



FY 2018
CORPORATE
RESPONSIBILITY

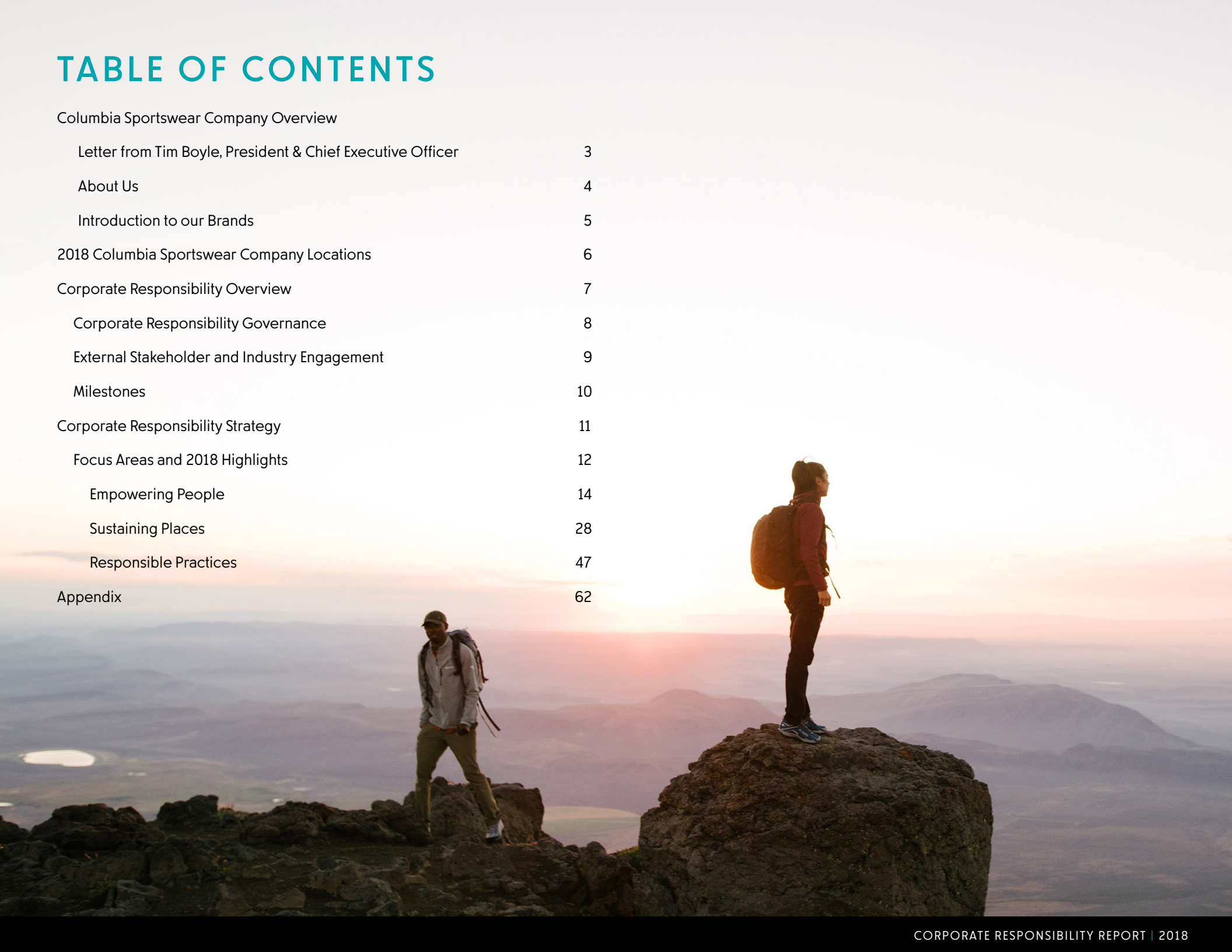


Columbia
Sportswear Company®

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LETTER FROM TIM BOYLE

PRESIDENT AND CHIEF EXECUTIVE OFFICER

Here at Columbia Sportswear Company, one of our core values is to *Do the Right Thing*, not just for our company, but also for our consumers, customers, employees and communities. We have a deep commitment to making a positive impact on the people we reach, the places we touch and the products we make.

We are a global company, with a mindset to match. We are all on this planet together and it's everyone's responsibility to ensure good stewardship of our resources. Columbia Sportswear Company is proud to continue to make progress towards sustainability goals while also improving our products and our practices. Most important, we believe in empowering people, whether they be employees, factory partners or people who enjoy our products, and are dedicated to inclusion, diversity and equity throughout the outdoor industry.

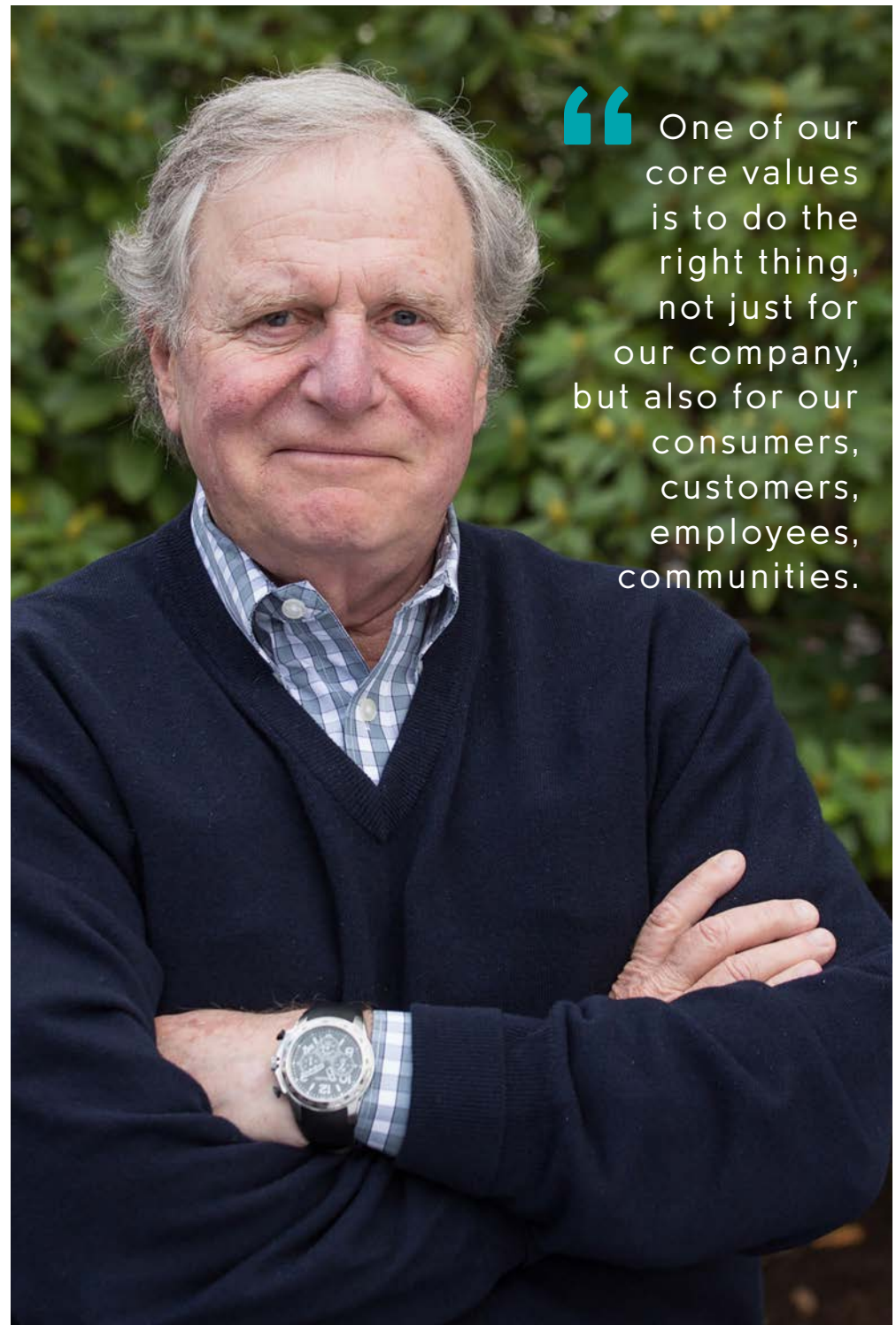
This report gives a snapshot of the great work that was done in 2018. As we look forward, we know there is still progress to be made and plan to continue building off of the work that has already been done.

On behalf of each Columbia Sportswear Company employee and our valued partners around the world, I'm pleased to share our Fiscal Year 2018 Corporate Responsibility Report.



Cautionary Statement Regarding Forward-Looking Information

This FY 2018 Corporate Responsibility 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.



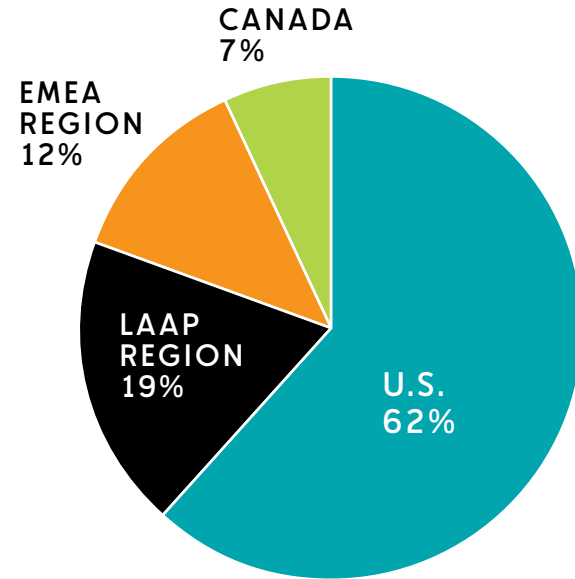
“ One of our core values is to do the right thing, not just for our company, but also for our consumers, customers, employees, communities.”

ABOUT US

Founded in 1938, Columbia Sportswear Company (CSC) is a global leader in designing, sourcing, marketing, and distributing outdoor and active lifestyle apparel, footwear, accessories and equipment. Our primary brands - Columbia®, Mountain Hardwear®, SOREL® and prAna® - complement each other to address the diverse needs of active consumers and their products have gained an international reputation for their innovation, quality and performance.

Our business has evolved and grown over the past 80 years, and we have changed as well. We are committed to responsible practices throughout our entire business, from our manufacturing process to empowering employees to make a difference in their local communities. In the next 80 years, we are committed to implementing responsible and sustainable practices in all facets of our business.

For more information on our Corporate Responsibility program, please visit our [website](#).



\$2.8B FY 2018 NET SALES



INTRODUCTION TO OUR BRANDS

We design, source, market, and distribute outdoor and active lifestyle apparel, footwear, accessories and equipment under four primary brands, which complement each other to address the diverse needs of consumers:



Headquartered in Portland, Oregon, the Columbia brand ("Columbia") is our largest brand, offering performance and casual products, such as apparel, footwear, accessories and equipment. The durability and functionality of our Columbia brand products make them ideal for a wide range of outdoor and active lifestyle activities, serving a broad population of consumers, including skiers, snowboarders, mountain climbers, hikers, hunting and fishing enthusiasts, endurance trail runners, golfers and outdoor-inspired consumers.



Acquired in 2000, our SOREL brand, headquartered in Portland, Oregon, combines expert craftsmanship and of-the-moment design to create all-season footwear. What began decades ago with premium boots, crafted with an unparalleled balance of construction and protection, is now a brand dedicated to both functionality and fashion. SOREL creates powerful footwear for unstoppable individuals.



Acquired in 2003, the Mountain Hardwear brand, headquartered in Richmond, California, offers premium apparel, accessories and equipment primarily for the high performance needs of mountaineering enthusiasts and other outdoor athletes, as well as for consumers who are inspired by the outdoor lifestyle.



Acquired in 2014, the prAna brand, headquartered in Carlsbad, California, offers stylish and versatile active lifestyle apparel and accessories designed and manufactured with an emphasis on sustainable materials and processes. Our prAna brand apparel products focus on consumers whose active lifestyles include activities such as rock climbing, yoga, outdoor watersports, hiking and adventure travel.

2018 COLUMBIA SPORTSWEAR COMPANY OPERATIONS

London ★
 Corporate Headquarters
 Henderson ★
 Headquarters
 Headquarters

Cambrai ★

Chittagong
 Bangalore
 Dongguan
 Zhuhai
 Hanoi
 HCMC
 Jakarta
 Taipei

8 Regional Offices

- Beijing
- Geneva
- Guangzhou
- Hong Kong, S.A.R.
- Seoul
- Shanghai
- Strasbourg
- Tokyo

23 Factory Locations

- Bangladesh
- Brazil
- Cambodia
- Canada
- China
- Dominican Republic
- Egypt
- El Salvador
- Guatemala
- India
- Indonesia
- Japan
- Malaysia
- Mexico
- Myanmar (Burma)
- Pakistan
- Peru
- Philippines
- South Korea
- Sri Lanka
- Chinese Taipei
- USA
- Vietnam

369 Finished Goods Contract Factories

Including licensee and distributor relationships

388,347

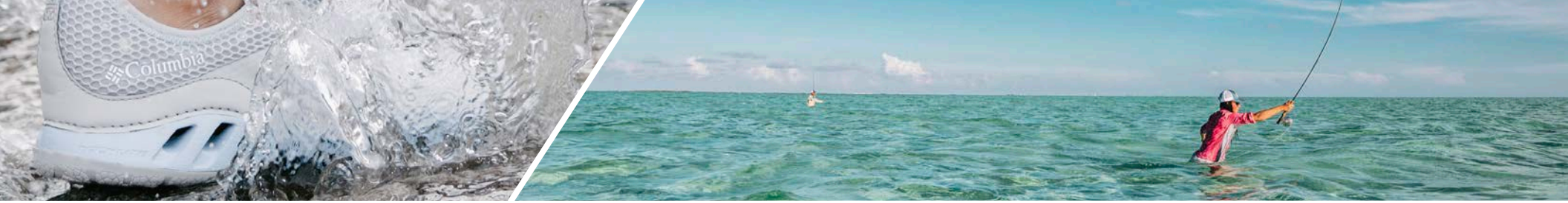
Workers at factories

- Regional Offices
- Manufacturing Liaison Offices
- ★ Distribution Centers*

* In Japan, Korea and China, we rely primarily on third-party logistics companies within the country.

CORPORATE RESPONSIBILITY





CORPORATE RESPONSIBILITY GOVERNANCE

One of Columbia Sportswear Company's core corporate values is *Doing the Right Thing*, therefore we view Corporate Responsibility as a company-wide effort, with collaboration and commitment throughout the value chain.

Our Corporate Responsibility team consists of 32 people located around the world, from our corporate headquarters in Portland, Oregon to prAna headquarters in Carlsbad, California to the regions where we manufacture our products. The Vice President of Corporate Responsibility, Abel Navarrete, reports to the Executive Vice President, Chief Administrative Officer and General Counsel, Peter Bragdon. Annually, an executive update from the Corporate Responsibility team is given to our Board of Directors outlining key performance and risk factors. This reporting structure allows our Corporate Responsibility team to influence all areas of our business, from product manufacturing to employee empowerment.

The corporate responsibility strategy, standards, policies and procedures are set at a corporate level, with each brand focusing on impacts that are unique to their positioning.



We're a global corporation with thousands of employees around the world and hundreds of thousands of workers in our supply chain. We are committed to ensuring that we have responsible, sustainable practices that empower all of the people who contribute to Columbia Sportswear's success.

– PETER BRAGDON
EVP, CHIEF ADMINISTRATIVE OFFICER AND GENERAL COUNSEL



The breadth of our team allows us to quickly identify and respond to changing conditions throughout our supply chain.

– ABEL NAVARRETE
VP, CORPORATE RESPONSIBILITY





EXTERNAL STAKEHOLDER & INDUSTRY ENGAGEMENT

We recognize that we are a single player in a large, complex, global supply chain. To create meaningful change, we work with brand, industry and multi-stakeholder players within the boundaries of antitrust and competition laws to:

- Adopt industry standards for evaluating social and environmental impacts in our business and our supply chain. Standardization will enable greater efficiency in evaluation methods and comparability of results.
- Develop shared tools to reduce costs and improve methods for implementing social and environmental programs.
- Share resources with industry partners on specific projects, such as auditing, training and capability building, to reduce audit fatigue and increase collective impact. We seek to work directly with other brands and retailers who share our values and whose products are made in the same factories as ours.

Each of these organizations support at least one pillar of our Corporate Responsibility strategy. We select organizations for investment and engagement based on their ability to influence systemic change and their relevance to our business and supply chain.

Our main partnerships in 2018 were:



To learn more about all of the organizations Columbia Sportswear Company engages with, please see Appendix 1.

“ The outdoor industry is in a unique position to demonstrate leadership toward a positive future. When current challenges and opportunities are too great to take on alone, it’s collaboration and engagement across the industry that will drive our path forward.

