

# 2019

CORPORATE RESPONSIBILITY REPORT





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# ABOUT US



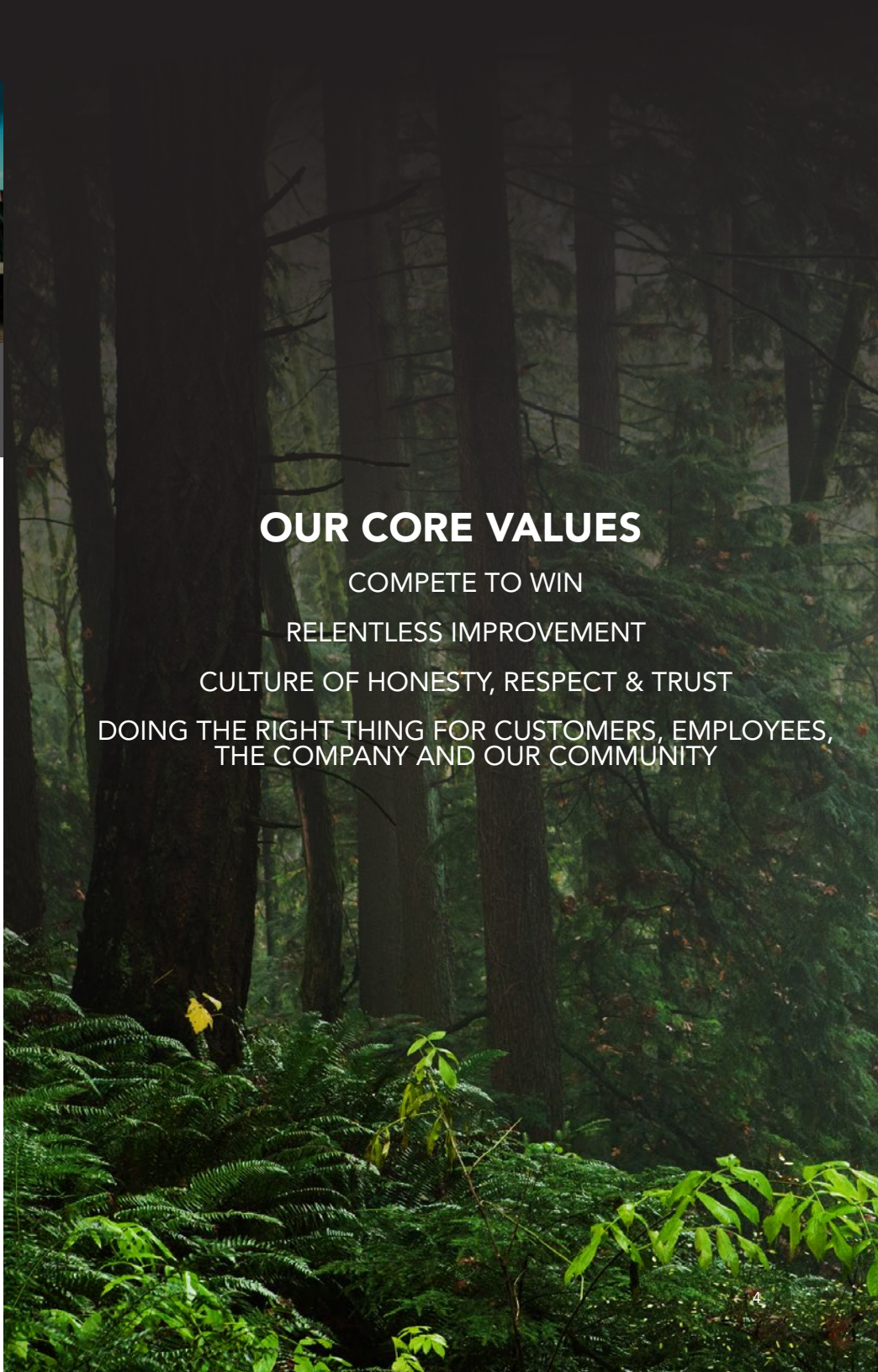


## COLUMBIA SPORTSWEAR COMPANY

At Columbia Sportswear Company, we connect active people with their passions by providing them with the products they need to seek inspiration and adventure. CSC was founded 81 years ago, when Tim Boyle's grandparents fled Nazi Germany and bought a small hat company in Portland, Oregon. They named it after the iconic Columbia River, which 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. With little experience, Gert and Tim built CSC into a global leader in outdoor and lifestyle apparel, footwear and equipment.

Still headquartered in Portland, Oregon, CSC is dedicated to making products that keep consumers active in whatever their passions may be through its four primary brands: Columbia®, Mountain Hardwear®, SOREL® and prAna®. In 2019, CSC employed approximately 8,900 full and part-time employees, surpassed \$3 billion in annual net sales and sold products in approximately 90 countries. Our former Chairman of the Board, Gert Boyle, passed away in November 2019 at the age of 95, but her strong spirit and embodiment of our core values continues to inspire our employees and influence CSC today.

*Information in this Report is as of December 31, 2019, unless otherwise noted. Throughout this Report we may refer to Columbia Sportswear Company as "CSC," the "Company," "we," "us," or "our." This Report contains forward-looking statements within the meaning of the federal securities laws. 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.*



## 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





## 2019 SCALE AND SCOPE



# 1938 ESTABLISHED

Founded 1938 in Portland, Oregon

# \$3.04 BILLION

\$3.04 billion annual revenue

# 8,900 EMPLOYEES

Approx. 8,900 full-time and part-time employees globally

# 450+ STORES

450+ directly operated retail stores globally

# 138% TSR

138% in total shareholder returns for the the period of time from 2015 through 2019

# 70% WOMEN

Over 70% of our global supply chain workforce was comprised of women<sup>1</sup>

# 90 COUNTRIES

Products sold in over 90 Countries

# 4 PRIMARY BRANDS

Columbia, SOREL, Mountain Hardwear, prAna

# 370,000 WORKERS

Approx. 370,000 workers in the 362 manufacturing partner facilities we contract with<sup>1</sup>

<sup>1</sup>Based on the number of workers at each manufacturing partner facility at a "company level", meaning all workers at such facility, not just those workers who help to produce products for the Company. CSC does not own manufacturing partner facilities and many of our manufacturing partners work with other customers in addition to CSC.



## LETTER FROM OUR CEO

Doing the right thing is a core value at Columbia Sportswear Company. As we reflect on 2019's accomplishments, we find ourselves in a time of uncertainty. The impacts of the COVID-19 pandemic are being felt across our industry and the world. The killing of George Floyd and others before him have resulted in protests about racism that require deep introspection. Throughout these challenging times we feel fortunate to be a company defined by our core values – guiding us to do the right thing for our employees, their families, our customers and our communities.

The pandemic has reminded us not to take fundamental things for granted, like the ability to access nature. In an era when many people are working from home, trying to avoid crowds and looking for an escape, we are convinced outdoor participation will grow. We continue to fight climate change and seek to protect natural spaces so they may be enjoyed by all, including future generations.

As this Report goes to press, there is unrest in the streets due to generations of institutional racism. At CSC, we work

together daily to connect active people with their passions, but it should go without saying that even the best gear can't help you stay outdoors longer if you don't feel safe going outside. This has challenged us to confront racism and has assured us that we must redouble our efforts to combat racism in all its forms. CSC has responded by taking action, including cash donations, double matching employee donations and committing to addressing systemic racism through education, dialogue and advocacy.

The world has changed. We have evolved accordingly, and will continue to grow to fit the changing conditions. What will not evolve are our core values, which are here to stay. These values guide our Corporate Responsibility strategic priorities of:

- Empowering People
- Sustaining Places
- Responsible Practices

2019 was a year of continued growth and building upon our previous work. We are proud of our accomplishments to date, but know there is more work to be

done. As we navigate these challenging times, we also look forward to continuing to make positive impacts on our industry and the world. Our late Chairman of the Board, Gert Boyle, always drove relentless improvement by saying, 'It's perfect, now make it better.' We will continue to be relentless in our pursuit of our core values and our commitment to doing the right thing.

Sincerely,



Timothy P. Boyle  
Chairman, President and  
Chief Executive Officer







## 2019 HIGHLIGHTS

### EMPOWERING PEOPLE

#### IGNITING HUMAN POTENTIAL FOR GROWTH

- New human capital management system and a global careers site launched
- 644 employees globally trained in situational leadership
- 4,438 paid volunteer hours logged by our employees and \$91,508 paid in chartable matches

#### EMPOWERING PEOPLE IN OUR SUPPLY CHAIN

- 150,000 women to participate in HERproject by 2025 pledged by CSC

#### INVESTING IN HEALTHY COMMUNITIES

- \$2,037,089<sup>2</sup> donated by CSC to charitable causes or organizations
- \$221,164<sup>3</sup> donated by customers through the Columbia brand sponsored Charity Checkout program

<sup>2</sup>Includes cash, match and product donations. Does not include Charity Checkout program. Product donations valued at MSRP.

<sup>3</sup>Through the Columbia brand Charity Checkout program, customers are provided the opportunity to donate to a nonprofit when checking out at Columbia brand retail locations. In 2019, customers donated a total of \$221,164 to the following nonprofits: Planet Water Foundation, National Park Foundation, National Breast Cancer Foundation, Children's Miracle Network, and the Center for Disaster Philanthropy.

### SUSTAINING PLACES

#### DESIGNING FOR THE FUTURE

- Innovative product collections with sustainability attributes launched

#### ENVIRONMENTAL IMPACT MANAGEMENT

- 9% reduction in emissions in North American operations from 2018

#### SUSTAINABLE MANUFACTURING PRACTICES & COMMUNITIES

- 6th year of Higg Index annual supply chain assessments
- Water and energy improvement programs implemented in three Tier 2 facilities
- 15,000 people per day received clean water through Columbia Clean Drinking Water Program

#### CHEMICAL MANAGEMENT

- 50% of apparel materials for the Columbia brand and Mountain Hardwear were sourced from bluesign® certified facilities
- 36% of materials for prAna were sourced from bluesign® certified facilities
- 95% of leather sourced for the Columbia brand and SOREL was from Gold or Silver rated LWG certified tanneries

### RESPONSIBLE PRACTICES

#### LIVING "DOING THE RIGHT THING"

- July 2019 declared "Ethics and Compliance Month"

#### PROMOTING FAIR LABOR PRACTICES

- 390+ unannounced audits conducted at our manufacturing partner facilities
- Tier 1 licensee and international distributor facilities added to our Transparency Map



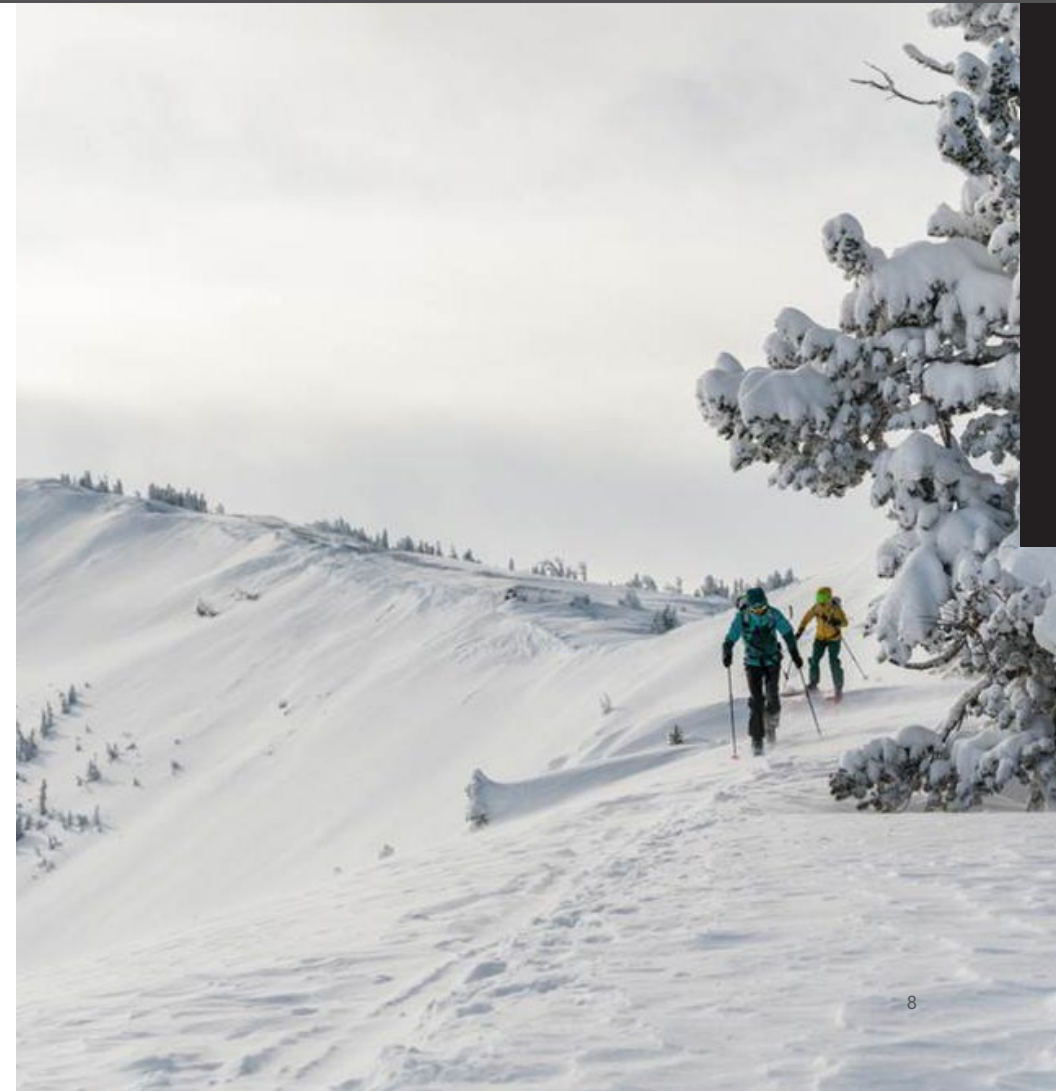


## CORPORATE RESPONSIBILITY AT CSC

Our Board of Directors (the “Board”) recognizes leadership, with regards to “doing the right thing” through our corporate responsibility efforts, starts at the top with each Committee of the Board sharing in the oversight of our corporate responsibility efforts.<sup>4</sup> The Compensation Committee considers human capital management issues. The Audit Committee reviews periodic reporting on environmental, social and governance matters. The Nominating and Corporate Governance Committee considers matters of corporate responsibility and sustainability, including potential long- and short-term trends and impacts on CSC’s business of environmental, social and governance issues. All Committees ultimately report 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 value chain. We have a dedicated Corporate Responsibility team that 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, 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 CEO, 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.

