company.

Sincerely,

Timothy P. Boyle
Chairman, President and
Chief Executive Officer





2020 SCOPE AND SCALE



4
PRIMARY BRANDS

Columbia, SOREL, Mountain Hardwear, prAna

\$2.5
BILLION

\$2.5 billion annual revenue

7,275
EMPLOYEES

Approximately 7,275 full-time and part-time employees globally

88%
TSR

88% in total shareholder returns for the period of time from 2016 through 2020

1938
ESTABLISHED

Founded 1938 in Portland, Oregon

90
COUNTRIES

Products sold in approximately 90 countries

450+
STORES

450+ directly operated retail stores globally



2020 HIGHLIGHTS

EMPOWERING PEOPLE

- Implemented a Catastrophic Paid Leave benefit in the U.S. in response to COVID-19, and worked with other countries' programs to ensure benefits for our employees abroad
- Established a senior-level Diversity, Equity, and Inclusion Leadership Team and introduced three new Employee Resource Groups
- Nearly \$1,900,000 donated by CSC to charitable causes or organizations¹
- Over 2,000 hours of time volunteered by U.S. CSC employees

SUSTAINING PLACES

- Set a manufacturing climate target of 30% reduction in manufacturing emissions by 2030
- 12% absolute year-over-year reduction in Scope 1, 2 and 3 global greenhouse gas emissions
- 72%+ of styles across brands contained at least one preferred material attribute
- 2.6 million polybags bags diverted from the landfill due to prAna eliminating polybags from certain products
- Attained gold-level certification for our corporate headquarters from the Washington County Green Business Leaders recognizing environmentally responsible practices

RESPONSIBLE PRACTICES

- 84% of our manufacturing partners received ratings of B or above, with two rated "Best in Class"
- Strengthened our Social Responsibility program by becoming a [Better Work](#) partner
- 315 audits and assessments of our manufacturing partners' facilities conducted

¹Includes cash, match, and product donations. Does not include Charity Checkout program. Product donations valued at Manufacturers Suggested Retail Price.

CORPORATE RESPONSIBILITY GOVERNANCE

Our Board of Directors (the Board) shares in the oversight of our corporate responsibility efforts.² The Compensation Committee considers human capital management issues, while the Audit Committee reviews periodic reporting on environmental, social and governance matters. The Nominating and Corporate Governance Committee considers matters of corporate responsibility and environmental, social and governance issues, including potential long- and short-term trends and impacts on CSC's business. Each committee reports to the full Board with respect to their specific responsibilities. The Board is also informed of supply chain oversight and related risks.

CSC management views corporate responsibility as a company-wide effort, with collaboration and commitment throughout the supply chain. Our dedicated Corporate Responsibility team oversees environmental and supply chain social responsibility matters. In addition, our human resources department is actively involved in human capital management matters. The Vice President of Sustainability and Community Impact, Abel Navarrete, and our Senior Vice President, Corporate Affairs and Chief Human Resources Officer, Richelle Luther, both report to our Executive Vice President, Chief Administrative Officer, General Counsel and Secretary, Peter Bragdon. In turn, Peter Bragdon reports to our Chairman, President and Chief Executive Officer, Tim Boyle. This reporting structure allows our teams working on corporate responsibility matters to influence all areas of our business, from product manufacturing to employee empowerment. Our corporate responsibility strategy, standards, policies, and procedures are set at a corporate level, with each brand focusing on impacts unique to their positioning.

² See our [Investor Relation website](#) for our Committee Charters.





2020 SPOTLIGHTS

COVID-19 PANDEMIC AND COMMUNITY

Recognizing the importance of supporting local community efforts to safely navigate the COVID-19 pandemic, we focused on supporting our nation's frontline healthcare workers and the vulnerable populations within our communities.

CSC donated more than \$350,000 (MSRP) of Columbia and Mountain Hardwear product to outfit healthcare providers and volunteers working at outdoor testing and vaccine locations across the country. With the economic impact from the COVID-19 pandemic falling on the most vulnerable in our communities, CSC also donated nearly \$150,000 (MSRP) of product to non-profit organizations supporting families in need and unhoused individuals. The Columbia brand raised more than \$100,000 in customer donations, along with a \$50,000 cash donation from CSC through the Tough Mother Funder campaign at all U.S. Columbia brand retail stores for 80 local community foundations.

Our employees also took action. Mountain Hardwear's warranty team made more than 1,400 masks for employees and family members.

TAKING A STAND ON SOCIAL JUSTICE

The murder of George Floyd in 2020 was a tragedy underpinned by the corrosive effects of institutional racism. In solidarity with the national mourning of George Floyd's death, we closed our North American stores during his memorial services. We took specific action to address racism by creating a special double match in June and July for employee donations to non-profit organizations working towards social and racial justice. Our employees made their voices heard by supporting more than 65 social and racial justice organizations with nearly \$75,000 in individual donations. When amplified by CSC's double matching program, CSC and its employees contributed nearly \$225,000 to these causes. CSC also directly donated \$50,000 to social and racial justice organizations – \$25,000 to the NAACP Legal Defense and Educational Fund, and \$25,000 to The Marshall Project. Additionally, SOREL directly donated \$25,000 to the NAACP Legal Defense and Educational Fund.

Bubba Wallace – a Columbia brand ambassador – was thrust into the national spotlight when he called for NASCAR to ban the Confederate flag at its events. NASCAR agreed and adopted the ban. His decision to speak out against a symbol of hate and division is indicative of his courage, and we are proud of his outspoken spirit for change.

See the [Diversity, Equity, and Inclusion section](#) for more information.

2020 SPOTLIGHTS

VOTING

Getting out the vote for Americans during the COVID-19 pandemic brought about unique challenges due to concerns with congregate settings, as well as for individuals juggling remote work and schooling. As part of our ongoing commitment to encourage voter turnout, we partnered with two nonpartisan organizations, VoteAmerica and the Civic Alliance. In partnership with VoteAmerica in 2020, the Columbia, prAna, and Mountain Hardwear brands encouraged employees and customers to vote and to use VoteAmerica's registration tools. Through the Civic Alliance's Power the Polls program, CSC encouraged employees to use their paid volunteer hours to volunteer at the polls. Additionally, U.S. employees could use their Diversity, Equity, and Inclusion (DEI) floating holiday to take the day off to vote. CSC also joined the members of the Civic Alliance in a statement for an orderly and peaceful transition of power in early 2021.

CLIMATE

Our commitment to preserving scarce resources remained despite the challenges of 2020. Partnering with outdoor industry peers is critical to mitigating global climate change. We signed a letter organized by the Outdoor Industry Association and collaborated with leaders from 13 other brands to publish an op-ed in *Outside* magazine to support the passage of the Great American Outdoors Act, a bill that allocated billions of dollars to support outdoor recreation in the U.S. We also partnered with Patagonia to file an Amicus Brief with the U.S. Court of Appeals for the District of Columbia to support striking down the Affordable Clean Energy Rule, which would have eased carbon reduction requirements for power plants. The court acted in our favor in January 2021. We also signed the "America is All In" joint declaration in support of climate action in the U.S. and publicly expressed support for President Biden's Executive Order on the 30x30 initiative to protect 30% of U.S. land and 30% of U.S. oceans by 2030. Additionally, the Company is a founding member of the Outdoor Industry Association's Climate Action Corps and is a signatory of the Ocean Conservancy's Arctic Shipping Pledge to not ship through the Arctic region.

In addition to advocacy efforts, we continued our efforts internally to reduce our impact on the environment, achieving an 12% absolute, year-over-year reduction of our global greenhouse gas emissions in 2020. Manufacturing raw materials and finished goods are significant contributors to our carbon footprint. In 2020, we set a goal to reduce our manufacturing carbon footprint 30% by 2030 and implemented a robust roadmap for improvements. We will track progress through our annual greenhouse gas emissions inventory published in this Report.

A full-page background image showing a rugged, dark grey mountain peak in the foreground. Two small figures of people are standing on the peak, one pointing towards the horizon. The background features a vast, hazy mountain range under a soft, pinkish-orange sky, suggesting a sunrise or sunset. The overall mood is one of achievement and empowerment.

EMPOWERING PEOPLE

EMPOWERING PEOPLE

Our business thrives on the engagement and empowerment of passionate people. We strive to support and promote healthy lifestyles and wellbeing across:

- Our employees
- Our supply chain
- Our communities

When the COVID-19 pandemic shuttered our stores and our wholesale partners' stores worldwide, we created programs enabling our employees to receive continued financial support, regardless of whether or not they were able to work. When George Floyd's tragic murder, along with other senseless acts of violence, brought racism and racial injustice in the U.S. into national focus, we responded in three ways: 1) doubling our employee match for organizations combating social and racial injustice; 2) instituting a DEI Leadership Team; and 3) giving U.S. employees a day off annually to support a DEI initiative of their choosing.



See [Appendix B](#) for more information about the UN SDGs and our related initiatives.





OUR EMPLOYEES

We foster our employees' growth throughout their careers by aligning their skills with their passions to cultivate a resilient and engaged workforce.

EMPLOYEE WELLBEING

As the COVID-19 pandemic spread across the globe, we focused on minimizing its financial impact on our workforce. Within the U.S., we implemented a Catastrophic Paid Leave benefit, providing retail store and distribution center employees up to six weeks of regular wages and full benefits in events such as post-exposure to the virus or workplace closure. Once employees used all their Catastrophic Paid Leave and paid time off, they were transitioned to a partial pay program, which provided 25% of regular wages and full retention of benefits. All other eligible U.S. employees were given access to a Catastrophic Paid Leave program to provide up to two weeks of regular pay, as well as a partial pay program. Outside of the U.S., many government programs allowed us to maintain employees on our payroll even if they were not working. To show support for our employees, director-level executives and

above voluntarily reduced their annual salaries by 5% to 15% in March 2020; our Chairman, President and CEO reduced his annual salary to \$10,000.³

We also transitioned many of our roles to remote work and began rolling out programs and communications to our employees to help them stay connected and healthy. Program choices were driven by our commitment to overall employee wellbeing and guided by our five elements – physical health, career, social and emotional health, financial, and community. The chart below highlights certain actions taken by the Company during 2020 with respect to these elements.

In addition to these initiatives, the Company's top priority during the COVID-19 pandemic has been to protect the health and safety of our employees, their families, our customers, and our communities. Please see the [Workplace Health and Safety section](#) of this Report for more information on the steps we have taken.

