



# Transparency in Supply Chain Statement

Reporting for January through December 2023

## Introduction

The **Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act** (“**Supply Chains Act**”), **California Transparency in Supply Chains Act (SB 657)**, and the **United Kingdom Modern Slavery Act 2015** requires certain businesses to provide disclosures concerning their efforts to address the issues of forced labor and child labor in their supply chains, to provide consumers the ability to make better and more informed choices about the products they buy and companies they support. The business entity Columbia Sportswear Company (CSC) believes forced labor, child labor, modern slavery and human trafficking are egregious issues; we are committed to doing due diligence within our operations to minimize the risk and to remediate any found occurrence of these issues in our supply chain.

## Company Information

CSC was founded in 1938 in Portland, Oregon, as a small, family-owned, regional hat distributor and incorporated in 1961. CSC is headquartered in Portland, Oregon USA. We connect active people with their passions by designing, developing, marketing, and distributing our outdoor, active and everyday lifestyle apparel, footwear, accessories and equipment products to meet the diverse needs of our customers and consumers under four primary brands: Columbia®, SOREL®, Mountain Hard Wear®, and prAna®.

CSC is a commercial retailer. We sell our products in more than 100 countries and operate in four geographic segments: United States ("U.S."), Latin America and Asia Pacific ("LAAP"), Europe, Middle East, and Africa ("EMEA"), and Canada. We sell our products through a mix of distribution channels: wholesale distribution, international distributors, direct-to-consumer ("DTC") distribution, retail, and through licensing certain of our trademarks across a range of apparel, accessories, equipment, footwear, and home products. A list of our subsidiaries can be found in our 2024 Form 10-K, exhibit 21.1. CSC's annual, worldwide, gross receipts exceed \$100M US and \$40M CAN, and annual turnover exceeds £36M.



## Sourcing and Manufacturing

CSC does not own, operate, or manage manufacturing facilities. The vast majority of our products are manufactured by contract manufacturers located outside the United States, and none in Canada. We seek to establish and maintain long-term relationships with key manufacturing partners who share our values. We manage our supply chain from a global and regional perspective and adjust as needed to changes in the global production environment, including political risks, factory capacity, import limitations and costs, raw material costs, availability and cost of labor, and transportation costs.

In 2023, our apparel, accessories and equipment products for our wholesale and direct-to-consumer ("DTC") businesses were manufactured into finished goods in 15 countries. In 2023, finished goods manufacturers in Vietnam, Bangladesh, Indonesia, and India produced approximately 40%, 20%, 15% and 10%, respectively, of these products. Five of the largest contract finished goods manufacturers account for approximately 30% of our apparel, accessories and equipment production, with the largest manufacturer accounting for approximately 10%.

In 2023, our footwear products for our wholesale and DTC businesses were manufactured into finished goods in five countries. In 2023, finished goods manufacturers in Vietnam and China produced approximately 75% and 20%, respectively, of these products. Five of the largest contract finished goods manufacturers account for approximately 75% of our footwear production, with the two largest manufacturers accounting for approximately 20% each and three manufacturers accounting for approximately 15%, 10% and 10% individually.

Raw materials for the manufacturing of our apparel, accessories, equipment, and footwear products are primarily sourced from Asia and are purchased directly by our contract manufacturers.

In 2023, we maintained seven manufacturing liaison offices in six Asia Pacific countries. Our personnel in these offices monitor production at our contract manufacturers' facilities. The physical location of our employees in these regional offices enhances our ability to monitor contract manufacturers for compliance with our policies, procedures and standards related to labor practices.

## Slavery and Human Trafficking Standards

Our standards and compliance program as outlined in this statement is applied at a global level, including any business conducted in and products sold into Canada. CSC is committed to taking appropriate steps to help ensure that our products are manufactured in factories that operate with fair and safe working conditions and sustainable business practices. To demonstrate this



responsibility, we value and strive for long term partnerships with factories to monitor and ensure continuous improvement in alignment with our [Standards of Manufacturing Practices \(SMP\)](#) (aka Code of Conduct). We require tier 1 factories to post our SMP in the factory worker's local language so they understand their fair labor rights; an email address is provided at the bottom of the SMP poster for workers to lodge grievances and/or report violations of the SMP confidentially to us. The SMP includes a standard that addresses forced and child labor, where all suppliers are required to demonstrate that they do not use forced and child labor, whether in the form of prison, indentured, slave, bonded, trafficked or any other form of compulsory labor. CSC defines slavery and human trafficking as used by U.S. Department of State and the ILO:

- Human Trafficking: "any recruitment, harboring, transportation, provision, or obtaining of a person for labor services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery."
- Slavery - Involuntary Servitude: "a condition of servitude induced by means of – (A) any scheme, plan, or pattern intended to cause a person to believe that, if the person did not enter into or continue in such condition, that person or another person would suffer serious harm or physical restraint; or (B) the abuse or threatened abuse of the legal process."
- Child labor: is mentally, physically, socially or morally dangerous and harmful to children; and/or interferes with their schooling.

