



FAIR LABOR
ASSOCIATION®

Improving Workers' Lives Worldwide



GORE BIKE WEAR® & GORE RUNNING WEAR®
ASSESSMENT FOR ACCREDITATION

February 2017

TABLE OF CONTENTS

Introduction	3
Section 1: GORE BIKE WEAR® & GORE RUNNING WEAR® Company Affiliate Overview .	4
Section 2: GORE BIKE WEAR® & GORE RUNNING WEAR® Products' Supply Chain & FLA Due Diligence Activities From 2012-2016	6
Section 3: Analysis Of GORE BIKE WEAR® & GORE RUNNING WEAR® Products' Labor Compliance Program For Accreditation.....	6
Principle 1: Workplace Standards	7
Principle 2: Responsibility & Head Office Training	7
Principle 3: Supplier Training.....	9
Principle 4: Functioning Grievance Mechanisms.....	10
Principle 5: Monitoring	11
Principle 6: Collection & Management of Compliance Information	13
Principle 7: Timely & Preventative Remediation	14
Principle 8: Responsible Purchasing Practices	15
Principle 9: Consulting with Civil Society.....	18
Principle 10: Verification Requirements	20
Section 4: Conclusion and Recommendation to the Board of Directors	20
Appendix A: The GORE BIKE WEAR® & GORE RUNNING WEAR® Products' Code Of Conduct	22

INTRODUCTION

This report provides an assessment of the labor compliance program of GORE BIKE WEAR® & GORE RUNNING WEAR® and concludes with a recommendation to the FLA Board of Directors regarding the accreditation of the company's program. When joining the FLA, Participating Companies and Participating Suppliers commit to implementing the [FLA Workplace Code of Conduct](#), which ensures "respectful and ethical treatment of workers" and "promotes sustainable conditions through which workers earn fair wages in safe and healthy workplaces." The [Principles of Fair Labor and Responsible Sourcing / Production](#) ("Principles") serve as the standards against which Participating Companies and Participating Suppliers are assessed towards an accreditation of their labor compliance program. Participating Companies and Participating Suppliers with accredited compliance programs have demonstrated that they have the systems and procedures in place needed to successfully uphold fair labor standards throughout their supply chains.



The FLA accreditation process involves staff conducting due diligence on the performance of a Participating Company or Participating Supplier during the implementation period. The FLA will assess the implementation of all Principles to ensure a social compliance program has been implemented to accommodate the supply chain expansion. This assessment involved testing a selection of data points or information sources in order to verify actions by the company. Sources of information may include:

- 1) Affiliate Headquarter Assessment: Assessments at headquarters and field offices to interview staff involved in compliance and in other functions, and to review documentation, processes, and database capabilities. In some cases, the offices of agents are visited as well. In countries where the FLA is not able to conduct in-person assessments, interviews are conducted by phone with company staff involved in compliance and in other functions.
- 2) FLA Factory-Level Assessments: Independent External Monitoring (IEM), Independent External Verification (IEV), and Sustainable Compliance Initiative (SCI) assessments are all sources of information on compliance issues and remediation efforts.
- 3) Annual Reports: Affiliate reports for each year of implementation provide data on the evolution of an affiliate's compliance program in line with FLA Principles.
- 4) FLA Third Party Complaints: Where relevant, an affiliate's involvement in, and responsiveness to, FLA Third-Party Complaints provide additional insight into compliance programs and remediation strategies.
- 5) FLA Strategic Projects: Where relevant, an affiliate's participation in FLA Strategic Projects provides opportunities to learn about the affiliate's compliance strategies for detecting and remediating complex issues.
- 6) Observation: Wherever possible, FLA staff accompanied affiliate compliance staff on internal audits, training sessions or remediation visits.
- 7) Routine Interactions: Information on the affiliate's compliance program has also been collected through discussions and interactions with affiliate compliance staff in the course of each year's program. Exchanges with civil society organizations and other stakeholders interacting with the affiliate provide additional perspective.

