

UNITED NATIONS GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS

Country: Canada

Industry Sector: Manufacturer/Supplier

Report Period: December 2010 - December 2011

COMPANY DESCRIPTION:

For more than 3 decades Stormtech has been successfully conquering the challenges of Canada's extreme and unpredictable climate. Over the years this once tiny supplier of niche outerwear has broadened into a globally recognized Canadian brand of technical apparel that is available in over 30 countries.

At the top end of the STORMTECH Collection is the Expedition Series - a range of activity-focused outerwear that has been engineered to provide maximum performance and functionality with commanding elements of design. Waterproof / breathable bonded fabrics, sealed seams, waterproof zippers, and mechanical moisture management technology all ensure a successful expedition.

STORMTECH Performance Apparel - conquer the elements with confidence.

COMPANY COMMITMENT:

STORMTECH is proud to have been a member of the United Nations Global Compact since 2007— and is committed to upholding its Ten Principles that pertain to human rights, labour, environmental standards, and anti-corruption.

We believe that by incorporating these principles into our action plans for each year we can create a better local and global community for everyone to enjoy. These actions begin at the top-most levels of our company's management, and trickle down into the daily activities of everyone who works for us or with us.

Our commitment in 2011 is to continue to work with our suppliers as well as our own internal staff to further increase awareness about corporate social responsibility and integrating and enhanced respect for the earth and its inhabitants into our daily activities.



Blake Annable
President, CEO

www.stormtech.ca
www.stormtechusa.com
www.stormtech.eu
www.stormtech.cn

POLICIES/PRACTICES REGARDING UNGC PRINCIPLES:

<p>Human Rights:</p>	<p>Principle 1: Business should support & respect the protection of internationally proclaimed human rights. Principle 2: Business should ensure that they are not complicit in human rights abuses</p>
<p><i>STORMTECH believes strongly in human rights. All humans deserve equality, rights, & respect.</i></p> <p><i>Because STORMTECH has been a member of the Fair Labour Association since 2007 our labour standards reflect the requirements of the FLA (and therefore the UN International Labour Organization).</i></p> <p><i>STORMTECH works with factories that uphold the Worldwide Responsible Apparel Production standards.</i></p>	<p>Actions & Indicators:</p> <p>STORMTECH continues to require new 3rd party vendors that it has signed up to manufacture our product to sign off on their support of our labour standards. A copy of our labour code has been attached to this COP.</p> <p>Within its own offices STORMTECH proudly supports diversity among its employees in areas such as gender, ethnicity, sexual orientation, and disabilities.</p> <p>Annual reviews by each department manager help to ensure that everyone is happy and productive.</p> <p>STORMTECH offices have established Healthy Workplace Committees in association with provincial measures to ensure the mental, physical, and emotional health of our employees.</p>

Labour Standards:	<p>Principle 3: Business should uphold the freedom of association & the effective recognition of the right to collective bargaining.</p> <p>Principle 4: Business should support the elimination of all forms of forced and compulsory labour</p> <p>Principle 5: Business should support the effective abolition of child labour</p> <p>Principle 6: Business should support the elimination of discrimination in respect of employment and occupation</p>
<p><i>STORMTECH takes a great deal of pride in its workforce and upholds employment standards in its offices / warehouses in all of its international offices.</i></p> <p><i>Employees with HR questions can either talk directly to their department manager or go to an HR staff person.</i></p>	<p>Actions & Indicators:</p> <p>At the factory level STORMTECH requires each 3rd party vendor that manufactures our product sign a contract stating their support of our labour standards. These standards include:</p> <ul style="list-style-type: none"> • Non-use of involuntary or forced labour; indentured, bonded, or otherwise. • Non-use of employees under the age of 14 or any age interfering with compulsory schooling. If local laws require lower minimum age then these are followed. • Recognition of employee rights to free association and collective bargaining • Maintaining work environments free from harassment, abuse, or corporal punishment. • Employee compensation based on skills and ability to do their jobs rather than personal characteristics or beliefs <p>Since our 2009 Internal Planning Session internal committees have continued to carry forward the work of evaluating our hiring, training, and career development.</p> <p>The company clearly outlines its rules regarding work hours, breaks, etc for its employees. Position availability is posted to all employees. In instances where an position must be eliminated we try to find other roles that staff might fit into.</p>