<sup>4</sup>See our [Investor Relation website](#) for our Committee Charters.







## A TRIBUTE TO GERT BOYLE

### ONE TOUGH MOTHER

Almost fifty years ago, Gert Boyle took the helm of CSC when her husband, Neal, suddenly passed away. She had no experience, no resources, a looming SBA loan, forty employees and a dire national economy. It was an extraordinary and daunting situation. But it was not in Gert's nature to give up. With her son Tim, she built CSC global company, comprised of a portfolio of brands. Nicknamed, "One Tough Mother," Gert broke barriers as a female leader in the outdoor industry. She held many jobs at CSC, from seamstress of the first fishing vest to President and Chairman of the Board. Gert's grit and determination propelled CSC to where it is today.

Later in life, she was a philanthropic force, giving countless donations to nonprofits, including a donation of \$100 million to Oregon Health and Science University's Knight Cancer Institute. Gert passed away in November of 2019, leaving much

of her estate to charitable foundations founded by family members. Gert's strong spirit continues to inspire and guide our employees, even as we miss our One Tough Mother.



## MAKE AMERICA'S PARKS OPEN AGAIN.

Walls shouldn't block access to parks, and federal workers shouldn't be left out in the cold. Work together to open our parks.

-Tim Boyle, CEO

### SPEAKING OUT ON BEHALF OF THE OUTDOORS

During a U.S. government shutdown in early 2019, we saw diminished federal support for America's iconic outdoor spaces, our National Parks. When these fragile environments were threatened, we simply could not stay silent. In response, we published a full-page ad in the January 11, 2019 print issue of the Washington Post in which our then, President and CEO, Tim Boyle, demonstrated our commitment to outdoor recreation access by urging the government to end the shutdown and support our National Parks.





## CLIMATE ENGAGEMENT

Outdoor recreation is the foundation of our business and supports healthy people and healthy communities. Climate change, through rising atmospheric and oceanic temperatures, poses a threat to outdoor recreation. It erodes the quality of outdoor experiences as summers grow longer and hotter, winters and snowpack become more unpredictable, river flows are diminished, and extreme weather events become more frequent.

We recognize the importance of engagement and collaboration to reduce the impacts of climate change and to protect individuals' ability to participate in outdoor activities. Supporting collaboration to address climate change, we engaged in the following initiatives in 2019:

### CHALLENGED THE ROLL BACK OF THE U.S. CLEAN POWER PLAN IN PARTNERSHIP WITH PATAGONIA

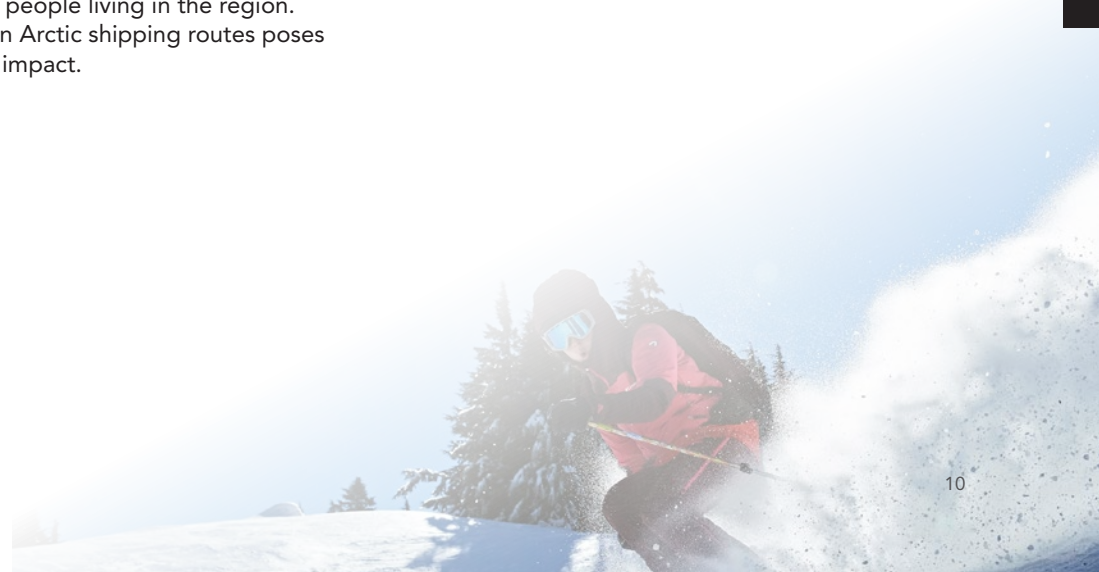
Together with Patagonia, we drafted an amicus, "friend of the court," brief in support of a 2019 lawsuit challenging the effort to roll back the Clean Power Plan, which sought to fight climate change by reducing emissions. Partnering with Patagonia to develop the amicus brief was a significant opportunity for us to lend our voices and perspectives. Leveraging our joint expertise, we have provided the court a unique view of the impacts the rule change will have on the \$887 billion outdoor recreation economy. Climate change matters, science matters, and the law matters. The U.S. Environmental Protection Agency (EPA) disregarded all three in its decision to rescind the Clean Power Plan and replace it with the Affordable Clean Energy rule, a rule which fails to fulfill the EPA's statutory mandate to reduce harmful greenhouse-gas pollutants.

### SIGNED THE ARCTIC SHIPPING CORPORATE PLEDGE

We pledged to avoid Arctic trans-shipment routes by signing the Ocean Conservancy's [Arctic Shipping Corporate Pledge](#). The Arctic is warming two to three times faster than other parts of the planet. This is resulting in shrinking summer sea ice, restructuring of marine ecosystems in ways never seen by humans, and great uncertainty for people living in the region. Increasing vessel traffic on Arctic shipping routes poses additional risk of greater impact.

### JOINED THE CLIMATE ACTION CORPS

We joined forces with the Outdoor Industry Association (OIA) as an inaugural member of the [Climate Action Corps](#). The OIA's Climate Action Corps is a new collaborative model for companies to gain alignment and accountability on climate action.







# EMPOWERING PEOPLE





## EMPOWERING PEOPLE

Our business thrives on the engagement and empowerment of passionate people. We inspire participation and innovation by supporting diverse ideas and connecting people with their passions. We focus on wellbeing across our value chain and our communities to support healthy lifestyles. By investing in our employees, business partners and communities, we are focused on the following to enhance resiliency:

- Igniting human potential for growth
- Empowering people in our supply chain
- Investing in healthy communities

We are proud of the steps we made in 2019 towards cultivating a workplace for the future by investing in a global human capital management system, a global corporate careers website and introducing paid parental leave in the U.S. We saw employee engagement in giving back to our communities grow with a 10% increase in volunteer hours and a 6% increase in philanthropic donations. We doubled down on our commitment to empower supply chain workers through HERproject and we invested in partnerships focused on increasing outdoor access and inclusivity.



Please see [Appendix C](#) for more information about the United Nations Sustainable Development Goals and CSC's related initiatives.







## IGNITING HUMAN POTENTIAL FOR GROWTH

We empower our talent to drive their careers by aligning both their skills and passions. Fostering personal and professional interests furthers wellbeing, cultivating resilient and engaged individuals.

### CULTIVATING A WORKPLACE FOR THE FUTURE

Attracting and retaining exceptional talent strengthens our enterprise and propels us as a leader in product innovation. We aspire to be an exciting and dynamic place to work, a place where all employees can achieve their potential based on their diverse experiences. We are dedicated to creating a diverse, equitable and inclusive company because being active is for everyone.

With our continued focus on employee experience, we launched Workday, a global platform that allows us to integrate and scale many of our talent and Total Rewards programs<sup>5</sup> to our global employee population. Workday also allows us to better connect with our employees across the world through digital engagement. Our new digital platform is accessible to all employees. It includes functionality to streamline and improve the internal and external candidate experience, as well as delivers global compensation, talent management, U.S. benefits, and learning and career development programs.

To coincide with the launch of Workday, we grew our employer presence by launching our all-new global corporate career website. The site showcases our unique portfolio of brands, as well as our locations in Europe, Asia and North America. During the fourth quarter of 2019, our new site had more than 300,000 page views and approximately 90,000 new, global users. The site helped us to hire over 6,100 new employees globally in 2019.

In 2019, we had 20 interns at our U.S. offices. Our internship program attracts college students from around the globe and provides the opportunity to interact with leadership and work on impactful projects specific to their team.

In 2019, 39% of our employees in the U.S. identified as underrepresented groups (URG)<sup>6</sup>, with 17% of manager level and above employees identifying as URG. To encourage applicants from URG groups, in 2019 our recruiters attended events such as the Hispanic Chamber Event, Goodwill Industries Career Fair, Women in Tech Fairs, Amplify! and the Urban League Job Fair. We will continue to work to promote diversity in our workplace. This includes the facilitation of education within CSC about racism, with ongoing events and dialogue.

As of December 31, 2019, approximately 56% of CSC employees were women and approximately 50% of our manager level and above employees were women. We were also led by women in the Board room, with four female directors (approx. 36%) serving on our Board of eleven total directors prior to Gert Boyle's passing in November 2019. To support the promotion and retention of women, as well as an ongoing commitment to employee wellbeing, we implemented a Paid Parental Leave program in the U.S. for men and women, as well as an app-based Pregnancy Program. Our app-based Pregnancy Program, Ovia Health, supports women who are pregnant, or trying to get pregnant, as well as women preparing to return from paid parental leave.

<sup>5</sup>Our Total Rewards programs focus on employee wellbeing, coupled with competitive pay and benefits.

<sup>6</sup>At CSC, we use a working definition of a URG that includes people who identify with one or more of the following ethnic, racial and/or cultural groups: American Indian or Alaskan Native, Asian, Black or African American, Hispanic/ Latino, Native Hawaiian or other Pacific Islander.





## OUR WORKFORCE AT A GLANCE <sup>7,8</sup>



*"All of my coworkers are so supportive, and my manager is legitimately interested in my development and pushes me to go outside of my comfort zone to further my career. I feel like this company has opened up such opportunity to be the best "Me" I can be. I cannot wait to see what the future holds for me here at CSC!"*

- JESSICA FAIR,  
Global Call Center, USA



*"Working at Columbia Sportswear Company has inspired and motivated me to love the outdoors. Columbia's authentic history, passion, and product innovation to unlock the outdoors for everyone, keeps me motivated at work."*

- JOONSIK PARK,  
Merchandising, Korea

	ALL EMPLOYEES	PERCENT	MANAGEMENT + <sup>9</sup>	PERCENT
<b>GENDER (GLOBAL)</b>				
<b>FEMALE</b>	4,928	56.2%	511	49.8%
<b>MALE</b>	3,802	41.9%	513	50.0%
<b>UNDISCLOSED</b>	153	1.9%	2	0.2%
<b>TOTAL</b>	<b>8,883</b>		<b>1,026</b>	
<b>BY ETHNICITY (U.S. ONLY)</b>				
<b>AMERICAN INDIAN OR ALASKAN NATIVE</b>	31	0.5%	1	0.1%
<b>ASIAN</b>	409	6.7%	44	6.1%
<b>BLACK</b>	524	8.5%	17	2.4%
<b>HISPANIC OR LATINO</b>	1,151	18.7%	37	5.2%
<b>NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER</b>	42	0.7%	1	0.1%
<b>TWO OR MORE RACES</b>	254	4.1%	21	2.9%
<b>WHITE</b>	3,666	59.7%	591	82.4%
<b>UNDISCLOSED</b>	66	1.1%	5	0.7%
<b>TOTAL</b>	<b>6,143</b>		<b>717</b>	

<sup>7</sup>Data as of December 31, 2019 across all CSC brands globally, unless otherwise noted.

<sup>8</sup>Data includes employees and management+ from HQ, distribution centers and retail locations.

<sup>9</sup>Includes Managers, Directors, Sr. Directors, VPs, SVPs and EVPs.





## EMPLOYEE WELLBEING

We believe we can only do our best work if our employees feel their best physically, mentally, socially, emotionally and financially. We align our employee programs to the five elements of wellbeing:

- Physical Health
- Career
- Social and Emotional Health
- Financial
- Community

### PHYSICAL HEALTH

Physical health and living an active life go hand-in-hand, and we offer a variety of programs to our employees to support this connection. From establishing a relationship with a medical professional and receiving preventative screenings, to eating a balanced diet and getting enough sleep, our physical health program is designed to keep employees active so they can live their passions.