PHYSICAL HEALTH	CAREER	SOCIAL AND EMOTIONAL HEALTH	FINANCIAL	COMMUNITY
We opened our annual employee 5K to all global employees via a virtual platform. Employees representing 16 countries completed the 5K.	We launched our Learning Hour program in North America, Europe and Asia. This program is designed to encourage employees to spend one hour each month dedicated to their professional learning and development.	We spoke about mental health awareness globally, and in the U.S., rolled out a new Employee Assistance Program.	We implemented global pay plans to minimize the financial impact of the COVID-19 pandemic on our workforce.	We continued our U.S. Employee Volunteer Program ⁴ and our Donor Matching Program, ⁵ which resulted in over 2,000 hours volunteered by U.S. employees and nearly \$240,000 donated.

³ After seeing sequential improvements in our business, in the fourth quarter, the salaries of such individuals were reinstated and retroactive payments equal to the individual cost-savings the Company realized through the salary reinstatement date were approved and paid.

⁴ Our U.S. Employee Volunteer Program allows full-time U.S. employees 16 hours annually to volunteer at approved organizations.

⁵ Our Donor Matching Program allows full-time employees to receive a Company sponsored match of up to \$1,000 for employee monetary contributions to approved charitable organizations.



DIVERSITY, EQUITY, AND INCLUSION

CSC is committed to diversity, equity, and inclusion (DEI), particularly as our longtime Chairperson, the late Gert Boyle, pioneered running a sportswear company in a male-dominated field. She prevailed despite many obstacles and established the Company's initial success.

Events in the U.S. in 2020 spurred CSC to create a senior-level DEI Leadership Team. Lisa Kulok, EVP, Chief Global Supply Chain Officer, is leading our efforts with the full support of brand and executive leadership.

"In the same way we built a sustainability lens into decisions we make when we are designing our products, we aspire to apply that same rigor to an equity lens for the business decisions we make every day. Whether it is choosing the vendors we work with, creating and designing our products or marketing our products to consumers, being thoughtful about the many choices we make along that journey is how we can make a difference."
- Mountain Hardwear Brand

"At prAna, we are committed to creating positive change. Whether it be through the sustainable product we create or the communities that we serve, we strive to make our world a better place. In support of this effort we have created a DEI committee that is focused on elevating awareness within prAna, as well as creating positive actions in our community. Through education and volunteering, hiring and partnering, imagery and words, and dozens of ways yet to be discovered, we're committed to making DEI a part of our prAna DNA."
- prAna Brand

"Our people, our environment, and our communities are all extremely important to us as a business, but more importantly, as individuals. Every day the SOREL team is taking steps to ensure we put these three pillars at the forefront of all of our internal and external initiatives."
- SOREL Brand

In June 2020, the DEI Leadership Team established pillars of diversity, equity, and inclusion, to better combat injustice and discrimination based on race, ethnicity, religion, gender, sexual orientation, age, or ability.

COLUMBIA SPORTSWEAR COMPANY DEI PILLARS

LISTEN
AND LEARN

DIVERSIFY
TALENT

CREATE
AND SPONSOR
OPPORTUNITY

BE A FORCE
FOR GOOD

To further engage employees in a DEI culture, we partnered with LinkedIn Learning to offer monthly challenges focused on advancing DEI learning and development. We also partnered with retail, distribution center and brand teams to develop department-level activities promoting DEI.

We provide full-time, U.S. corporate employees with a day off to use to support a DEI initiative of their choice. During the months of June and July 2020, we expanded our employee donation match program to double-match donations of up to \$1,000 made to organizations combating social and racial injustice. This program resulted in nearly \$75,000 in individual donations, which we double matched for a donation of approximately \$150,000 – contributing close to \$225,000 in total.



EMPLOYEE RESOURCE GROUPS

At CSC, Employee Resource Groups (ERGs) foster an inclusive culture and provide a sense of belonging for employees as they build relationships through shared experiences. In addition to Our Trail, the Women's Leadership Initiative, and CSC Pride, in 2020 we welcomed new ERGs – Black Employee Network and Friends, Vamos Unidos, and the Veterans Employee Resource Group.⁷ We are proud of the community-first spirit of our employees and the tireless efforts of our ERGs to be a force for good in the outdoor industry.

MISSION STATEMENTS OF OUR EMPLOYEE RESOURCE GROUPS



BLACK EMPLOYEE NETWORK AND FRIENDS

Foster an environment that tirelessly elevates the inclusion, empowerment, and retention of Black employees at CSC. Through outreach programs, awareness and mentorship, we aim to strengthen relationships internally and in the communities we serve by promoting diversity and increasing Black representation in the outdoor space.



¡VAMOS UNIDOS!

Promote cultural diversity and inclusivity for our Hispanic and Latinx employees. To bring awareness, education and partnerships through a Hispanic and Latin lens, while keeping true to CSC's appreciation for the outdoors. We continue to unlock diversity, equity, and inclusion in the outdoors from the inside-out for our community and our allies.



COALITION OF ASIAN & PACIFIC ISLANDER EMPLOYEES

Support CSC's goal to foster an inclusive culture by bringing awareness, education and perspective through the lens of our diverse Asian and Pacific Islander heritages. We empower all to use their voice to speak up and to be a force for good within our communities. We aim to recruit and develop inspiring leaders through learning and celebrating our diverse backgrounds.



WOMEN'S LEADERSHIP INITIATIVE

Focus on understanding the unique development and leadership challenges facing women. Through this exploration and awareness, we are developing leadership opportunities and resources - accessible to all CSC team members, women and men alike.



VETERANS EMPLOYEE RESOURCE GROUP

Identify and address challenges and opportunities faced by veterans of armed forces from all nations employed at CSC.



OUR TRAIL

Cultivate a community that builds belonging, diversity, equity, and inclusion through awareness, education, and engagement.



CSC PRIDE

Love and acceptance are radical, without them there is no humanity. We love all humans, and will do what it takes to be compassionate, not only indoors, but also out. We stand for our passions: Get Out, Get Proud, Make a Difference!

⁷ We were pleased to welcome the Coalition of Asia and Pacific Islander Employees and Friends as our newest ERG in early 2021.

OUR WORKFORCE AT A GLANCE

Select self-disclosed information about our global workforce, as of December 31, 2020, is provided below. Ethnicity information is only provided for our U.S. workforce.

WORKFORCE BY LEVEL

BY GENDER

	INDIVIDUAL CONTRIBUTOR	MANAGER	DIRECTOR AND ABOVE
FEMALE	57%	50%	34%
MALE	40%	49%	66%
UNDISCLOSED ⁸	3%	<1%	<1%

BY ETHNICITY⁹

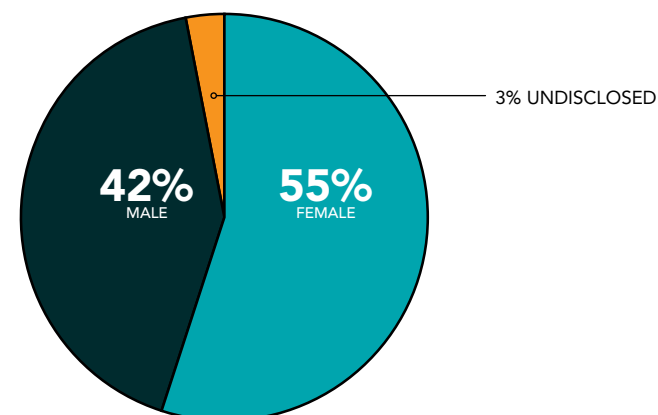
	INDIVIDUAL CONTRIBUTOR	MANAGER	DIRECTOR AND ABOVE
AMERICAN INDIAN OR ALASKAN NATIVE	<1%	<1%	0%
ASIAN	7%	7%	7%
BLACK	6%	3%	1%
HISPANIC OR LATINO	19%	7%	3%
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	<1%	<1%	0%
TWO OR MORE RACES	4%	2%	2%
WHITE	61%	79%	85%
UNDISCLOSED ⁸	2%	2%	2%

⁸ Includes individuals who selected "undisclosed" as well as those who left the question blank.

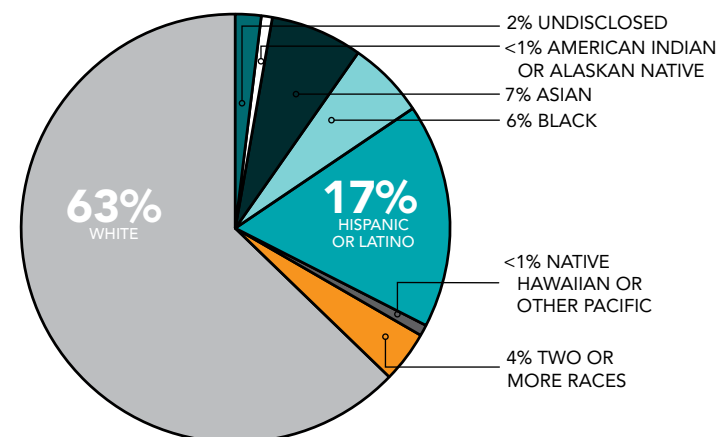
⁹ Reflects U.S. employees only.

TOTAL GLOBAL WORKFORCE

BY GENDER



BY ETHNICITY⁹





WORKFORCE BY ROLE

BY GENDER					BY ETHNICITY ¹⁰				
	OFFICE	DISTRIBUTION CENTER	RETAIL	OTHER ¹⁰		OFFICE	DISTRIBUTION CENTER	RETAIL	OTHER ¹⁰
FEMALE	56%	46%	58%	50%	AMERICAN INDIAN OR ALASKAN NATIVE	<1%	1%	<1%	1%
MALE	43%	54%	38%	49%					
UNDISCLOSED ¹¹	<1%	<1%	4%	<1%	ASIAN	10%	10%	5%	6%
					BLACK	1%	10%	8%	3%
					HISPANIC OR LATINO	6%	14%	25%	5%
					NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER	<1%	2%	1%	0%
					TWO OR MORE RACES	4%	2%	4%	2%
					WHITE	76%	60%	55%	82%
					UNDISCLOSED ¹¹	2%	1%	2%	1%

WORKFORCE BY LOCATION

BY GENDER			
	NORTH AMERICA	EUROPE	ASIA
FEMALE	57%	46%	53%
MALE	42%	43%	41%
UNDISCLOSED ¹¹	1%	11%	6%

¹⁰ "Other" includes employees working at factories, remotely, in our service centers and show rooms.

