

***BLACK DIAMOND EQUIPMENT, LTD  
STATEMENT ON FORCED LABOR, HUMAN TRAFFICKING  
AND  
MODERN SLAVERY FOR FISCAL YEAR 2025***

At Black Diamond, we believe in empowering people to push their limits and explore the world, both on and off the rock face. This commitment extends to creating a more equitable and responsible industry, where respect for human rights is not just a value, but an essential part of our journey.

We align ourselves with the principles enshrined in the Universal Declaration of Human Rights, recognizing the inherent dignity and equality of all individuals. This translates into concrete actions throughout our operations and supply chain.

Our products, partnerships, and practices are designed to elevate human potential and foster an inclusive outdoors community. We collaborate with long-term, responsible suppliers who share our commitment to fair labor practices and safe working conditions. This is outlined in our comprehensive Supplier Code of Conduct, which actively combats forced labor and other human rights violations.

This statement fulfills our reporting obligations under relevant legislation, including the UK Modern Slavery Act, the Australian Modern Slavery Act, and the California Transparency in Supply Chains Act. It reflects our global commitment to human rights and responsible sourcing, even though not all our subsidiaries are subject to these specific regulations.

We are constantly striving to improve and raise the bar, both for ourselves and the industry. We believe that transparency and collaboration are key to tackling complex challenges like forced labor. We are committed to ongoing dialogue with stakeholders and actively participate in industry initiatives that promote ethical sourcing and human rights throughout the supply chain.

By working together, we can reach higher not just on the mountains, but also in building a more just and equitable world.



## Black Diamond's Commitment to Eradicating Forced Labor and Modern Slavery

Black Diamond condemns all forms of forced labor, human trafficking, and modern slavery. We hold ourselves, and our suppliers, to the highest ethical standards. These standards are laid out in our Code of Conduct and Social Program, which set expectations for our suppliers across a wide range of areas, including:

- **Forced Labor:** A strict prohibition on any form of forced or compulsory labor.
- **Child Labor:** Adherence to all regulations regarding the minimum working age.
- **Overtime and Compensation:** Rules to ensure fair compensation and regulated working hours.
- **Freedom of Association:** Respecting the right of workers to collaborate and organize.

Our Social Program outlines specific actions that suppliers must implement to demonstrate compliance with the Code of Conduct. This includes robust management systems to identify and address any forced labor risks within their operations.

Black Diamond is committed to continuous improvement and regularly updates our Code of Conduct and Social Program to reflect evolving priorities for labor, health and safety, and environmental principles.

## Black Diamond's Vigilance Against Forced Labor Risks

Black Diamond is committed to identifying and addressing any risks of forced labor within our supply chain. We proactively assess potential risks by:

- **Leveraging External Data:** We evaluate information from external sources to gain a comprehensive understanding of forced labor risks specific to our supply chain.
- **Assessing Supplier Risks:** We carefully review and analyze potential risk factors associated with individual suppliers.
- **Expanding Focus:** We are mapping forced labor risks further throughout our supply chain, including a deeper focus on Tier 2 suppliers.
- **Prioritizing Migrant Worker Protections:** We are increasing our focus on suppliers who employ foreign migrant workers, as this group can be especially vulnerable to exploitation.

### Tools and Processes:

- **Risk Screening:** We utilize industry-standard screening tools to identify potential forced labor risks related to the recruitment of foreign migrant workers. As part of the process, we conducted a risk assessment of the countries where we manufacture and reviewed the audit findings for each country to identify any recurring problems.