– JESSIE CURRY,
SUSTAINABLE BUSINESS INNOVATION
MANAGER AT OUTDOOR INDUSTRY ASSOCIATION

MILESTONES



CORPORATE RESPONSIBILITY STRATEGY

SUSTAINING ACTIVE LIFESTYLES

At Columbia Sportswear Company, we invest in initiatives that have a positive impact on the people we reach, the places we touch and the products we make.

We accomplish this through:



EMPOWERING
PEOPLE



SUSTAINING
PLACES



RESPONSIBLE
PRACTICES





EMPOWERING PEOPLE

We help to build healthy communities where we live, work, play and manufacture by:

- Supporting outdoor participation, access and stewardship
- Empowering people in our supply chain
- Inspiring employees and having a positive impact on local communities
- Supporting inclusion, diversity and equity



SUSTAINING PLACES

We are dedicated to sustaining the places we touch through:

- Powering aspects of our businesses and products with clean energy
- Improving water sustainability
- Adopting green chemistry
- Making resources last longer through recycling and closed loop practices



RESPONSIBLE PRACTICES

We are committed to doing the right thing throughout our value chain by:

- Leveraging innovation and design to create social and environmental value
- Elevating responsibility, integrity and compliance in our supply chain
- Advancing measurement, reporting and accountability systems

2018 HIGHLIGHTS

300,000 students

had access to outdoor gear through our Collegiate Outdoor Recreation Program

8,133 female workers

in our supply chain received HERproject training

10,000 workers

benefitted from prAna's Fair Trade premiums

\$1,191,231 cash donations

to support organizations

\$821,687 worth of product

was donated by us to support organizations

4,238 hours

global employee volunteer hours donated

\$70,000

employee donations matched

* Excludes impact of prAna

100%

of UPS U.S. e-commerce direct to consumer orders shipped carbon neutral

324,190 kWh

of electricity generated through solar panels at CSC and Mountain Hardwear Headquarters

121M gallons

of fresh water saved by using preferred materials alternatives*

50%

of Columbia strategic raw material suppliers were sourced from bluesign® certified facilities

36%

of all prAna raw materials suppliers were sourced from bluesign® certified facilities

8,000 people

people received clean water each day through our Planet Water partnership

20,132 lbs.

of clothing collected through our ReThreads program and recycled through I:CO

100% of cotton

in prAna's products was organic

100% of down

sourced across all CSC brands met the Responsible Down Standard

100% of finished goods

factories were in scope for our social compliance audit

88% of direct sourced

finished goods factories rated B or above*

100% of direct sourced

finished goods vendors and strategic raw materials vendors were included in our Higg FEM roll-out*

11% of factories

completed the Higg FEM achieved overall Level 1 score

100% of direct sourced

finished goods factories can be found on Transparency Map on our website



EMPOWERING PEOPLE

We partner with organizations and communities around the world to help support and inspire people to take an active role in making healthy life choices for themselves and their families.

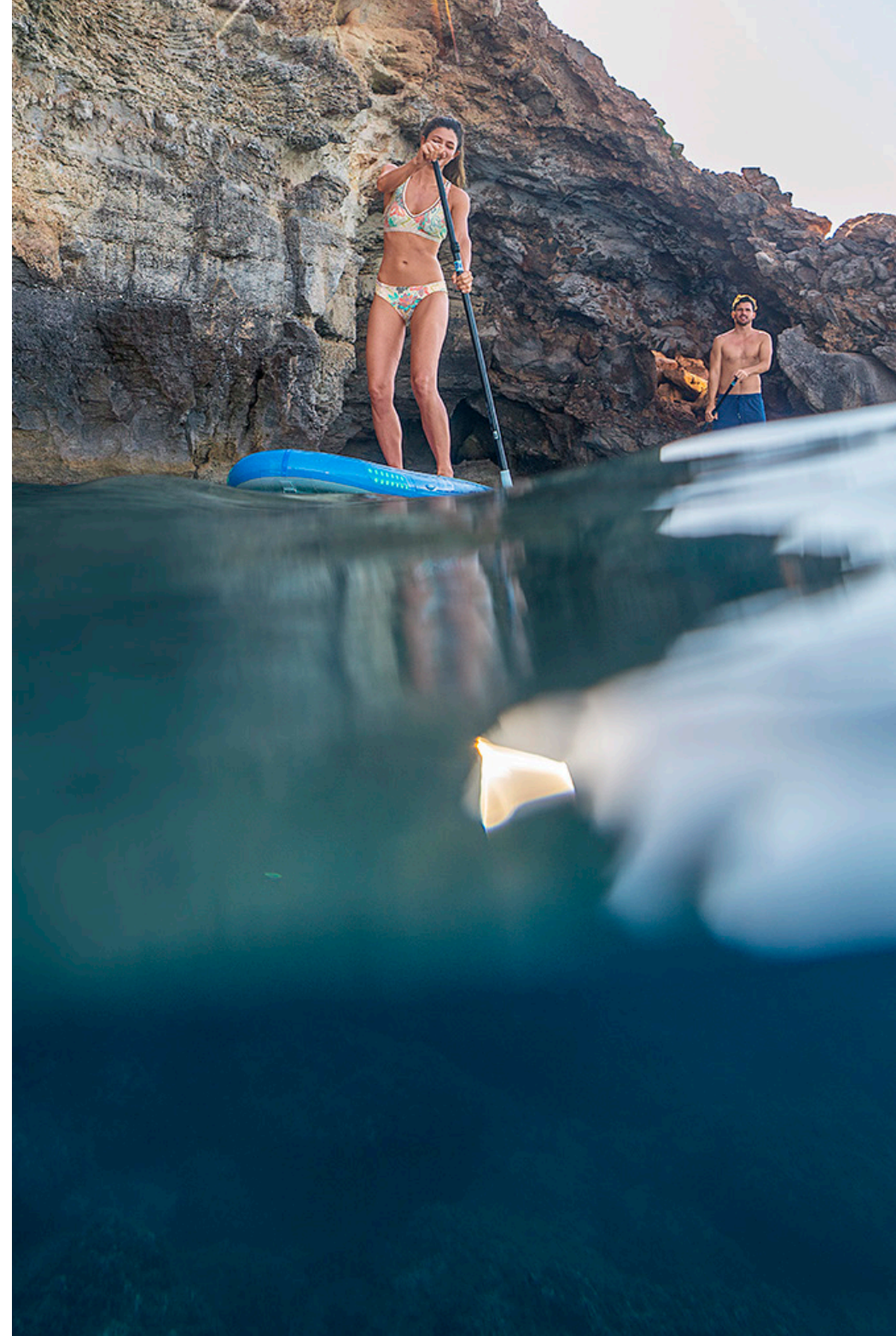
To do this we:

- 1 Support outdoor participation, access and stewardship
- 2 Empower people in our supply chain
- 3 Inspire people and have a positive impact on local communities
- 4 Support inclusion, diversity and equity



Empowering People

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1

SUPPORTING OUTDOOR PARTICIPATION, ACCESS AND STEWARDSHIP

We recognize the importance of preserving natural landscapes for both their habitat and recreational values. We work with a diverse group of partners around the world to create opportunities for all people to get outside and establish a lifelong appreciation of the outdoors.

Partnerships

To expand our reach, we partner with a variety of national and international organizations that share our values. In 2018, Columbia Sportswear Company partnered with 217 organizations that support our mission, providing both cash and product donations. For the complete list of organizations, please see Appendix 2.

FEATURED CSC PARTNERSHIP

Pinnacle Membership with North America Conservation Alliance



CSC is committed to outdoor conservation, which is why we are one of six Pinnacle members of the Conservation Alliance, with an annual donation of \$100,000 to the organization. The Conservation Alliance is a group of like-minded companies that disburses its collective annual membership dues to grassroots environmental organizations. The grant funding is directed to community-based campaigns to protect threatened wild habitat and outdoor recreation.

2018 National Grant Program

The Conservation Alliance distributed \$1.9 million to 55 organizations working to protect and defend wild places throughout North America. \$1.7 million was awarded to 45 projects that seek to protect and restore North America's wild places. Another \$200,000 was granted from their new Public Lands Defense Fund to ten organizations working to defend existing protected public lands and core environmental laws, and to prevent the transfer of public lands to states or private ownership. The grantees delivered 16 important conservation victories that protected 193,683 acres of land and five river miles, acquired one climbing area and removed four dams.

[Learn more](#)





INITIATIVE IN ACTION: COLLEGIATE OUTDOOR RECREATION PROGRAM

Having the right gear is essential to enjoying the outdoors. Our Collegiate Outdoor Recreation Program supports outdoor participation among university students by donating gear to participating schools. The equipment is part of the gear rental inventory that students can use to stay warm, dry and protected while they explore nature. By supporting outdoor experiences among young adults, we are developing the next generation of outdoor enthusiasts and leaders.

The program was launched in 2010 with Columbia branded product. In 2018, we incorporated the Mountain Hardwear brand into the program, providing students with access to some of the best outdoor equipment available in the market. As of 2018, nearly 300,000 students had access to outdoor gear through our partner schools: University of Oregon, Portland State University, University of Portland, Oregon State University, University of Tennessee, University of Minnesota, University of Central Florida, Cal State – Fullerton, Cal State – Northridge and Cal State – Long Beach.

Our goal is to increase the number of partner schools each year. To support diversity in the outdoors, we strategically select schools with populations that reflect the changing demographics in the United States.

BRAND SPOTLIGHT



Our commitment to our partner schools goes beyond simply donating product – we engage with the climbing community on campus.

In October 2018, Mountain Hardwear hosted “Vol Climb Fest” at the University of Tennessee, our first on-campus event related to this program. At this event, 150 students participated in climbing clinics taught by Mountain Hardwear’s Athlete Ambassador Ethan Pringle.

Mountain Hardwear also partnered with Keep Knoxville Beautiful and local retailer River Sports Outfitters to organize a river clean up close to campus staffed by volunteer students and the public. MHW promoted the event through the Collegiate Outdoor Recreation Program on campus and local media, as well as incentivized participation with product giveaways. Participants picked up 975 pounds of garbage in 3 hours.





2

EMPOWERING PEOPLE IN OUR SUPPLY CHAIN

We strive to have a positive impact on the lives of people working within our supply chain by empowering them with the skills, knowledge and access to services needed to improve their lives.

INITIATIVE IN ACTION

Business for Social Responsibility's HERproject



HERproject is a multifaceted program that strives to empower women working in global supply chains by delivering training on health, financial inclusion and gender equality. These trainings are delivered during work hours and are free for all employees. Both Columbia and SOREL have partnered with suppliers to provide HERproject trainings in the following programs:

HERhealth

HERfinance

HERrespect

Each program has a different focus area with different indicators of success:

HER = Health Enables Returns



Seeks to improve women workers' general and reproductive health knowledge and access, and help women gain confidence to practice preventative care and seek medical treatment. Our manufacturing partners in China, India, Indonesia, Myanmar and Vietnam have participated in this program.

To learn more about the focus areas for this project, please visit [Herhealth](#)



Seeks to improve workers' financial capabilities and decision-making power and their use of formal financial services. Our manufacturing partners in Bangladesh, India and China have participated in this program.

To learn more about the focus areas for this project, please visit [HERfinance](#)

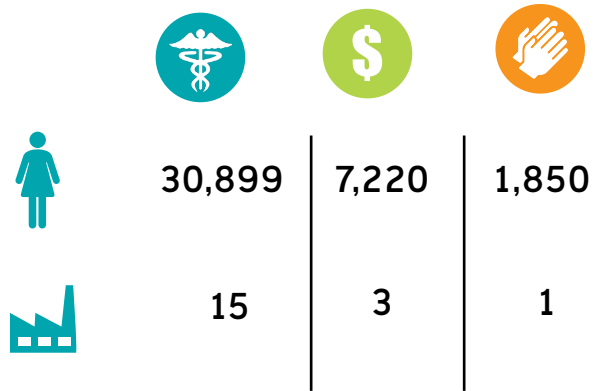


Promotes gender equality and tackles violence against women. Our manufacturing partners in India have participated in this program.

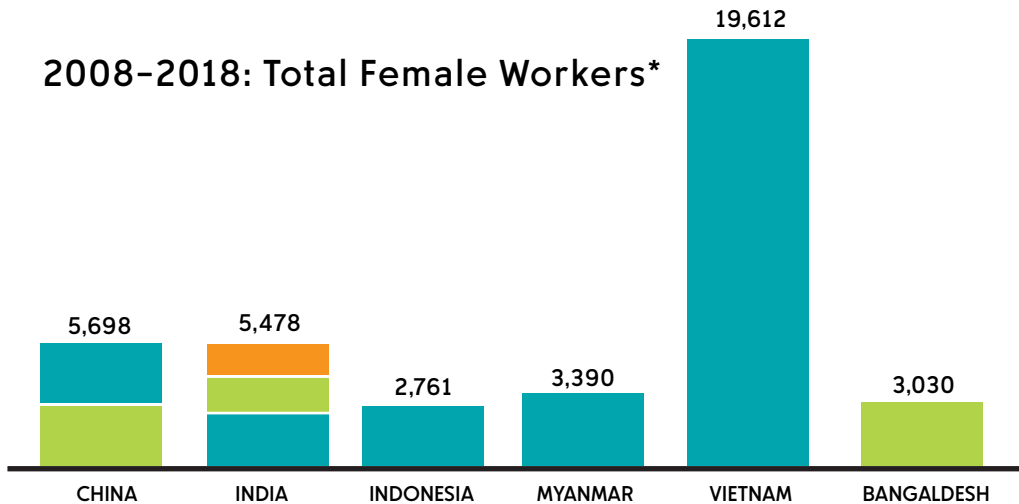
To learn more about the focus areas for this project, please visit [HERrespect](#)



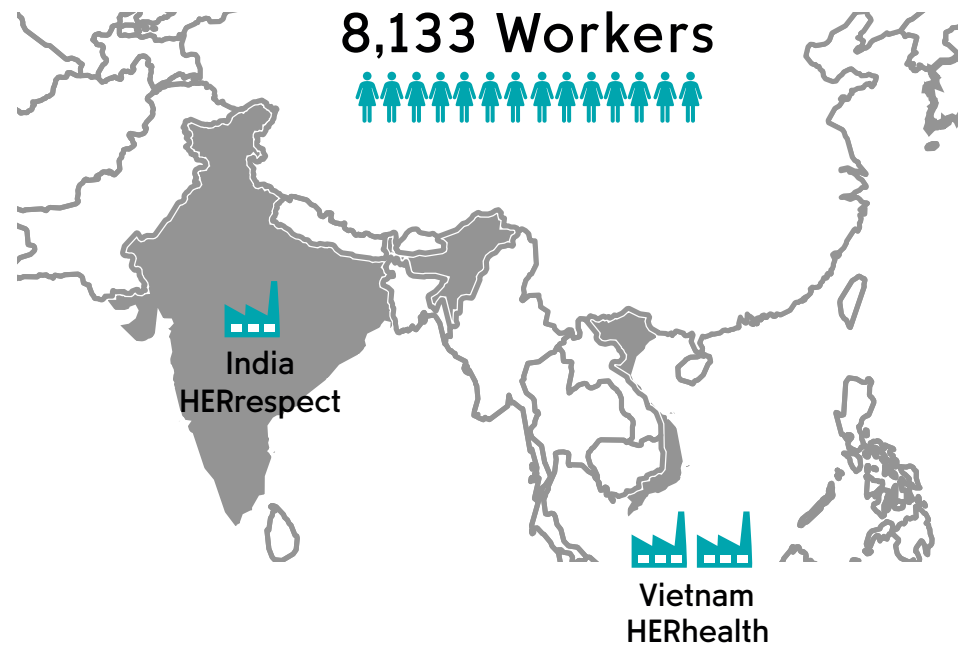
2008-2018: Female Workers Impacted*



2008-2018: Total Female Workers*



2018 Highlights: First Year HERrespect Implemented*



*Statistics provided for HERproject programs at Columbia, Mountain Hardwear and SOREL brand factories.

2018 HERPROJECT HIGHLIGHTS

- In 2018, our involvement with the HERproject was recognized in the United Nation's Foundation "Private Sector Action for Women's Health and Empowerment: How Business can Invest in Women and Realize Returns."
- In celebration of International Women's Day on March 8, 2018, we launched a multi-channel promotion about our work with HERproject through our various social media channels and an email campaign with links to a HERproject landing page on Columbia.com. Our Women's Leadership Initiative also held an internal event for CSC employees where our Corporate Responsibility team gave a presentation about the HERproject to bring internal awareness of our work around this project.
- 2018 was the first year implementing HERrespect.



The workers that go through HERproject training are provided with education and resources that are applicable to their everyday lives, both at work and at home. We value the manufacturing partners who support this program and are committed to making a difference in the lives of their female workers.

-BARBARA SIMON-EVRENOSOGLU,
GLOBAL APPAREL SOURCING DIRECTOR



WORKER SPOTLIGHT

Prasanna Lakshmi has been working at Columbia's supplier in India, Shahi Exports Unit 7, for the last 7 years. As a supervisor, she was happy to be the HER-respectpeer educator training. She said, "This training has been very useful to me. After every batch of training, I share information from the program with my colleagues, workers, family, friends and relatives. My co-workers take much interest in listening to me and learning from my experiences from the training. They are eager to learn more and keep on asking me to share information with them. I am thankful to the factory management and Swasti team (the service provider) or implementing such a good and informative training program in the factory."