Globally, we offer employees affordable, competitive and comprehensive benefit programs. Employees across the U.S. have access to fitness discounts and digital health resources, such as a healthy meal planning and recipe platform. Our U.S. Headquarters (HQ) and Distribution Centers (DC) have onsite fitness centers with a fitness class program offering multiple, daily group exercise classes at our U.S. HQ. Employees at our U.S. HQ can also take advantage of onsite health clinics offering dental, naturopathy, massage therapy and acupuncture services.

## CAREER

Career wellbeing focuses on living with purpose and enjoying what you do every day. To help our employees thrive personally and professionally, CSC's compensation and career pathing is based on a global career framework. Additionally, we provide resources for employees to design their careers to align with their strengths and interests. To grow a resilient workforce, we are shifting to a learning culture, actively providing employees with the time and opportunities for continuous learning.

Our Global Learning and Leadership Development team is dedicated to fostering a culture of learning and career development for all employees. We have designed a suite of programs to support employees at all levels in growing their leadership capabilities. Two of our primary programs are our Leadership Engagement and Potential (LEAP) program and our Situational Leadership program. These programs were designed to develop business acumen, leadership skills and executive presence, as well as provide a global orientation to the business. In 2019, 686 leaders from around the world participated in these programs.

In 2019, we launched Learning Hour in the U.S. This time provides employees with one hour of dedicated learning time and professional development per month. To support employees in this effort, we've provided U.S. employees with more than 16,000 online courses through LinkedIn Learning.

Our Always Be Learning (ABL) program is the foundation for our learning culture. Launched in 2019, ABL promotes a growth mindset and helps employees find, explore and create their own learning experiences at work. Nearly 400 leaders across the globe participated in the ABL workshops in 2019.





*SUPPORTING BOTTOM-UP EMPLOYEE-DRIVEN INITIATIVES*

As part of learning and development, we empower employees to pursue their personal and professional passions and encourage employee-driven efforts to grow these passions. The development of self-driven initiatives has provided employees with opportunities to network with peers and influence initiatives and policies across the organization. We are proud to highlight the following actions taken in 2019 by employees:

*Inclusion and Diversity Council*

The Inclusion and Diversity Council (IDC) hosted a Knowledge Café, during which employees came together to hold open and honest conversations surrounding the topics of equity, inclusion and diversity. The IDC also sponsored a breakfast for Partners in Diversity.

*The Women’s Leadership Initiative*

The Women’s Leadership Initiative supported the International Women’s Day theme, #BalanceBetter, by hosting a two-day event that included a screening of RBG, a series of presentations by female employees and a family planning and parenting panel.

*More Than Pink Walk*

Over a 100 employees participated in the More Than Pink Walk for Susan G. Komen and raised \$7,790, which was then matched by CSC.

*Light the Night*

Hosted by the Leukemia and Lymphoma Society, 24 employees participated in a 1.5 Light the Night mile walk across the Tilikum Bridge in Portland, OR and raised over \$8,000.

*November*

The Movember employee-driven team raised over \$20,000 for the Movember Foundation to raise awareness for men’s health issues and hosted several events, including talks about mental health and resilience with Lines for Life and Kaiser Health.

*Green Team*

Raising awareness of green practices and empowering employees to lead environmental stewardship initiatives, the Green Team engaged employees to determine green priorities in 2019. An event was held at U.S. HQ highlighting the top 2019 priority, reducing plastic waste on campus, with the Green Team distributing reusable cups.







### **SOCIAL AND EMOTIONAL HEALTH**

Supporting our employees, both socially and emotionally, is important for the growth of a resilient workforce. We encourage employees to create strong social networks and we host activities, outdoor adventures and volunteer days to build a connected culture and stronger teams.

We also value the emotional health of our employees. Working with our health insurance vendors, we are constantly seeking to ensure that our employees have access to affordable behavioral health resources. Regional programs currently exist across the globe.

Specifically, our Employee Assistance Program (EAP) in the U.S. offers a range of support services and is available to all employees and their family or household members, regardless of benefits enrollment. From depression, grief and loss, financial and legal concerns, to stress and anxiety, we have prioritized the development of the EAP to assist in addressing many of life's challenges.

### **FINANCIAL HEALTH**

Our global compensation philosophy ensures that our Total Rewards programs are competitive in the markets we operate in so that we continue to attract, retain, motivate and develop employees through sustainable and equitable pay practices. Our pay for performance philosophy reinforces a culture of high performance by differentiating rewards that are based on performance and the modeling of our core values.

We offer a suite of options to our employees to support financial wellness. From understanding benefit options and choosing a health plan, to managing student loans and saving for retirement, we provide regular financial wellbeing education and resources to our employees.

When it comes to planning for the future, we've made sure our employees across the globe are covered with financial retirement savings and pension programs. In 2019, we restructured our retirement program in Japan to be more competitive, and we implemented an opt-out program for our U.S. 401(K) plans so that sixty days after beginning a new job with CSC, employees are automatically enrolled with a Company contribution match.

### **COMMUNITY**

Community wellbeing is integral to personal wellbeing. Fostering the connection between community and personal wellbeing, our Employee Volunteer Program allows full-time employees 16 hours annually of paid time off to volunteer with Company-approved organizations. Additionally, our Donor Matching Program allows full-time employees to receive a Company-sponsored match for employee monetary contributions to approved charitable organizations. In 2019, we saw a 10% increase in volunteer hours with 4,438 logged hours, as compared to 4,024 logged hours in 2018. We also saw a 6% increase in employee donation matches with \$91,508 matched in 2019, up from \$86,604 matched in 2018.







VOLUNTEER SPOTLIGHTS

*Conserving Wetlands in Chinese Taipei*

Employees in our Chinese Taipei office volunteered at an eco-agriculture program for 52-Jia Wetland Conservation, a “Wetland of National Importance” recognized by the Chinese Taipei government. Volunteers tended the rice paddies, a part of the wetland ecosystem that uses only organic farming methods to ensure continuous health of the wetland and its large bird population.

*Tree Planting in Bangladesh*

Employees from our Chittagong office and GH Haewae, an apparel manufacturing partner, planted in and around the facility grounds.

*Tree Planting in India*

Employees from Gokaldas Exports, an apparel manufacturing partner, and employees from our India office participated in a tree planting activity. Tree saplings were planted around the facility grounds.

*Baking Bread in Korea LO*

Employees from our Korea office volunteered through the local Red Cross to support the “People Sharing Bread” program, where bread is prepared, baked and packed by volunteers and delivered to families in need.

*Trail Restoration in Hong Kong S.A.R.*

Distributors from our Asia and EMEA regions and CSC employees volunteered to clean up trails for Clean Power, a nonprofit organization promoting environmental conservation in the Sha Lo Tung area of Hong Kong S.A.R. a freshwater wetland that is an important habitat of over 70 dragonfly species.

*Backyard Collective in Portland, OR*

CSC U.S. HQ employees participated in the annual Backyard Collective event hosted by the Conservation Alliance. Employees volunteered at a variety of locations in the Portland-area such as Hoyt Arboretum, Portland Parks & Recreation and Metro Parks & Recreation.

*Supporting Trails in Chamonix, France*

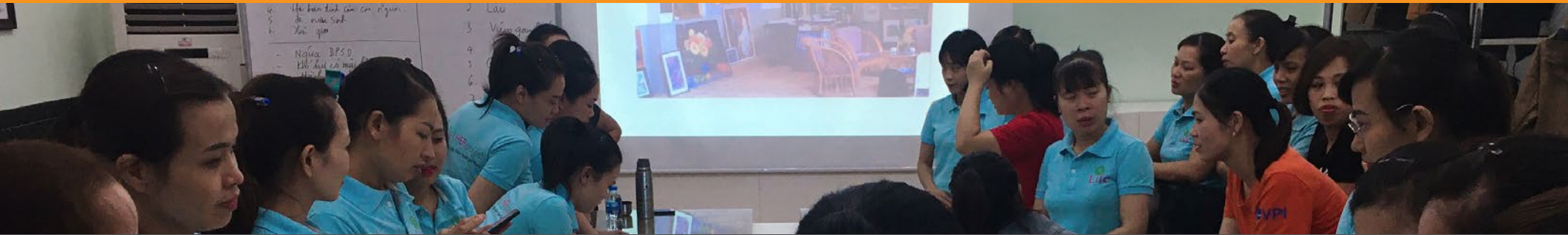
Employees from our Geneva, Cambrai and Strasbourg offices participated in a day of volunteering in conjunction with the Ultra-Trail du Mont-Blanc race, which the Columbia brand sponsored. Volunteer activities included trail maintenance and aid station support. This is the second-year employees have volunteered in this capacity.

*Building Houses in Canada*

Employees from our Canada office volunteered for Habitat for Humanity building houses which included tasks like bracing floor joists, framing walls and insulating basements.







## EMPOWERING PEOPLE IN OUR SUPPLY CHAIN

As 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, just as we invest in the wellbeing of employees working directly for CSC. To advance this objective, we focus on two areas:

- Empowering communities
- Empowering women

### EMPOWERING COMMUNITIES THROUGH FAIR TRADE

In 2011, prAna became the first North American apparel brand to produce Fair Trade Certified™ clothing. As of December 31, 2019, prAna has given back \$750,000 to community development funds through Fair Trade premiums since the program's inception in 2011. In 2019, three additional facilities in prAna's supply chain became Fair Trade Certified™.

Community development funds are owned by the facility workers. They vote on how to spend the money based on their own unique needs. From healthcare and onsite pharmacies, to educational programs, to childcare, to in-home appliances such as such stoves, the workers come together, vote for the program, define the project and work together to make it happen.





**EMPOWERING WOMEN THROUGH HERPROJECT**

Women represent approximately 75% of our global supply chain workers. Since 2008, we have partnered with [Business for Social Responsibility \(BSR\)](#) to empower women in our supply chain through HERproject (Health Enables Returns). In 2019, we made a public commitment through the [United Nations Foundation’s Private Sector Action for Women’s Health](#) initiative to scale our women’s health and wellbeing program in our supply chain to impact the lives of 150,000 women by 2025. [HERproject](#), empowers women working in global supply chains by delivering workplace training on health, financial inclusion and gender equality. These trainings apply a train-the-trainer approach that encourages participants to learn, employ their skills and share their expertise.

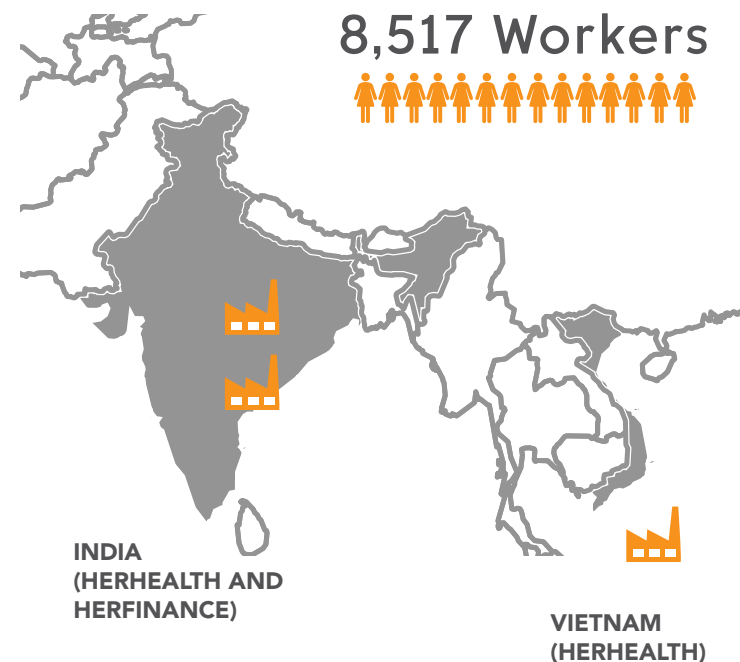
HERproject consists of three modules:

- **HERhealth**  
Improves women workers’ general and reproductive health knowledge and access, and helps women gain confidence to practice preventative care and seek medical treatment. *(Brand involved: Columbia)*
- **HERfinance**  
Improves workers’ financial capabilities and decision-making power and their use of formal financial services. *(Brands involved: Columbia, SOREL, Mountain Hardwear)*
- **HERrespect**  
Promotes gender equality and tackles violence against women. Our manufacturing partners in India have participated in this program. *(Brands involved: Columbia, SOREL)*

In 2019, we rolled out HERproject to eight new facilities in our supply chain and reached a total of 8,517 women with health and finance training. This included introducing HERproject to Tier 2 facilities<sup>10</sup> for the first time. Since implementing HERproject in 2008, more than 50,000 workers in our supply chain have had access to HERproject programs.

*“Columbia Sportswear Company is making this commitment to women’s health and empowerment because it is the right thing to do. Workers are a critical part of our supply chain and it is important for us to contribute to their health and well-being on and off the factory floor. This benefits not only the workers, but their families and their communities.”*

- Tim Boyle,  
Chairman, President and CEO of Columbia Sportswear Company



<sup>10</sup> Manufacturing partner facilities where raw materials are manufactured, including dyeing and finishing processes.





## INVESTING IN HEALTHY 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
- Women and Diversity

### OUTDOOR PARTICIPATION, ACCESS AND STEWARDSHIP

#### GETTING KIDS OUTSIDE

The Columbia brand is proud to partner with the [National Park Foundation](#) in support of their [Open OutDoors for Kids](#) program. Open OutDoors for Kids creates pathways for kids to enjoy, understand and connect with nature by facilitating outdoor activity, experiential learning and cultural heritage exercises.

In 2019, the Columbia brand raised \$80,583 for Open OutDoors for Kids, which is equivalent to connecting roughly 8,058 students to national parks and public lands across the country. In support of this initiative, the Columbia brand created limited-edition National Parks t-shirts and donated \$1 to the National Park Foundation for every such t-shirt sold between June 15, 2019 and September 30, 2019.