SECTION 1: GORE BIKE WEAR® & GORE RUNNING WEAR® COMPANY AFFILIATE OVERVIEW

Name of Company		GORE BIKE WEAR® & GORE RUNNING WEAR®	
Category	Participating Company	Location	Feldkirchen-Westerham, Germany
Product/s	Apparel	Current Number of Applicable Facilities	16
FLA Affiliation Month/Year	June 2012	End of Implementation Period	June 2015
FLA Accreditation Leads	Alpay Celikel, Regional Manager, EMEA; Tiffany Rogers, Business Accountability Program Manager		
Unique Company Characteristics	<ol style="list-style-type: none"> 1) W. L. Gore & Associates (Gore) is a privately held company with a revenue of approximately \$3 billion USD. The scope of Gore's FLA affiliation is specific to GORE BIKE WEAR® & GORE RUNNING WEAR®, two brands that produce high-performance athletic apparel 2) GORE BIKE WEAR® was established in 1985 to showcase GORE-TEX® products in cycling apparel. GORE RUNNING WEAR®, formerly known as CONCURVE™ Running Wear, was established in 1997. 3) The manufacturing for Gore's patented fabrics, such as GORE-TEX® and GORE® WINDSTOPPER®, are not part of FLA's scope, however Gore has a Fabrics Sustainability Team that works collaboratively with the Social Responsibility Manager for Gore's Apparel brands. 		
Summary of Key Strengths	<ol style="list-style-type: none"> 1) The commitment from top management to develop and implement a social compliance program for the production of GORE BIKE WEAR® & GORE RUNNING WEAR® products, a small, but significant aspect of the Gore Fabrics Division's business; 2) The collaboration between the Fabrics Division and the GORE BIKE WEAR® & GORE RUNNING WEAR® Sourcing & Supply Team, specifically the support of the Social Compliance Specialist to develop sustainable systems for the social compliance program; 3) Investment to observe the audit process to improve consistency in applying the monitoring procedures; 4) The emphasis on commitment to remediation and improvement to sustain collaborative supplier relationships; and 5) The support and collaboration between the Social Responsibility (SR) Manager, Factory Manager, and Sourcing & Supply Team to develop and implement the Responsible Sourcing Policy and supplier scorecard. 		
Summary of Key Suggestions for Strengthening	<ol style="list-style-type: none"> 1) Consistent application of monitoring procedures to ensure functioning grievance mechanisms are assessed and union and worker representatives are included in the audit process; 2) Further analysis of compliance and remediation data to identify trends with the applicable Tier 1 supply chain; 3) Complete implementation and communication of the supplier scorecard to inform sourcing decisions; 4) Improvement in the development and implementation of root cause analysis to inform CAP development and sustainable remediation; and 5) Continued implementation of the CSO Outreach Strategy in China, Vietnam, and Myanmar. 		