Our [Social Responsibility Manual for Manufacturing Partners](#) serves as a central reference for our manufacturers to understand our Due Diligence process. This manual outlines expectations for conducting responsible business. It also explains how we monitor, seek to prevent, and communicate when adverse impacts are found in factories which go against our SMP, such as forced and child labor.

We have a [Foreign Migrant Worker Policy](#) which our suppliers are required to abide by. This policy establishes a set of standards based upon ILO Core Conventions, internationally recognized principles, and industry best practices that we require our supplier partners to adhere to in order to offer the greatest protection to migrant workers who have traveled from another country to obtain employment. We also refer to this policy to address domestic migrant worker issues, where and when applicable. We have an internal procedure that guides our team in addressing any violations related to migrant workers.

### Risk Assessment and Internal Accountability

We recognize our industry's supply chain has a risk of forced labor and child labor. We acknowledge the areas of risks in our sector, our specific production locations, including our raw material



sourcing, and the types of products we sell. To the best of our ability we seek to identify forced and child labor risks in all of these areas within our supply chain. We strive to continuously enhance our methodologies to do this.

We continually assess the forced and child labor risks related to our apparel, footwear, accessories, and equipment supply chains, utilizing information received from industry associations, membership organizations, external experts and stakeholders to inform updates to our human rights strategy, policies, and procedures. At the supplier level, the performance grades from audits/assessments inform seasonal sourcing decisions, and an annual supply chain risk assessment report is provided to our Board of Directors, which includes a section on Forced Labor and Child Labor risks.

Additionally, we recognize our industry's supply chain has a unique risk of human trafficking in the form of foreign migrant workers. To confirm our commitment and accountability to address this issue, we have signed on to the American Apparel and Footwear Association (AAFA) & Fair Labor Association (FLA) [Apparel & Footwear Industry Commitment to Responsible Recruitment](#), which specifies:

We commit to work with our global supply chain partners to create conditions so that:

- No workers pay for their job;
- Workers receive a timely refund of fees and costs paid to obtain or maintain their job;
- Workers retain control of their travel documents and have full freedom of movement; and
- All workers are informed, in a language they understand, of the basic terms of their employment before leaving their country of origin.

Each of these requirements are outlined in detail in our [Foreign Migrant Worker Policy](#), which our suppliers must abide by.

In 2023, we actively participated in the Joint Association Forced Labor Working Group (AAFA, NRF, RILA, and USFIA), which meets to discuss how to combat forced labor in our supply chains and create sustainable solutions for the industry.

We maintain and enforce internal accountability procedures for employees and contractors regarding company standards around slavery and human trafficking. In the case of non-compliance, we reserve the right to examine the specific situation and develop the best possible strategy for resolution. If cases of non-compliance are not resolved within a timely manner, we may terminate the business relationship.



## Certification and Auditing

CSC requires all contract manufacturing partners to sign a supply agreement. Such an agreement requires that contract manufacturing partners have read and understand the Columbia Sportswear Company Standards of Manufacturing Practices (SMP) Policy. This policy ensures that our facilities and the facilities of its subcontractors are maintained in accordance with the SMP Policy standards, and will comply with all applicable laws, regulations, and orders regarding the use of forced labor, child labor, human slavery, human trafficking, wages, working hours and conditions, work eligibility and non-discrimination.

CSC strives to comply with the UN Guiding Principles on Business and Human Rights (UNGPs), which specify that due diligence processes should 'include assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed.' All finished goods facilities are subject to performance evaluation of audit or assessment data which include specific criteria around risks for forced and child labor or human trafficking. This includes the employment of vulnerable worker groups such as young workers, foreign migrants, interns and temporary workers, as well as high-risk practices such as restrictions on freedom of movement, payment of recruitment fees, or the use of labor brokers or third-party recruiters. We require assessments annually and where heightened risks or concerns are found, we re-audit again within six months.