#### OUTFITTING OCEAN SCIENTISTS

Since 2009, the Columbia brand has supported [The Ocean Foundation](#) by outfitting their scientists and researchers in the field. The Ocean Foundation strengthens and promotes organizations and research

projects dedicated to reversing the destruction of ocean environments globally.

#### OUTFITTING COLLEGE STUDENTS FOR THE OUTDOORS

We partner with universities across the U.S. to help outfit college students for the outdoors. In 2019, we partnered with two new universities – University of Colorado at Boulder and University of California at Berkeley – bringing our total roster to 14 schools.<sup>11</sup> Beyond providing over 400,000 students with access to quality outdoor products, such as waterproof boots, tents, rain jackets and sleeping bags, we also brought value to students by coordinating educational presentations and supporting on-campus events. In 2019, programs included:

##### LEAVE NO TRACE

Coordinated seven on-campus presentations by [Leave No Trace](#) to ensure that new outdoor enthusiasts understand the responsibility of caring for the areas where they recreate.

##### COMP DE BLOC CLIMBING COMPETITION

Mountain Hardwear and prAna partnered with the University of Minnesota, Minneapolis' recreation center to host its annual climbing competition.

UNIVERSITY OF CALIFORNIA - BERKELEY "CALTOPIA" Mountain Hardwear and the Columbia brand created interactive booths to highlight partnerships with Cal Adventures, UC Berkeley's outdoor recreation program.

##### HEALTHY CAMPUS WEEK

Sponsored [Healthy Campus Week](#), a [Partnership for a Healthier America](#) initiative to encourage healthy eating, physical fitness and overall student wellness on campus. With 90 schools from across the country participating, the Columbia, Mountain Hardwear and prAna brands, supported the program by donating products for a variety of activities. prAna donated yoga mats for Cal State Fullerton's outdoor yoga class, and the Columbia brand donated backpacks and hats at the University of Oregon's Run the Duck event. The Columbia brand also sponsored Healthy Campus Week's largest physical activity challenge and provided product to the winning school, Barton College in North Carolina.

<sup>11</sup>See [Appendix D](#) for a full list of collegiate program partners.





## WOMEN & DIVERSITY

### SUPPORTING UNSTOPPABLE WOMEN

SOREL is on a mission to support unstoppable women. In October 2019, SOREL's boldest idea turned into a reality. One hundred women from all over NYC confidently walked a full mile in its show-stopping fall collection. Together, they transformed SOREL's Mile-Long Runway into much more than just an event—it became a celebration of unstoppable women. Following the event all SOREL shoes were donated to [Dress for Success](#) (DFS), an organization dedicated to empowering women to achieve economic independence. SOREL's partnership with Dress for Success in 2019 did not end there. SOREL also joined 10 fashion brands to partner with DFS and fashion icon Olivia Palermo on DFS's Power Piece Giving Tuesday campaign, donating the proceeds from sales of the SOREL Joan Wedge Buckle Boot to DFS.

In addition, in 2019 SOREL partnered with PopSugar to present "The Step," a podcast designed to showcase powerful stories of some of today's most inspiring women, including the one pivotal step that started it all and led each in the direction of her dreams.

### INSPIRING WOMEN TO STAY ACTIVE

[GirlTrek](#) is the largest health movement and nonprofit for African American women and girls in the U.S. With more than 625,000 active members and counting, GirlTrek encourages women to use radical self-care and walking as a practical first step to inspire healthy living, families and communities. As women organize walking teams, they mobilize community members to support monthly advocacy efforts and lead a civil rights-inspired health movement.

The Columbia brand has supported GirlTrek since 2013, donating jackets and footwear to support trip leaders, and hats to program participants. In 2019, the Columbia brand hosted a panel in New York City to elevate dialogue around barriers to staying active in urban settings, on which a GirlTrek representative participated.







### INSPIRING ADVENTURE FOR ALL

Adventure for All is prAna's commitment to creating a safe space where everyone can thrive in their own unique way, and where they are free to be themselves without judgement or prejudice. As part of Adventure for All, prAna continues to focus on more inclusive sizing, celebrate Pride month in retail store communities and all digital channels, and support underserved communities through outdoor education and programs in partnership with Outdoor Outreach. prAna wants its customers to feel confident and believe that "what makes us different doesn't separate us, it brings us closer together and strengthens our community."

### CLIMBING IS FOR EVERYONE

In 2019, Mountain Hardwear partnered with [Touchstone Climbing](#), a California-based climbing gym company, and Brand Ambassador Nikki Smith, one of the leading voices in transgender equality in the outdoors, to host a weekend of festivities, in conjunction with Pride Week to demonstrate that Climbing is for Everyone. The weekend festivities raised funds for the [San Francisco LGBTQ Center](#) and included a climbing competition, hang-boarding fundraiser, raffle, dance party and a drag performance from Lady Camden.



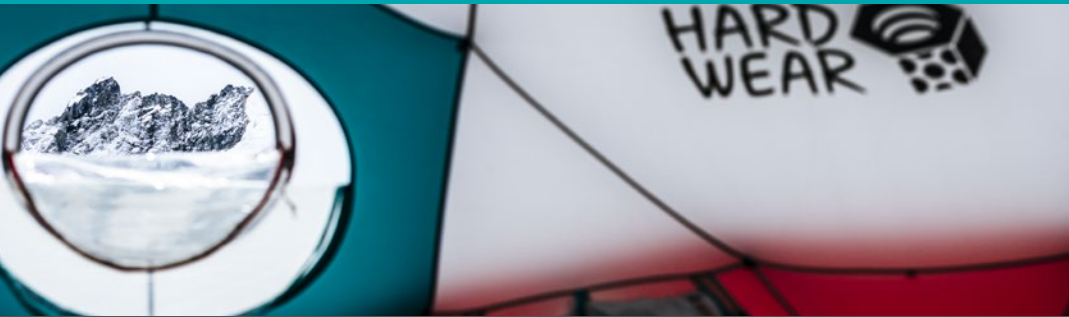
Nikki Smith designed Mountain Hardwear's new rainbow logo sticker, which embodies inclusivity in climbing.





# SUSTAINING PLACES





## SUSTAINING PLACES

A healthy planet is the cornerstone of healthy people and healthy communities. We recognize we have an important role to play in conducting business responsibly, which means managing our impacts to respect and preserve natural resources. To sustain the places where we live, work and play, we focus on the following pillars:

- Designing for the future
- Environmental impact management
- Sustainable manufacturing practices
- Chemical management

In 2019, we made significant progress across our pillars. Our brands pushed the envelope on innovation and sustainability with the introduction and design of new sustainable product collections. We increased our ability to bring product to market with agility and minimal waste through digital prototyping. We also reduced our climate impact from owned and operated emission sources by 9% through efficiency and renewable energy measures. Additionally, we partnered with a core manufacturing partner to invest in cleaner water and energy practices. Chemical management also remained a focus in 2019, with 50% of apparel materials for the Columbia brand and Mountain Hardwear and 36% of materials for prAna sourced from bluesign® certified facilities.





## DESIGNING FOR THE FUTURE

Across our portfolio of brands, we make products with a common vision of connecting active people with their passions. To do this, we seek to remain at the forefront of product design by infusing cutting edge technology, innovation and sustainability into our go-to-market approach, ensuring our products support a positive future.

### DIVING INTO A CLEANER PLANET

In designing for Spring 2020, prAna took sustainability to the next level with their swimwear collection. The entire collection of swim styles contains a percentage of ECONYL®, a regenerative nylon derived from post-consumer waste from oceans and landfills. It has the same properties as brand new nylon and can be recycled, recreated and remolded again and again.



### DOUBLING DOWN ON RECYCLED CONTENT

In October 2019, Mountain Hardwear rolled out its most sustainable product yet, the Ghost Shadow™, an REI exclusive product. Available in men's and women's, and in both a hoody and vest, the Ghost Shadow™ proved high-performance pursuits and environmental efforts go hand-in-hand. Between its 100% post-industrial recycled shell and lining fabric, and semi-recycled trims and insulation, the Ghost Shadow™ has 88% total recycled content. It raises the standard of utility while reducing carbon and water impacts to bring the heat where it's supposed to be – the user, not the atmosphere. The Ghost Shadow™ boasts impressive eco benefits, including:

- 52% less water is used in its manufacturing as compared to a standard version of the jacket
- PFC-free DWR<sup>12</sup> to keep water cleaner throughout use
- 39% fewer carbon emissions produced in its manufacturing as compared to a standard version of the jacket

Click [here](#) to watch the Ghost Shadow™ in action.

### INNOVATING WITH NATURAL FIBERS

When designing for Spring 2020, the Columbia brand created performance rainwear made with natural fibers. The OutDry Extreme Eco Jacket II is made with undyed, certified organic cotton and includes a PFC-free<sup>12</sup> waterproof membrane. The jacket is colored without water and includes recycled trims. Choosing sustainable materials over those used in a standard synthetic jacket reduced the jacket's emissions impact by approximately 48%. Similarly, using waterless coloring techniques reduced its water impact by about 81%.



<sup>12</sup> May contain trace amounts. Many traditional water repellants break down and leave behind PFC by products. PFC-free DWR diminishes the potential for toxic PFCs to be left behind on you or in the environment.





**SUSTAINABLE DESIGN TOOLS**

**COLUMBIA BRAND EXPANDS DIGITAL DEVELOPMENT**

Digital development increases flexibility, agility and speed-to-market for the product creation process. It helps to reduce physical waste, by removing the need for physical prototypes during the design iteration process and eliminating associated transportation impacts. In 2019, the Columbia brand expanded the use of digital development to approximately 35% of its product line.

**PREFERRED ATTRIBUTE GUIDANCE**

We have created a framework for identifying preferred attributes to reduce not only emissions impacts, but also the broader sustainability impacts of material inputs. The framework focuses on nine areas of impact highly relevant to our business:

- Animal welfare
- Biodiversity
- Chemicals
- Energy
- Greenhouse gas emissions
- Land use intensity
- Social impact
- Waste
- Water

These impact areas were chosen based on life-cycle assessment indicators and ethical or social considerations. Used to inform material selection for products across all our brands, the framework aids in leveraging innovation and design to reduce our impact and create social and environmental value.

**COLUMBIA PREFERRED MATERIALS PALETTE FOR FOOTWEAR**

Integrating sustainable choices into design considerations requires a concerted effort supported by tools and knowledge. In 2019, the Columbia footwear materials team developed a tool to increase the ease and efficiency of identifying and selecting preferred materials for footwear designers. The tool consists of a preferred materials palette with pre-vetted, pre-approved materials commonly used in footwear designs. These preferred materials contain environmental attributes such as recycled content, or materials made in facilities implementing energy or water reduction practices.

**PRODUCT RECYCLING WITH RETHREADS**

Our ReThreads program, available in U.S. Columbia branded and outlet retail stores, is a clothing and footwear product recycling program that encourages consumers to bring in their used clothing and shoes in clean, dry condition to be given a new life. Products collected are sent to a textiles processing facility through our partner, I:CO, a textile recycling solutions provider, where they are then sorted, reprocessed and reused or recycled. Items that are still wearable find new homes through the second-hand market. Unwearable items are reused for products like cleaning cloths, or are recycled into fibers for new products, such as insulation, carpet padding, stuffing for toys and even new fabrics. In 2019, ReThreads was active in 127 U.S. Columbia branded and outlet retail stores.

**RENEWING PRODUCT WITH THE RENEWAL WORKSHOP**

prAna strives to create clothing that can be renewed, repurposed and eventually transformed into something new to help reduce waste and the need for virgin materials. Therefore, prAna has partnered with the Renewal Workshop since 2016 to divert used clothing waste from landfills by either repairing the clothing and giving it new life, upcycling the materials to reduce waste, or recycling the materials to be re-inserted into the supply chain.





## ENVIRONMENTAL IMPACT MANAGEMENT

Climate change is a real environmental, economic and social challenge affecting our communities, ecosystems and outdoor participation, warranting our thoughtful and purposeful response. To manage our environmental impacts, we focus on two primary measurement approaches:

- **IMPACT BASED MEASUREMENT** - understanding direct environmental impacts of our business through greenhouse gas (GHG) emissions and water footprint mapping.
- **PERFORMANCE BASED MEASUREMENT** - evaluating overall environmental performance in key areas of our business, such as product design and facility-based performance.

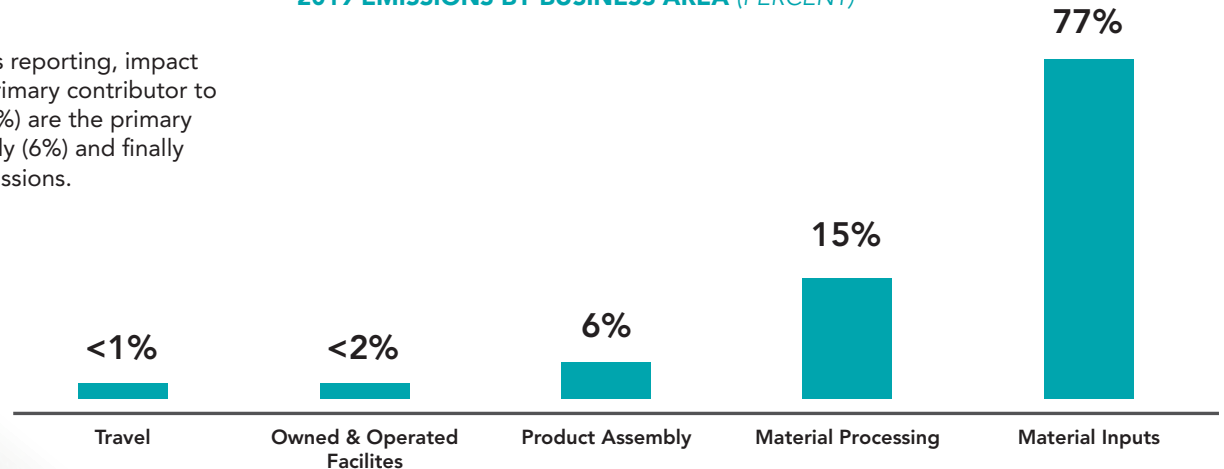
To bring product to market, we work with a vast network of manufacturing partners. Throughout this section, Tier 1 facilities refers to manufacturing partner facilities where finished products are assembled. Tier 2 facilities refers to manufacturing partner facilities where raw materials are manufactured, including dyeing and finishing processes.