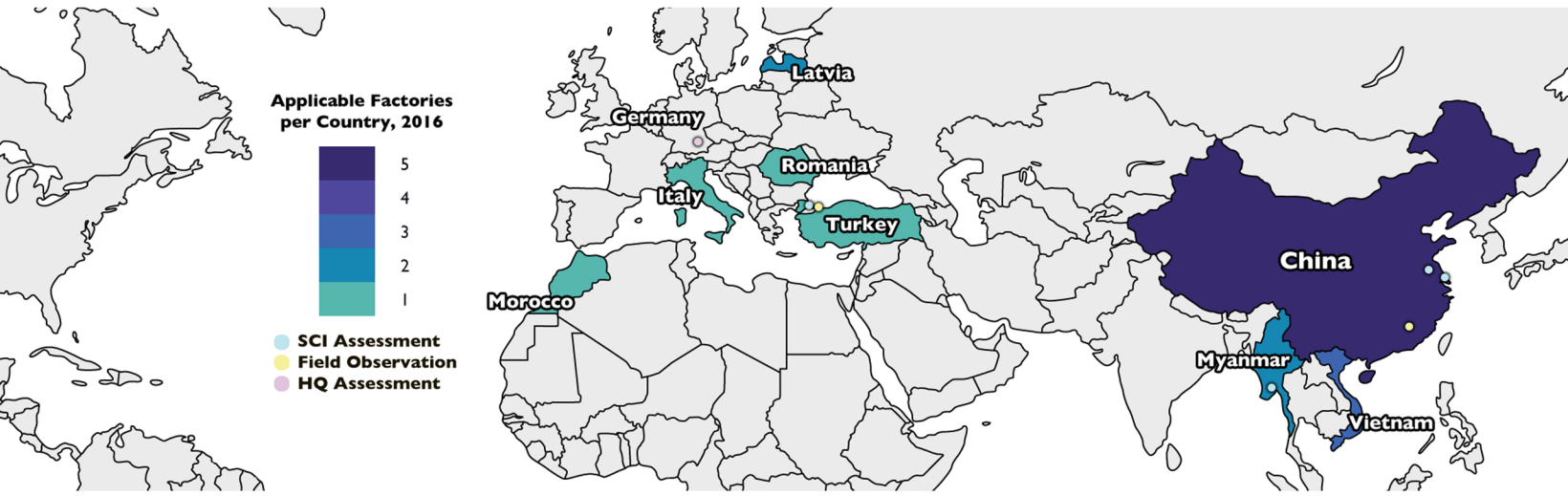
GORE BIKE WEAR® & GORE RUNNING WEAR® are apparel brands of W. L. Gore & Associates (Gore), and reside under Gore's Fabrics Division. W. L. Gore & Associates is a privately held company based in the U.S. founded in 1958, currently making approximately \$3 billion in annual sales and employing more than 10,000 employees. Gore is divided into three divisions: Performance Solutions Division, Medical Division and Fabrics Division. Within the Fabrics Division, GORE BIKE WEAR® was established in 1985 to showcase the use of Gore's patented waterproof and breathable fabric, GORE-TEX®, in the European cycling apparel market. In 2006, Gore developed GORE RUNNING WEAR® to produce apparel utilizing Gore technology for the athletic apparel market. GORE BIKE WEAR® & GORE RUNNING WEAR® joined the FLA as a Participating Company in June 2012, selecting a three-year implementation period. The GORE BIKE WEAR® & GORE RUNNING WEAR® (FLA-affiliated Gore apparel brands) headquarters are in Feldkirchen-Westerham, Germany and staffs about 75 employees.

In 2010, the Operations Leader of GORE BIKE WEAR® & GORE RUNNING WEAR® products began to pursue how GORE BIKE WEAR® & GORE RUNNING WEAR® products could be sourced responsibly. A staff member in the production department was tasked with researching various initiatives and organizations in the field of corporate social responsibility and reviewed affiliation with organizations like the FLA. The Operations Leader of the GORE BIKE WEAR® & GORE RUNNING WEAR® Sourcing & Supply Team met with the President of the FLA in 2011, and the Gore apparel brands pursued FLA PC affiliation in 2012. The staff member from production was promoted to be the Social Responsibility Manager for the FLA-affiliated Gore apparel brands, and has been responsible for developing and implementing the social responsibility (SR) program. In 2012, the FLA-affiliated Gore apparel brands adopted the FLA Workplace Code of Conduct for its Tier 1 contract facilities. In 2015, the Fabrics Division hired a Social Compliance Specialist for the Fabrics Sustainability Team. The Social Compliance Specialist provides the SR Manager with support in developing best practices for the FLA affiliated Gore apparel brands' SR Program.



GORE BIKE WEAR® & GORE RUNNING WEAR® product showroom at the Feldkirchen-Westerham Gore Headquarters

Due to the large scope of Gore's manufacturing, affiliation with FLA was selected over other organizations, because of the opportunities to pursue social responsibility outside of Tier 1 cut and sew apparel. While Gore's Fabrics Division is not within the scope of FLA affiliation and accreditation, Gore has developed a sustainability program and the [Gore Guidelines for Social Responsibility](#) for manufacturing Gore's patented textiles. Additionally, Gore has a hunting apparel brand, SITKA® Gear, that is not part of the scope of FLA affiliation. Accordingly, the SR Manager implements the same SR Program for FLA-affiliated Gore apparel brands within the SITKA® Gear Tier 1 supply chain.