Environment:	<p>Principle 7: Business should support a precautionary approach to environmental challenges</p> <p>Principle 8: Business should undertake initiatives to promote greater environmental responsibility</p> <p>Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies</p>
<p><i>One person is responsible in our company for reviewing STORMTECH environmental requirements with factories.</i></p>	<p>Actions & Indicators:</p> <p>We continue to require each 3rd party vendor that manufactures our product to sign off on the STORMTECH OurWorld Production Code. This code requires factories to not only comply with all applicable local laws, but sets standards that supports the International Standard Organizations 14000 series of environmental standards.</p> <p>These standards include:</p> <ul style="list-style-type: none"> • Limitations in the areas of air,water, soil, and noise pollution • Requirements to recycle where-ever possible • Non-use of phosphate compounds, heavy metals, harmful dyes, chlorine bleaches, or black listed/red listed / carcinogenic or mutagenic substances in our products <p>STORMTECH continues to offer a range of technical fabrics that are produced in part from recycled water and pop bottles. The manufacturing process of these products undergoes strict third party auditing procedures.</p> <p>STORMTECH strives to use FSC, recycled paper, and earth-friendly inks whenever possible - whether it be shopping bags, flyers, business cards, magazines, catalogues, or shipping boxes.</p> <p>Our warehouses re-use boxes to send product to clients, and compact/recycle any paper products that can no longer be used, including all catalogues and flyers.</p> <p>Our offices recycle/shred all unused paper. We have also reduced the number of catalogues that get printed each year and encourage our clients to order online and view product information online. This reduces faxes and printing.</p>

Anti-Corruption	Principle 10: Business should work against corruption in all its forms, including extortion and bribery.
STORMTECH does not allow for any corruption to occur at any level.	<p>Actions & Indicators:</p> <p>As part of it's production and labour standards, STORMTECH has had all of it's vendors agree to:</p> <ul style="list-style-type: none"> • maintain facility security procedures to guard against the introduction of non-manifested cargo into outbound shipments (e.g. drugs, explosives, biohazards, and/or other contraband). • comply with applicable customs laws and in particular, establish and maintain programs to comply with customs laws regarding illegal transshipment of apparel products. <p>STORMTECH records are routinely audited</p>

COP Contact:

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OurWorld Production Code

At STORMTECH we realize that we need to take responsibility for our world. Not only do we comply with all applicable environmental regulations and laws in the countries of our production, but we have gone a step further to create our own ethical production code.

The STORMTECH OurWorld Production Code ensures that no materials used in the production of STORMTECH gear contain any substances that are harmful to the environment. Requirements are detailed for production facilities in the areas of air, water, and noise pollution, as well as recycling in order to minimize the impact they have on their surroundings.

Every production facility used by STORMTECH provides their consent to upholding this code. Before doing business with any third party manufacturer we visit their facility to see first-hand if they can meet our environmental standards. The requirements of this code illustrates our support of the International Standard Organization's 14000 series of environmental standards, as well as other key international environmental initiatives.

We are committed to protecting our world and conserving its natural resources. It's a healthy choice for the planet, and for the consumer who wears STORMTECH Performance Apparel.

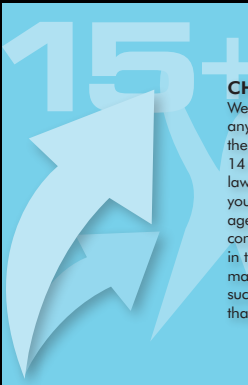


CODE OF CONDUCT

This Code serves as a guide for all STORMTECH operations.


All STORMTECH employees and business partners must adhere to these principles.

1



CHILD LABOUR
We do not employ any individual under the age of 15 (or 14 where national law dictates) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

2




FORCED LABOUR
We do not use forced labor, whether in the form of prison labour, indentured labour, bonded labour, or otherwise.

3




COMPENSATION
Employees are paid at least the legal minimum wage, or prevailing industry wage (whichever is higher), and provide legally mandated benefits.

4



HOURS OF WORK
We comply with legally mandated work hour limitations. Maximum work hours per week are capped at 60 hours per week (including regular and overtime hours) unless the legal maximum requires even less. Employees are provided with at minimum one day off in seven.

5




HEALTH & SAFETY
We provide safe and healthy working environments to prevent employee accidents and injury to health arising out of or occurring in the course of work. Where applicable, all necessary measures are taken to also ensure healthy and safe conditions in employee residential facilities as well.

6




ENVIRONMENT
We comply with applicable national environmental regulations and laws.

7



FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING
We recognize and respect the right of employees to freedom of association and collective bargaining.

8




HARASSMENT OR ABUSE
Every employee is to be treated with respect and dignity. Any form of harassment or abuse, whether physical, sexual, psychological, or verbal will not be tolerated.

9



NON-DISCRIMINATION
No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, or termination on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social or ethnic origin.

10



PREGNANCY
Female employees are not asked about their pregnancy status, nor are they required to be tested for pregnancy. We abide by all local and international laws regarding working conditions for pregnant workers, including but not limited to rest breaks and adequate seating.

STORMTECH
PERFORMANCE APPAREL



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