FACTORY SPOTLIGHT

In partnership with our long-term supplier Shahi Exports, we implemented the HERrespect project at one of their factories. The main goal of the project is to build workers' knowledge and awareness around workplace harassment and gender equality to drive behavior change in the workplace environment. The following are a few examples of the indicators that measured improvement via a survey before the project started and after the project was completed:

AWARENESS

% who believe that workers sometimes deserve to be shouted at:

Baseline: 38%
Endline: 10%

GENDER BIAS

% who believe that male supervisors should be tougher than female supervisors:

Baseline: 45%
Endline: 10%

INITIATIVE IN ACTION

Fair Trade Certified



As a brand that supports and offers Fair Trade Certified™ products, prAna works to create a market that benefits everyone involved, from farmers and factory workers, to factory owners, brands and consumers. Fair Trade is based on the idea that all of these factors are connected. prAna inspires this holistic impact by adhering to four important pillars: rigorous standards, community development funds, transparent supply chains and conscious consumers. This means requiring safe working conditions, no child or forced labor, elimination of harmful chemicals, maternity leave and much more.

- 2010 prAna 1st brand to pilot Fair Trade Apparel
- 2012 prAna certified 1st Fair Trade Factory – Rajlakshmi Cotton Mills

From 2010 to 2018, prAna:



Converted 8 factories to be Fair Trade Certified

2M+

Fair Trade Certified products purchased

\$550K+

Fair Trade Premiums to Fair Trade workers

100,000+

Number of extra days worth of pay that prAna's fair trade premiums have contributed to



WORKER SPOTLIGHT

Rani, Fair Trade Committee President, Indus Factory



Rani is the newly elected president of the Fair Trade committee at the Indus factory in Bangalore. As part of her job, she will help facilitate the next Fair Trade project designed to improve the lives of her fellow factory workers.

“The reason why I became the member of the committee is to help the factory workers through the committee. I became the president through nomination and voting procedures. Being a woman, I became the committee member to help the women who are working on the garments.” – Rani

As part of the Fair Trade process, each time you purchase Fair Trade product you are directly supporting and helping bridge the gap between living wage and minimum wage. Each season, prAna consolidates the total amount of Fair Trade product sold, and deposit that into a Community Development Fund, which is owned by the workers. Following Rani's election, the factory workers will vote on how to spend this money to improve their lives and meet their unique needs. Their options range from educational programs where they can learn different skills or languages; healthcare programs including on-site pharmacies and access to doctors and childcare; and projects designed to improve their daily way of life.



The Fair Trade premiums help me a lot. At first, they helped with my children's educational expenses, then they gave a mixer and now they have given a stove. This is very helpful for the working employees.

– RANI



2018 FAIR TRADE CERTIFIED™ HIGHLIGHTS

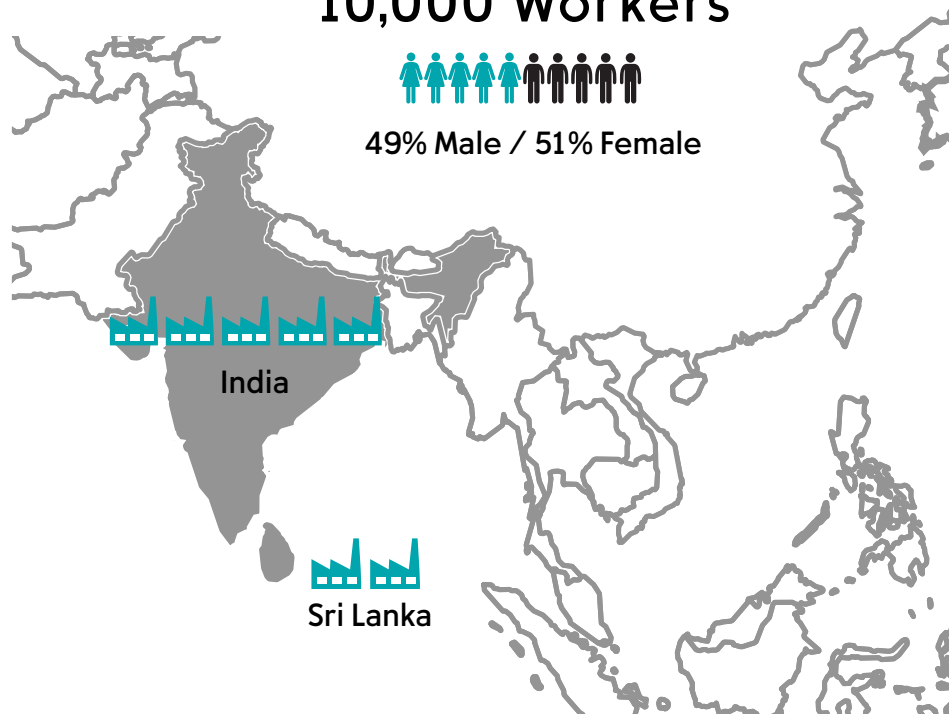


In 2018, prAna worked with 7 Fair Trade Certified™ factories (out of 38 factories total)

10,000 Workers



49% Male / 51% Female



Looking Forward ➤

- Convert more factories to be Fair Trade Certified.
- Look to source from factories that are or willing to be Fair Trade Certified.
- Seek to grow the Fair Trade offering year over year.



When you choose our Fair Trade Certified™ products, you are casting a vote for social and environmental responsibility, for transparency and for the empowerment of workers who manufacture those clothes.”

– RUSS HOPCUS
PRESIDENT, PRANA



3

INSPIRING EMPLOYEES AND HAVING A POSITIVE IMPACT ON LOCAL COMMUNITIES

We support our employees, customers and communities around the globe in their efforts to leave the world better than they found it.

In 2018, we supported organizations with:

\$1,191,231

Cash Donations

\$821,687

Product Donations

INITIATIVE IN ACTION

Columbia Sportswear Company Employee Engagement

We offer several ways for CSC employees to engage with the causes they value. Every full-time CSC employee is awarded at least 16 paid volunteer hours per year for volunteer activities. Additionally, our corporate matching program allows us to match our employee's investments in their communities, up to \$1,000/year per employee. Our volunteer and community investment policies empower employees to provide meaningful support to their communities.

Corporate Wide:

4,238

Volunteer Hours

\$70,000

Employee Donation Match



GLOBAL OFFICE

Japan

Employees from our Japan office participated in a grassland restoration project hosted by the Japan Mountain Heritage Fund in November 2018. They worked with volunteers from the local community to cut down tall grass to open up space for low-growing flowers to grow.



Backyard Collective

As a [Pinnacle Member of the Conservation Alliance](#), we participate in their annual Backyard Collective events, which brings together member company employees and local grantees for a day of environmental action. This allows our employees to get out of the office and get their hands dirty to preserve and protect the open spaces in their own backyard. Employees from our CSC Headquarters in Portland, Oregon as well as from our Mountain Hardware office in Richmond, California used some of their annual paid volunteer hours to participate in Backyard Collective events in 2018.

In 2018, our employees helped to rebuild and restore large sections of the Birch and Springville trails in Forest Park, worked on a reroute of the White Pine Trail in Hoyt Arboretum, spread 10 yards of gravel, groomed and tidied the new tread, installed bioswales for drainage and removed invasive ivy and holly.

Project sites: Forest Park Conservancy, Hoyt Arboretum, Portland Parks Foundation, Solve and Tualatin Hills Park & Recreation District.



I love to participate in the annual Backyard Collective activity, and I find it's a great way to give back to the community. I am thankful to work for a company that supports these volunteer activities and to the Corporate Responsibility team for giving employees the opportunity to participate.



- BENJA DE EZCURRA

SEVA Events

prAna employees participate in SEVA, which is the idea of helping your community without expecting anything in return. In 2018, our prAna team members collectively contributed just over 500 hours of social service. Highlights of service in 2018 included events such as Habitat for Humanity home building, Father Joe's Village food service for the underprivileged and protected land clean up.





COMMUNITY AND NONPROFIT PARTNERSHIPS

Women's Empowerment: SOREL's Partnership with Dress For Success



In 2018, SOREL partnered with [Dress for Success](#), an international non-profit organization that empowers women to achieve economic independence by providing a network of support, professional attire and the development tools to help women thrive in work and in life.

SOREL supported Dress for Success through several campaigns, including Giving Tuesday, International Women's Day and a product sale at Outdoor Retailer, America's largest outdoor trade show. SOREL employees also volunteered their time at the Portland branch of Dress for Success Oregon sorting and organizing donated clothing, shoes and accessories.

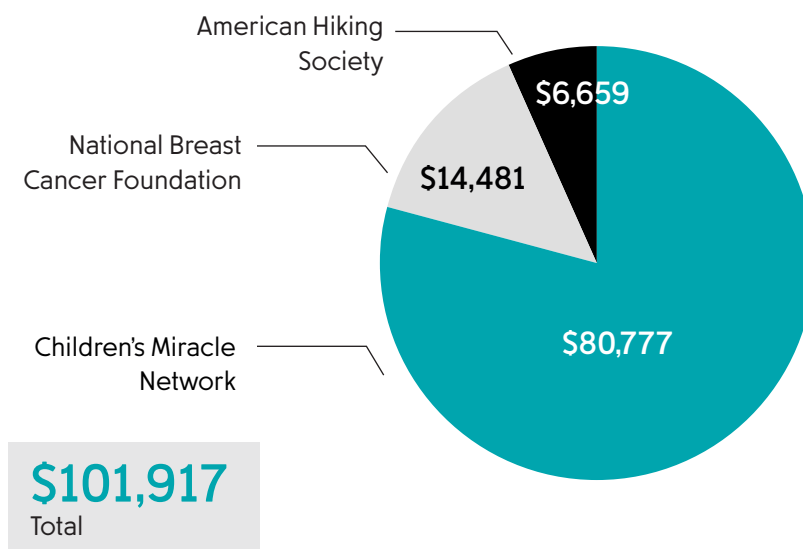
Columbia Retail Store Charity Checkout Programs



The Columbia Retail Charity Checkout Program brings awareness to and engages our consumers and employees in our current community campaigns by allowing them the option of rounding up their purchase amount by a dollar, the proceeds of which benefit that month's highlighted non-profit partner.

In 2017, Columbia began a pilot of the Charity Checkout program in select U.S. Columbia branded stores, raising a total of \$75,274, benefitting the National Breast Cancer Foundation and Children's Miracle Network.

In 2018, the program was expanded to all U.S. Columbia stores and retail, with expansion to Canada in 2019. In 2018, this program raised:



SUPPORTING INCLUSION, DIVERSITY AND EQUITY

Our core values include creating a culture of honesty, respect and trust. Inclusion, diversity and equity are central to those core values and we strive to live them every day.

THE OUTDOORS IS FOR EVERYONE

The outdoors is diverse. In nature, different colors, shapes and species thrive due to their diversity. Diverse perspectives lead to creativity and innovation. Equity leads to empowerment. Inclusion leads to teamwork. We've grown from a family business to a global company because we understand what it takes to flourish. Since 1938, we have been making clothing and footwear so that more people can enjoy the outdoors. We connect active people with their passions across race, ethnicity, gender, ability, religion and sexual orientation. *Doing the Right Thing* for our consumers, customers, employees, the company and our communities is one of our core values. We are dedicated to creating a company that is diverse, equitable and inclusive because one thing that we can all agree on is the outdoors is for all of us.

OUR HISTORY INFORMS OUR PRESENT

Columbia Sportswear Company was founded by immigrants fleeing Nazi Germany. Their daughter, Gert Boyle, held every position, from seamstress of the first fishing vest to President and Chair of the Board. Ma Boyle was a pioneer as a woman in the outdoor industry. Her legacy continues to inspire us now that we are a global company with more than 6,500 employees all over the world.



2018 STATISTICS^{1,2}

4³

Women on the Board of Directors (including Chair Gert Boyle)

48%

of Managers and Executives were women

18%

of Managers and Executives identified as people of color

25%

of Managers and Executives were millennials

58%

of Managers and Executives were Generation X

16%

of Managers and Executives were Baby Boomers

¹ Statistics based on data from January 1, 2018 through December 20, 2018.

² Statistics provided are for U.S. employees only.

³ Gert Boyle passed away in November 2019.

LOOKING FORWARD >

Opportunities for Empowering People

1 Supporting Outdoor Participation, Access and Stewardship

Through our various partnerships and initiatives, we plan to continue:

- Investing in initiatives and partnerships that facilitate outdoor participation, access and stewardship.
- Increasing the number of students with access to outdoor gear each year through our Collegiate Outdoor Recreation Program.

2 Empowering People in our Supply Chain

Throughout our supply chain, we endeavor to expand our commitment to empowering people by:

- Increasing the number of our finished goods facilities that have one or more employee empowerment programs year over year.
- Starting to work with our contracted strategic materials facilities to implement one or more employee empowerment programs.

3 Inspiring Employees and Having a Positive Impact on Local Communities

We seek to support our employees, customers and communities around the globe in their efforts to leave the world better than they found it, by:

- Continuing to provide volunteer hours and the corporate matching program to all global full-time employees.
- Continuing with non-profit partnerships that benefit the communities where we manufacture, operate and sell products.

4 Supporting Inclusion, Diversity and Equity

We look to grow and support an environment of conscious inclusion across our employee base.





SUSTAINING PLACES

As an outdoor company, we make every effort to respect and preserve natural resources. Our goal is to operate our business in a manner that supports of our planet.

Based on our business model, we have identified four key focus areas to help us achieve this:

- 1 Powering aspects of our businesses and products with clean energy
- 2 Improving water sustainability
- 3 Adopting green chemistry
- 4 Making resources last longer through recycling and closed loop practices



Sustaining Places

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Note: Throughout this section, the impacts provided are from 2018 data for the Columbia, Mountain Hardwear and SOREL brands, with the exception of the data from manufacturing, which comes from results of the 2017 Higg Index Facilities Environmental Module (Higg FEM) cadence, which came to an end in 2018. We will collect and analyze the 2018 manufacturing impact data in 2019. The Higg FEM schedule for manufacturing data collection is based on timelines set by the Sustainable Apparel Coalitions (SAC). The SAC is the industry group that manages the creation, development and roll-out of the Higg Index tools for the apparel, footwear and outdoor industry. To learn more about the Higg FEM Index, please refer to page 57.





1

POWERING ASPECTS OF OUR BUSINESSES AND PRODUCTS WITH CLEAN ENERGY

Global climate change is a real environmental, economic and social challenge affecting our communities, and warrants thoughtful and purposeful responses throughout our business. As a global distributor of products, we have a role to play in ensuring we use a responsible mix of energy sources, improving the energy efficiency of our manufacturing processes and reducing the potential climate impact of our products. We seek to do this through:

- Complying with or exceeding applicable environmental regulations throughout the world.
- Looking to improve the environmental performance of our products, processes and facilities.
- Educating our employees and engaging our customers and business partners on environmental issues and solutions.
- Reducing our use of raw materials, water and energy, and transitioning to renewable energy when economically feasible.

GREENHOUSE GAS EMISSIONS (GHG) MEASUREMENT OVERVIEW

Since 2014, we have been measuring the greenhouse gas (GHG) emissions from our owned and operated facilities in North America, including upstream direct emissions from sources such as company owned vehicles, purchased electricity for our own use and employee business travel.

In 2018, we embarked on a tiered approach to expand the scope of our GHG emissions measurements to include emissions from Scope 3 downstream activities for the processing of sold products. The first phase of this was completed in 2018 and included emissions from Finished Goods Factories and Raw Material Factories (Tier 2) for Columbia, Mountain Hardwear and SOREL brands as well as emissions from materials used in Columbia, Mountain Hardwear and SOREL products.

In the future, we plan to complete Phase 2 of our GHG measurement expansion. This includes expanding downstream emissions to include prAna vendors and materials used to make prAna products. We also plan to expand collection of upstream indirect emissions to global owned and operated facilities.