¹¹ Includes individuals who selected "undisclosed" as well as those who left the question blank.



OUR SUPPLY CHAIN

Since we do not manufacture our own products, our manufacturing partners are essential to our business. We are committed to investing in the wellbeing of the individuals working for our manufacturing partners.

FAIR TRADE

In 2011, prAna became the first North American apparel brand to produce Fair Trade Certified™ clothing. In 2020, prAna gave back over \$319,000 to community development funds through Fair Trade premiums. As of 2020, nine facilities in prAna's supply chain are Fair Trade Certified™. Community development funds are owned by the facility workers who vote on how to spend the money based on their unique needs, from healthcare and on-site pharmacies, to educational programs, childcare, with home appliances. The workers come together, vote for the program, define the project and work together to for implementation.

PLANET WATER

A healthy planet starts with clean water. That's why we partner with Planet Water Foundation, a U.S. nonprofit organization that helps combat our global water crisis by bringing clean water to communities within our supply chain. Since 2016, we have built 22 water towers through our Columbia Clean Drinking Water Program. In 2020, we built seven new towers in India, Indonesia, and Vietnam. With the addition of seven towers in 2020, we have reached 88% of our goal to build 25 new water towers by 2022. Each water tower brings clean drinking water to up to 1,800 people per day.

HERPROJECT

Women represent approximately 75% of our global supply chain workers. Since 2008, we have partnered with [Business for Social Responsibility](#) to empower women in our supply chain through HERproject (Health Enables Returns).

[HERproject](#) empowers women working in global supply chains by delivering workplace training on improving health ([HERhealth](#)), financial inclusion ([HERfinance](#)) and promoting gender equality ([HERrespect](#)). Trainings apply a train-the-trainer approach, encouraging participants to learn, employ their skills and share their expertise. In 2020, seven existing HERproject participating facilities continued to provide training.



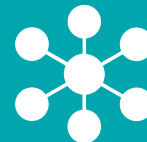
HERhealth



HERfinance



HERrespect



Since implementing HERproject in 2008 more than 50,000 workers in our supply chain have had access to HERproject programs.



PUBLIC COMMITMENT

Scale our women's health and wellbeing program in our supply chain to impact the lives of 150,000 women by 2025.

OUR COMMUNITIES

Our communities are home to the passionate people who make our business thrive and shape the future. We nurture our communities to better the world for generations to come by partnering with organizations focused on outdoor participation, access, and stewardship, as well as community support.

OUTDOOR AND COMMUNITY SUPPORT

LGBTQIA2S+ SINGLE PITCH INSTRUCTOR COURSE <p>Mountain Hardwear partnered with the American Mountain Guides Association to enable six climbers to participate in a LGBTQIA2S+ Single Pitch Instructor Course in Joshua Tree National Park. Learn more about the program here.</p>	PRANA'S PARTNERSHIP WITH OUTDOOR OUTREACH <p>As part of prAna's partnership with Outdoor Outreach, a participant interviewed prAna athlete Kelly Potts and a prAna employee on Facebook live to discuss the outdoors, careers, and leadership roles in the Outdoor Industry.</p>	PRANA'S PARTNERSHIP WITH CHETCO <p>prAna is one of the founding brands that partnered to microfinance the Chetna Coalition ("ChetCo") of farmers in India. prAna supports this program through work with the Rajlakhmi group in India. Learn more about ChetCo here.</p>	PARTNERSHIP WITH UK NATIONAL PARKS <p>The Columbia brand worked with the UK National Parks to support the work several UK community groups and charities undertake to bring the outdoors to a broader audience.</p>	GIRLTREK <p>Through our continued partnership with GirlTrek, we promoted and encouraged all CSC employees to participate in their 21-day Bootcamp.</p>
COLLEGIATE OUTDOOR RECREATION PROGRAM <p>The Collegiate Outdoor Recreation program, supported by the Columbia brand, Mountain Hardwear and prAna, continued its efforts to reduce barriers to access the outdoors for students by providing critical gear to schools. College gear rentals soared as students and staff ventured into the outdoors for recreation and community during the COVID-19 pandemic. In 2020, Historically Black Colleges and Universities (HBCU) Outside, a new non-profit focused on encouraging students from HBCUs to enjoy the outdoors, was added to the program.</p>	WILDFIRE RELIEF <ul style="list-style-type: none"> Product donations totaled nearly \$170,000 (MSRP) \$35,000 from Columbia and SOREL Over \$17,000 in CSC employee donations with an equivalent match by CSC 	JAPAN TYPHOON RELIEF <p>In 2020, Japan was hit by a number of severe storms and typhoons. Hundreds of thousands were evacuated from the Kumamoto area in southern Japan. The Columbia brand donated waterproof apparel and footwear to the affected population.</p>	MCNEILL-NOTT AWARD <p>The American Alpine Club and Mountain Hardwear partnered to establish the McNeill-Nott Award in memory of climbers Sue Nott and Karen McNeill. This award seeks to preserve the spirit of these two climbers by awarding grants to amateur female climbers exploring new routes or unclimbed peaks with small and lightweight teams.</p>	U.S. NATIONAL PARK FOUNDATION <p>The Columbia brand donated \$75,000 to match REI's donation from the sale of National Park passes to the National Park Foundation's Open Outdoors for Kids Hybrid program. As schools face unprecedented challenges during the COVID-19 pandemic, NPF is helping parks develop innovative ways to reach students and teachers, including new distance learning programs that blend in-person and digital offerings.</p>

An aerial photograph of a vast, sandy beach with a person standing on the left side, looking out at the turquoise ocean. The text 'SUSTAINING PLACES' is overlaid in white on the right side of the image. A solid teal vertical bar is on the far right edge.

SUSTAINING PLACES

SUSTAINING PLACES

A healthy planet is the cornerstone of healthy people and healthy communities. Our role is to conduct business responsibly by managing our impact on the environment through natural resource preservation. To sustain the places we live, work, and play in, we focus on the following pillars:

- Climate Management
- Preferred Materials
- Sustainable Manufacturing
- Chemical Management

In 2020, we earned gold-level certification for our Corporate Headquarters from the Washington County Green Business Leaders in recognition of our environmentally responsible practices. We completed our third year of disclosing Scope 1, 2 and 3 greenhouse gas (GHG) emissions, set a goal to reduce manufacturing emissions 30% by 2030, and realized a 12% absolute year-over-year reduction in overall emissions. We also saw an overall increase in the use of preferred materials in products, with about 72% of styles across all brands containing at least one preferred material.



See [Appendix B](#) for more information about the UN SDGs and our related initiatives.



CLIMATE MANAGEMENT

GREENHOUSE GAS EMISSIONS

In 2020, we experienced a 12% reduction in our total emissions from 2019. The reduction in total emissions is largely due to the following factors outlined by scope:¹²

Scope 1 & 2:

- Reduced usage of owned and operated facilities due to COVID-19 pandemic impacts
- An 8% increase in renewable energy for our owned and operated facilities from 2019 to 2020

Scope 3:

- Increased usage of preferred materials¹³
- Reduced employee travel
- A 36% increase in renewable energy across our supply chain from 2019 to 2020

As Scope 3 emissions are comprised of travel, product assembly, material processing, and material inputs, it is important to note that product assembly and material processing data is derived from the Higg Facilities Environmental Module (FEM).¹⁴ Given the Higg FEM reporting cadence, annual emissions data from our manufacturing partners is not available until the first quarter of the subsequent calendar year, resulting in the usage of 2019 manufacturing data in this Report.¹⁵ Scope 3 data for travel and material inputs is from the 2020 calendar year.

¹² The GHG Protocol Corporate Standard classifies a company's GHG emissions into three 'scopes.' Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the supply chain of the reporting company, including both upstream and downstream emissions.

Reference: https://ghgprotocol.org/sites/default/files/standards_supporting/FAQ.pdf

¹³ CSC defines a preferred material as a material that has a demonstrated significant improved impact over a standard version of that material in at least one of the following impact categories; 1) Animal-Welfare, 2) Biodiversity, 3) Chemicals, 4) Energy, 5) Greenhouse Gas Emissions, 6) Land Use Intensity, 7) Social Impact, 8) Waste, 9) Water.

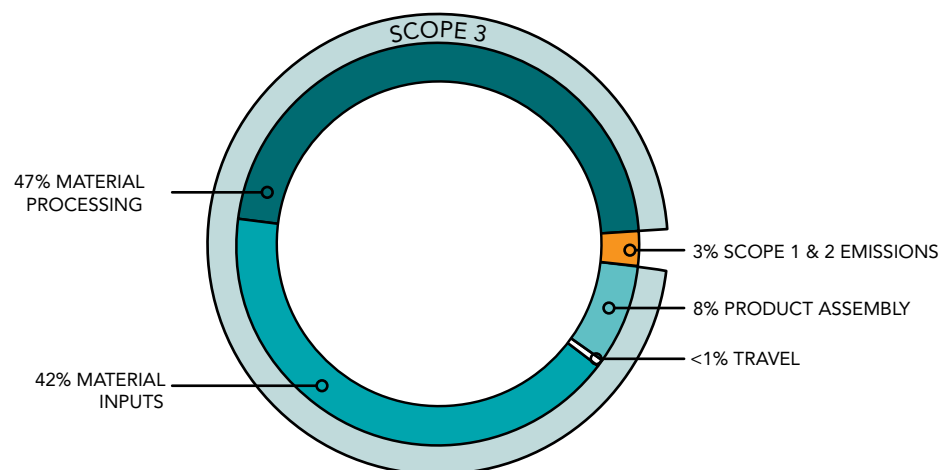
¹⁴ The Higg FEM is a sustainability assessment tool that standardizes how facilities measure and evaluate their environmental performance year-over-year, enabling us to make comparisons with our peers. The Higg FEM measures the following at facilities: (1) environmental management systems, (2) energy use and greenhouse gas emissions, (3) water use, (4) wastewater, (5) emission to air (if applicable), (6) waste management, and (7) chemical use and management.

¹⁵ While we updated our greenhouse gas emissions methodology in 2020 (see [Appendix C](#)), use of the previous year's data is consistent with our historical approach.