**Risk Assessment:**

Production Country	Compliance with Laws and Workplace Regulations Risk	Forced Labor Risk	Overtime Risk	Health & Safety Risk	Association and Collective Bargaining Risk	Environmental Risk	TOTAL SCORE
Austria	Low	Low	Low	Low	Low	Low	0
Italy	Low	Low	Low	Low	Low	Low	0
Spain	Low	Low	Low	Low	Low	Low	0
Czechia	Low	Low	Low	Low	High	Low	0
Romania	Medium	Low	Low	Low	High	Low	1
USA	Medium	Low	Low	High	High	Low	1
Mexico	Medium	Medium	Medium	High	High	Medium	1
El Salvador	High	Medium	Medium	Medium	High	Medium	1
Indonesia	Medium	Medium	Low	Low	High	Medium	1
India	Medium	High	High	Medium	High	Medium	2
Pakistan	High	High	High	High	High	Medium	2
Cambodia	High	High	Medium	Medium	High	Medium	2
Philippines	High	High	Low	Medium	High	Medium	1
Vietnam	High	High	Medium	Low	High	Medium	1
China	High	High	High	Medium	Medium	Medium	2
Taiwan	High	High	High	Low	High	Medium	2

**Supplier Performance by Country:**

	Prohibition of Forced Labor	Prohibition of Child Labor	Prohibition of Unconscionable Hours of Work	Compensation and Benefits	Hours of Work	Prohibition of Discrimination	Health and Safety	Freedom of Association	BD Production Percentage
Austria	①	①	①	①	①	①	①	①	0.88%
Italy	①	①	①	①	①	①	①	①	1.38%
Spain	①	①	①	①	①	①	①	①	0.91%
Czechia	①	①	①	①	①	①	①	①	0.82%
Romania	①	①	①	①	①	①	①	①	0.18%
USA	①	①	①	②	②	①	①	①	6.14%
Mexico	①	①	①	②	②	①	②	①	0.06%
El Salvador	①	①	①	②	②	①	②	①	0.32%
Indonesia	①	①	①	②	②	①	②	①	2.54%
India	①	①	①	②	②	①	②	①	0.68%
Pakistan	①	①	①	②	②	①	②	①	1.38%
Cambodia	①	①	①	②	②	①	②	①	1.33%
Philippines	①	①	①	②	②	①	②	①	12.20%
Vietnam	①	①	①	②	②	①	②	②	14.48%
China	①	①	①	②	②	①	②	②	25.89%
Taiwan	②	①	①	②	①	①	②	②	25.41%

①	Audit identified a minor issue that was promptly addressed, or no issue found
②	Audit identified a major issue that was promptly addressed. Recurring issues
③	Audit identified a critical issue

- **Audits and Monitoring:** Black Diamond conducts internal and independent third-party audits to ensure compliance with our ethical standards and local laws. These audits specifically assess:
  - We conduct both internal and external audits to ensure supplier compliance with Black Diamond's Code of Conduct, local labor laws, and ethical sourcing practices.
  - Protection of vulnerable worker groups, including foreign migrants, interns, and temporary workers.
  - High-risk practices such as recruitment fee requirements and freedom of movement restrictions.
  - Audits (announced and unannounced) assess forced labor risks, recruitment practices, worker protections for vulnerable populations, and adherence to ethical recruitment fees and worker mobility practices.
  - The frequency of audits is determined based on a supplier's performance and risk profile.
  - We remain vigilant in preventing child labor through regular audits and supplier collaboration. Our audits across all our suppliers haven't identified any instances of child labor requiring remediation.

We are constantly updating and enhancing our risk assessment and monitoring systems to ensure the highest ethical standards. These improvements go beyond just finished goods, extending to our materials sourcing practices and distribution centers. Our Enhanced Due Diligence program, in partnership with civil society organizations, demonstrates our deep commitment to uncover and address potential instances of forced labor. Our efforts to eliminate forced labor and child labor risks have not resulted in loss of income for vulnerable families within our supply chain.

Throughout 2024, Black Diamond implemented a strategic expansion of its third-party audit program and placed a strong emphasis on the comprehensive resolution of non-conformities. Internal resources were deployed to guarantee all corrective actions were effectively remediate, with a particular focus on improving factory worker welfare. Additionally, we actively advocated for improved labor conditions for migrant workers, driving efforts to reform hiring practices.