CSC GHG EMISSIONS OVERVIEW¹

Total Emissions by Category
(tonnes CO₂e)



310,802
Materials



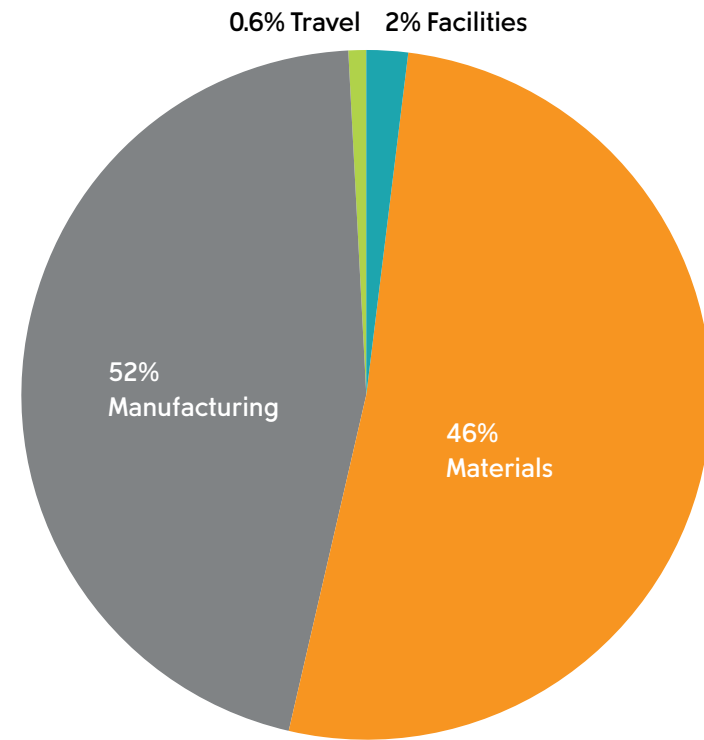
13,522
Owned and
Operated Facilities³



353,039
Manufacturing²



3,824
Travel



With the completion of Phase 1 of our emissions measurement expansion, we now have a better understanding of where the majority of our emissions impacts lie. As the data indicates, raw materials and manufacturing account for the largest portion of our emissions. Raw materials account for 46% of our total emissions and manufacturing accounts for 52% of our total emissions.

¹ Excluding prAna

² Allocated to CSC production in 2017; Tier 1 and Tier 2

³ U.S. and Canada Only



EMISSIONS BY CATEGORY

Materials

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. The scope of these calculations includes materials coming from Columbia, Mountain Hardwear and SOREL products manufactured in the 2018 calendar year.

Owned and Operated Facilities

Owned and operated facilities include 3 distribution centers, 16 offices and 100 retail stores in the U.S. and Canada.

2018 Emissions by Material Type*

(tonnes CO₂e)

224,802,612
Polyester

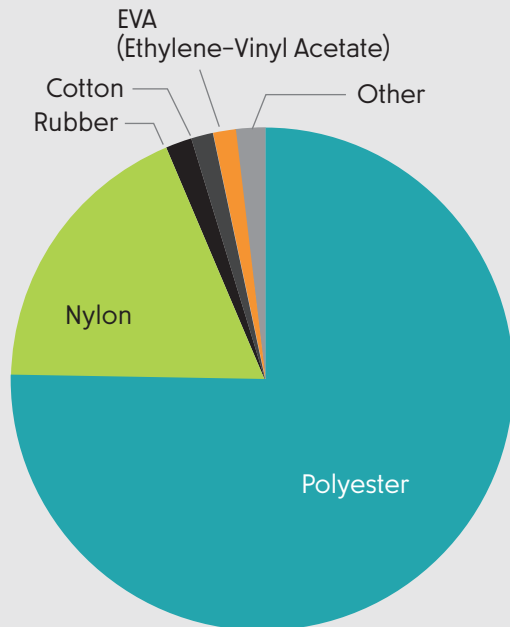
55,278,121
Nylon

5,276,245
Rubber

4,318,518
Cotton

3,957,698
Elastane

5,412,751
Other



2018 Emissions by Facility Type*

(tonnes CO₂e)



6,325
Retail



1,678
Offices



5,481
Distribution Centers



38
Storage

* Excludes impact of prAna



INITIATIVES AT OWNED & OPERATED FACILITIES

Renewable Energy Use

In 2018, 324,190 kWh of electricity were generated through solar panels at the Columbia Sportswear Company headquarters in Portland, Oregon and Mountain Hardwear headquarters in Richmond, California, avoiding 85 tonnes of CO₂e emissions. Solar generation accounted for approximately 1% of CSC's total energy consumption at the facility level.

Strategic Energy Management (SEM)

The Strategic Energy Management program, facilitated and funded by the Energy Trust of Oregon, continually assesses how energy is used in our buildings to identify no and low-cost operations and maintenance improvements that deliver energy savings. In 2018, the following improvements were made:

Columbia Sportswear Headquarters:

Lighting retrofits:

- LED office lighting (6,000+ units)
- Replaced Parking lot lighting with LED fixtures

HVAC efficiency measures:

- Improved use of Building Modeling System for higher performance and controllability

Portland Distribution Center:

LED lighting retrofits (11,544 fixtures)

- Programmable motion sensors installed

Efficiency improvements for Compressed Air (CA) system

U.S. E-commerce Shipping Carbon Neutral in Partnership with UPS



To decrease our environmental impact when shipping products, all of our UPS U.S. direct to consumer orders are shipped carbon neutral. The carbon neutral shipment option supports projects that offset the emissions caused by shipping. In 2018, 3,109 tonnes of CO₂e were offset through the UPS partnership.

Green Gert Award

To encourage employee involvement in green energy practices, in 2018 we introduced the "Green Gert" award, named after Gert Boyle, which gave employees the opportunity to nominate and recognize their colleagues for their commitment to sustainable practices.

The top five ways employees demonstrated sustainable efforts included:

- Use of own reusable utensils
- Bike to work
- Take public transportation to work
- Drive an electric car
- Influence others to begin their own green practices

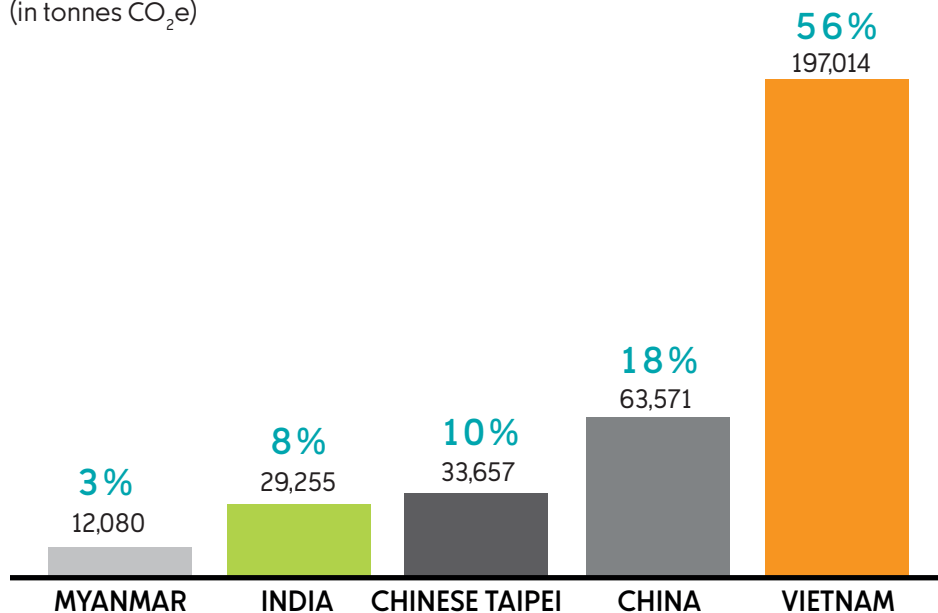


MANUFACTURING*

We use data captured through the Sustainable Apparel Coalition's (SAC) Higg Index Facility Environmental Module (**Higg FEM**) to calculate our manufacturing footprint. The scope of the manufacturing emissions calculations represented include allocated data from 100% of finished goods factories (factories that perform activities such as cutting, sewing, stitching, gluing and final assembly of the product) and approximately 80% of raw materials suppliers (including fabric and trims production) for the Columbia, Mountain Hardwear and SOREL brands. We utilized data from the 2017 Higg FEM cadence, which commenced in 2018, for emissions calculations. The Higg FEM schedule for manufacturing data collection is based on timelines set by the SAC. The following statistics use the data described above and do not purport to be a complete picture of CSC.

By Location (Top 5)*

(in tonnes CO₂e)



56%

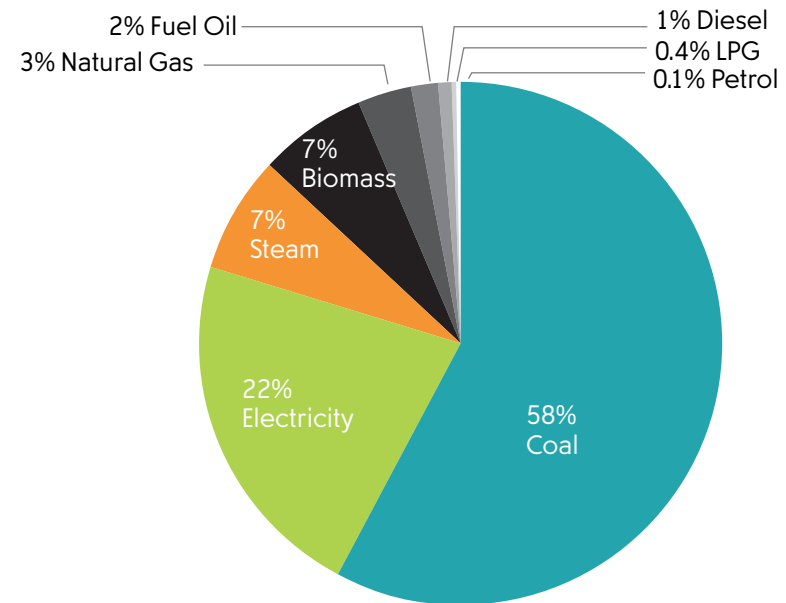
CO₂e comes from Vietnam manufacturing

58%

CO₂e comes from coal

Emissions by Fuel Source*

(in tonnes CO₂e)



Having insight into manufacturing emission gives us valuable information that informs improvement actions. From the data analyzed in 2018, we identified that the primary fuel source driving emissions was onsite power generated from coal. Our focus moving forward will be on working with specific suppliers to reduce energy consumption and explore alternate sources of fuel.

* Excludes impact of prAna

SUPPLIER

We are proud to work with many suppliers who have already implemented energy efficiency and carbon emissions reduction initiatives at their manufacturing locations.

Hirdaramani Group Invests in Renewable Energy

Columbia Sportswear Company has been working with the Hirdaramani Group, based in Sri Lanka, for more than 15 years. Hirdaramani Group has consistently been a top performing supplier and has shown their dedication to sustainability through the many initiatives they are driving at their manufacturing locations. Their "Rooftop Solar Project," in partnership with Wind Force, has resulted in the installation of 21,400 solar panels on the roofs of eight production buildings, which annually generates 13.4 GWH of energy and reduces their carbon emissions by 10,200 tons per year.

Read more about the Hirdaramani Group's sustainability Initiatives [here](#).



11.38
Capacity Roof Top
Solar Project



21,400+
Solar Panels in
8 locations



13.4 GWH
Energy Generation
Per Annum



10,200
Tons of CO₂

“Hirdaramani believes in driving positive change while encouraging and empowering employees and businesses to think in a new way.



- NIKHIL HIRDARAMANI
DIRECTOR,
HIRDARAMANI GROUP

IMPROVING WATER SUSTAINABILITY

Human well-being and a sustainable planet starts with clean water. We seek to improve our water footprint by buying materials that are dyed without water, working only with mills that follow strict usage regulations, and investing in clean water for communities where we manufacture.

WATER USE IN MATERIALS

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](#).

The scope of these calculations include Columbia, Mountain Hardwear and SOREL products manufactured in the 2018 calendar year.

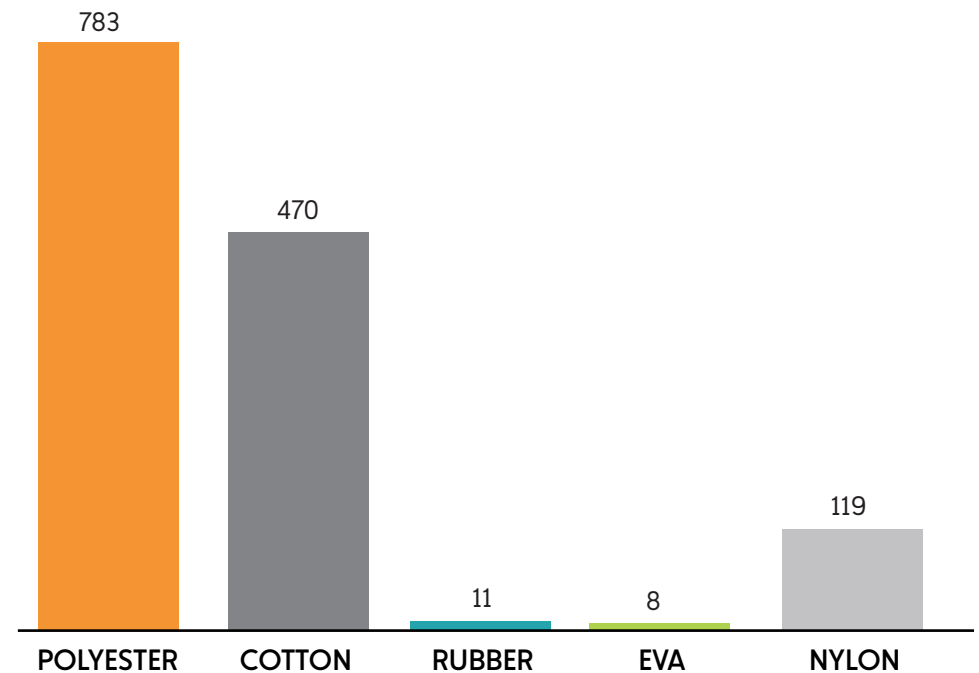


121 MILLION GALLONS

Amount of fresh water saved in 2018 by using preferred alternatives such as recycled content and waterless dye techniques.

Water Use in Top 5 Materials for Columbia, Mountain Hardwear and SOREL Products:

(per billion gallons)



Polyester, Cotton and Nylon account for approximately 98% of Columbia, Mountain Hardwear and SOREL's apparel material water impacts. Based on this, we know that our key drivers include preferred alternatives to these materials such as materials colored more efficiently or with no water.

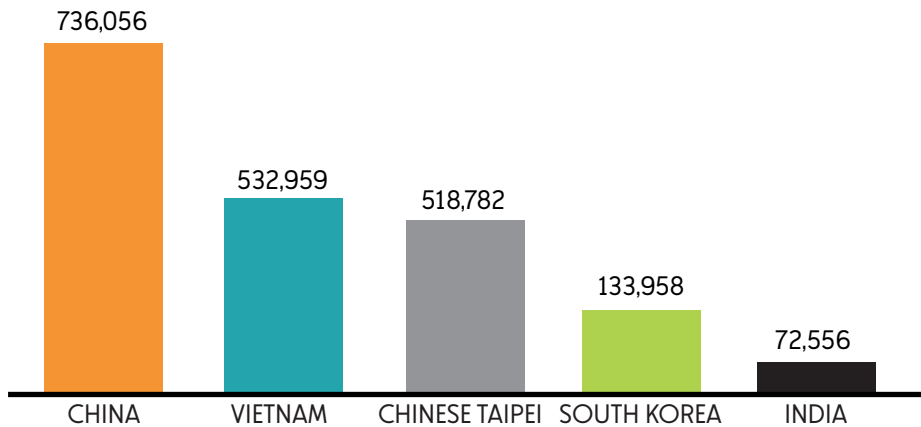


WATER USE IN MANUFACTURING

We use data captured through the Sustainable Apparel Coalition's (SAC) Higg Index Facility Environmental Module (Higg FEM) to calculate our manufacturing footprint. The scope of the manufacturing emissions calculations represented include allocated data from 100% of finished goods factories (factories that perform activities such as cutting, sewing, stitching, gluing and final assembly of the product) and approximately 80% of raw materials suppliers (including fabric and trims production) for the Columbia, Mountain Hardwear and SOREL brands. For water calculations, we utilized data from the 2017 Higg FEM cadence, which commenced in 2018. The Higg FEM schedule for manufacturing data collection is based on timelines set by the SAC. The following statistics use the data described above and do not purport to be a complete picture of CSC.

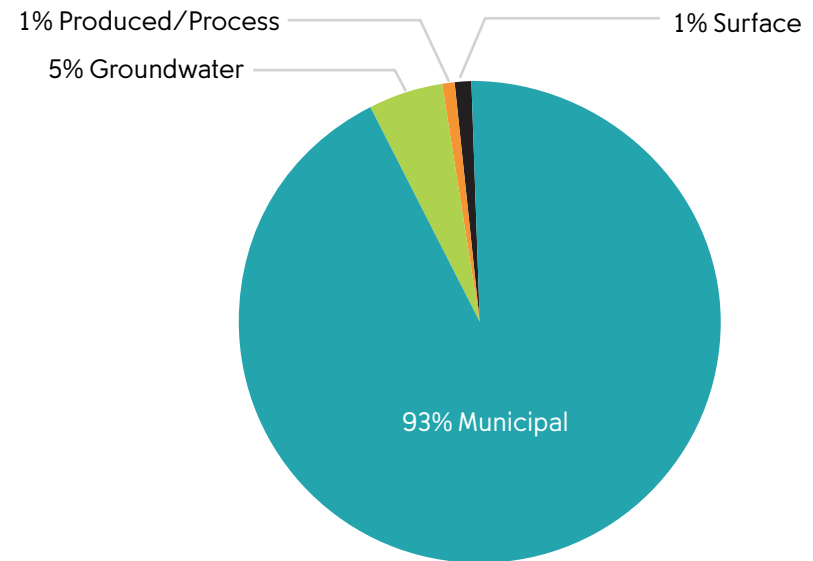
Water Use in Top 5 Locations*

(per 1,000 gallons)



Manufacturers Water Consumption by Sources*

(based on 2017 Higg FEM data)



By understanding where the high-risk water shortage areas are and how our supply chain consumes water, we are able to understand risk and create strategies for improvement. Our focus moving forward will be on working with suppliers to reduce water consumption and increase the capabilities for onsite water recycling.