¹⁶ CSC Scope 1 data only encompasses North American owned and operated facilities.

¹⁷ 2019 greenhouse gas emissions data recalculated using methodology updated in 2020. See [Appendix C](#) for details on our greenhouse gas emissions methodology.

2020 SCOPE 3 EMISSIONS BY FUNCTION (PERCENT)



NOTE: Totals may not sum to 100 due to rounding.

RENEWABLE ENERGY GENERATION (MWh)

	2018	2019	2020	% OF TOTAL	% CHANGE
Owned	716	664	721*	3%	8%
Supply Chain	186	1,060	1,443	0.2%	36%

* NOTE: 2020 renewable energy generation only reflects generation at our Portland, OR offices through early September 2020 due to reporting systems going offline.

TOTAL GREENHOUSE GAS EMISSIONS BY SCOPE (MT CO₂e)

	2019	2020	% CHANGE
Scope 1 ¹⁶ & 2	12,712	11,613	-9%
Scope 3	455,882 ¹⁷	400,105	-12%
TOTAL	468,594	411,718	-12%



CASE STUDY

Climate Collaboration

CSC collaborates with other brands and industry groups through the Carbon Leadership Project (CLP) to increase renewable energy usage and phase out coal. CLP is a pilot program convened by Reset Carbon and the Apparel Impact Institute to leverage the collective impact of apparel and footwear brands to reduce Tier 1 and Tier 2 emissions.¹⁸ CLP implements a cohort-based learning approach where a small group of select facilities can progress through the program together, promoting peer-to-peer learning. CLP also utilizes a tripartite funding model where facilities, brands and a financial institution must equally contribute to participate. In 2020, CSC initiated CLP projects with five strategic Tier 2 facilities in China, India, and Vietnam.

MANUFACTURING CLIMATE TARGET



To reduce Scope 3 emissions, in 2020, we set our first manufacturing climate target of a 30% reduction in manufacturing emissions by 2030 from a 2019 baseline. To achieve this target, manufacturing partners who have completed the Higg FEM will be required to meet facility-level targets by 2030. Facility-level targets will be based on the following criteria: 1) facility emissions intensity;¹⁹ 2) Higg FEM energy score, which determines a facility's readiness to manage climate risk; and 3) total facility GHG emissions adjusted for CSC business volume.

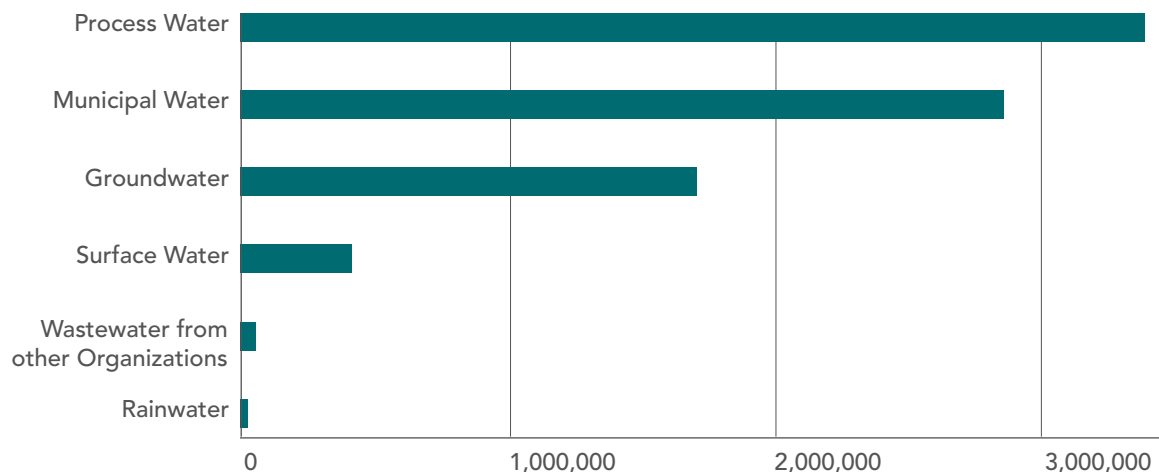
¹⁸ Tier 1 facilities refer to manufacturing partner facilities where finished products are assembled. Tier 2 facilities refer to manufacturing partner facilities where raw materials are manufactured, including dyeing, and finishing processes.

¹⁹ Facility emissions intensity is calculated by dividing a facility's total GHG emission by their annual production volume as reported in the Higg FEM.

WATER

In 2020, we collected water usage data from our Tier 1 and Tier 2 facilities using the Higg FEM. Results indicated the majority of water used in our supply chain is from process water (40%), followed by municipal water (34%) and then ground water (21%). An estimated 19% of our factories use recycled water,²⁰ reducing facility demand for the ground, surface, and municipal water sources. Higg FEM water data informs our understanding of water sustainability and efficiency efforts at supplier facilities, and informs our improvement and capacity building projects, like Clean by Design.

SUPPLY CHAIN WATER USAGE BY SOURCE (M³)



²⁰ In alignment with the Sustainable Apparel Coalition's Higg FEM guidance on water, recycled water is comprised of process water, rainwater, and wastewater from other organizations.



CASE STUDY

Improving Water and Energy Efficiency with Clean by Design

CSC is proud to partner with the Apparel Impact Institute's Clean by Design (CbD) program to support our factories in the improvement of energy and water efficiency. CbD's targeted approach to driving reductions through greater efficiency and renewable energy helps support CSC's manufacturing climate targets.

In 2020, Columbia completed CbD projects in three Tier 2 facilities owned by our manufacturing partner, Formosa Taffeta Company – two in China and one in Taiwan. The projects resulted in an estimated reduction of 4,625 MT CO₂e per year and a reduction of 556,325 cubic meters of water per year. These impacts were largely derived from targeted insulation for temperature management, methods to reuse condensate, dyeing wastewater recycling, condensate reuse, and enhanced management systems for water, temperature, and dyeing processes.

PREFERRED MATERIALS

2020 BRAND LEVEL PREFERRED MATERIAL HIGHLIGHTS

MATERIALS

100%

RESPONSIBLE DOWN
STANDARD CERTIFIED DOWN



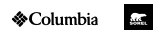
100%

ORGANIC COTTON



95%

LEATHER MANUFACTURING PARTNERS
WERE LEATHER WORKING GROUP RATED



17%

BLUESIGN® CERTIFIED
MATERIALS



STYLES²¹

93%

OF STYLES HAD AT LEAST
ONE PREFERRED MATERIAL



82%

OF STYLES HAD AT LEAST
ONE PREFERRED MATERIAL



78%

OF STYLES HAD AT LEAST
ONE PREFERRED MATERIAL



63%

OF STYLES HAD AT LEAST
ONE PREFERRED MATERIAL



PACKAGING

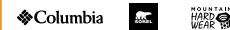
50%

HANG TAGS
RECYCLED CONTENT



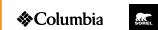
98%

SHIPPING BOXES
RECYCLED CONTENT



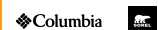
90%

SHOE BOXES
RECYCLED CONTENT IN BOX



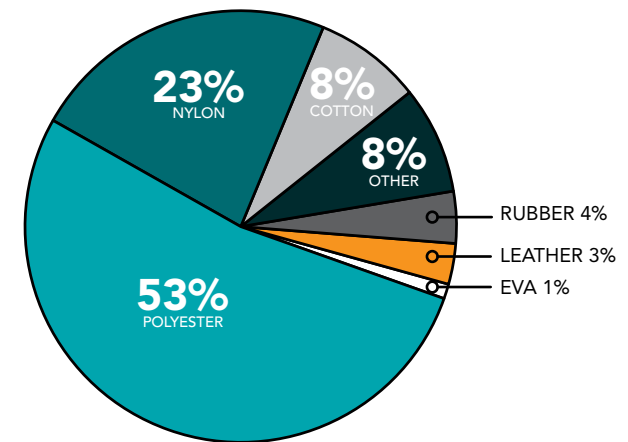
50%

SHOE BOXES
RECYCLED CONTENT IN TISSUE



2020 EMISSIONS BY MATERIAL TYPE (MT CO₂e)

Based on the fiber types in our material portfolio, material inputs account for 42% (172,461 MT CO₂e) of CSC's GHG emissions. This includes impacts from raw material extraction and agricultural practices through yarn formation. In 2020, four fiber types make up 88% of CSC's material emissions portfolio – polyester (53%), nylon (23%), cotton (8%), and rubber (4%).



²¹ Reporting parameters for styles that include preferred materials are comprised of primary components for the most frequently used preferred materials. Trims and other secondary components are excluded from reporting. Preferred materials that are infrequently used are also excluded in this report. No percentage thresholds are set for the parameters of this reporting.



PRANA SPOTLIGHT

We are proud to include prAna in our brand portfolio. prAna was founded on the ethos that sustainability and style can live together in harmony, and prAna continues to develop innovative ways to live this ethos. In 2020, they re-engineered their heritage stretch Zion fabric to incorporate earth-conscious elements, like recycled nylon, creating an enhanced fabric called ReZion. As a force for change, prAna is leading industry collaboration for more sustainable packaging through the Responsible Packaging Movement.

PRANA'S RESPONSIBLE PACKAGING MOVEMENT

prAna has been committed to responsible packaging for over 10 years with a goal to eliminate plastic from consumer packaging by 2021. Additional goals are to eliminate use of materials from ancient and endangered forests by 2022 and virgin forest fibers by 2025.

Recognizing the greater impact of collective action, prAna launched the Responsible Packaging Movement in 2020, asking other brands and customers to join prAna on their packaging journey. Since the launch, over 70 brands have joined the Movement, including Mountain Hardwear.