## **A Comprehensive Approach for Ethical Sourcing**

Tackling complex issues in the supply chain requires a comprehensive and collaborative Approach across all disciplines.

### **Collaboration**

Black Diamond recognizes the complexity of ethical sourcing challenges like forced labor. We believe in the power of collaboration to drive positive change across the industry.

#### **Building Strong Supplier Relationships:**

- We cultivate supplier partnerships that prioritize worker well-being and ethical recruitment practices.
- This collaborative approach fosters open communication and better understanding of workers' needs.

#### **Multi-Stakeholder Partnerships:**

- Black Diamond actively engages with multi-stakeholder working groups, industry associations, and NGOs to stay informed about emerging challenges and share best practices.

- Through collaboration, we explore and implement industry-wide solutions that ensure a more ethical and sustainable global supply chain.

## Clearly Defined Policies

We expect all suppliers to uphold the principles outlined in Black Diamond's Code of Conduct. This code emphasizes responsible sourcing practices, including:

- **Ethical Labor Practices:** Upholding fair labor standards throughout the supply chain, including compliance with local labor laws and regulations.
- **Environmental Responsibility:** Minimizing environmental impact through sustainable sourcing and production practices.
- **Social Responsibility:** Promoting ethical and responsible business practices throughout the supply chain.

Black Diamond requires all direct suppliers to ensure the materials used in our products comply with our Restricted Substances List (RSL). This list outlines materials prohibited or restricted in our products due to safety, environmental, or ethical concerns.

By partnering with Black Diamond, suppliers commit to adhering to these high standards, ensuring the materials used in our gear meet our strict safety and ethical requirements.

## Training

We provide comprehensive training to employees involved in supply chain management, focused on:

- Upholding Black Diamond's Code of Conduct
- Practices that prevent forced labor.

Our goal is to equip employees with the knowledge and tools needed to make informed sourcing decisions aligned with our ethical values.

## Empowering Worker Voice:

Black Diamond recognizes that a strong foundation in ethical practices empowers both workers and our supplier network.

- We believe in empowering workers to raise concerns and participate in the improvement process.
- Partnerships with organizations like Issara Institute in Thailand provide essential on-site support and worker engagement programs.
- These programs encourage worker feedback through anonymous channels, allowing for early identification and resolution of issues.

## **Accountability: Measurement and Continuous Improvement**

We remain vigilant in preventing child labor through regular audits, supplier collaboration, and continuous improvement. Our team partners with internal, external, and independent monitoring organizations to conduct audits and support capability-building initiatives with suppliers. This collaborative approach helps us identify improvement areas and empowers suppliers to take ownership of their operations and practices.

We actively review and update our training programs and supplier evaluation processes to address evolving challenges.

**Addressing Non-Compliance:** If any evidence of non-compliance arises within our supply chain, we take swift action:

- We thoroughly investigate all allegations.
- If issues are found, we prioritize driving corrective measures in partnership with the supplier. This includes identifying root causes to prevent future issues.
- When necessary, our remediation work includes the reimbursement of any fees wrongfully charged to workers in violation of Black Diamond's ethical standards.
- Suppliers who cannot demonstrate consistent progress toward meeting our standards are subject to sanctions, including potential termination of our business relationship.

Black Diamond is committed to continuous improvement, be it from the results of an audit or working closely with various experts and organizations to continuously refine our approach toward ensuring ethical working conditions for everyone who contributes to our products.

\*In accordance with the requirements of the Act to enact the Fighting Against Forced Labor and Child Labor in Supply Chains Act and to amend the Customs Tariff, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above



Neil Fiske  
Black Diamond Equipment President  
March 25<sup>th</sup>, 2025

"I have the authority to bind 'Black Diamond Equipment.'"<sup>TM</sup>