In 2019, we made significant updates to our data collection approach and methodology. We adjusted emissions factor sources and expanded the scope of material reporting, including material usage from prAna. Upon implementation of our updates, we found 2019 material inputs and processing results to be more comprehensive and not directly comparable to 2018. See [Appendix E](#) for our full methodology and list of categorical inclusions and exclusions.

### OUR IMPACTS

After completing two consecutive years of global GHG emissions reporting, impact trends are beginning to emerge. Product manufacturing is the primary contributor to our emissions. Material inputs (77%) and material processing (15%) are the primary contributors to our GHG emissions, followed by product assembly (6%) and finally owned and operated facilities accounting for less than 2% of emissions.

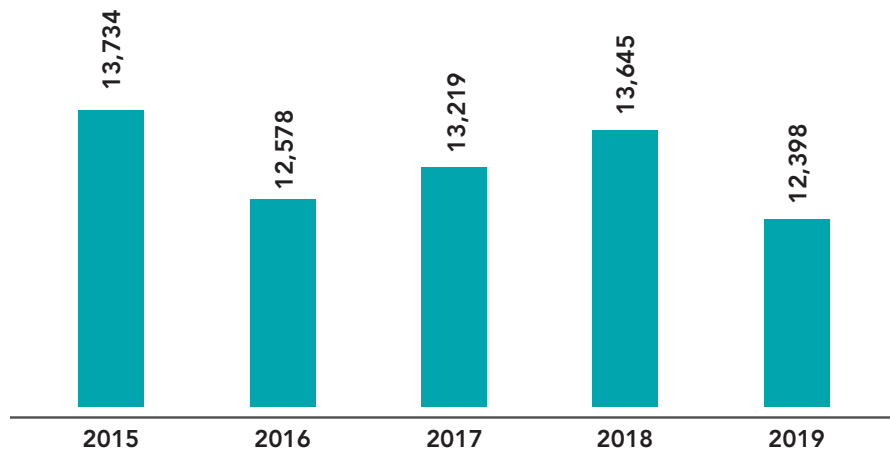
2019 EMISSIONS BY BUSINESS AREA (PERCENT)







**2019 N.A. OWNED & OPERATED FACILITY EMISSIONS (MT CO<sub>2</sub>e)**



**OWNED AND OPERATED FACILITIES**

Despite an increase in employees and volume of goods processed in 2019, we decreased GHG emissions from our owned and operated facilities. In North America (N.A.), GHG emissions from our owned and operated facilities were 12,398 metric tonnes (MT) CO<sub>2</sub>e in 2019, a 9% absolute reduction from 13,645 MT CO<sub>2</sub>e in 2018. The decrease in emissions was largely due to realized efficiencies from investments in lighting retrofits and other strategic energy management practices.

**STRATEGIC ENERGY MANAGEMENT HIGHLIGHTS**

*Energy Efficiency*

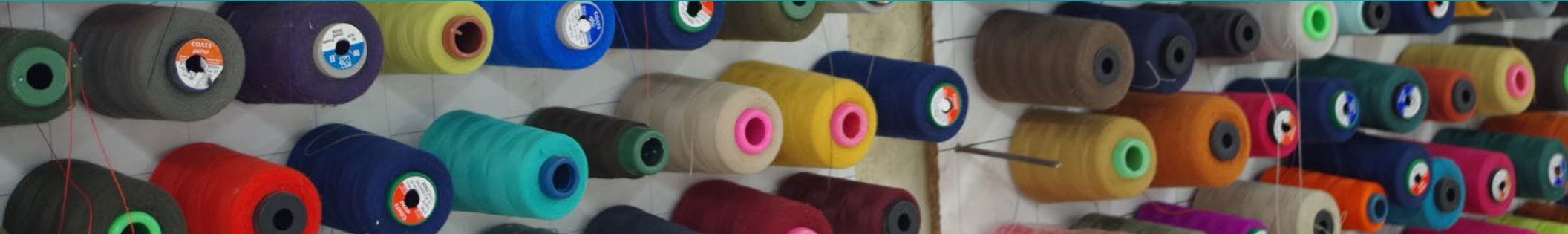
In 2019, we completed our fifth year in the Energy Trust of Oregon's Strategic Energy Management program. Key activities included lighting retrofits at our corporate headquarters, SOREL headquarters, Rivergate distribution center, and Seattle, WA flagship retail store with LEDs, saving 2,869,720 kWh of electricity.

*Renewable Energy*

We continue to use renewable energy at our corporate, prAna and Mountain Hardwear headquarters. Additionally, we have installed electric charging stations across our corporate, Mountain Hardwear and prAna headquarters for our employees.







**MATERIAL INPUTS**

Material inputs account for 77% (628,416 MT CO<sub>2</sub>e) of CSC’s GHG emissions. Material inputs are impacts from raw material extraction and agricultural practices to yarn formation, which are largely determined based on the makeup of fiber types in CSC’s material portfolio. In 2019, six fiber types make up 99% of CSC’s material portfolio – polyester (52%), nylon (19%) and cotton (10%) account for the three largest fiber types.

**PREFERRED ATTRIBUTES USED IN 2019 TO ENHANCE PRODUCT SUSTAINABILITY (PERCENT BY VOLUME)**

**100%**  
RESPONSIBLE DOWN  
STANDARD CERTIFIED DOWN



**38%**  
BLUESIGN® CERTIFIED  
MATERIALS



**100%**  
ORGANIC COTTON



**24%**  
RECYCLED CONTENT



**95%**  
LEATHER FROM LEATHER  
WORKING GROUP  
CERTIFIED TANNERIES

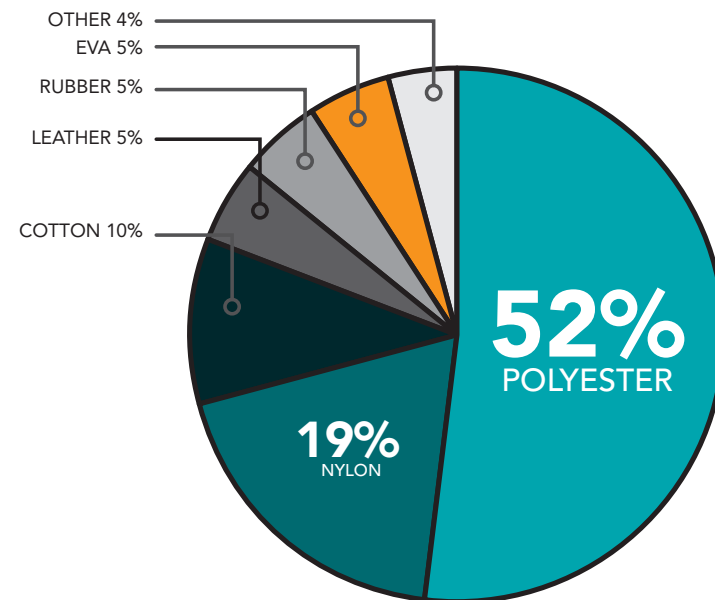


**INDUSTRY RECOGNITION FOR PREFERRED MATERIAL USE**

Textile Exchange Corporate Fiber and Materials Benchmarking report leaderboard results:

- Number 4 in Responsible Down Standard “Top 10 by Volume” (Columbia brand and Mountain Hardwear)
- Number 6 in Recycled Nylon “Top 10 by Volume” (Columbia brand and Mountain Hardwear)
- Number 6 in Recycled Wool “Top 10 by Volume” (prAna)
- Number 7 in the Recycled Nylon “Top 10 by Volume” (prAna)

**2019 GHG EMISSIONS BY MATERIAL TYPE (PERCENT)**







### **MATERIAL PROCESSING**

Material processing accounts for 15% (120,565 MT CO<sub>2</sub>e) of our total emissions. To reduce material processing emissions, encouraging the implementation of targeted reduction programs at Tier 2 manufacturing partner facilities is critical. In particular, programs focused on more resource intensive production processes, such as wet processing, have been key in reducing emissions.

### *IMPROVING WATER AND ENERGY EFFICIENCY WITH CLEAN BY DESIGN*

In 2019, we partnered with the [Apparel Impact Institutes' \(Aii\) Clean by Design](#) program and one of our key manufacturing partners, Formosa Taffeta Co., Ltd., to roll out Clean by Design in three of their facilities – one in Chinese Taipei, and two in China. The Clean by Design program focuses on facility energy and water efficiency optimization. Results are expected in August 2020 and, based on progress thus far, we expect to see significant improvements in all areas.

*“At Aii, we believe the apparel industry can be a positive force for the world, but progress is impossible without everyone in the industry working together to create change. Our partnerships with brands are a crucial element in our work to identify, fund and scale the best environmental impact solutions, and Columbia is a leading example of strategically applying impact through collective action.”*

- LEWIS PERKINS,  
President, Apparel Impact Institute



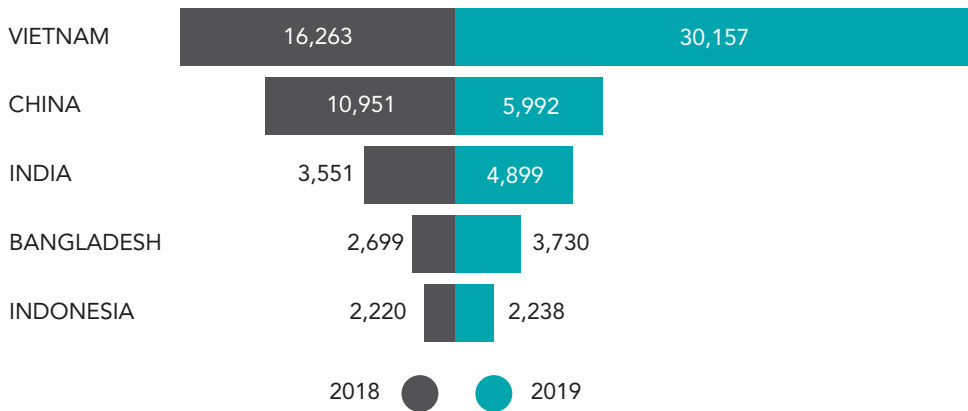




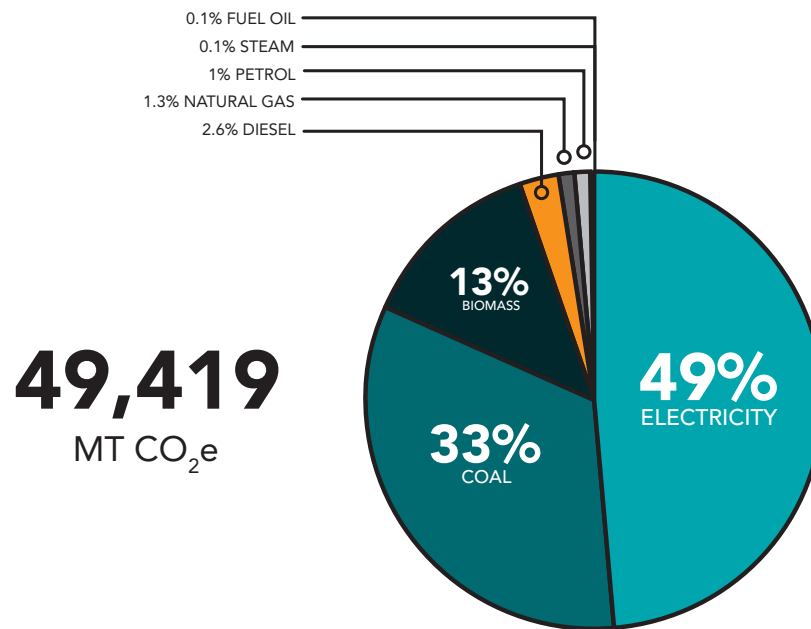
**PRODUCT ASSEMBLY**

We saw an overall 30% increase in aggregate GHG emissions from our Tier 1 manufacturing partners from 38,107 MT CO<sub>2</sub>e in 2018 to 49,419 MT CO<sub>2</sub>e in 2019. This change is attributed to an increase in the total volume of units produced in 2019. Due to changes in sourcing strategy, we also saw a geographic shift of emissions. Emissions increased in Vietnam and India and decreased in China, Chinese Taipei and Indonesia. This is largely due to shifts in sourcing strategy. In 2019, the primary fuel source driving GHG emissions at our Tier 1 manufacturing partners was grid electricity consumption (49%) and onsite power generated from coal (33%). Moving forward, we will focus on working with specific manufacturing partners to reduce energy consumption and explore alternate fuel sources.