By joining the Responsible Packaging Movement, brands commit to making goals that align with the Movement. prAna is offering brands tools, education, and guidance to help transform their packaging, including:

- Tell-all guides about prAna's 10+ years of experience in responsible packaging
- Monthly live sessions, including webinars and discussion-based roundtables
- Access to industry leaders
- Support and expertise from two Non-Profit partners, 5 Gyres and Canopy
- Networking space for like-minded brands

Visit [prAna's website](#) to learn more and join the Responsible Packaging Movement

MATERIALS

100%
OF COTTON IS
ORGANIC COTTON

69%
OF POLYESTER
IS RECYCLED

100%
OF DOWN USAGE IS
RDS CERTIFIED

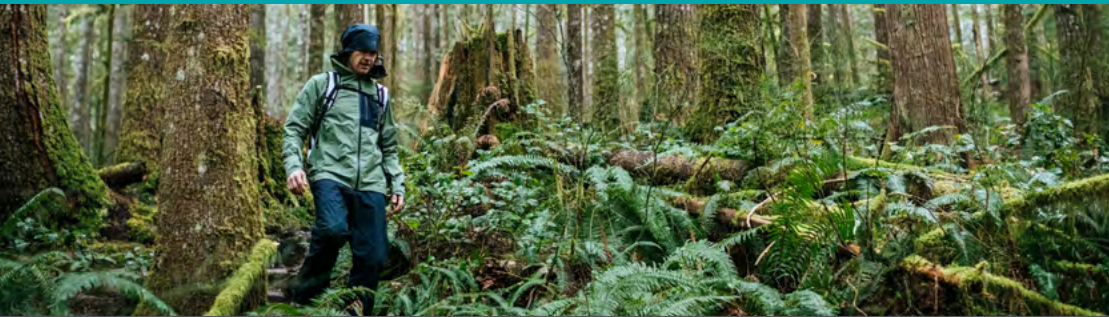
62%
OF FABRICS USING DWR
USE PFC-FREE DWR

93%
OF STYLES HAVE AT LEAST
ONE OR MORE SUSTAINABLE
ATTRIBUTE

44%
OF STYLES ARE FAIR TRADE
CERTIFIED OR MADE IN A
FAIR TRADE FACTORY

PACKAGING

2.6 MILLION
POLYBAGS BAGS DIVERTED
FROM THE LANDFILLS



SUSTAINABLE MANUFACTURING

CSC's Sustainable Manufacturing Program is based on understanding the environmental performance of our manufacturing partners at a facility level to inform strategies for environmental improvement across our supply chain.

We use the Higg FEM, managed by the Sustainable Apparel Coalition,²² as the primary tool to assess environmental performance in our supply chain. In 2020, we completed the 7th annual Higg FEM assessment, achieving a 100% response rate for in-scope manufacturing partners.²³ The median Higg FEM score for our in-scope manufacturing partners was 52 out of 100 in 2020, which was considerably higher than the 2020 industry mean of 41, and a 24% increase from a median score of 42 for our in-scope manufacturing partners in 2019. The overall score improvement in 2020 was driven by an increase in energy and water scores attributed partially to targeted capacity building programs like Clean by Design.

Since the inception of the Higg FEM in 2013, results demonstrate a steady trend of year-over-year performance improvement for CSC's manufacturing partners since starting the Higg FEM program in 2013. CSC's manufacturing partners' Higg FEM scores verified by third parties have also increased.

In 2020, we updated our Corporate Responsibility (CR) Scorecard to include sustainable manufacturing practices criteria and product compliance, enabling a holistic review of corporate responsibility performance.²⁴ Scorecards are updated monthly and shared with our manufacturing partners for continuous improvement, as well as utilized as part of our internal sourcing teams' manufacturing partner selection process.

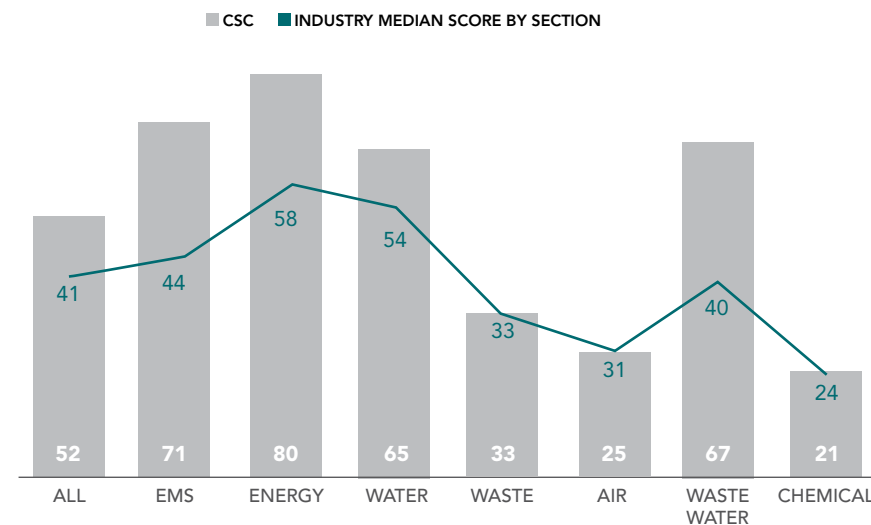
The Higg FEM 2020 results demonstrate a steady trend of year-over-year performance improvement for CSC's manufacturing partners since 2013, when the Higg FEM program started, and includes a consistent increase in CSC's manufacturing partners' having their Higg FEM scores verified by third parties.

²² CSC is a founding member of the Sustainable Apparel Coalition.

²³ In-scope manufacturing partners are Tier 1 manufacturing partners and the top 80% of Tier 2 manufacturing partners for the Columbia brand, Mountain Hardwear and SOREL. As Higg FEM data is not available for prAna, Licensees, Japan Direct Source (JDS), Korea Direct Development (KDD) and collegiate manufacturing partners, these manufacturing partners are out of scope.

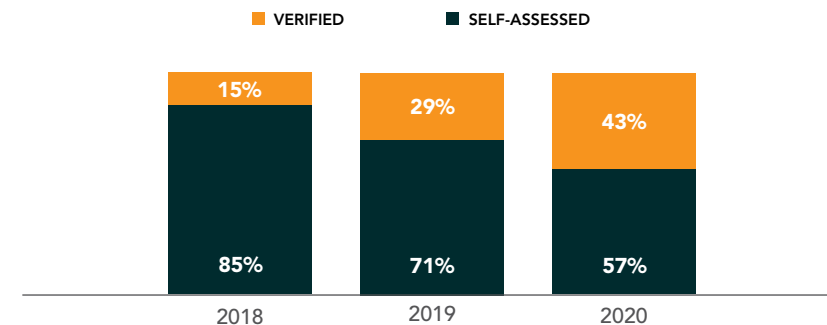
²⁴ As the 2020 updates and new scores take effect in 2021, the 2020 scores presented in the chart do not account for the new criteria.

HIGG FEM MEDIAN SCORES BY SECTION



NOTE: 2019 Higg FEM cadence.

HIGG FEM SELF-ASSESSED SCORES VS VERIFIED SCORES (PERCENTAGE)



CHEMICAL MANAGEMENT

We strive to make products safe and regulatory compliant, from initial concept through manufacturing and delivery to our customers. Our Global Product Compliance and Chemical Management team works closely with product creation teams and manufacturing partners to set and implement product standards and industry best practices in an effort to meet or exceed regulatory requirements and customer expectations.

[CSC's Restricted Substances List \(RSL\)](#) is based on the bluesign® RSL, which aligns with global laws, preferred chemistry and hazard assessment principles, and industry standards. Compliance with our RSL is mandatory for our manufacturing partners per our partner agreements and is monitored through our RSL Testing Programs. We provide extensive training on our RSL and testing standards throughout our product lifecycle, from product creation, to sourcing and manufacturing.

Taking our commitment to chemical management to the next level, our Chemicals Management program is focused on proactively looking for ways to incorporate preferred chemistry into our products and to expand adoption of best practices in our supply chain. The [CSC Chemical Management Policy](#) outlines chemical management standards, guidelines for hazardous chemical identification, as well as risk-mitigation steps. We evaluate our manufacturing partner facilities' adherence to these practices with the Higg FEM (see [Appendix D](#)).

BLUESIGN® SYSTEM PARTNER

CSC has been a bluesign® system partner since 2016. In 2020, we partnered with bluesign® to host virtual trainings focused on chemical management best practices for our manufacturing partners in Asia.

LEATHER WORKING GROUP

Selecting Leather Working Group (LWG) certified manufacturing partners provides assurance that we are working with partners meeting these requirements. In 2020, 95% of the Columbia brand and SOREL leather manufacturing partners were LWG rated.

FLAME RETARDANT ELIMINATION

In 2020, as a result of industry work and collaboration, industry standards in the U.S. and Canada were updated to allow tent manufacturers to eliminate or significantly reduce the use of additive flame retardant. Studies have demonstrated the toxicity of flame retardants, which was the primary driver behind the regulatory updates. Flame retardants have been removed from Mountain Hardwear tents since 2019. CSC continues to work collaboratively with various stakeholders to further refine the standards and influence regulatory adoption.

A woman with dark curly hair, wearing a dark long-sleeved shirt and light blue pants, is walking through a field of green bushes. She is looking back over her shoulder towards the camera. The background features rolling green hills under a clear sky. The text "RESPONSIBLE PRACTICES" is overlaid in large white letters on the right side of the image.

RESPONSIBLE PRACTICES

RESPONSIBLE PRACTICES

One of CSC's core values is "doing the right thing." This means promoting a culture of ethics and compliance. It also means investing in programs and practices to trace where our products come from, what they are made of, and how they are made. We seek to incorporate responsible practices into our business by:

- Ethics and Compliance
- Social Responsibility in our Supply Chain
- Workplace Health and Safety

We are proud of our work to enhance ethical business conduct and transparency within the Company and across our supply chain. In 2020, we continued to focus on compliance making July 2020 "Ethics and Compliance Month," and communicating across the organization what "doing the right thing" means. In our supply chain, we conducted 315 unannounced audits and saw an increase in manufacturing partners improving their supplier scorecard ratings. Navigating the COVID-19 pandemic was also at the forefront of our business in 2020, necessitating implementation of enhanced safety measures and protocols to keep employees and partners healthy.



See [Appendix B](#) for more information about the UN SDGs and our related initiatives.