SECTION 2: GORE BIKE WEAR® & GORE RUNNING WEAR® PRODUCTS' SUPPLY CHAIN & FLA DUE DILIGENCE ACTIVITIES FROM 2012-2016

The above map shows GORE BIKE WEAR® & GORE RUNNING WEAR® sourcing countries and the range of number of factories in each highlighted country. The FLA-affiliated Gore apparel brands source from China, Italy, Latvia, Morocco, Myanmar, Romania, Turkey, and Vietnam. From 2012 to 2016, the applicable Gore apparel brands received four SCI assessments in China, Turkey, and Myanmar; two field observations in China and Turkey; and one headquarter (HQ) assessment in Germany. In 2016, FLA conducted one of the first two SCIs in Myanmar at an FLA-affiliated Gore apparel brand's contract facility.

SECTION 3: ANALYSIS OF GORE BIKE WEAR® & GORE RUNNING WEAR® PRODUCTS' LABOR COMPLIANCE PROGRAM FOR ACCREDITATION

Information used in this assessment originates from annual reports submitted by GORE BIKE WEAR® & GORE RUNNING WEAR® products to the FLA verified through:

- 1) An assessment at GORE BIKE WEAR® & GORE RUNNING WEAR® headquarters conducted by FLA staff in November 2016;
- 2) Information gathered in person, via phone interviews, and through email correspondence with Gore staff;
- 3) Documentation review of supporting evidence submitted by FLA-affiliated Gore apparel brands;
- 4) Results of FLA Independent External Assessments at FLA-affiliated Gore apparel brands' applicable facilities conducted by FLA assessors and accredited service providers; and
- 5) Communication with stakeholders.

PRINCIPLE 1: WORKPLACE STANDARDS¹

Workplace Standards & Top Management Commitment

GORE BIKE WEAR® & GORE RUNNING WEAR® products adopted the FLA Workplace Code of Conduct in 2012 for its SR program at Tier 1 contract facilities. The applicable Gore apparel brands also utilize the FLA Compliance Benchmarks for its monitoring program.

Gore's Business and Operation Leaders for textile products and Gore apparel products commit to upholding workplace standards and providing support in developing sustainability and social responsibility programs. FLA staff interviewed the Fabrics Division's Sustainability Leader and the Leader of the GORE BIKE WEAR® & GORE RUNNING WEAR® Sourcing & Supply Team during the headquarter visit, who have supported the growth and development of the SR Manager. Additionally, the Gore Fabrics Division provides a Responsibility Update, an annual report which includes the applicable Gore apparel brands, to its customers, licensees, and other stakeholders. Publicly, Gore's [Modern Slavery Act Transparency Statement](#) includes its FLA affiliation, upholding the code of conduct, and conducting third-party audits to assess factory conditions.

PRINCIPLE 2: RESPONSIBILITY & HEAD OFFICE TRAINING²

Staff Responsible for Implementing the Social Responsibility Program

Prior to FLA affiliation, social responsibility had not been explicitly incorporated in the sourcing and production of GORE BIKE WEAR® & GORE RUNNING WEAR® products; however once affiliated, Gore promoted a production staff member to the role of Social Responsibility (SR) Manager. The SR Manager is responsible for the SR program for the Tier 1 supply chains for the FLA-affiliated Gore apparel brands. The SR Manager is informally supported by Gore's Fabrics Sustainability Team's Social Compliance Specialist, who has previous employment experience with the FLA, working as an assessor, and as a consultant for other brands. Additionally, for the FLA-affiliated Gore apparel brands, the Factory Manager interacts with the contract suppliers and visits suppliers on a regular basis. The SR Manager and the Factory Manager work closely to communicate with suppliers on workplace standards, the audit cycle, and remediation.

¹ Principle 1: Company affiliate establishes and commits to clear standards.

² Principle 2: Company affiliate identifies and trains specific staff responsible for implementing workplace standards and provides training to all head office and regional staff.