**2019 PRODCT ASSEMBLY GHG EMISSIONS BY COUNTRY (MT CO<sub>2</sub>e)**



**2019 PRODUCT ASSEMBLY GHG EMISSIONS BY FUEL SOURCE (PERCENT)**







## SUSTAINABLE MANUFACTURING PRACTICES

Achieving sustainable manufacturing requires collaboration with our manufacturing partners, industry and community partners. CSC is a founding member of the [Sustainable Apparel Coalition](#) (SAC). Since 2013, we have been using the Higg Index Facilities Environmental Module (FEM), managed by the SAC, to annually assess environmental compliance and performance at Tier 1 and Tier 2 manufacturing partner facilities. Collaboration and alignment around the Higg FEM tool for performance measurement and improvement with manufacturers through the SAC and the [Outdoor Industry Association](#) (OIA) provides us with the context to identify priorities, gaps and to make programmatic decisions.

Furthering collaboration beyond facility walls, we partner with our key manufacturing partners to benefit local communities. Notably, we bring clean water to local communities through the Columbia Clean Drinking Water program, impacting hundreds of workers and their families. Collaborative efforts to improve sustainable manufacturing practices have resulted in enhancing the holistic nature and measured approach to driving change in our manufacturing partners' facilities and communities.

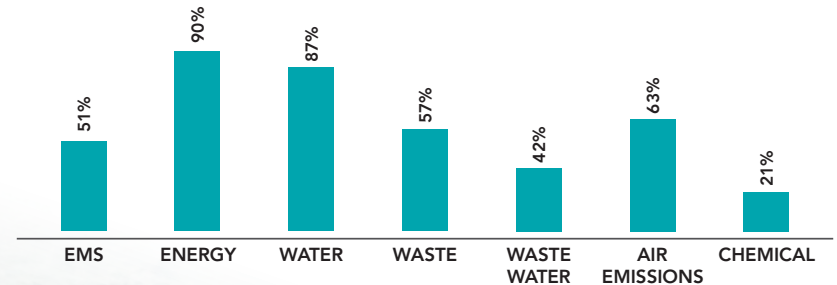
### MEASURING PERFORMANCE WITH THE HIGG FEM

We believe what gets measured gets improved. Higg FEM data helps to provide a baseline for understanding our impacts and driving strategic, programmatic, performance improvements in our manufacturing partners' facilities. Higg FEM data is used to develop continuous improvement strategies. Our goal for all our manufacturing partners is to reach, at minimum, Higg FEM Level 1 performance in all impact areas. The Higg FEM has three performance levels:

- Level 1 focuses on understanding and tracking performance
- Level 2 focuses on baselining, setting targets and goals and managing performance improvement
- Level 3 focuses on demonstrating industry leading practices that make positive impacts

In 2019, the sixth year of Higg FEM assessments for CSC, 291 facilities operated by our manufacturing partners completed the Higg FEM<sup>13</sup> – 149 were Tier 1 facilities and 142 were Tier 2 facilities. Based on the Higg FEM results, the greatest number of facilities achieving Level 1 were in the impact areas of energy (90%) and water (87%). Chemicals management (21%) and wastewater (42%) impact areas experienced the lowest level of achievement. Improving chemical management practices with facilities at our manufacturing partners is a programmatic priority for CSC. See the [Preferred Chemistry](#) section of this Report for more information.

**2019 MANUFACTURING PARTNER FACILITIES ACHIEVING LEVEL 1 BY IMPACT (PERCENT)**



<sup>13</sup> 2018 Higg FEM cadence.





**SUPPORTING SUSTAINABLE COMMUNITIES WHERE WE OPERATE**

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 the world's most disadvantaged communities. In 2019, we built a total of seven new towers. Four new towers were built with manufacturing partners in Vietnam (two towers), Bangladesh, Indonesia. In addition, two new towers were built in Bangladesh in collaboration with the United Nations Refugee Program, and one new tower was built in the Philippines in collaboration with a distributor. With the addition of the seven towers in 2019, we have reached 60% of our goal to build 25 new water towers by 2022. In 2019, the Columbia brand celebrated Earth Day by matching all consumer donations made at our retail stores to Planet Water Foundation on April 22nd, raising a total of approximately \$3,704.



**15  
TOWERS**

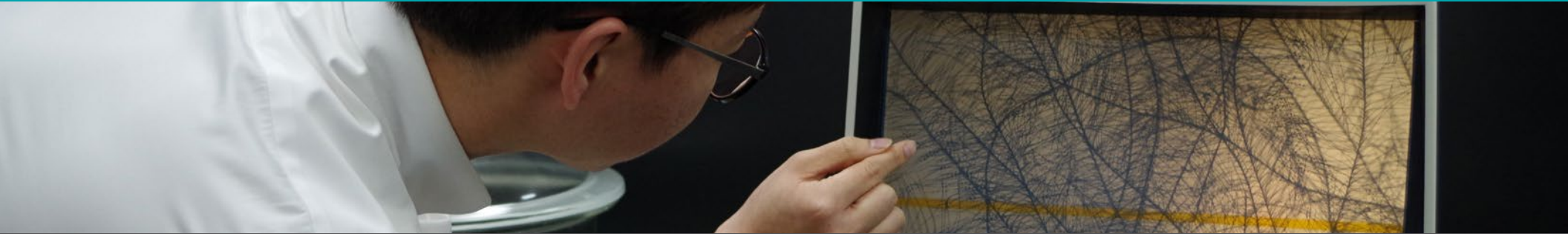
Built since 2016



**~15,000  
PEOPLE PER DAY**

Receive clean water from the water towers





## CHEMICAL MANAGEMENT

Living our value of “relentless improvement,” we are working to deliver products that exceed customer expectations for safety, compliance and sustainability. To advance the development and adoption of better chemical management practices and use of preferred chemistry in our products, we focus on three key programmatic areas:

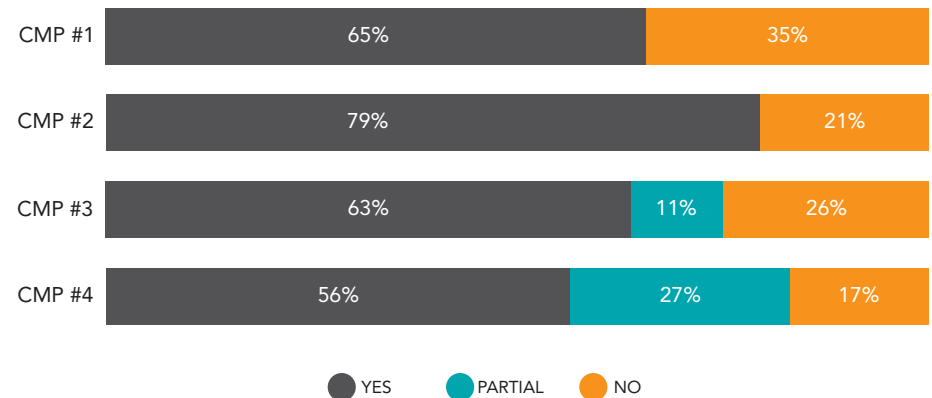
- Assessing supplier performance
- Partnerships for improvement
- Preferred chemistry

### ASSESSING SUPPLIER PERFORMANCE

Our [Chemical Management Policy](#) (CMP) outlines CSC standards and industry best practices for chemicals management.<sup>14</sup> 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

### 2019 MANUFACTURING PARTNER FACILITIES MEETING CMP PRIORITIES (PERCENT)



<sup>14</sup> Our CMP is published in four languages – English, Chinese, Korean and Vietnamese.





### PARTNERSHIPS FOR IMPROVEMENT

Partnerships are key for strong chemical management. To improve practices and performance, we partner with like-minded organizations, such as bluesign®, the Leather Working Group, and the OIA Chemicals Management Steering Committee to conduct trainings and share industry insight for continuous improvement. For example, in 2019, we hosted several trainings with bluesign® at our manufacturing partners' facilities in China, Vietnam, Korea and Chinese Taipei. Trainings focused on chemical management best practices. Additionally, as co-chair of the OIA Chemicals Management Steering Committee, we focus on collaborating with other brands to advocate for preferred chemistry, and chemicals management best practices.

### BLUESIGN® SYSTEM PARTNER

CSC has been a bluesign® system partner since 2016. The bluesign® system provides an independent, holistic and systematic chemicals management solution for textile production based on the concept of input stream management.<sup>15</sup> Facility certification provides a foundation of industry best practices and use of preferred chemistry. By sourcing from bluesign® certified facilities, we can be assured that these high standards are being met. In 2019, 50% of apparel materials for the Columbia brand and Mountain Hardwear and 36% of materials for prAna were sourced from bluesign® certified facilities.

### LEATHER WORKING GROUP

The [Leather Working Group](#) (LWG) certification ensures leather manufacturers adhere to Restricted Substance Lists, chemical and environmental management practices. Selecting LWG certified manufacturing partners provides assurance that we are working with partners meeting these requirements. In 2019, 95% of leather sourced for the Columbia brand and SOREL was from Gold or Silver rated LWG certified tanneries.

### PREFERRED CHEMISTRY

As an innovator in the outdoor apparel and footwear industry, we are committed to providing products to our customers and consumers that meet high standards for product performance while striving to limit health and environmental impacts. This is why we are dedicated to ongoing research, development and testing to identify and adopt alternative solutions that balance these priorities. Focal areas include:

#### PFCS PHASE-OUT

In 2015, we committed to phasing out long-chain perfluorinated compounds (LC-PFCs) in 100% of our products. This phase-out was implemented due to the concerns of toxicity, bioaccumulation in wildlife and humans, and persistence of LC-PFCs in the environment. In 2019, our material teams started trials of PFC-free water repellents. While we have been successful in switching to formulations without intentionally added PFCs in a few products, we continue to explore additional opportunities to phase out PFCs in our products.

#### FLAME RETARDANT ELIMINATION

Since 2015, we have actively collaborated with industry groups to study the toxicity of flame retardants. As a result of studies, flame retardants have been removed from Mountain Hardwear tents. In 2019, significant progress was made with the industry working group to influence the Canada General Standard Board (CGSB) and ASTM International to update flammability standards to eliminate the need for flame retardants in recreational tents.

#### PREFERRED FOOTWEAR CHEMICALS

Footwear design and sourcing teams use an active list of safer chemicals to guide creation. The list includes preferred chemicals for midsole and outsole for light weighted footwear, volatile organic compound (VOC)-free water base cement for footwear assembly, and water and stain resistant chemicals.

#### PREFERRED APPAREL CHEMISTRY WITH BLUESIGN® FINDER

The bluesign® FINDER tool enables apparel designers and developers to identify preferred chemistry options. To advance preferred chemistry, we actively encourage the use of bluesign® materials and bluesign® preferred chemistry.

<sup>15</sup> Input stream management employs responsible sourcing criteria and good purchasing practices to prevent unwanted substances from entering the manufacturing process. This approach helps reduce environmental, resource and human impacts, and advances consumer safety as unwanted substances are not in the finished materials.





# 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:

- Living “doing the right thing”
- Promoting fair labor practices
- Tracking workplace health and safety
- Monitoring global product compliance

We are proud of our work to enhance transparency and ethical business conduct within the Company and across our supply chain in 2019. At CSC, we continued to focus on compliance and made July 2019 “Ethics and Compliance Month,” with numerous videos of leaders across the organization sharing what “doing the right thing” means to them. In our supply chain, we conducted over 390 unannounced audits and enhanced our public Transparency Map. Collaborative, multi-stakeholder engagement was also at the forefront of our work in 2019 through our participation in the Social Labor Convergence Program, Better Buying Initiative and Better Work membership.







## LIVING OUR VALUES OF “DOING THE RIGHT THING”

We have built our success on creating emotional connections and long-term relationships with consumers and customers, delivering great products, forging strong, lasting relationships with manufacturing partners and developing a winning team with a passion for active lives. This success is rooted in the character, integrity and trustworthiness of our business and our partners’ businesses. We are committed to living our values of “doing the right thing” and fostering a speak-up culture. This allows us to thrive together as a company and be proud not only of the results we achieve, but also of how we achieve them.

Our values-based Code of Business Conduct and Ethics is our foundation. It captures our core principles and guides our day-to-day decisions and actions. It sets expectations for how employees conduct themselves as individuals, interact with each other and work with our outside partners. 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.

Operating by a values-based Code of Business Conduct and Ethics means, in addition to complying with the law, we:

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

Defining our values ensures that no matter the challenges we may face, our decisions and actions will reflect our shared commitment to doing the right thing. We are committed to making the right choice, every time. We invite you to explore and further understand how we live our values of “doing the right thing” by reviewing our full [Code of Business Conduct](#)

[and Ethics](#), which has been translated into several different languages.

Compliance with our Code of Business Conduct and Ethics is led at a Company level by our Ethics and Compliance Committee, which consists of leaders from Human Resources, Legal and Business teams. Included in its responsibilities, our Ethics and Compliance Committee ensures appropriate compliance training is provided throughout the employee life-cycle using a mixed approach of both online and in-person learning. In addition, CSC declared July 2019 “Ethics and Compliance Month.” During the month, a number of communications highlighting ethics and compliance-related topics were featured, showcasing what “doing the right thing” at CSC means.

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 line and web-based reporting platform for employees and other stakeholders to report concerns. Both the compliance 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.





## PROMOTING FAIR LABOR PRACTICES

Our commitment to social responsibility begins with selection of manufacturing partners who share our beliefs. At CSC, we hold ourselves and our manufacturing partners to high standards, furthering social responsibility and integrity across our supply chain. We believe in the fair and ethical treatment of workers, safe working conditions, transparency and sustainable manufacturing practices. Manufacturing partner selection also includes seeking alignment of programs, policies and accountability systems with our core values.

Our manufacturing partner code of conduct, known as our [Standards of Manufacturing Practices](#) (SMP), requires our manufacturing partners to conduct business in an ethical and transparent manner. Our SMP is aligned with global industry practices and is based on International Labor Organization (ILO) conventions and Fair Labor Association standards.