* Excludes impact of prAna

SUPPLIER

We are proud to work with many suppliers who have already been investing in sustainability practices, the following is a spotlight:

PrimeAsia China

PrimeAsia manufactures high quality lifestyle and sports inspired leathers for global branded footwear, apparel and leather goods markets with an annual production capacity of around 128 million square feet (sq. ft) of leather. Its manufacturing site in China, which CSC contracts with, produces 5.5 million sq. ft of leather per month. As water is a necessary resource for the creation of leather, PrimeAsia strives to reduce water use and over the past five years has reduced fresh water intake by 21.5%. Advanced wastewater treatment and water recycling systems installed in December 2012 enables PrimeAsia China to recycle approximately 54% of their water.

Learn more about PrimeAsia's water sustainability commitment [here](#).



PrimeAsia internally sets our own fresh water reduction goals that we hold ourselves accountable for meeting. To meet these fresh water reduction goals requires increased usage of recycled water as tanning is still a water intensive process, more research is going into reducing total overall water usage as well. As a company we understand the risks of future water shortages to our industry, as well as the importance of becoming a circular manufacturing tannery. To meet these goals, the PrimeAsia China team is focused on implementing the best energy efficient methods for ensuring high quality recycled water is utilized back in the retannage drums as well as the other areas of the tannery that require water.

– SARAH SWENSON
CHIEF SUSTAINABILITY OFFICER,
PRIMEASIA LEATHER COMPANY



INITIATIVE IN ACTION: CLEAN DRINKING WATER PROJECT – PLANET WATER FOUNDATION

At Columbia Sportswear Company (CSC), we are proud to invest in programs that provide sustainable, accessible clean drinking water to our communities around the world.

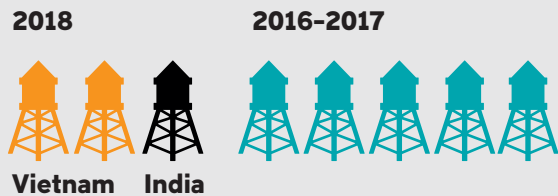
That's why we partner with [Planet Water Foundation](#) – a U.S. nonprofit that focuses on bringing clean drinking water to the world's most disadvantaged communities through the installation of community-based water filtration systems and the implementation of hygiene education programs. Planet Water projects are focused on children, schools and rural communities across the Asia-Pacific region and Latin America.

Water is a basic necessity for life, however, across the world, 663 million people (approximately one in ten) lack access to an improved water source, while 1.8 billion, or one in four, use a drinking water source with fecal contamination.*

Access to clean water is an issue that not only has an impact on health but also has significant implications for education, gender equity and social wellbeing. Global demand for water continues to grow and there is an increased impact on water scarcity and quality due to climate change, natural disasters and pollution. This is an issue that CSC commits to incorporating into our social and environmental responsibility programs.

We began the partnership with Planet Water Foundation in since 2016 we've deployed 8 clean drinking water towers in SE Asia countries, with three total in 2018: two in Vietnam and one in India. Each clean drinking water tower supports up to 1,000 people per day for at least 5–7 years. The ultra-filtration system operates without power or use of chemicals harmful to the environment and requires a very simple maintenance process. The quality of the drinking water meets World Health Organization (WHO) water quality standards.

Water towers deployed in partnership with Planet Water Foundation



Each supports 1000 people/day/tower for 5–7 years

1.8B

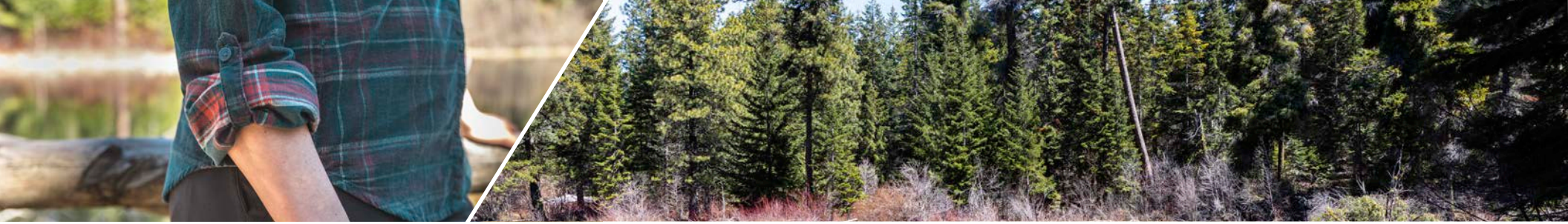


Use a drinking water source with fecal contamination.

To build the water towers, we work with our local business partners and Planet Water Foundation to provide water to the communities where our products are made or sold. The location of the tower is recommended by our local business partners because of their close relationships with the community. Volunteers from each company have helped deploy each project from beginning to end. Through collaborative efforts among CSC, our local business partner and Planet Water Foundation, we continue to make progress towards improving well-being for all.

In addition to providing clean water access, this project also implements education programs that aim to create awareness, knowledge and change in behaviors related to water-health and hygiene among both children and their caregivers, thereby improving the health and well-being of each participating community. An example of these programs is the Hygiene Education program, which is designed to empower children to be agents of change within their schools, families and communities. It is engaging and participatory, incorporating games, drama, song and dance in the teaching materials.

* World Health Organization and UNICEF; Progress on Drinking Water and Sanitation: 2014 Update



3

ADOPTING GREEN CHEMISTRY

We are working to advance the development and adoption of green chemistry to deliver product that exceeds customer expectations for safety, compliance and sustainability. We believe this is accomplished through the implementation of input stream management concepts and industry best practices with our manufacturing partners and advancing the use of safer chemical alternatives in our products.

INPUT STREAM MANAGEMENT AND SUSTAINABLE MANUFACTURING PRACTICES

bluesign® partnership

We are committed to contributing to the development and adoption of leading industry standards. As part of our commitment, we joined bluesign® technologies as a bluesign® system partner in 2016.

The bluesign® system provides an independent, holistic and systematic chemicals management solution for textile production. bluesign® establishes standards for both raw material and manufacturing facility certification that are built on their input stream management system to ensure chemicals are screened and verified prior to use. The raw material certifications then feed up into finished product level approval. The goal is to eliminate harmful and hazardous substances from the beginning of the manufacturing process to ensure the final textile product meets stringent consumer safety requirements, and also provides protection to the people within the supply chain and the environment.

At the facility level, bluesign® certifies that the facility has a best-in-class chemical management system in place. At the fabric or component level, bluesign® – tests the material against rigorous criteria, and if met, it becomes designated as bluesign® approved. At the product level, a bluesign® product designation is given when the product consists of at least 90% bluesign® approved textiles and 30%

bluesign® approved accessories/components (with the goal of 100%), and the brand is a bluesign® SYSTEM partner. A sustainable product of this type provides a high level of assurance to the consumer that it is manufactured with a lower impact on people and the environment and is made with responsible use of resources.

In 2018, we achieved the following:

bluesign® Certified Facilities We Source from:

- Columbia: 50% of strategic raw material suppliers (which makes up approximately 80% of fabrics and trims by volume)
- prAna: 36% of all raw materials suppliers (including fabrics and trims)

bluesign® Approved Materials (fabrics and trims, yardage by volume):

- Columbia: 35%
- Mountain Hardwear: 35%
- prAna: 15%

bluesign® Product:

- Columbia: 13 styles
- prAna: 126 styles



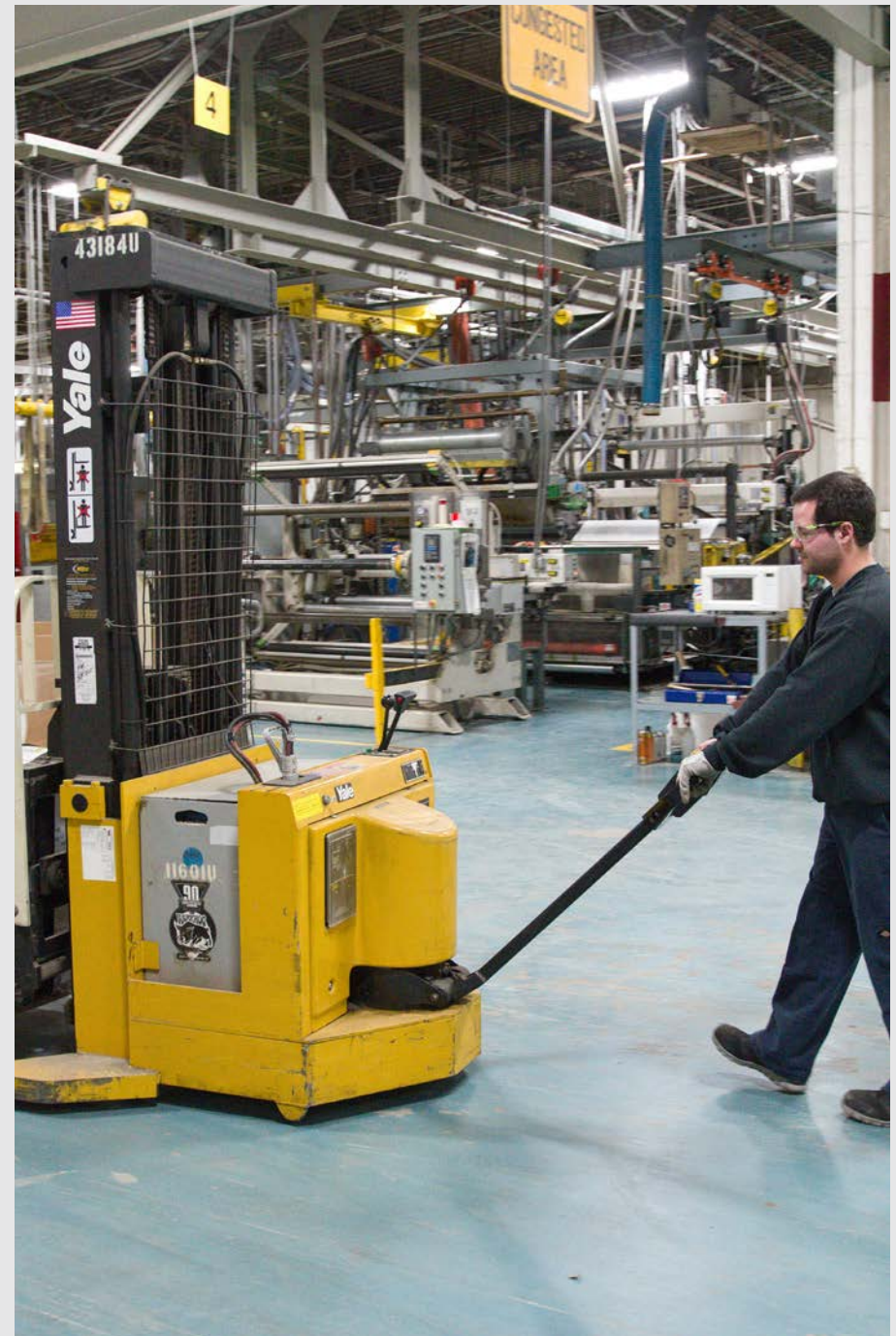
Bemis Associates, Inc.

Columbia Sportswear Company is proud to source from Bemis Associates Inc, a leading manufacturer of heat seal films for the apparel and footwear industries. In 2011, they achieved bluesign® certification for their portfolio of Sewfree® adhesive films and seam sealing tapes with our encouragement. CSC intends to work with more bluesign® certified vendors like Bemis.



Bemis has been a proud bluesign® system partner for nine years. Through this association, we are committed to building in-depth relationships with our suppliers to deliver responsible chemistry solutions. The goals are to continuously improve environmental, employee and consumer protection as we innovate towards a more sustainable future with leading apparel brands like Columbia Sportswear.

– STEVE HOWARD
CEO, BEMIS ASSOCIATES





Leather Working Group

Leather Working Group (LWG) is an organization that is made up of member brands, retailers, product manufacturers, leather manufacturers, chemical suppliers and technical experts that have worked together to develop an environmental stewardship protocol specifically for the leather manufacturing industry. The group endeavors to promote improvement in the leather manufacturing industry by creating alignment on environmental priorities and by bringing visibility to best practices and providing guidelines for continual improvement.

The LWG uses a scoring system of Gold (85 points or higher), Silver (75 points or higher), and Bronze (65 points or higher) to indicate the performance level achieved during the most recent audit at a facility. A gold rated factory demonstrates an exemplary practice in terms of chemical management and environmental protection.

2018 Highlights

Of our 18 leather suppliers:^{1,2}



66%
Gold Rated (12)



22%
Silver Rated (4)

USE OF SAFER ALTERNATIVES AND HARMFUL CHEMICAL PHASE-OUT

Phase-out of Long Chain Perfluorinated Compounds in Global Products

As an innovator in the outdoor apparel and footwear industry, we are committed to ongoing research, development and testing to identify and adopt alternative solutions that balance our consumers' high standards for product performance with the impact to the environment.

To put that corporate value into action, we monitor the health, safety and environmental impacts of substances used in the manufacturing of our products, review relevant regulatory requirements for our key markets and maintain open dialogue with the companies that produce the materials used in our products.

In 2015, we committed to phasing out long-chain perfluorinated compounds (LC-PFCs) in 100% of our global line products due to the concerns of toxicity, bioaccumulation in wildlife and humans, and persistence in the environment. Instead, short-chain perfluorinated compounds (SC-PFCs) are used as the preferred Durable Water Repellent (DWR) chemical for all of our waterproofing materials. While we have phased out LC-PFCs including PFOS and PFOA, we recognize that there are still concerns about the impact of SC-PFCs such as perfluorohexanoic acid (PFHxA or C6). We continue to research and explore the adoption of non-fluorinated alternatives for waterproof-breathability technology to meet our customers' performance expectations. In 2016, the Columbia brand launched the ECO Outdry Extreme (ODXECO rain jacket, in which we eliminated the need for PFC-based DWR from this technology. In 2018, we expanded the use of Outdry Extreme (ODX) ECO technology into footwear. Please see Section 5 for more information.

Elimination of the use of Polyvinylchloride from all products

The production of PVC plastic may lead to the release of hazardous substances which are persistent, toxic or bioaccumulative in the environment. PVC usually contains many additives, hazardous stabilizers or plastic softeners which are at a high risk to release lead, phthalates and cadmium compounds. We have significantly reduced the use of PVC from the majority of our products.

¹ Excludes prAna - no leather products

² Two suppliers do not participate in LWG



Mountain Hardware

Mountain Hardware (MHW) has been working diligently to make more responsible choices in their products. In 2018, the focus areas were to increase the use of GORE-TEX® solution dyed fabrics and to remove flame retardant chemicals from their new tent line.

GORE-TEX® Solution Dyed Fabrics

MHW partnered with Gore to develop a new Exposure collection that utilizes recycled and solution-dyed fabric. According to the 2018 Gore Fabrics Responsibility Update, “Solution dyeing is a yarn-dyeing technology with a simple, but smart difference to conventional dyeing techniques. During the solution-dyeing process, dyestuffs are mixed with the nylon or polyester pellets before being spun into yarn. The resulting yarn is permanently deeply colored and ready to be woven into fabrics. The process saves about 96% of Global Warming Potential and 88% of Water Scarcity, compared to conventional jet dyeing (according to the Higg Material Sustainability Index).”

Driven by a philosophy of environmental optimism, the MHW team designed the Exposure/2 collection with Gore's most sustainable fabrics and finishes available, including GORE-TEX® fabrics featuring recycled nylon, solution dye, and C0 DWR (a Durable Water Repellent with no intentionally added PFCs). The collection features bluesign® approved GORE-TEX® Pro fabric, colored with solution-dye technology, a more sustainable dyeing process that reflects the brand's eco-conscious values. MHW will continue to use this fabric in their Fall '20 and Spring '21 collections.



The new Exposure/2 collection is a good representation of our new brand philosophy and commitment to GORE-TEX®. It represents a commitment to building the best products possible in the most sustainable way, and our recycled solution-dyed Gore-Pro is the key ingredient to this commitment.