Gore's company culture does not utilize formal job descriptions; however, the SR Manager has a "Commitment Expectation" that outlines the scope and responsibility of the position, which includes developing the plans of the annual audit cycle, developing corrective action plans with factory management, providing social compliance trainings to other Gore staff, and working closely with the Fabrics Sustainability Team.

Gore focuses on the annual performance review process to ensure that staff members uphold their responsibilities. The FLA reviewed a previous performance review of the SR Manager, which outlined performance on responsibilities and training needs to improve job performance. Additionally, feedback from other colleagues is collected to inform the process.

Training for the SR Manager

The SR Manager has completed all offered FLA trainings and has attended other various CSR-related trainings available in Germany. Appropriate training is driven by the SR Manager's Personal Development Plan (PDP) – a tool established and kept current for all Gore associates. Throughout the performance review process, the SR Manager was able to pursue various training opportunities, such as further training on social audits, improvement of English skills, and training on Chinese culture to better develop relationships with Chinese suppliers. Additionally, the SR Manager works regularly with the Social Compliance Specialist from the Fabrics Division to understand the complexities of conducting audits and pursuing sustainable remediation at the factory level.

The FLA reviewed the SR Manager's PDP to verify that the training the SR Manager has participated in has been assessed to ensure that there is improvement in the development of the SR Program. For the upcoming PDP, training on understanding union structures and collective bargaining will be included.

The FLA recommends that the SR Manager continue to pursue and participate in trainings on workplace standards and conditions, specifically on union engagement, collective bargaining, and effective worker-management communication channels.

Training All Gore Staff

The SR Manager is responsible for training all staff of the FLA-affiliated Gore apparel brands on the commitment to workplace standards and the SR Program. For new hires, the SR Manager provides in-person training on the social compliance program. Associates provide written documentation to prove that they have completed the training. Staff also have access to the Fabric Sustainability Team's Social Responsibility Training on the Gore Intranet.

Specific to the FLA-affiliated Gore apparel brands, staff have participated in training on Gore's commitment to workplace standards. All new associates participate in a one-on-one training with the SR Manager, which covers the code of conduct, FLA affiliation, and internal monitoring procedures. Sourcing staff receive detailed training on the code of conduct and the Principles of Fair Labor & Responsible Sourcing, and they receive regular updates on audits and remediation plans. Additionally, the SR Manager is responsible for researching new developments in the CSR industry to inform Sourcing & Supply Team staff.

The Sourcing & Supply Team and the SR Manager meet on a bi-monthly basis to review factory and purchase order (PO) status. During these meetings, the SR Manager provides updates on the FLA-affiliated Gore apparel brands' self-assessment results, accreditation status, SCl assessment status, as well as continues discussions on responsible purchasing practices and civil society engagement. The SR Manager also maintains all materials on the shared server so that other

staff from the FLA-affiliated Gore apparel brands can access and review the information prior to the meetings. Additionally, the SR Manager will provide feedback on Sourcing staff's performance reviews and if they have implemented the training and guidance on workplace standards the SR Manager has provided.

The FLA interviewed staff from the FLA-affiliated Gore apparel brands and verified that staff understood and have implemented concepts from the training on workplace standards. All Gore staff have access to the Gore Fabrics Responsibility Update mentioned in Principle 1, and Gore will start to develop web-based training on the commitment to uphold workplace standards for all Gore divisions in 2017.



Employee at the contract facility in Myanmar for GORE BIKE WEAR® & GORE RUNNING WEAR® conducting a quality inspection of garments

PRINCIPLE 3: SUPPLIER TRAINING³

Supplier Commitment

All suppliers for FLA-affiliated Gore apparel brands are to sign the Annual Supplier Certification, which includes the commitment to uphold workplace standards, to submit to monitoring from third-party service providers and FLA assessors, and to remediate all violations found. The Factory Manager will provide this agreement to suppliers on an annual basis and review in-person when visiting the suppliers. In the reviewing of these documents, the FLA recognized that the code of conduct included in the agreement was an outdated version. The SR Manager has updated the code of conduct to align with the FLA Code of Conduct and will use the revised agreement for 2017.