ETHICS AND COMPLIANCE

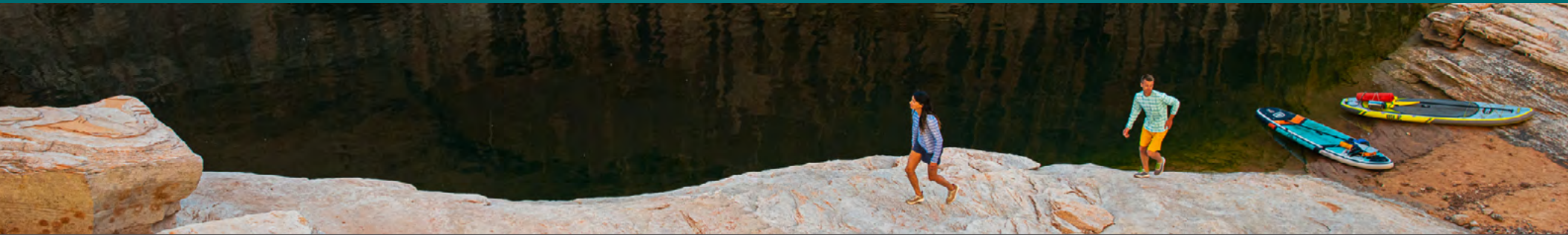
We are committed to living our values of “doing the right thing” and fostering a speak-up culture. All CSC employees, our Board and anyone conducting business on our behalf are responsible for understanding and complying with our Code of Business Conduct and Ethics, as well as related corporate policies.

We operate under a values-based Code of Business Conduct and Ethics. These values drive us to:

- Commit to ethical conduct
- Encourage and support a speak-up culture
- Treat one another with dignity and respect
- Conduct business honestly and compete fairly in the marketplace
- Use company information properly
- Engage with third party partners who share our values

Our Ethics and Compliance Committee, consisting of leaders from Human Resources, Legal and Business teams, monitors compliance with our Code of Business Conduct and Ethics throughout the Company. It is this committee’s responsibility to provide compliance training throughout an employee’s tenure by using a mixed approach of online and in-person learning. Our Board oversees organizational structures, policies, and procedures at CSC to promote ethical conduct and compliance with laws and regulations. We have established a confidential compliance phone line and web-based reporting platform for employees and other stakeholders to report concerns. Both the compliance phone line and the web-based reporting platform comply with CSC’s confidentiality processes. The chair of the Audit Committee receives notifications of all compliance line reports.

CSC declared July 2020 “Ethics and Compliance Month.” During the month, a number of communications highlighting ethics and compliance-related topics were featured.



SOCIAL RESPONSIBILITY IN OUR SUPPLY CHAIN

We hold ourselves and our manufacturing partners to high standards for furthering social responsibility and integrity across our supply chain. Strong internal programs, policies, practices, and accountability systems establish the foundation for selecting and conducting business with manufacturing partners who share our beliefs and meet our social responsibility requirements. To further integrity throughout our supply chain, we encourage our manufacturing partners to provide anonymous feedback about our purchasing practices through the Better Buying Initiative. In 2020, we received our first [Better Buying Initiative](#), brand-specific reports. These reports will help to inform strategic improvements for enhanced internal accountability and purchasing practices.

2018-2020 CSC MANUFACTURING PARTNER CR SCORECARD RATINGS (PERCENT)

GRADE	2018	2019	2020
BEST IN CLASS	2%	0%	1%
A	10%	6%	6%
B	76%	69%	77%
C	11%	23%	15%
F	1%	2%	1%

NOTE: In 2020, we engaged with 360 manufacturing partner facilities. This total includes active facilities and facilities pending approval.

SOCIAL RESPONSIBILITY PROGRAM AND SCORECARD PROCESS

Our [Standards of Manufacturing Practices \(SMP\)](#) (our Supplier Code of Conduct) outlines our expectations for our manufacturing partners, and is based on [International Labor Organization \(ILO\)](#) conventions and [Fair Labor Association \(FLA\)](#) standards, including a section on prohibiting forced labor.²⁵

To assess our manufacturing partners' compliance with our SMP standards and local labor laws, we utilize performance data from several sources. Sources include unannounced audits performed by our internal Corporate Responsibility (CR) specialists, designated third party audit firms and brand collaboration partners, as well as assessments performed by the ILO Better Work program, the Social and Labor Convergence Program,²⁶ and the FLA Sustainable Compliance Initiative (SCI).²⁷

In 2020, we used data from 315 audits and assessments conducted at manufacturing partner facilities to inform our CR supplier scorecard ratings. Our CR scorecard includes indicators on audit and assessment performance, remediation efforts and long-term change, training and worker empowerment, management systems, and transparency.²⁸ Scorecards are updated monthly and shared with our manufacturing partners for continuous improvement, as well as utilized as part of our internal sourcing teams' manufacturing partner selection process. In 2020, we saw an increase in manufacturing partner facilities moving from C rating to B rating, as well as two manufacturing partners being designated as "Best in Class". For facilities receiving F ratings, our policy is to take substantive and immediate action by reducing or ceasing production, depending on the circumstances. Once issues are adequately addressed, we reassess production at these facilities.

In 2020, we updated the CR scorecard to include criteria scoring environmentally sustainable manufacturing practices and product compliance to enable a holistic review of corporate responsibility performance. These updates will be reflected in 2021 scorecard ratings.

²⁵ More information regarding our efforts to mitigate forced labor and human trafficking in our supply chain can be found in our [Transparency in Supply Chain Statement](#).

²⁶ See [Appendix G](#) for more information about our work with the ILO Better Work program and the Social and Labor Convergence Program.

²⁷ See [Appendix E](#) for more information about social responsibility audits and assessments.

²⁸ See [Appendix F](#).



PUBLIC DISCLOSURE AND TRANSPARENCY

The [CSC Transparency Map](#) publicly discloses information about our manufacturing partners and enables customers to see where products are made for the Columbia brand, Mountain Hardwear, SOREL and prAna. The CSC Transparency Map is updated twice annually. prAna also maintains a list of its manufacturing partners, which is available on its [website](#).



Shaded countries are those in which CSC manufactures products.

Customers may filter Map results by:

- Factory ID
- Country
- Project of interest
 - Clean Drinking Water
 - HERproject
 - Responsible Down Standard

WORKPLACE HEALTH AND SAFETY

As we navigated challenges presented by the COVID-19 pandemic in 2020, our top priority was to protect the health and safety of our employees, their families, our customers, and our communities. As the COVID-19 virus quickly escalated to a global pandemic in early 2020, we closed our global retail stores at various times to slow the spread of the virus. We also enacted remote work measures that enabled our global workforce to limit exposure to the virus while sustaining essential business operations. As restrictions were lifted, we developed protocols to safely reopen. In our stores and corporate offices we implemented best practices for social distancing and cleaning to promote a healthy environment.

In many parts of the world, our distribution centers and customer care call center teams were identified as essential workers in support of our eCommerce business and remained open. Our safety and facilities teams quickly responded to create safe working environments. Safety measures in these facilities included COVID-19 safety protocol trainings, adjusted workplace layouts to enable social distancing, and heightened sanitization measures. Face coverings were provided to employees, and pre-work COVID-19 symptom questionnaires and temperature checks were completed at the start of each workday.

At our corporate headquarters, we formed a contact tracing team to support local health authorities and protect our employees. The team worked with employees experiencing COVID-19 symptoms, who tested positive for COVID-19, or were exposed to a person infected with the virus. We also formed a special COVID-19 pandemic response team to track local, state, and federal COVID-19 guidelines, as well as develop strong working relationships with local public health authorities. In addition to protecting the health and safety of our employees, customers, and visitors, these efforts drive compliance with Occupational Safety and Health Administration requirements and other local, state, and federal health guidelines, and continue to evolve with the COVID-19 landscape in 2021.



A woman with long dark hair is captured mid-jump, wearing a black quilted puffer jacket, a white knee-length skirt, orange socks, and black and white sneakers. She is positioned on the left side of the frame. The background is a large, blue, geometric structure with many triangular facets, resembling a modern building or a large sculpture, under a clear blue sky. The word "APPENDICES" is written in large, white, sans-serif capital letters across the middle of the image.

APPENDICES



APPENDIX A: SASB

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

SASB is an independent, standards-setting organization enabling businesses and investors to connect on the financially material aspects of sustainability. Our 2020 Corporate Responsibility Report marks the second time CSC has reported to the SASB framework, specifically the Apparel, Accessories and Footwear disclosure framework. All information reported is for the 2020 calendar year - January 1, 2020 through December 31, 2020.

TABLE 1. SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS - APPAREL, ACCESSORIES AND FOOTWEAR

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	REFERENCE/RESPONSE
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	Discussion and Analysis	N/A	C-AA-250a.1	Chemical Management RSL and Product Compliance Manual (Apparel, Accessories, & Equipment) RSL and Product Compliance Manual (Footwear)
	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	N/A	CG-AA-250a.2	Chemical Management Appendix D: Manufacturing Partner Facilities Meeting CMP Priorities Chemical Management Policy

APPENDIX A CONTINUED

APPENDIX A: SASB (CONTINUED)

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	REFERENCE/RESPONSE
Environmental Impacts in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	Quantitative	Percentage (%)	CG-AA-430a.1	<p>In 2020, 120 Tier 1 and 105 Tier 2 supplier facilities were in scope to complete the Higg FEM Assessment (2019 cadence). Of the supplier facilities that completed the Higg FEM, 98% of Tier 1 and 99% of Tier 2 supplier facilities were in compliance with wastewater discharge permits and/or contractual agreement.</p> <p>Sustainable Manufacturing</p>
	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	Quantitative	Percentage (%)	CG-AA-430a.2	<p>In 2020, 120 Tier 1 and 105 Tier 2 supplier facilities were in scope to complete the Higg FEM Assessment (2019 cadence). 100% of Tier 1 and Tier 2 supplier facilities completed it, representing around 80% of CSC's overall manufacturing.</p> <p>Sustainable Manufacturing</p>

APPENDIX A CONTINUED

APPENDIX A: SASB (CONTINUED)

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	REFERENCE/RESPONSE
Labor Conditions in the Supply Chain	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	Quantitative	Percentage (%)	CG-AA-430b.1	<p>75% of Tier 1 supplier facilities had audit or assessment data analyzed against our Standards of Manufacturing Practices and local labor laws. Audit/assessment data sources including unannounced audits performed by our internal CR specialists, designated third party audit firms and brand collaboration partners, as well as assessments performed by the ILO Better Work program, the Social and Labor Convergence Program, and the FLA Sustainable Compliance Initiative (SCI). Note that while we were engaged with 360 supplier facilities in 2020, 15 of these facilities were pending approval, thus only 345 facilities were active in 2020.</p> <p>68% of supplier facilities were independently audited by 3rd party auditors. These 3rd party auditors include: audit firms trained by CSC to our standards; independent global organizations, such as Better Work and the Fair Labor Association, and; external audits conducted through cooperative brand agreements.</p>
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	CG-AA-430b.2	<p>In FY20, 1% of supplier facilities received an F rating. Supplier facilities receiving F ratings were those presenting high-risk, non-compliance issues.</p> <p>Social Responsibility in Our Supply Chain Appendix F Social Responsibility Scorecard Rating System Standards of Manufacturing Practices</p>
	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	Discussion and Analysis	n/a	CG-AA-430b.3	<p>See "Risk Factors" in our Fiscal Year 2020 Form 10-K</p>