– PETER VALLES
MHW VP OF BRAND CREATIVE

Flame Retardant Elimination from Tents

In 2018, MHW made the commitment to remove flame retardant chemicals from all MHW tents starting with Spring 2019 season. There have been growing concerns about the potential health and environmental impacts of chemical flame retardants in consumer products, including tents. Prior to the Spring 2019 collection, textiles used in MHW tents incorporated additive flame retardants with the purpose of meeting general tent flammability standards, which were originally created in the 1970's to address fire risk of paraffin-treated canvas used for event tents such as circus tents. Flammability testing data demonstrated that lightweight synthetic textile materials similar to polyester and nylon used in recreational tents are not considered highly flammable and melt rather than exhibit rapid or intense burning as would be expected from cotton treated with paraffin.

Industry standards are currently under review and are expected to be updated. Both the ASTM and Canada General Standards Board (CGSB) are in the process of revising tent flammability standards.



Formosa Taffeta Co., Limited

Columbia Sportswear Company is thrilled to shine the spotlight on Formosa Taffeta Co., Limited. Formosa is one of our strategic fabric mill suppliers, and has been an excellent partner with us in several of our Green Chemistry Initiatives over the years:

- bluesign® implementation in supply chain:
 - In 2001, Formosa was the first company in Asia to implement the bluesign® standard as its “production statute.”
 - In 2008, Formosa Taiwan was the first Asian company to receive the bluesign® award for companies who align their production to the bluesign® standard.
 - In 2018, Formosa was our second largest bluesign® approved fabric supplier at 9.6% of our total volume.
- Since 2015, Formosa has completed a self-assessment of the Higg Facilities Environmental Module (FEM)'s Chemical Management section; in 2018 they received a third-party verification of their self-assessment data.
- Development of bluesign® approved durable water repellent (DWR) technology that does not intentionally incorporate perfluorinated compounds (PFCs) into the formulation (residuals may be detected if machinery is not properly cleaned after other products with PFCs are made on it) for use in Columbia's Outdry Extreme ECO products (read more on page 42).
- Development of bluesign® approved dye-free fabric, for use in Columbia's Outdry Extreme ECO products.

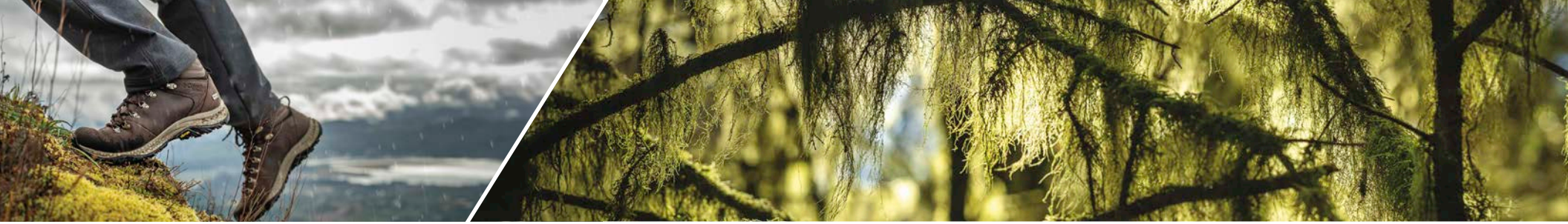


Our company Corporate Social Responsibility committee was created in September 2018. We set up a series of subject groups under the economic, social and environmental departments to enhance the function in the field of safety, hygiene and environmental protection of data gathering, exposing and responding for reaction and improvement, and to stay close to the demands of stakeholders, such as community, international organization and brand customers, to achieve the goals of United Nations Seventeen Sustainable Development.

As a business partner with Columbia Sportswear Company, Formosa Taffeta Co., is pleased to pave the path in working with CR team to make the Environment Sustainable & grow together.

– JAMES LEE
PRESIDENT,
FORMOSA TAFFETA CO., LIMITED

To learn more about Formosa's commitment to sustainability, please read their [report](#).



3

MAKING RESOURCES LAST LONGER THROUGH RECYCLING AND CLOSED LOOP PRACTICES

INITIATIVE IN ACTION: Closed Loop Retail Shopping Bag



In 2018, the Columbia brand switched to the use of a closed loop, reusable retail shopping bag that is made from recycled polybags collected at our distribution center as well as other post-consumer plastic waste sources like grocery bags.

Impact of Closed Loop Retail Shopping Bags:

- Can be reused up to 125 times.
- Contains 75% post-consumer resin sourced and manufactured in the U.S.
- 100% recyclable and reusable.
- Includes up to 5% of Columbia recycled plastic waste.
- Uses up to 70% less energy to produce compared to a paper bag.



INITIATIVE IN ACTION

ReThreads



The Columbia brand is committed to taking a holistic life cycle approach to managing the environmental impacts of the products we make. This includes extending the life of our products and keeping these products out of landfills once they have reached the end of their wearable life.

Columbia has launched the **ReThreads** program in all U.S. brand and outlet locations. Columbia's ReThreads program encourages consumers to bring in their used clothing and shoes in clean, dry condition to our participating retail stores to be given a new life.

In 2018:

20,132 lbs.

Clothing collected from consumers in ReThreads boxes in U.S. Columbia branded retail and outlet stores.



LOOKING FORWARD >

Opportunities for Sustaining Places

1 Powering Aspects of our Businesses and Products with Clean Energy

We seek to reduce our carbon footprint year over year, both in our owned and operated facilities as well as in our supply chain, by:

- Choosing the best possible mix of energy sources.
- Reducing the material impact of the products we sell.
- Improving the energy efficiency of our manufacturing processes.

2 Improving Water Sustainability

We plan to continue investing in clean water for communities where we manufacture, and reducing our water footprint by:

- Continuing our partnership with Planet Water Foundation and local business partners to increase the number of people with access to clean water year over year.
- Reducing the use of fresh water in the manufacturing of our product and in our supply chain year over year.

3 Adopting Green Chemistry

We endeavor to improve our sustainable chemistry practices in our products and manufacturing by:

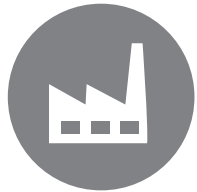
- Increasing the percentage of leather that comes from Leather Working Group GOLD rated tanneries.
- Expanding bluesign® materials and trims in our supply chain.
- Fully adopting the bluesign® Restricted Substances List for apparel.
- Continuing to explore options to phase-out perfluorinated compounds (PFC) from our products.

4 Making Resources Last Longer

There are opportunities to divert clothing from landfills for other uses and we are actively working to contribute to a circular system that sustains our planet. We will continue to assess ways to do this and work to:

- Offer more end-of-life recycling options to more direct markets year over year.





RESPONSIBLE PRACTICES

We seek to incorporate Responsible Practices into our business by:

- 1 Leveraging Innovation and Design to Reduce Impact and Create Social and Environmental Value
- 2 Elevating Responsibility, Integrity and Compliance; and
- 3 Advancing Measurement, Reporting and Accountability Systems

Responsible Practices

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1

LEVERAGING INNOVATION AND DESIGN TO REDUCE IMPACT AND CREATE SOCIAL AND ENVIRONMENTAL VALUE

AREAS OF IMPACT

We focus on nine areas of impact that have high relevancy to our business given the types of products we make. These impact categories were chosen based on life cycle assessment indicators and ethical or social considerations.



ANIMAL WELFARE

Made under humane conditions



BIODIVERSITY

Protecting biodiversity and ensuring protection of forests, rivers, and other ecosystems



CHEMICALS

Reduced chemical impact



ENERGY

Less energy used and using renewable energy sources



GREENHOUSE GAS EMISSIONS

Reduced greenhouse gas emissions



LAND USE INTENSITY

Improved land use intensity



SOCIAL IMPACT

Have an improved social impact to the workers or communities making the product



WASTE

Less waste created



WATER

Less water used and less wastewater discharged



PREFERRED MATERIALS

As often as possible, we use materials that incorporate positive impacts in our products. The following materials are commonly used across the Columbia Sportswear Company (CSC) portfolio of brands.

Organic Cotton

Organic Cotton is grown within a rotation system that builds soil fertility, protects biodiversity, and is grown with minimal use of synthetic fertilizers, toxic pesticides or GMOs.

- In 2018, prAna used 100% organic cotton.

Responsible Down Standard (RDS)

RDS is a certification system that safeguards the welfare of the geese and ducks that provide down and feathers for our products to ensure they have not been subjected to unnecessary harm.

- In 2018, 100% of down sourced across all CSC brands met the RDS standard.

Leather Sourced from Leather Working Group (LWG) Certified Tanneries

(read more on page 42)

- In 2018, 95% of leather for the Columbia and SOREL brands came from LWG Certified tanneries.

bluesign® Materials

The bluesign® system keeps chemicals of concern out of the manufacturing process. bluesign® materials meet the strictest chemical safety requirements. Read more on page 40.

In 2018, the percentage of bluesign® certified materials (fabrics and trims) used were:

- Columbia: 36%
- Mountain Hardwear: 35%
- prAna: 15%

Recycled Content

Recycled content reduces the need for crude oil extraction, diverts waste from landfill and is relatively less water intensive. Types of recycled materials we utilized in 2018 included polyester, nylon, wool and rubber.

- In 2018, approximately 1% of material content for the Columbia brand incorporated recycled content.

Waterless Color

Using no water in the coloration process, not only saves water but also reduces chemicals and energy use.

- In 2018, approximately 2-4% of materials utilized waterless dyeing techniques, depending on season.

PRANA SUSTAINABLE CLOTHING MOVEMENT

prAna's goal is to inspire, educate and outfit adventures with sustainable clothing. To achieve this, prAna invests in people committed to making a fundamental change in the way clothing is made, and forging partnerships with dedicated organizations like Fair Trade USA, bluesign®, Textile Exchange, the Responsible Down Standard and many more.

prAna has cultivated a list of 11 sustainable attributes,* of which all products are measured against. The list is comprised of both social and environmental characteristics.

*Sustainable Attributes:

- bluesign® fabric, bluesign® product (see page 40)
- Fair Trade Factory, Fair Trade Certified (see page 21)
- Organic Materials
- Recycled Materials (including EcoBlack PrimaLoft, an insulation using 60% Post-Consumer Recycled Materials)
- Hemp
- PFC-Free Durable Water Repellent (DWR) (see page 42)
- Responsible Down Standard (RDS) (see page 50)
- Lenzing Tencel/Modal

prAna's 2020 goal is that every style produced each season has at least ONE of these attributes (100% of styles have one Sustainable Attribute by Spring 2020). To support this goal, in 2018 a rule was created that all new styles designed must have at least ONE attribute to be considered for adoption. Part of reaching this goal meant looking at what had been created in the past; carry over styles went through a methodical vetting process to retroactively convert them into sustainable styles.

2018 Sustainability Attributes Overview

Fall 2018 season (percentage of styles that have one or more):

- 75% of all products
- 100% of men's and women's outerwear
- 100% of men's and women's yoga fitness

Spring 2019 season (designed/developed in 2018; percentage of styles that have one or more):

- 84% of all products
- 100% of men's and women's outerwear
- 100% of men's and women's yoga fitness



PRODUCT: JOURNEYMAN T-SHIRT

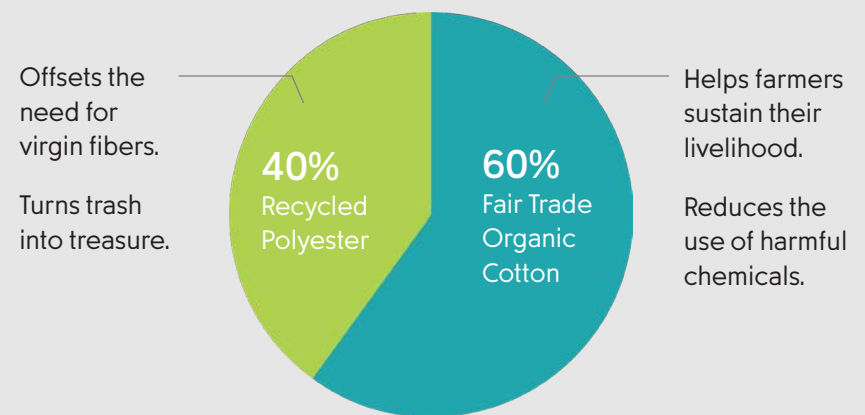
At prAna, we believe that from the farm to the factory to our closets, we all have an opportunity to change the way fashion is made by investing in clothing for positive change. And nothing speaks to that idea louder than our Journeyman T-shirts. This fan-favorite style is made from a soft organic cotton/recycled polyester blend and is crafted at the Pratibha Syntex Fair Trade Certified™ Factory in India. Talk about making a statement.



ECO Data Points:

Fair Trade Factory™ Product

- Gives money directly back to the workers.
- Allows workers to vote on ways to utilize funds.
- Awarded scholarships for factory workers' children.



PRODUCT: LAMINA ECO AF™ SLEEPING BAG

Mountain Hardwear has set out to prove that sustainability is about opportunity, not sacrifice. The Lamina Eco AF™ is undyed to reduce our water footprint, and is made with a recycled shell, lining, insulation and trims.

ECO Data Points:

Eco design features recycled fabric, insulation, trims, storage and compression sack

50%
Carbon emissions over a standard sleeping bag, which could charge 1,159 smartphones.

23 gal / 87 liters
of water saved due to dye-free materials used.

82%
Recycled Polyester

28 Recycled PET Bottles
Trims made from recycled plastic bottles collected from the ocean.

This sleeping bag has a CO durable water-repellent (DWR) finish, which is a fluorocarbon-free water repellent that eliminates the unwanted chemical by-products that result from traditional water repellent.

Primary drivers of savings are recycled content, water reduction and material efficiency. Based on standard assumptions: 5-year consumer lifespan, 1 wash per year, sold in the U.S.



PRODUCT: HIDDEN CANYON™ SOFTSHELL JACKET



In the Spring 2019 season (designed/developed in 2018), Columbia had 46 styles that used 100% bluesign® fabrics. The Hidden Canyon™ Softshell Jacket is an example of one of these styles.

The bluesign® system provides an independent, holistic and systematic chemicals management solution for textile production. bluesign® sets standards for an input stream management system and material production facility certification, to ensure chemicals are screened and verified in advance of materials production, raw material certification, as well as finished product level approval. bluesign® certification can be achieved at the facility level, which means the facility has a best-in-class chemical management system in place; and/or at the fabric level, which means the fabric provides the highest level of safety to the consumer, and is manufactured with lowest impact on people and environment and responsible use of resources.





2

ELEVATING RESPONSIBILITY, INTEGRITY AND COMPLIANCE

Promoting responsible manufacturing by selecting suppliers that have demonstrated commitments to continuously improve their Social Responsibility, Environmental and Product Compliance metrics.

We have a responsibility to know where our products are coming from, what they are made of and the conditions of the places where they are made to ensure compliant, responsible conditions across the supply chain and safe products.

SOCIAL RESPONSIBILITY

Our commitment to Social Responsibility begins by partnering with suppliers who share our values of fair and ethical treatment of workers, safe working conditions, transparency and sustainable manufacturing practices.

Standards of Manufacturing Practices (SMP)

Our [Standards of Manufacturing Practices \(SMP\)](#), also known as our Code of Conduct, outlines our expectations of our suppliers in 12 core areas listed below. These standards are based on International Labor Organization (ILO) conventions and Fair Labor Association standards.

Each factory producing CSC's products is required to post our standards on the production floor in the local language to ensure workers are aware of their rights. Factories are regularly monitored through unannounced audits against our SMP and local labor laws.

Our SMP outlines standards in the following areas:

- Forced Labor
- Child Labor
- Harassment or Abuse
- Nondiscrimination
- Freedom of Association
- Compensation
- Employment Relationship
- Hours of Work
- Health and Safety
- Environment
- Ethical Conduct
- Documentation and Inspection

Monitoring for Continuous Improvement

Columbia Sportswear Company (CSC) employs a team of Corporate Responsibility Specialists who conduct regular audits and assessments of our suppliers against our SMP. The majority of audits are conducted on an unannounced basis, allowing our specialists to see the factory conditions as they are on a typical day. Using the audit or assessment results, we work with the factories to develop a Corrective Action Plan to remediate the issues identified. We consider our suppliers as partners, so we continuously improve our approach to remediation to improve working conditions.

- In 2018, CSC sourced product from 369 finished goods factories, including all brands, licensees and distributors. Of those factories, 314 or 85% received at least one audit.

As a member of the Fair Labor Association (FLA), in 2018 CSC was subject to two independent assessments performed by the FLA at randomly selected finished goods suppliers, as well as two follow-up assessments at suppliers that previously received a full assessment to evaluate progress. The assessment reports can be found on the [FLA's website](#).

Training & Capability Building for Sustainable Factory Management Systems

Monitoring alone is not enough. We also support supplier efforts to promote sustainable solutions.

Our training and capability building program encourages suppliers to further develop their skills in the following areas:

- Human Resources Management
- Effective Worker-Management Dialogue
- Production Efficiency
- Environmental Management
- Fire and Emergency Safety

From December 2017 through January 2018, CSC's Corporate Responsibility team hosted health and safety workshops for over 150 apparel and footwear suppliers in Bangladesh, China, Indonesia, Sri Lanka and Vietnam to roll-out enhanced requirements, as well as support improved supplier performance and management in health and safety.



SUPPLIER: VSM JAPAN MANUFACTURING CO., LTD.