New finished goods facilities, including finished goods subcontractors, are audited or assessed and must meet our minimum standards before production can begin. A re-audit will occur anywhere from 30 days to one year later, depending on the findings in the previous audit or assessment. SMP monitoring performance data comes from several sources: unannounced audits completed by our internal SMP auditors as well as designated 3rd party audit firms who are trained to our standards, announced assessments performed by [ILO's Better Work program](#), the [Social and Labor Convergence Program](#), and audits from a handful of other brands with whom we have built a strong relationship. All data is scored according to our SMP grading matrix and local law. In 2023, we utilized data from 314 audits and assessments at our finished goods factories (Tier 1) and 70 assessments at processing facilities (Tier 2). We work with the suppliers to develop a Corrective Action Plan (CAP) to remediate issues identified during the audit or assessment.

CSC does not believe that slavery, human trafficking, forced labor or child labor exist in our supply chain. In the event that we find non-compliance in these areas, we reserve the right to investigate the situation and to the best of our ability, remediate the violation. We have specific internal procedures that outline how we respond to these situations. If cases of non-compliance are not



resolved within a timely manner, CSC may seek to terminate the business relationship. While CSC intends to play an active role in the resolution of incidences of human trafficking, slavery, forced labor, and child labor within our supply chain, it is not fully possible to effectively solve the issue of without the cooperation of the supplier.

We have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labor or child labor in our activities and supply chains. For example, CSC has signed on to AAFA/FLA's Commitment to Responsible Recruitment, which commits us to ensure that workers are re-imbursed for all fees paid to obtain their job and has incorporated these protocols into our company's social compliance standards.

### Training

CSC regularly communicates with all internal supply chain management staff on our forced labor, slavery and human trafficking policies and procedures, with a particular focus on mitigating risks, to ensure they are knowledgeable and aware of the issues and concerns surrounding our supply chain. In 2023, a mandatory, in-depth training was assigned to all relevant CSC supply chain employees to bring awareness around forced labor and human trafficking prevalence, relevant legislation to our company, what CSC is doing for risk mitigation and due diligence, and what reporting mechanisms employees should follow if they have concerns or spot issues. This training will be conducted annually. The training helps to equip our colleagues with the skills to identify and report actual or perceived violations. This training is revised and enhanced continuously to ensure the content maintains relevancy.

Our Social Responsibility staff are also required to attend and participate in the bi-weekly AAFA Social Responsibility Committee calls. This serves as an input for industry and geographical risks. In 2023, a representative from the Social Responsibility team completed the FLA's e-learning which included a specific emphasis on forced labor. Additionally, our Social Responsibility team seeks and attends external opportunities that arise on social compliance issues.


We strive to continuously improve our approach to identifying any risk of and to eradicating forced labor, child labor and modern slavery from our supply chain. We continue to evaluate the effectiveness of our eradication efforts via the publication of our annual Impact Report. In 2024, we hope to further hone our specific effectiveness indicators.



### UK Modern Slavery Act Approval

This statement covers January 1, 2023 to December 31, 2023 and has been approved and signed by the Sole Director of Columbia Sportswear Company Limited in accordance with the United Kingdom Modern Slavery Act of 2015.

Columbia Sportswear Company Limited


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Matthieu Schegg, Sole Director  
Dated: 5/7/2024

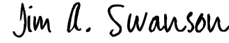
### Canadian Supply Chains Act Approval

This statement has been approved and signed by the Board of Directors of Columbia Brands Canada Limited, on behalf of itself, Columbia Sportswear Canada GP ULC and Columbia Sportswear Canada LP, in accordance with section 11(4)(b)(ii) of the Supply Chains Act, and by the Sole Member of prAna Living, LLC.

Columbia Brands Canada Limited

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Peter J. Bragdon, Director  
Dated:

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David M. Brule, Director  
Dated: 5/7/2024

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Jim A. Swanson, Director  
Dated: 5/7/2024

prAna Living, LLC

By: Columbia Brands Holding Company  
Its: Sole Member

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Peter J. Bragdon  
EVP, CAO and General Counsel  
Dated:



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Columbia Sportswear Company Limited

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Matthieu Schegg, Sole Director

Dated:

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Columbia Brands Canada Limited

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*Peter J. Bragdon*  
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Peter J. Bragdon, Director

Dated: 5/17/2024

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David M. Brule, Director

Dated:

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Jim A. Swanson, Director

Dated:

prAna Living, LLC

By: Columbia Brands Holding Company  
Its: Sole Member

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*Peter J. Bragdon*  
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Peter J. Bragdon

EVP, CAO and General Counsel

Dated: 5/17/2024





### Canadian Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

DocuSigned by:

*Peter J. Bragdon*

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Peter J. Bragdon

Director, Columbia Brands Canada Limited;  
EVP, CAO and General Counsel, Columbia Brands  
Holding Company, Sole Member of prAna Living, LLC

Dated: 5/17/2024

I have the authority to bind these entities.