APPENDIX A CONTINUED

APPENDIX A: SASB (CONTINUED)

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	REFERENCE/RESPONSE
Raw Materials Sourcing	Description of environmental and social risks associated with sourcing priority raw materials	Discussion and Analysis	n/a	CG-AA-440a.1	<p>The following represent risks identified, as well as the policies and statements to mitigate these risks.</p> <p>Conflict Minerals Policy 2020 Conflict Minerals Report Animal Derived Policy Natural Down & Feather Insulation Statement Statement on Climate Change Uzbekistan & Turkmenistan Cotton Policy Transparency in Supply Chain Statement Chemical Management Policy</p>
	Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	Quantitative	Percentage (%) by weight	CG-AA-440a.2	Preferred Materials

TABLE 2. ACTIVITY METRICS - APPAREL, ACCESSORIES AND FOOTWEAR

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	REFERENCE/RESPONSE
Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	Number	CG-AA-000.A	<p>Tier 1: 345 active facilities Transparency Map Tier 2: 111 apparel and trim suppliers*; 121 footwear suppliers</p>

*Account for top 80% of CSC's apparel and trim business.

APPENDIX B: UN SDG MAPPING

In 2020, we mapped our focus areas to align with the United Nations Sustainable Development Goals (UN SDGs). The UN SDGs are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice. The 17 UN SDGs are all interconnected, ensuring no one is left behind.

Our business aligns with 8 of the 17 UN SDGs:

CSC BUSINESS AREAS	UN SDGS
EMPOWERING PEOPLE	
Our Employees	3, 5
Our Supply Chain	3, 5, 6, 10, 17
Our Communities	3, 5
SUSTAINING PLACES	
Climate Management	6, 13, 17
Preferred Materials	6, 12
Chemical Management	6, 12, 17
RESPONSIBLE PRACTICES	
Ethics and Compliance	8
Social Responsibility in our Supply Chain	8, 12, 17
Workplace Health and Safety	3





APPENDIX C: GREENHOUSE GAS EMISSIONS METHODOLOGY

Columbia Sportswear Company (CSC) calculates total carbon emissions based on the Greenhouse Gas (GHG) Protocol and Life-cycle assessment frameworks. Following the GHG protocol guidance, emissions are calculated and reported by scope as outlined below. Methodologies, protocols and emissions factors are evolving given the nascent nature of emissions disclosures, especially in the realm of Scope 3 emissions. Calculations are based on the best available data in our systems as well as emissions factors at a given period in time. Inherent data gaps in our system provide limitations to the completeness of the total emissions disclosed. All figures are converted to tonnes CO₂e for consistency.

2019 VS 2020 CHANGES IN METHODOLOGY:

Owned & Operated Facilities:

- Emissions factors for Canada energy were updated using 2020 UNFCCC report

Materials:

- Updated Emissions Factors were created using HIGG MSI tool and applied to 2019 and 2020 material data.
- We changed the source for material volumes in 2020 to a direct sourcing report and updated our 2019 emissions calculations using the new methodology.

Manufacturing:

- The industry standard SAC emissions factors were updated in 2020. We hence adopted these emissions factors in 2020 and updated our 2019 emissions calculations to use be in accordance with the new guidance.

1. SCOPE 1 & 2:

A. OWNED AND OPERATED FACILITIES

I. SCOPE: Facilities in the U.S. and Canada, including retail locations, distribution centers, and office locations for all CSC brands.

II. DATA SOURCES: Energy usage is compiled and reported through a third-party platform, ENGIE, which collects and analyzes energy and other utility data for in-scope facilities. Additional locations not enrolled in Engie's services were collected directly from the property managers and appended to the Engie report.

III. PROCESS: Usage from ENGIE is multiplied by emissions factors to calculate total carbon emissions and is reported in tonnes CO₂e.

IV. EMISSIONS FACTOR SOURCES:

1. U.S.:

- Electricity:** U.S. Environmental Protection Agency (EPA) [Power Profiler tool](#)
- Natural Gas:** [U.S. EPA greenhouse gases equivalency calculator](#)
- Propane:** Department of Energy - Energy Information Administration [Carbon Dioxide Emissions Coefficients](#)

2. CANADA: United Nations Framework Convention on Climate Change (UNFCCC) Canada [National Inventory Report 2020](#)

APPENDIX C: GREENHOUSE GAS EMISSIONS METHODOLOGY CONTINUED

2. SCOPE 3:**A. CORPORATE TRAVEL**

I. SCOPE: Air travel and rental cars booked through corporate travel agency for all brands and all regions. Travel booked outside of this system will not be included in the reporting.

II. DATA SOURCE: Air travel and rental car data are provided by our corporate travel agency.

III. PROCESS:**1. AIR TRAVEL:**

Trips are classified by segment length based on U.S. EPA guidelines – long haul, medium haul, and short haul. Total miles by segment are multiplied by U.S. EPA emissions factors and reported in tonnes CO₂e:

1. Long Haul (>2,300 miles/segment)
2. Medium Haul (≥300, <2,300 miles/segment)
3. Short Haul (<300 miles/segment)

2. RENTAL CARS:

Emissions data are calculated by our corporate travel agency using aggregated MPG data and emissions factors from the U.S. EPA and are provided in their report. Data units are converted to tonnes.

IV. EMISSIONS FACTOR SOURCE:**1. AIR TRAVEL:**

[U.S. EPA Emissions Factors March 2018](#)

2. RENTAL CARS:

Emissions data provided by corporate travel agency using aggregated MPG data and emissions factors from the U.S. EPA

a. Rental Industry System Standards (ACRIS) within the fleet of vehicles operated by the Enterprise Holdings brands, and may not reflect the exact EPA figures for a particular make and model, the driving conditions encountered during a particular rental, nor the driving style of the renter. (2) Calculate the amount of fuel consumed by dividing the total distance driven in the car class by the average combined fuel economy for that car class. (3a) Calculate total Carbon Dioxide (CO₂) by multiplying the quantity of fuel consumed for each vehicle by the EPA emissions factor for each car class (0.00878 metric tonnes CO₂ per gallon) (3b) Calculate total Methane (CH₄) by multiplying the miles driven by 1.73e-08 metric tonnes CH₄ per mile. The metric tonnes of CH₄ are then converted to MT CO₂e by multiplying by 28 - the GWP for CH₄. (3c) Calculate total Nitrous (N₂O) by multiplying the miles driven by 3.6e-09 metric tonnes N₂O per mile. The metric tonnes of N₂O are then converted to MT CO₂e by multiplying by 265 - the GWP for N₂O. (4) Total GHG emissions in MT CO₂e is the sum of the metrics tonnes of CO₂ + metric tonnes of CO₂e for CH₄ + metric tonnes of CO₂e for N₂O. Add CO₂e emissions for each vehicle together to obtain total CO₂e emissions. Global Warming Potential (GWP) values as reported within the Intergovernmental Panel on Climate Change's (IPCC) Fifth Assessment Report.

B. MATERIALS

I. SCOPE: All brands, all regions exclusive of trims. Material volume calculations are based on the best available data. There are known gaps in our raw material systems, but the majority of materials are accounted for using this methodology.

II. DATA SOURCES:

1. Raw Materials: Internal system, Product Development Management (PDM), provides raw material content and weight– internal PDM report.
2. Raw Materials usage: Internal report, Raw Material Production Planning Report (RM PPR), provides raw material volume by style.
3. Footwear Bottom Parts: Rubber Outsoles and EVA Foam midsole quantities and average weights are obtained directly from footwear sourcing team.
4. Material Volumes for prAna: prAna brand material data are housed in a separate system. Aggregate material data from that system is appended to PDM material data after volumes are calculated and is included in the material totals.
5. Leather weight: Weights for leather materials are not recorded in PDM due to the natural variation in the hides. Average weight of .099 kg per ft² obtained from leather industry websites was used as proxy value for weight calculations.

III. PROCESS: Raw Material (RM) fiber content and weight per unit is determined using the PDM report. Aggregated RM volume is multiplied by weight and broken out by fiber type. The aggregate fiber quantities are then multiplied by their corresponding Higg Material Sustainability Index (MSI) emissions factors and reported in tonnes CO₂e.

IV. EMISSIONS FACTOR SOURCE: Sustainable Apparel Coalition Higg MSI

C. MANUFACTURING

I. SCOPE: Tier 1 manufacturing partners and the top 80% of Tier 2 manufacturing partners for the Columbia brand, Mountain Hardwear and SOREL.

1. Higg Facility Environmental Module (FEM) data are not available for prAna, Licensees, Japan Direct Source (JDS), Korea Direct Development (KDD) and collegiate manufacturing partners

II. DATA SOURCE:

1. Sustainable Apparel Coalition Higg Facility Environmental Module - Bulk CSV v2
2. GT Nexus report on Work In Progress (WIP) materials
3. Internal Materials report: RM Forecast Summary

III. PROCESS: Energy usage from Higg FEM report is multiplied by emission factors to determine CO₂e emissions per manufacturing partner facility. WIP and Internal Materials reports used to calculate units produced by manufacturing partner facility location. Units produced is compared to total factor output from Higg FEM to determine the amount of production attributable to producing CSC materials and products. Allocated emissions are summed and reported in tonnes CO₂e.