### INTERNAL ACCOUNTABILITY

All internal departments working with our supply chain are responsible for upholding our values and ethics. This helps promote fair treatment of our manufacturing partners and better supply chain working conditions. Responsible Sourcing and Purchasing Practices have been developed to mitigate the impacts of decisions made throughout our seasonal development process on manufacturing partners' abilities to meet our SMP.

In 2019, we worked with the [Better Buying Initiative](#). Focused on improving purchasing practices in global supply chains, Better Buying collects feedback from our manufacturing partners through its buyer rating program, examining our purchasing practices. We will receive our ratings in 2020. Based on feedback, we will create an action plan to improve our purchasing practices as commercially feasible.





**ACCOUNTABILITY IN OUR SUPPLY CHAIN**

In an effort to ensure accountability and compliance with our SMP and local labor laws, we use a scorecard to assess manufacturing partner facilities’ social responsibility performance and compliance. Our scorecard addresses audit performance, remediation efforts, management systems and transparency.<sup>16</sup> Scorecards are updated monthly and shared with our manufacturing partners.<sup>17</sup> Scorecards are also shared with our internal sourcing teams to inform seasonal sourcing decisions.

The majority of audit performance data comes from unannounced audits completed by our internal SMP auditors as well as designated third party audit firms who are trained to our standards. We also utilize data from audits and assessments performed by [ILO’s Better Work program](#), the [Social and Labor Convergence Program](#), the [Fair Labor Association](#) and a handful of other brands with whom we have built strong relationships. All data is scored according to our SMP grading matrix. In 2019, we incorporated performance data from 394 audits and assessments, of which 220 audits were completed by our internal team.

Through this data we saw an increase in manufacturing partner facilities moving from A and B ratings to C ratings. We also saw two percent of manufacturing partner facilities move down to an F rating. The change in these ratings was primarily due to a largescale shift of manufacturing out of China to other countries, which created capacity constraints at certain manufacturing facilities located outside of China. We recognize the risks associated with the changes in the ratings and have worked with our internal sourcing teams and manufacturing partners on progress improvement plans. For facilities receiving F ratings we took substantive and immediate action by reducing or ceasing production at these facilities. Once issues are adequately addressed, we will reassess production at these facilities.

**2015-2019 CSC MANUFACTURING PARTNER SMP SCORECARD RATINGS (PERCENT)**

GRADE	2015	2016	2017	2018	2019
<b>BEST IN CLASS</b>	0%	14%	2%	2%	0%
<b>A</b>	15%	72%	11%	10%	6%
<b>B</b>	64%	12%	75%	76%	69%
<b>C</b>	20%	1%	11%	11%	23%
<b>F</b>	1%	0%	2%	1%	2%

<sup>16</sup> See [Appendix F](#) for more audit and scorecard details, including our rating system.

<sup>17</sup> Including licensee and subsidiary suppliers.





**SHARED TOOLS AND STANDARDS**

We recognize we are a single player in a large, complex, global supply chain. To create meaningful change, we work with brand, industry and multi-stakeholder initiatives within the boundaries of antitrust and competition laws to develop shared tools and standards. Currently, we are working with the Social and Labor Convergence Program (SLCP) to develop their Converged Assessment Framework (CAF) tool. Built collectively by the apparel and footwear industry, the SLCP CAF is a social responsibility self-assessment tool with verification. We believe this approach will encourage greater “supplier ownership” of our manufacturing partners’ internal human resources management systems, as well as reduce audit fatigue.

Other key industry collaboration partners include:



**CONFLICT MINERALS REPORTING**

We strive to ensure any 3TG minerals (tin, tantalum, tungsten and gold) necessary to our products are obtained from certified “Conflict-Free” smelters and mines. We work with a third-party source to verify and validate responsible sourcing throughout all regions within our supply chain. Our verification and validation efforts are publicly available in our [Conflict Minerals Report](#) filed with the Securities and Exchange Commission as an exhibit to our Form SD.

**MULTI-STAKEHOLDER COLLABORATION**

To advance industry transparency, we engage in numerous collaborative efforts. As a producer of collegiate products, the Columbia brand supports transparency of the facilities manufacturing collegiate products as a Category B Licensee<sup>18</sup> to the [Fair Labor Association](#) (FLA).<sup>19</sup> This means the Columbia brand regularly discloses the facilities producing collegiate products to collegiate licensing agents and universities, and to the FLA through the Fair Factories Clearinghouse database.

To promote information disclosure and transparency of manufacturing partner facilities’ environmental performance, CSC partners with the [Institute of Public & Environmental Affairs](#) (IPE).<sup>20</sup> Annually, we provide supply chain data to IPE for its [Green Supply Chain map](#). Disclosure of manufacturing partners’ facilities to IPE allows both CSC and the public access to real-time facility environmental performance data in China. It also publicly provides greater transparency of our environmental impacts associated with manufacturing.

**PUBLIC DISCLOSURE AND TRANSPARENCY**

[The CSC Transparency Map](#) (the “Map”) publicly discloses information about our manufacturing partners. The Map includes the name and location of Tier 1 manufacturing partner facilities making products for the Columbia, Mountain Hardwear, SOREL and prAna brands. Publicly sharing our supply chain promotes multi-stakeholder collaboration for external monitoring and reporting, enabling people to see where their products are made. By inputting the facility ID found on our products’ care label, people can identify the manufacturing partner facility that made their product. The Map also highlights key positive impact initiatives completed by our manufacturing partners. Initiatives included are HERproject, Planet Water and Responsible Down Standard certified. In 2019, we expanded the Map’s scope to include licensee and international distributor manufacturing partner facilities.

**OUR MAP PROVIDES INSIGHT INTO**

- Name of facility
- Location of the facility
- Number of workers employed at facility
- Male to female ratio of workers at the facility
- Special impact projects conducted by the facility

<sup>18</sup> FLA Category B Licensees commit to upholding the FLA Principles of Fair Labor and Responsible Sourcing and bring their collegiate supply chains into the FLA.  
<sup>19</sup> The FLA is a collaborative effort of universities, civil society organizations, and businesses.  
<sup>20</sup> IPE is a non-governmental environmental research organization based in China, whose mission is to promote information disclosure, serve green development and bring back clear water and blue skies.





## WORKPLACE HEALTH AND SAFETY

We are committed to maintaining a safe work environment for our employees and visitors. Our objective is to maintain an accident and injury free workplace through collective awareness and ownership.

Office and distribution center employees are required to complete safety training annually, while our retail employees participate in weekly safety trainings due to the fluid nature of their work. Tools, such as manager-led safety talks, posters and handouts, and videos, such as our Retail Safety and Office Emergency Response videos, are used during trainings.

To support proactive management of health and safety, CSC has Safety Committees across locations that meet quarterly to review any incidents or near misses. Safety Committees also examine current policies to ensure they are appropriately addressing any incidents.







## PRODUCT COMPLIANCE

We strive to make products that are safe and compliant from initial concept through manufacturing and delivery to our consumers. Our Global Product Compliance team works closely with product creation teams and manufacturing partners to set and implement product standards and industry best practices per market requirements.

[Our Restricted Substances List \(RSL\)](#) is based on the bluesign® RSL, which is centered on global laws, preferred chemistry and hazard assessment principles, and industry standards. Compliance with our RSL is mandatory and is incorporated in our agreements with our manufacturing partners. We monitor compliance with the RSL through our RSL Testing Programs.<sup>21</sup> We provide extensive training on our RSL and testing standards throughout our product lifecycle, from product creation, to sourcing and manufacturing. Training throughout our process ensures high levels of knowledge about our RSL requirements at every key stage. We expect our manufacturing partners to meet all CSC standards and ensure that all materials, finished goods, packaging and manufacturing practices comply with all applicable laws, rules and regulations.



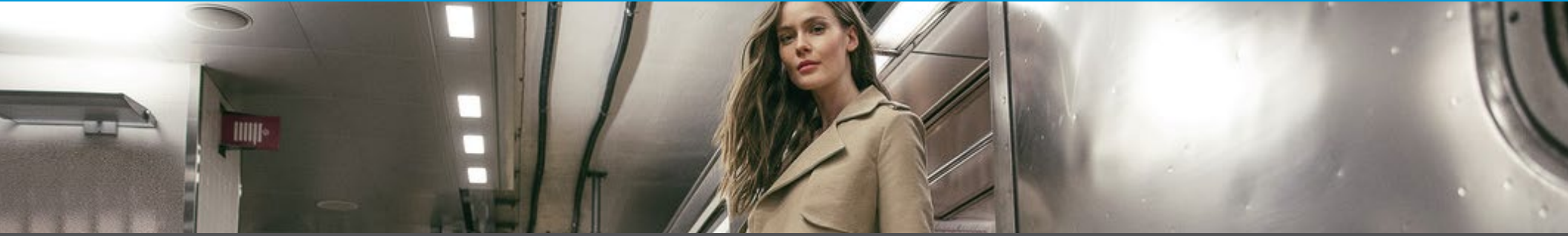
<sup>21</sup> Our RSL Testing Program is based on a root-cause, risk-based framework for evaluating non-conformances to identify remediation processes.





# APPENDICES





## APPENDIX A: REPORTING PRACTICES

### 2019 CSR REPORT SCOPE

The editorial content of this Report covers subject matter for calendar year 2019 – January 1, 2019 through December 31, 2019. All metrics, workforce and financial data refer to the calendar year 2019, unless otherwise noted, and with the exception of Higg FEM data, which corresponds to the Higg FEM 2018 cadence.

### PRESENTATION OF CONTENT

Unless otherwise indicated, information in this report relates to our continuing operations. It should be noted that in 2019, we made significant updates to our data collection approach and methodology for emissions reporting. We adjusted emissions factor sources and expanded the scope of material reporting, including material usage from prAna. Upon implementation of our updates, we found 2019 material inputs and processing results to be more comprehensive and not directly comparable to 2018. Please see Appendix E for a summary of our emissions impact methodology.

### REPORTING FRAMEWORKS

CSC has reported to industry recognized reporting frameworks with respect to this Report. CSC does not undertake or represent that its work to report to such frameworks has been endorsed or approved by SASB or the UN.

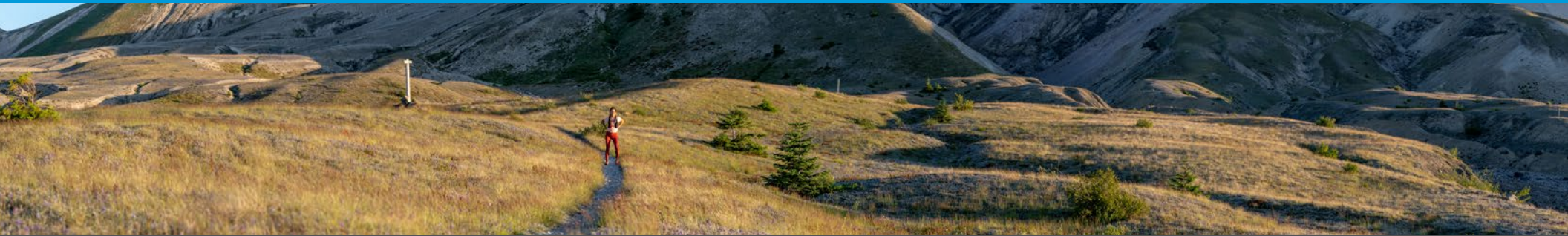
#### SASB

This is the first year CSC has reported to the Sustainability Accounting Standards Board (SASB) framework. We report to the metrics included in the Apparel, Accessories and Footwear disclosure framework and look forward to continuous improvement in the coming years.

#### UN SDG

CSC supports the United Nations Sustainable Development Goals (UN SDG) and includes a map of projects, programs and initiatives in alignment with the UN SDGs most material to our business.





## APPENDIX B: SASB

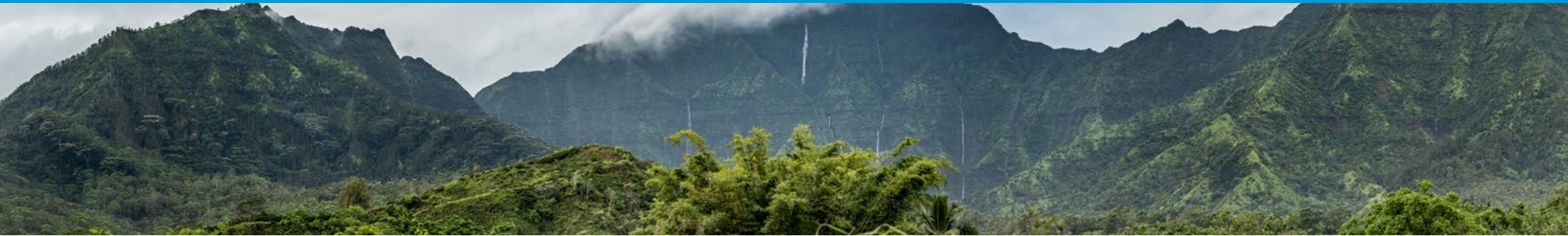
### SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

SASB is an independent, standards-setting organization enabling businesses and investors to connect on the financially material aspects of sustainability. Our 2019 Corporate Responsibility Report marks the first time CSC has reported to the SASB framework, specifically the Apparel, Accessories and Footwear disclosure framework. All information reported is for the 2019 calendar year - January 1, 2019 through December 31, 2019.