VSM JAPAN's social compliance track record was not satisfactory, resulting in the need for required capability building to facilitate improvement. Fortunately, the management was willing to change. With support from the Columbia Sportswear Company Corporate Responsibility team, the factory partnered with an experienced consulting company (3-PLUS) to undergo a capability building project to improve social responsibility management as well as productivity enhancement. The factory manager, line leaders and members from the sewing line steamed up as task forces to identify areas for improvement, applying productivity tools and techniques facilitated by the trainers. Starting in late 2017 and finishing in 2018, the 11-month training proved to be successful – not only did the factory improve their social compliance management, workplace health and safety, but also realized significant cost reductions from lower defect rate and better productivity. This led to a savings of over \$77,000 in a year for the 600-worker factory.



Our line members are more focused on their work when working in a safe working environment. The defect rate has dropped a lot and we now have a much higher efficiency and better product quality. Employees got the same pay with less overtime. We're happy about this.

– MS. NGUYEN
SEWING WORKSHOP MANAGER,
PARTICIPANT IN THE TRAINING PROGRAM



Social Responsibility Scorecard

We have a scorecard based upon our Standards of Manufacturing Practices (SMP) that allows us to evaluate and track performance of direct sourced finished goods factories used by Columbia, Mountain Hardwear and SOREL.

The rating system is:

Best-in-Class = High Performing

A = Performing

B = Developing

C = Under Performing

F = At Risk

For more detailed definitions of our rating system, please see Appendix 3.

2018 Metrics compared with 2017

Total Direct Sourced Finished Goods Factories SMP Scorecard Grade

	2017 factories	2017 %	2018 factories	2018 %
Best-in-Class	5	2%	4	2%
A	27	11%	22	10%
B	183	75%	162	76%
C	26	10%	24	11%
D	4	2%	2	1%

In 2018, 88% of direct finished goods factories used by Columbia, Mountain Hardwear and SOREL, rated B or above on our SMP scorecard. For the two factories that were rated "at risk," we took substantive and immediate action to remediate identified issues.

Supplier Ownership Program

Our supplier ownership program rewards suppliers that have demonstrated high levels of social responsibility performance within their factory and their wider community. One way suppliers are rewarded through this program is that they are permitted to manage and track their factory's social responsibility performance using the [Social and Labor Convergence Program's](#) common assessment framework, rather than our Corporate Responsibility team performing an unannounced audit; this saves the supplier time and resources as they can focus on a single assessment that could be accepted by multiple brands sourcing from them. In 2018, 60 factories participated in our supplier ownership program.



SUPPLIER: SHOETOWN YANGSHAN FOOTWEAR IMPLEMENTING SLCP

Shoetown Yangshan Footwear, located in Guangdong, China, has been a supplier for Columbia Sportswear Company (CSC) for approximately 9 years. As a high-performing supplier, they have participated in our Supplier Ownership Program for 2 years. In 2018, they were one of five CSC suppliers that participated in the Social Labor Convergence Program Light Operations. They attended a training held by SLCP, completed the self-assessment, followed by verification of the data by CSC staff approved as verifiers by SLCP, and then completed an SLCP survey to give feedback on their experience of filling out the self-assessment and their interaction with the platforms.



Licensee Ownership Program

Columbia Sportswear Company's (CSC) licensed partners (licensees) manufacture a wide variety of products and accessories for our brands to help enhance our consumers' experience to enjoy the outdoors. Just as we believe in responsible sourcing practices for our direct manufacturing, we require the same for our licensed partners.

All of CSC's licensees are part of our Licensing Corporate Responsibility Program, which provides guidance, training and performance review, with the goal of licensees developing their own robust internal Corporate Responsibility program. We have an internal scorecard to measure performance, and also require licensees to complete the Sustainable Apparel Coalition's (SAC) Higg Index Brand Social Labor Module (Higg BSLM) which measures their internal company strategies and practices.

Licensing Program Brand Collaboration

Brand collaboration and stakeholder engagement are important elements that help to move beyond compliance.

2018 Metrics

12

licensees

15

product categories

35%

of audits conducted at licensee factories in 2018 are accepted by more than one brand

25%

finished goods factories are licensees' suppliers

30%

of Columbia licensees are in the Top Tier category for Social Responsibility.

Mitigating the Risk of Human Trafficking and Forced Labor in our Supply Chain

We are committed to performing due diligence within our operations to eradicate the risk of modern slavery and human trafficking in our supply chain. We publish a [Transparency in Supply Chain Statement](#) on the Corporate CSC website as well as on the home page of all of our brands' websites, which outlines our efforts to address the issues of slavery and human trafficking in our supply chain to meet the California Transparency in Supply Chains Act of 2010 (SB 657) and the United Kingdom Modern Slavery Act of 2015.

In 2018, we signed on to the American Apparel and Footwear Associations (AAFA) & Fair Labor Association (FLA) [Apparel & Footwear Industry Commitment to Responsible Recruitment](#), which specifies:

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

- Workers do not pay to be hired.
- Workers retain control of their travel documents and have full freedom of movement.
- All workers are informed of the basic terms of their employment before leaving home.

In 2018, we also launched an internal "Foreign Migrant Worker Policy" for our suppliers. Recognizing that the most vulnerable groups are migrant workers who have traveled from another country to obtain employment, this policy establishes a set of standards based upon ILO Core Conventions, internationally recognized principles and industry best practices that we require our supplier partners to adhere to in order to offer the greatest protection to this class of workers. This also guides our suppliers to develop their own ethical recruitment process and improve social compliance management of the migrant workers they employ.



ENVIRONMENTAL SUSTAINABILITY

We are committed to working with manufacturing partners who share our values of having a minimal impact on the environment through reduced energy, waste and water use and lessened chemical impacts.

Sustainable Apparel Coalition's (SAC) Higg Index Facility Environmental Module (Higg FEM)

CSC employs a team that is dedicated to assessing environmental impacts from our manufacturing process. Our objective is to measure, track and improve the energy, waste, water and chemical impacts associated with manufacturing our products. We use the Sustainable Apparel Coalition's (SAC) [Higg Index Facility Environmental Module](#) (Higg FEM) to assess performance and identify overall strengths and weaknesses in our supply chain.

CSC started using the Higg FEM journey with suppliers in 2013. Since then, Higg FEM has become influential in measuring supplier environmental performance.

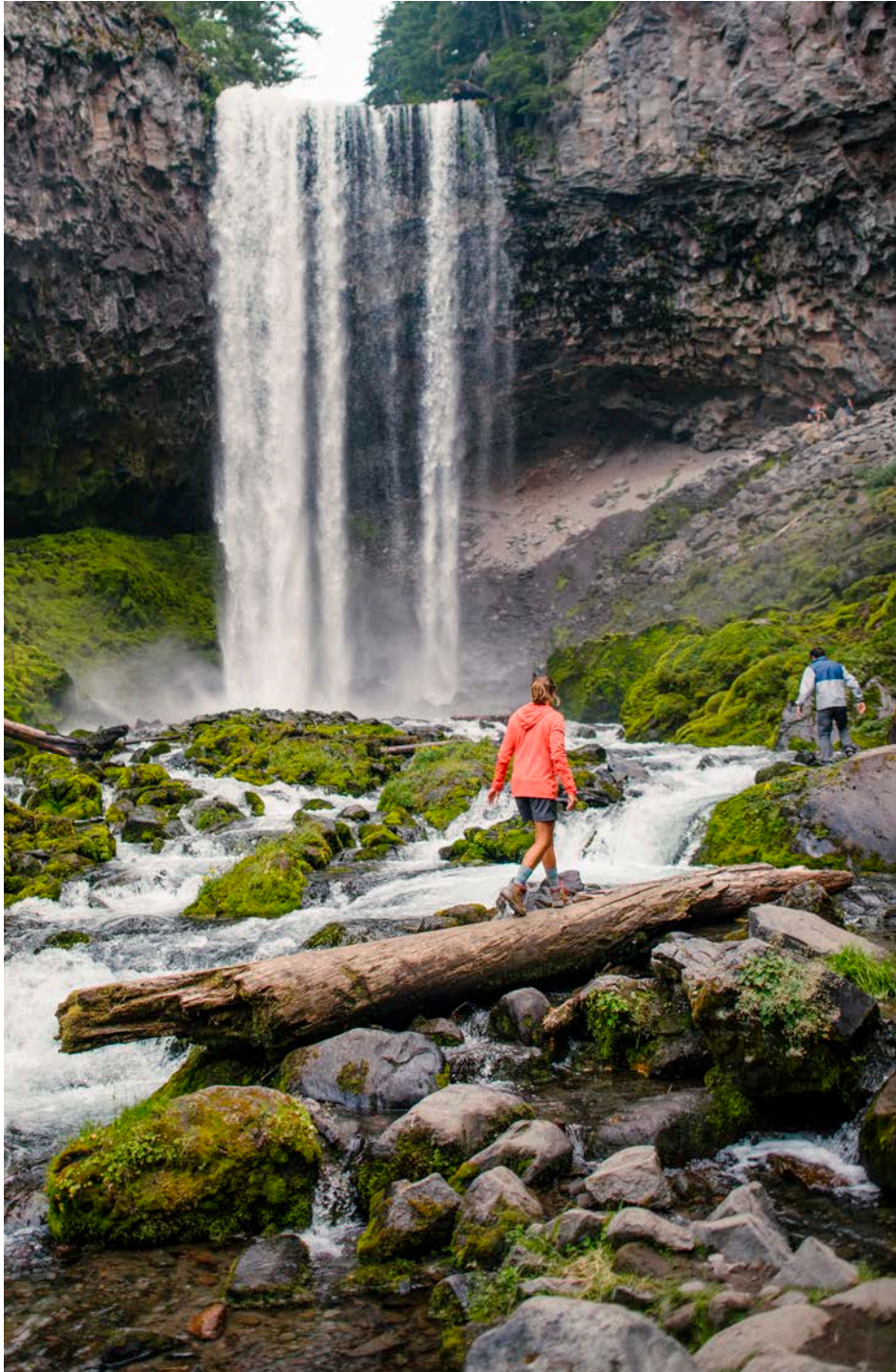
The Higg FEM has three performance levels:

- 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.

Our goal is to work with suppliers on reaching an overall Level 1 achievement. We continue to provide trainings to our suppliers to understand tools and share best practices amongst the supply chain. We also provide one-on-one consultation to suppliers in building basic management.

2018 Highlights

- 100% of our direct sourced Finished Goods Vendors and strategic Raw Materials Vendors were included in our Higg FEM roll-out, which covered 2017 data collection. Together that accounted for at least 85% of business volume.
- 11% of factories that completed the Higg FEM achieved overall Level 1 score.
- We analyzed the 2017 data collected from the Higg FEM to calculate greenhouse gas emissions in our supply chain manufacturing to better understand the climate impacts of our supply chain and how our products are produced, to prioritize the areas where we can have the most impact.
- We collaborated with industry partners to create and implement over 20 Higg FEM capacity building workshops in nine countries, which benefitted over 1,000 factories.



Institute of Public & Environmental Affairs (IPE)

The [Institute of Public & Environmental Affairs](#) (IPE) is a non-profit environmental research organization based in China, whose mission is to promote information disclosure, serve green development and bring back clear water and blue skies. IPE has disclosed corporate environmental information through their website and mobile app called “Blue Map,” which allows transparent environmental information of factories and brands to be available for use. By partnering with IPE, we are able to utilize the information available to reduce our environmental impact and improve the environmental footprint of production.

We have been engaging with IPE and monitoring the IPE platform for any disclosures against our China supply chain since 2014. By utilizing IPE's notification function and the Blue Map mobile app, we are able to monitor the latest environmental information related to our supply chain and react immediately. Through IPE, our suppliers are increasing their awareness of their environmental impacts in their community. We are committed to a continued partnership with IPE to monitor and improve the environmental performance of our supply chain in China.

2018 Highlights:

- 85% of our supply chain in China did not have an environmental violation. Out of the 15% of suppliers that had issues, 49% improved their condition by working with IPE. The rest are still working towards improvement.
- CSC was recognized by IPE as the “Green Choice Brands of the Month” for actively working with suppliers to improve environmental performance.
- CSC ranked #43 out of 306 global brands in the IPE CITI report.

MATERIALS TRACEABILITY

We believe it is important to know the origin of the materials we use for our products to ensure that the material does indeed come from its reported source, and that materials are sourced in accordance with our responsible sourcing guidelines. Our Materials Traceability program enables us to track the chain of custody from raw material origins to finished product. All of these policies and standards¹ can be found on our website [here](#).

Conflict Minerals²

We strive to ensure that 3TG minerals (Tin, Tantalum, Tungsten & Gold) used in our products are obtained from certified suppliers that verify and validate responsible sourcing throughout all regions within our supply chain.

Uzbekistan and Turkmenistan Cotton Policy

We require our suppliers to avoid using cotton sourced from Uzbekistan or Turkmenistan due to issues of forced labor.

Animal Derived Materials Policy

We are committed to the welfare of animals as they relate to our products. We do not allow the use of real fur in our products. We expect any farm-raised animal-derived material source to comply with the Five Freedoms³, the standard for animal welfare.

Responsible Down Standard (RDS)

We are opposed to inhumane down sourcing practices, specifically any use of live-plucking techniques and/or force-feeding methods used to produce foie gras. To support this stance, we use only RDS-certified down in all our products globally.

¹The policies and standards listed here cover all brands. prAna has additional traceability programs for their preferred fibers, for more information see the prAna materials spotlight on page 51.

² Conflict Minerals are Tin, Tantalum, Tungsten, and Gold which are sourced from the Democratic Republic of Congo and its adjoining nations. The term describes the relationship between extracting the minerals and financing armed conflict in the region.

³Freedom from hunger and thirst; discomfort; pain, injury and disease; fear and distress. Freedom to express normal behavior.

PRODUCT COMPLIANCE

Columbia Sportswear Company (CSC) strives to make products that are safe and compliant from initial concept through to manufacturing and delivery to our consumers. Our Global Product Compliance team works closely with product creation teams and manufacturing partners to ensure that our products meet requirements for the markets we sell in. That includes setting product standards and industry best practices that translate to a high level of product integrity across all our brands.

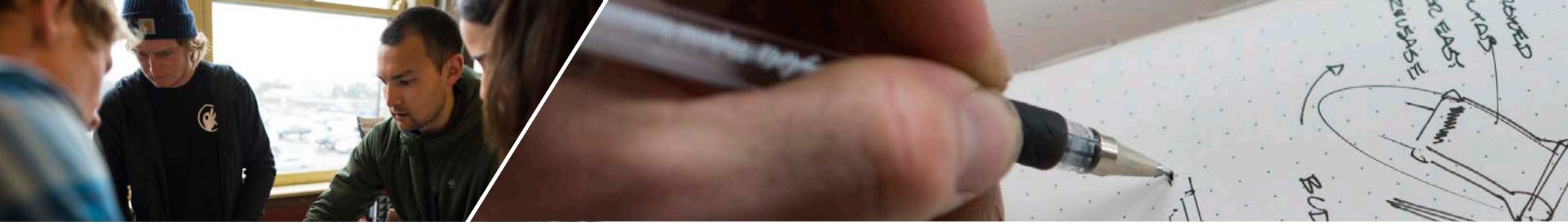
Since 2017, we have been working to align with the bluesign® Restricted Substance List (RSL) and currently use it as the basis for our own Restricted Substances List. This not only ensures that the final textile product meets very stringent consumer chemical requirements worldwide, but also provides confidence to the consumer that they are purchasing a more sustainable product. Please see the previous section about bluesign for more information on page 40.

We maintain multiple testing programs to ensure our products meet global regulations and adhere to our RSL. We provide extensive training on our RSL and testing standards for our global product creation teams, as well as our sourcing and manufacturing partners to ensure high levels of knowledge around our RSL requirements.

We value sustainable manufacturing practices and are committed to working with manufacturing partners who share those values. To align to that commitment, in late 2017 we released a Chemical Management Policy to all of our global vendors and held supplier trainings in late 2017 and early 2018, with the below objectives:

- Guide suppliers in developing their own chemical management system at manufacturing sites.
- Enhance supplier chemical management knowledge to ensure protection of workers, the environment and consumers.
- Ensure compliance with our RSL requirements.
- Educate suppliers about the concept of Input Stream Management and align with bluesign® philosophy.

We also utilize the Sustainable Apparel Coalition's Higg Index – Facilities Environmental Module (Higg FEM) to assess Supplier Chemical Management performance – read more about the Higg FEM in the previous section on page 57.



3

ADVANCING MEASUREMENT, REPORTING AND ACCOUNTABILITY SYSTEMS

Utilizing measurement tools and systems that enable us to understand, track and manage performance and risk as an organization, which allows us to be transparent about practices with stakeholders.