IV. EMISSIONS FACTOR SOURCE: Sustainable Apparel Coalition Higg FEM - [Units Conversions and Emissions Factors](#)

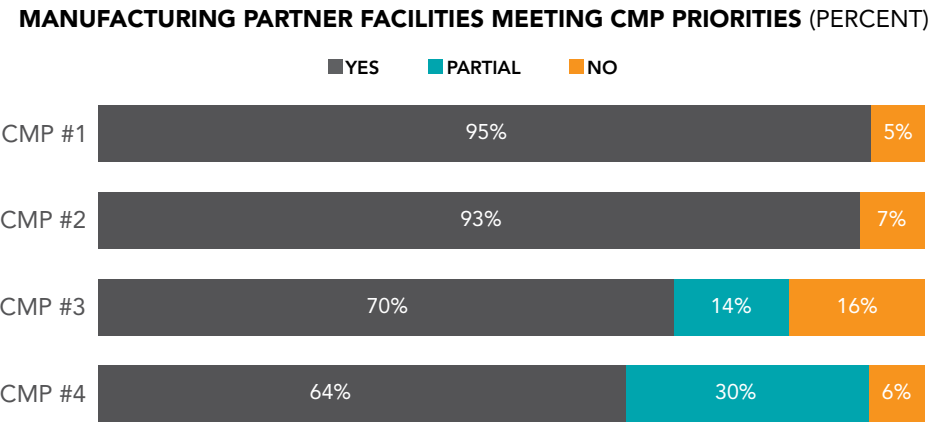
APPENDIX D: MANUFACTURING PARTNER FACILITIES MEETING CMP PRIORITIES

Our Chemical Management Policy (CMP) outlines CSC standards and industry best practices for chemicals management.

The CMP also includes guidelines for hazardous chemical identification in manufacturing processes, as well as risk-mitigation steps. We evaluate our manufacturing partner’s facilities’ adherence to these practices using the Higg FEM. The highest emphasis on performance is put on the following CMP priorities:

- CMP #1: Commitment to comply with the CSC Restricted Substance List and Product Safety Manual
- CMP #2: Assignment of individual responsible for chemical management
- CMP #3: Establishment of a chemical purchasing process
- CMP #4: Development and maintenance of a chemical inventory list

Based on the 2019 Higg cadence, the figure below represents the percentage of manufacturing partners meeting, partially meeting, or not meeting CMP priorities.





APPENDIX E: SOCIAL RESPONSIBILITY AUDITS AND ASSESSMENTS

A combination of internal and external audits and assessments are used to analyze and measure our manufacturing partners' conformance with our [Standards of Manufacturing Practices](#). In 2020, 315 audits were performed, including:

1. Internal CSC CR staff:

- a. All audits performed by our internal CR staff are unannounced; this allows our specialists to see the factory conditions as they are on a typical day. As illustrated in the chart, the number of audits performed by our team greatly decreased in 2020, which is due to a combination of increased adoption of SLCP and Better Work assessments, as well as our team's inability to travel for long periods in 2020 due to the COVID-19 pandemic.

2. 3rd Party Audit Firm:

- a. For a handful of factories where we do not have local staff, as well as for our licensee business, we employ both Omega Compliance and Elevate Limited to conduct unannounced audits on our behalf and according to our SMP audit protocol. We do regular trainings with both firms and perform intermittent shadow audits to ensure audit quality.

3. Brand Collaboration:

- a. We have developed strong relationships with several brands who share our values and approach to factory monitoring. We will accept audits performed by these brand partners, and then will apply our own rating according to our evaluation and rating system.

4. International Labor Organization (ILO) Better Work Program:

- a. Factories enrolled in [Better Work](#) go through a process of learning that includes assessments, advisory services, industry seminars and training. We incorporate the assessment results into our database for data tracking.

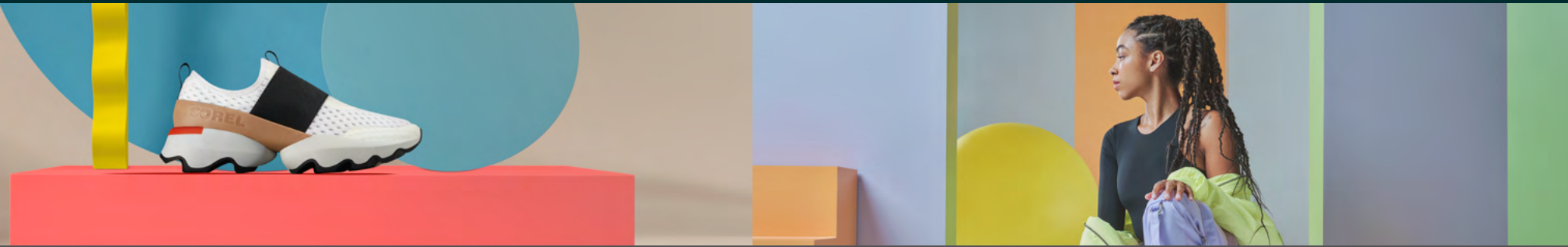
5. Fair Labor Association's (FLA) Sustainable Compliance Initiative (SCI):

- a. As a Category B member of the FLA, we are subject to random SCI assessments performed by FLA certified verifiers. We will use these assessment results to apply our own rating according to our grading matrix/rating system and enter the remediation plan into our Gateway CR database. In 2020, one prAna manufacturing partner received an SCI assessment. We also continued to work on the remediation plans for the assessments we received in previous years, which can be found on the [FLA website](#).

6. Social and Labor Convergence Program (SLCP):

- a. The SLCP's Common Assessment Framework is a self-assessment with verification model built collectively by the apparel and footwear industry. The verified assessment results can be shared by the facility with multiple customers via the SLCP's Gateway platform.

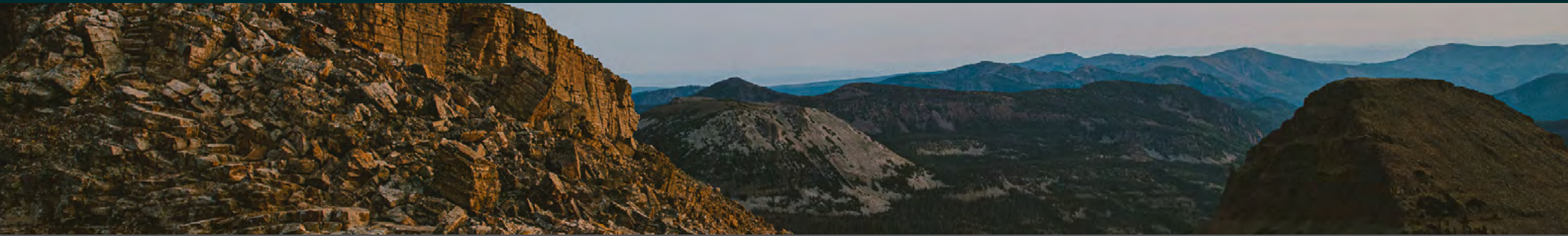
AUDIT/ASSESSMENT DATA SOURCE	2019	2020
Internal CR Team	220	91
Third Party Audit Firm	143	111
Brand Collaboration	22	16
Better Work (Assessment)	8	73
Fair Labor Association SCI (Assessment)	1	1
SLCP (Assessment)	8	23
TOTALS	394	315



APPENDIX F: SOCIAL RESPONSIBILITY SCORECARD RATING SYSTEM

Our social responsibility scorecard includes indicators on audit and assessment performance, remediation efforts and long-term change, training and worker empowerment, management systems, and transparency. The rating system is based on the following performance levels:

SCORECARD GRADE	PERFORMANCE LEVEL	PERFORMANCE STATUS
Best-in-Class	High Performing	Industry leading practices; continuous efforts to elevate performance; sound system and rich resources in developing compliance; excellent transparency and commitment.
A	Performing	Compliance with legal or Code of Conduct requirements; proactive on remediation; good system and resources; great transparency and commitment.
B	Developing	Minor legal or Code of Conduct compliance issues; consistent progress on remediation; have a system and some resources; good transparency and commitment.
C	Underperforming	Major legal or Code of Conduct compliance issues, e.g. overtime compensation deficiency; lack of progress on remediation; lacking systems or resources for compliance; lack of transparency and/or commitment.
F	At Risk	Critical and repeated legal or Code of Conduct non-compliance violations; no remediation efforts; no systems or resources for compliance; poor transparency or commitment.



APPENDIX G: INDUSTRY ASSESSMENT TOOLS

To create meaningful change, we work with industry and multi-stakeholder initiatives within the boundaries of antitrust and competition laws to develop and/or adopt shared assessment tools. We have found that enhanced manufacturing partner engagement and better social responsibility performance hinges on supplier ownership of their internal processes and systems. In 2020, we strengthened our Social Responsibility Program by becoming a Better Work partner and expanding our adoption of the Social and Labor Convergence Program (SLCP).

BETTER WORK PROGRAM

Better Work is a partnership between the United Nation's International Labour Organization and the International Finance Corporation, a member of the World Bank Group that brings diverse groups together – governments, global brands, factory owners, and unions and workers – to improve working conditions in the garment industry. As an [ILO Better Work Brand Partner](#),²⁹ we encourage our manufacturing partners³⁰ to join the Better Work program. Enrollment in Better Work provides manufacturing partners with advisory services, industry seminars, assessments, and training to improve social responsibility performance and compliance. In 2020, 54 of our finished goods manufacturing partners were enrolled in the Better Work program.

SLCP CONVERGED ASSESSMENT FRAMEWORK

To further empower our manufacturing partners, we are committed to adopting the [SLCP Common Assessment Framework](#).³¹ Developed by the apparel and footwear industry, the SLCP Converged Assessment Framework generates high-quality, comparable data on working conditions. The self-assessment with verification model promotes greater ownership of internal human resources management systems by manufacturing partners and the SLCP assessment-sharing model addresses audit fatigue.³² Adoption of SLCP will also enable our internal Corporate Responsibility team to spend more time on remediation, training and capability building, and worker empowerment programs with our manufacturing partners. In 2020, 23 manufacturing partners completed the self-assessment plus verification process, as compared to 8 in 2019. In the coming years we will continue to increase the number of manufacturing partners involved in SLCP, including our strategic raw materials manufacturing partners.

²⁹ As a Better Work Brand Partner, CSC is involved in the governance and strategic planning of the Better Work program.

³⁰ The ILO Better Work program operates in nine countries, of which we source in four: Bangladesh, Cambodia, Indonesia, and Vietnam. We encourage manufacturing partners operating in these countries to join.

³¹ SLCP Common Assessment Framework consists of a Data Collection Tool, verification methodology, and guidance documents.

³² "Audit fatigue" refers to situations in which suppliers must respond to multiple audits per year from multiple customers (brands), which can restrict a supplier's ability to focus on remediating to the root cause of issues.