**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	<a href="#">Product Compliance RSL and Product Compliance Manual</a>
	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	<a href="#">Assessing Supplier Performance Partnerships for Improvement Preferred Chemistry Chemical Management Policy</a>





**APPENDIX B: SASB (CONTINUED)**

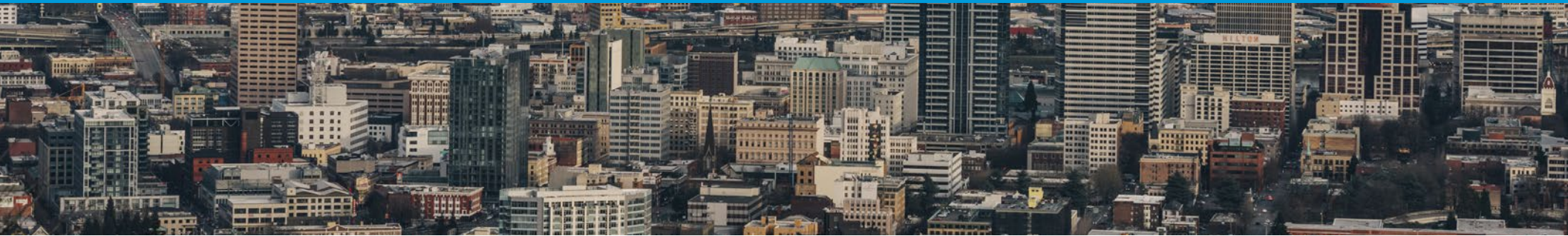
TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE	REFERENCE/RESPONSE
<p>Environmental Impacts in the Supply Chain</p>	<p>Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement</p>	<p>Quantitative</p>	<p>Percentage (%)</p>	<p>CG-AA-430a.2</p>	<p>In 2019, 160 Tier 1 and 146 Tier 2 supplier facilities were in scope to complete the Higg FEM Assessment (2018 cadence). 93% of Tier 1 and 97% of Tier 2 supplier facilities completed it, representing around 80% of CSC’s overall manufacturing. Of the supplier facilities that completed the Higg FEM, 99% of Tier 1 and 99% of Tier 2 supplier facilities were in compliance with wastewater discharge permits and/or contractual agreement. <a href="#">Sustainable Manufacturing Practices</a></p>
	<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</p>	<p>Quantitative</p>	<p>Percentage (%)</p>	<p>CG-AA-430b.1</p>	<p>In 2019, 160 Tier 1 and 146 Tier 2 supplier facilities were in scope to complete the Higg FEM Assessment (2018 cadence). 93% of Tier 1 and 97% of Tier 2 supplier facilities completed the Higg FEM, representing around 80% of CSC’s overall manufacturing. <a href="#">Sustainable Manufacturing Practices</a></p>





## APPENDIX B: 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.2	83% of Tier 1 supplier facilities audited to CSC's Standards of Manufacturing Vendor Compliance Manual.  Over 40% 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.
	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	CG-AA-430b.3	In FY19, 2% of supplier facilities received an F rating. Supplier facilities receiving F ratings were those presenting high-risk, non-compliance issues. <a href="#">Accountability in our Supply Chain Standards of Manufacturing Vendor Compliance Manual</a>
	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	See "Risk Factors" in our Fiscal Year 2019 Form 10-K



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	The following represent risks identified, as well as the policies and statements to mitigate these risks. <a href="#">Conflict Minerals Policy</a> <a href="#">2019 Conflict Minerals Report</a> <a href="#">Animal Derived Policy</a> <a href="#">Natural Down &amp; Feather Insulation Statement</a> <a href="#">Statement on Climate Change Uzbekistan &amp; Turkmenistan</a> <a href="#">Cotton Policy</a> <a href="#">Transparency in Supply Chain Statement</a> <a href="#">Chemical Management Policy</a> See "Risk Factors" in our Fiscal Year 2019 Form 10-K
	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	<a href="#">Preferred Attributes</a>

**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	Tier 1: 362 facilities Tier 2: 33 apparel suppliers;* 123 footwear suppliers <a href="#">Transparency Map</a>

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



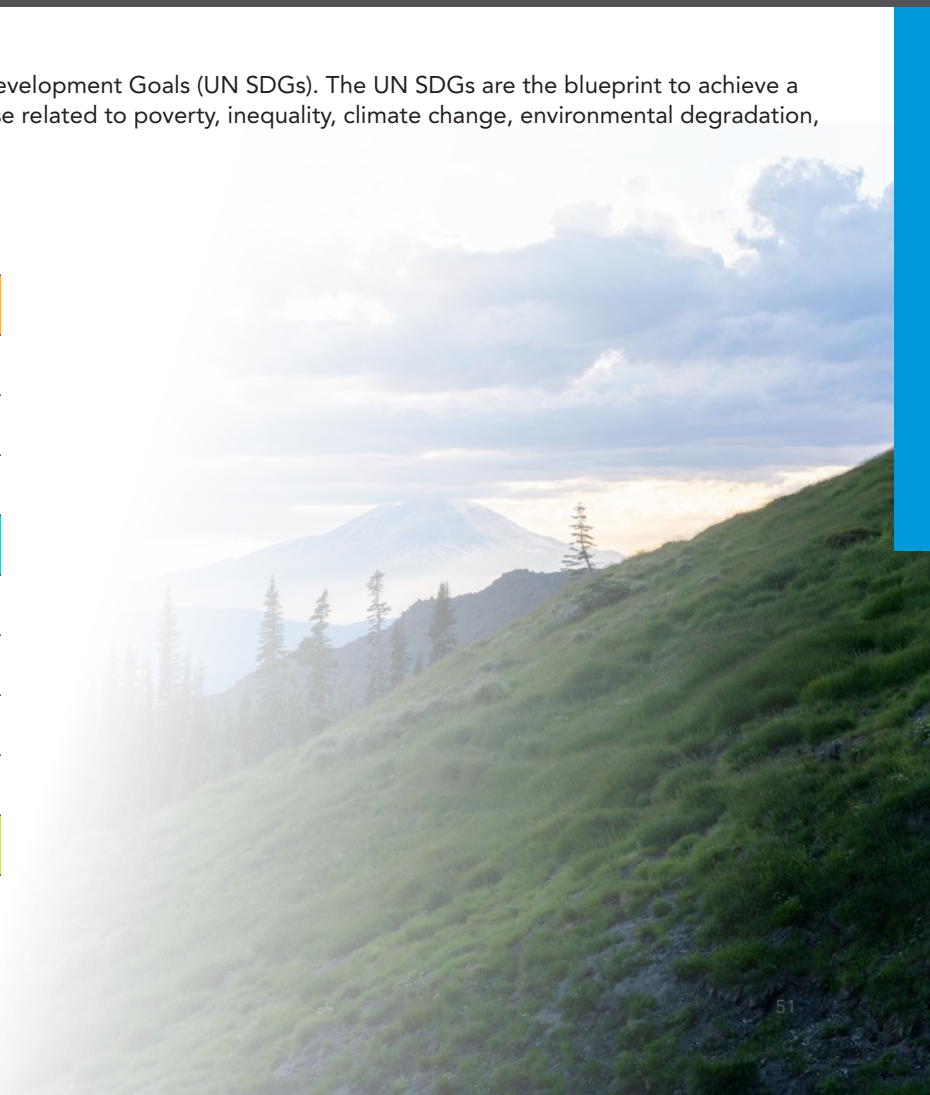


## APPENDIX C: UN SDG MAPPING

In 2019, we mapped out our strategy and 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 seven of the 17 UN SDG goals:

<b>EMPOWERING PEOPLE</b>	
Igniting human potential for growth	
Empowering people in our supply chain	
Investing in healthy communities	
<b>SUSTAINING PLACES</b>	
Designing for the future	
Environmental impact management	
Sustainable manufacturing practices & communities	
Chemical management	
<b>RESPONSIBLE PRACTICES</b>	
Promoting fair labor practices	







## APPENDIX D: COLLEGIATE OUTDOOR RECREATION PROGRAM PARTNERS

### PARTNER UNIVERSITIES

Cal State – Fullerton  
Cal State – Long Beach  
Cal State – Northridge  
Cheyney University  
Oregon State University  
Portland State University  
Reed College  
University of California – Berkeley  
University of Central Florida  
University of Colorado – Boulder  
University of Minnesota  
University of Oregon  
University of Portland  
University of Tennessee







## APPENDIX E: GREENHOUSE GAS EMISSIONS METHODOLOGY

For the 2019 reporting year, we followed calculation methodologies for carbon greenhouse gas calculations outlined by the Green House Gas Protocol.

### OWNED AND OPERATED FACILITIES

- A. SCOPE:** U.S. and Canada, including retail locations, distribution centers and headquarters and office locations for all brands – Columbia brand, Mountain Hardwear, prAna and SOREL.
- B. DATA SOURCE:** 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.
- C. PROCESS:** Usage from ENGIE is multiplied by emissions factors to calculate total carbon emissions and is reported in tonnes CO<sub>2</sub>e.
- D. EMISSIONS FACTOR SOURCES:**
  - I. U.S.:
    - 1. *Electricity:* U.S. Environmental Protection Agency (EPA) [Power Profiler tool](#)
    - 2. *Natural Gas:* [U.S. EPA greenhouse gases equivalency calculator](#)
    - 3. *Propane:* Department of Energy - Energy Information Administration [Carbon Dioxide Emissions Coefficients](#)
  - II. CANADA: United Nations Framework Convention on Climate Change (UNFCCC) Canada [National Inventory Report 2019](#)

### CORPORATE TRAVEL

- A. SCOPE:** Air travel and rental cars booked through corporate travel agency for all brands and all regions.
- B. DATA SOURCE:** Air travel and rental car data are provided by our corporate travel agency.
- C. PROCESS:**
  - I. **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 CO<sub>2</sub>e:
    - 1. *Long Haul* (>2,300 miles/segment)
    - 2. *Medium Haul* (≥300, <2,300 miles/segment)
    - 3. *Short Haul* (<300 miles/segment)
  - II. **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.
- D. EMISSIONS FACTOR SOURCE:**
  - I. **AIR TRAVEL:** [U.S. EPA Emissions Factors March 2018](#)
  - II. **RENTAL CAR:** Emissions data provided by corporate travel agency using aggregated MPG data and emissions factors from the U.S. EPA



## APPENDIX E: GREENHOUSE GAS EMISSIONS METHODOLOGY (CONTINUED)

### MATERIALS

**A. SCOPE:** Available in-line material data for the Columbia, Mountain Hardwear, prAna and SOREL brands for products manufactured in 2019. Excludes trims: Material emissions are based off of the six primary material types that make up approximately 96% of materials used.

**B. DATA SOURCES:**

I. **RAW MATERIALS:** Internal system, Product Development Management (PDM), provides raw material content.

II. **RAW MATERIALS USAGE:** Internal system, PDM, provides raw material usage by style.

1. *Note:* usage numbers are not available across size range. Sample size is used to determine usage for a style.

III. **STYLE ORDER QUANTITY:** Internal sourcing report containing Purchase Order quantities by style and season.

**C. PROCESS:** Material impacts were calculated using standard Life Cycle Assessment weight-based methods, relying on data sets from the Sustainable Apparel Coalition's Higg Material Sustainability Index (MSI). Total raw material usage calculated by determining the content and usage per raw material in a style using bill of materials (BOM) data and then multiplying the styles by purchase order (PO) quantity from the internal sourcing report. The aggregate raw material quantities are then multiplied by their corresponding Higg MSI emissions factors and reported in tonnes CO<sub>2</sub>e.

**D. EMISSIONS FACTOR SOURCE:** [Sustainable Apparel Coalition Higg MSI](#)

### MANUFACTURING

The scope of the manufacturing emissions calculations represented for 2019 include allocated data from the majority of our Tier 1 and the majority of our strategic Tier 2 manufacturing partner facilities. We utilized data from the 2018 Higg FEM cadence, which commenced in 2019, for emissions calculations. The Higg FEM schedule for manufacturing data collection is based on timelines set by the SAC.

**A. SCOPE:** Tier 1 and Tier 2 manufacturing partners for the Columbia, Mountain Hardwear and SOREL and prAna brands. (prAna includes data from <40% of manufacturing partner facilities.)

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

**B. DATA SOURCES:**

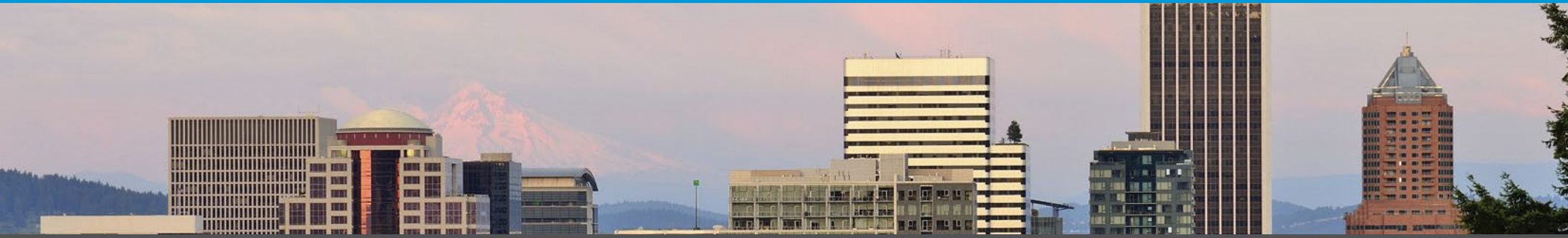
I. Sustainable Apparel Coalition Higg FEM

II. GT Nexus report on Work In Progress (WIP) materials

**C. PROCESS:** Energy usage from Higg FEM report is multiplied by emission factors to determine CO<sub>2</sub>e 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 CO<sub>2</sub>e.

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





## APPENDIX F: SOCIAL RESPONSIBILITY SCORECARD RATING SYSTEM

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.