INTERNAL DATA COLLECTION AND REPORTING

Gateway Database

CSC maintains an internal Corporate Responsibility database, called “Gateway,” that houses factory profile information, Standards of Manufacturing Practices (SMP) audit/assessment results, remediation tracking, training and capability building activities, and factory SMP scorecard performance. Our factory partners can log in through a portal to input their remediation corrective action plan and see their performance score. The data enables us to do performance and trend analysis at specific factory level as well as aggregate the data to show the trends in our supply chain to drive long term strategy and determine focus areas for improvement.

We recognize that a long-term systems solution is critical to drive systematic change in all Corporate Responsibility focus areas. In 2018, we started the process of enhancing our Gateway database to add a product compliance module into the system, which will enable us to record and track a factory's product compliance performance history to drive continuous improvement and use the data to make

informed decisions and develop a long-term strategy. The new product compliance module is expected to be launched in 2020. We also started the process of gathering data on suppliers beyond finished goods factories (Tier 1) by adding the raw materials factories that make up the vast majority of our raw

materials production into our Gateway database. This will help us engage with our raw material suppliers around social responsibility, Higg FEM performance data and product compliance including chemicals management.

Internal Reporting to Executives & Board of Directors

We regularly engage with our Senior Leadership Team on social responsibility performance data and risks to drive informed decisions, and annually present a social responsibility performance report to our Board of Directors. Over the years, we have seen improvements in mitigating risks in our supply chain.

EXTERNAL REPORTING AND TRANSPARENCY

Transparency Map

CSC values transparency in our supply chain. Since 2013, we have been publicly reporting our finished goods factory list that are directly contracted by Columbia, Mountain Hardwear and SOREL brands. We believe this level of transparency helps foster collaboration, improves factory performance under brands' codes of conduct, and affects positive change across the industry.

The CSC Factory Transparency Map provides visibility to where our products are made. Every finished good factory we work with is assigned a unique factory ID, which is a 2-5 digit number that is incorporated into the care label for apparel, equipment and accessories and in the tongue label for footwear. By searching using the unique factory ID, consumers can find the factory where the product is made.



LOOKING FORWARD >

Opportunities for Responsible Practices

1 Leveraging Innovation and Design to Reduce Impact and Create Social and Environmental Value

We intend to continue making improvements in this area by:

- Increasing the number of styles that have preferred material attributes year over year for all brands.

2 Elevating Responsibility, Integrity and Compliance

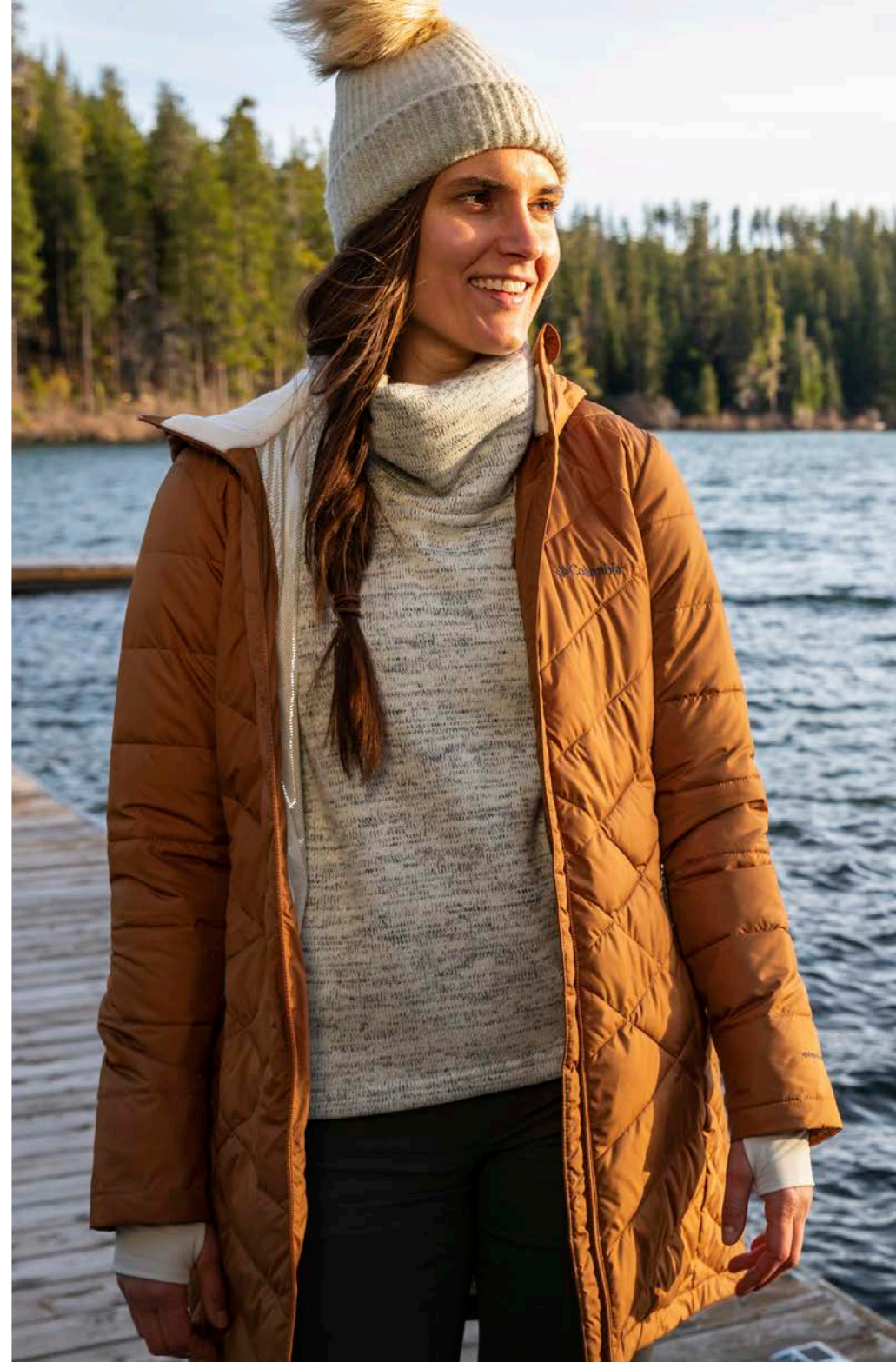
Moving forward, we seek to continue our commitment to elevating responsibility, integrity and compliance throughout our supply chain year over year by:

- Working with our sourcing department to increase the percentage of business sourced from B rated or above finished goods suppliers.
- Integrating raw material suppliers into our Social Responsibility program.
- Working with suppliers to achieve a minimum Level 1 status in the Higg Facility Environmental Module.
- Working towards all materials being responsibly sourced and traceable in accordance with our responsible sourcing guidelines.

3 Measurement, Reporting and Accountability Systems

We intend to improve the transparency of our Corporate Responsibility practices and performance both internally and externally through:

- Publicly disclosing factory information on our Corporate Website.
- Providing annual performance and accountability reporting to the CSC Board of Directors.



APPENDIX



APPENDIX

Strategic Partnerships

American Apparel and Footwear Association (AAFA)

The AAFA is a leading industry source for supply chain compliance. We benefit from their regulatory guidance, country risk information, as well as training and seminars on industry topics. We actively participate in the Social Responsibility, Environmental Sustainability, and Product Safety Committees.

Fair Labor Association (FLA)

The FLA's mission is to improve worker's lives worldwide, by holding affiliated companies accountable for implementing FLA's Code of Conduct across their supply chains, conducting external assessments so that consumers can be assured of the integrity of the products they buy, and creating a space for CSOs to engage with companies and other stakeholders to find viable solutions to labor concerns. As a Category B Affiliate, we continuously improve our Social Responsibility program to align with the FLA's requirements.

Sustainable Apparel Coalition (SAC)

The SAC is transforming the apparel, footwear, and textile industry through a standardized measurement tool called the Higg Index. We utilize the Higg Index's various modules to measure the social and environmental impacts of our own operations as well as within our supply chain. As a founding member, we have actively participated in working groups and contributed to the development of the Higg Index tools.

Social and Labor Convergence Program (SLCP)

The SLCP has developed a converged industry assessment tool with the goal of reducing the number of social/labor audits performed at factories to reduce audit fatigue and allow the resources saved to be redeployed toward improvement actions and sustainable solutions. As a founding signatory, we have been active on the project management team and various working groups contributing to the development of the SLCP tool as well as contributing to the success of the project overall.

Outdoor Industry Association (OIA)

We actively participate in the OIA's Sustainability Working Group (SWG), with representation on the SWG Advisory Council. The OIA SWG supports priority Outdoor Industry issues around Microfibers, Chemicals Management, Animal Welfare, Higg Index Adoption, Circular Economy, Preferred Materials, and Social Responsibility.

Business for Social Responsibility (BSR): HERproject

The mission of the HERproject is to unlock the full potential of women working in global supply chains through workplace-based interventions on health, financial inclusion, and gender equality. We have collaborated with factory partners since 2008 to implement projects.

Bluesign®

The bluesign® system is an input stream management program which eliminates harmful substances right from the beginning of the manufacturing process as well as sets and controls standards for an environmentally friendly and safe production. This not only ensures that the final textile product meets very stringent consumer safety requirements worldwide but also provides confidence to the consumer to acquire a sustainable product. We are committed to continuously increase our bluesign® certified materials year over year.

Footwear Distributors and Retailers of America (FDRA)

The FDRA focuses specifically on the footwear supply chain. As a member, we benefit from the learning and resource hub they have created with the goal of improving social and environmental compliance in the footwear supply chain.

ILO Better Work Program

Better Work is a comprehensive program bringing together all levels of the garment industry to improve working conditions and respect of labor rights for workers. Several of our factories participate in this program.

Textile Exchange

The Textile Exchange (TE) is a global non-profit that works closely with members to drive industry transformation in preferred fibers, integrity and standards, and responsible supply networks. TE offers members the ability to participate in building preferred fiber standards through business to business industry relevant working groups. prAna elevates their commitment to preferred fiber adoption by participating in these groups and helping to set the industry standard practices.

Fair Trade USA

Fair Trade USA enables sustainable development and community empowerment by cultivating a more equitable global trade model that benefits farmers, workers, consumers, industry, and the earth. They achieve their mission by certifying and promoting fair trade products. prAna was the first North American apparel brand to produce Fair Trade Certified™ clothing.

ASTM International

A not-for-profit organization that provides a forum for the development and publication of international voluntary consensus standards for materials, products, systems and services. We are involved on a few committees.

World Federation of the Sporting Goods Industry (WFSGI)

The WFSGI is an independent association with no objective of economic character for its own gain and formed by sports and sports-inspired leisure brands, manufacturers, suppliers, retailers, national/regional federations, industry and trade associations and all sporting goods industry related businesses. We utilize this global industry network for collaboration and partnership on shared industry Corporate Responsibility tools and resources.

ZDHC (Zero Discharge of Hazardous Chemicals)

We are not a ZDHC member, but we do engage with the organization. The mission is to advance towards zero discharge of hazardous chemicals in the textile, leather and footwear value chain to improve the environment and people's well-being. The vision is widespread implementation of sustainable chemistry and best practices in the textile, leather and footwear industries to protect consumers, workers and the environment.



APPENDIX

Outdoor Participation, Access and Stewardship Partner Organizations

Adjutant General's Corps Regimental Association
Ainsworth School Auction
Ainsworth Foundation
Alpha Tau Omega
American Diabetes Association
American Events
American Hiking Society
AORE
Arizona Trail Association
Asheville Green Works
Association of NW Steelheaders
Audubon Society of Portland
Bandgiveback
Barkeater Alliance
Bay Area Climbers Coalition
Bay Area Community Resources
Bay Area Open Space Council
Bay Area Outreach & Recreation Program
Bay Area Wilderness Training
Beaverton Aloha Little League
Big City Mountaineers
Big Oaks National Wildlife Refuge
Breast Cancer Prevention Partners
CA Council of Dads Clubs
Cal State Fullerton
Cal State Long Beach
Cal State Northridge
California Community Foundation
Camber Outdoor
Camp Southern Ground
Cascade Forest Conservancy
CCA South Carolina
Cedar Mill Little League
Center for Whale Research
Central City Concern
Central Oregon Flyfishers
Central Wyoming Climbers Alliance

Chamber Music Northwest
Champaign County Forest Preserve Friends
Cheetah Conservation Fund
Chicago Voyagers
Children & Nature Network
Christmas Cheer All Year
Citizens' Climate Lobby
City Kids Wilderness
Columbia Slough Watershed Council
Conservation Alliance
Conservation International
Conservation Trust for NC (NCYCC)
Cooper Center
CRAG-VT
Crohn's & Colitis
Discover Outdoors Foundation
DoveLewis Veterinary Emergency and
Specialty Hospital
Dress for Success
DU Portland Chapter
Ducks Unlimited – Chicago North Shore
Ducks Unlimited – Sunset Chapter
Ducks Unlimited, Corvallis Beaver Chapter
Durham Elementary School
Earth Island Institute/BAWT
Eastern Sierra Interpretive Association
Elite Sports Academy
Epilepsy Foundation Northwest
Executive Development Institute
Fly Fishers For Conservation
Fly Fishing Arts and Conservation Society
Fly Fishing Collaborative
French American Chamber of Commerce
Friends of Alta
Friends of Columbia Gorge
Friends of the Children
Friends of Timberline

Girl Scouts of OR and SW Washington
Girl Trek
Glacier National Park Conservancy
GLSEN
Golden Gate National Parks Conservancy
Golden Hour Restoration Institute
Grand Teton National Park Foundation
Greater Good
Greater Portland Telugu Association
Green Heart Project
Greening Youth Foundation
Grow NY
Habitat for Humanity
Habitat for Humanity Indonesia
Hackensack Riverkeeper
Henderson County Fishing Team
Henderson County Top Lodge # 9
Higher Ground
Hispanic Access Fund
Hoyt Arboretum Friends
INCIGHT
Islandwood
Janus Youth Programs
Jefferson Park & Rec District
Jesuit HS Ski Team
JR Achievement of West Kentucky
Junior Achievement of Oregon and SW Washington
Kaimba Incorporated
Keymorada
Kula Elementary School
Leave No Trace
Liberty House
LIT College Tour
Little League Baseball Inc.
Living Yoga
Los Angeles City College Foundation
Lower Columbia Estuary Partnership

Lucky Duck foundation
LULAC National Educational Service Centers
Majesty Outdoors
Make-a-Wish Oregon
Mazamas
Mercy Corps
Metro League Interscholastic Ski Racing Ass.
Middleton High School
Mt. Adams
Mt. Hood Community College Foundation
National Breast Cancer Foundation
National Park Foundation
New York Restoration Project
NorCal High School Cycling League
North Carolina Youth Conservation Corps
North Cascades Institute
Northwest Housing Alternatives
Oak Hills Soccer Club
Ocean Foundation
OHRC
Oregon Environmental Council
Oregon Drive Less Challenge
Oregon Food Bank
Oregon Offshore
Oregon State Univeristy
Oregon Wild
Oregon Wildlife Foundation
Oregon Women's Sailing Association
Oregon Youth Conservation Corps
Oregon Zoo Foundation
Outdoor Adventure Clubs of Greater Cincinnati
Outdoor Afro
Outdoor Opportunities
Outside Foundation
Pacific Northwest Trail Association
Pheasants Forever
Portland Aquatic Club
Portland Chinatown Museum
Portland Japanese Garden
Portland Junior Winterhawks
Portland Parks & Recreation

Portland Public Schools
Portland Rotary Club
Portland Sapporo Sister City Ice Sculpture
Portland State University
Portland Street Medicine
Pride NW
Project Lemonade
Project Never Again
Portland State University
Ravalie Foundation
Richmond Main Street Initiative, Inc
Richmond Swims
Ridgewood PTO
Roanoke Outside Foundation
Roaring Fork Volunteers
Rosie the Riveter
Salvation Army
Saruni International
Save the Bay
Sierra Club, Desert Peaks Section
Ski for Light
Skin Cancer Foundation
SOLVE
Soul River
South Carolina Waterfowl Association
Sparks of Hope
Special Olympics Connecticut
St. Andrew Nativity School
St. Ignatius College Prep High School
St. Vincent De Paul
Stan Brock's Black & Gold
Stanford Public Interest Law School
Sunset High School
Sunshine Division
Susan G Komen Orange County
Teach for America
The Children's Course
Township of Moon
Transitional Youth
Trout Unlimited
Tualatin Hills United Soccer Club

University of Central Florida
University of Idaho
University of Minnesota Outdoor Center
University of Oregon
University of Portland
University of Southern California
University of Tennessee
USASA - US Ski & Snowboard Assoc.
USS Portland Commissioning
Washington County Sheriff's Office
Washington Ladyhawks
Washington Trail Association
Washington Wild
Washington's National Park Fund
Westview Football Booster Club
Wings of America
Women's Wilderness
Wonders of Wildlife Museum
Woodland Elementary
World Forest Institute
WorldOregon
Write Around Portland
YMCA Camp Copneconic
Youth Music Project
Youth Outside

APPENDIX

Social Responsibility Scorecard Rating System

Scorecard Grade	Balanced Scorecard Rating	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 like child labor etc.; no remediation efforts; no systems or resources for compliance; poor transparency or commitment.



 Columbia



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