Conditioning Future Business on Suppliers' Improvement of Working Conditions

In 2016, the SR Manager and the Sourcing & Supply Team developed a scorecard system to inform sourcing decisions based on the improvement and commitment of the supplier. This scorecard reviews key performance indicators (KPIs) of quality, social, and product compliance and will be further explained below, in the section on Principle 8. The scorecard system is a formal documentation of how the SR Manager has assessed suppliers on improvement of working conditions, and will be communicated to all suppliers through the revised supplier agreement in 2017.

The SR Manager continuously works with suppliers to receive updates on remediation of non-compliances and provides updates to the Sourcing & Supply Team during the bi-monthly meetings. The FLA-affiliated Gore apparel brands invest in their relationships with suppliers due to the complexities of the fabrics and design of the products that are made for high-performance running and cycling. Due to these investments, the FLA-affiliated Gore apparel brands will

³ Principle 3: Company affiliate obtains commitment and trains relevant supplier management on workplace standards and tracks effectiveness of supplier workforce training.

terminate a business relationship only when commitment to improving performance is not upheld. The FLA-affiliated Gore apparel brands did exit one factory that received an SCI assessment due to the lack of improvement towards implementing the corrective action plan (CAP).

Workplace Standards Training & Accessibility for Workers

The SR Manager and Factory Manager provide the GORE BIKE WEAR® & GORE RUNNING WEAR® Code of Conduct to all suppliers. The Code is available in the following languages: Chinese, Italian, Romanian, Arabic, Latvian, Russian, Turkish, and Vietnamese. During the review of the Code of Conduct during audit field observations, the FLA found translation inconsistencies in the Latvian and Russian versions. The FLA provided the FLA Workplace Code of Conduct Latvian and Russian translations to the SR Manager, who adopted these translations and provided them to the applicable factories.

The FLA-affiliated Gore apparel brands verify that workers, managers, and supervisors receive training on the workplace standards through the audit process. The FLA-affiliated Gore apparel brands utilize third party service provider ELEVATE to audit all suppliers. During a 2014 audit field observation in China, the FLA observed that the auditor reviewed training materials and logs, and asked questions on training during the management and worker interviews. Additionally, the FLA verified that all staff at the supplier had received training on the Code of Conduct prior to the assessment.

Where training needs are identified, these are included in the CAP, and the SR Manager collects the documentation of training presentations and evidence of training. Through the CAP development process and remediation progress reviews, the SR Manager will review and recommend that suppliers implement a mechanism to ensure that training for workers is effective.

The FLA recommends that the FLA-affiliated Gore apparel brands continue to assess that training on workplace standards for managers, supervisors, and workers is effective so that working conditions can be improved at the factory level.

PRINCIPLE 4: FUNCTIONING GRIEVANCE MECHANISMS⁴

Assessing for Functioning Grievance Mechanisms

The FLA-affiliated Gore apparel brands ensure that there are functioning grievance mechanisms in place at the supplier through the audit process. The FLA Compliance Benchmarks on grievance mechanisms are utilized by ELEVATE to assess the suppliers' grievance mechanisms, and are specifically addressed in ELEVATE's field instructions in conducting audits for FLA-affiliated Gore apparel brands. During the 2014 audit field observation in China, the FLA observed the auditor ask questions on grievance mechanisms during the manager, supervisor, and worker interviews. Additionally, the auditor reviewed the grievances submitted by workers and asked how managers or supervisors addressed workers' concerns.

The SR Manager collected the data on grievance mechanisms from the annual audits and found that all FLA-affiliated Gore brand suppliers had some type of grievance mechanism in place. Auditors review that workers have access to at least one confidential reporting channel and that the grievance policies lack penalty. Improvement of grievance mechanisms is addressed during the CAP development and remediation progress updates. The FLA recommends that the FLA-

⁴ Principle 4: Company affiliate ensures workers have access to functioning grievance mechanisms, which include multiple reporting channels of which at least one is confidential.

affiliated Gore apparel brands continue to assess for functionality of grievance mechanisms to ensure that workers have access to multiple channels through which concerns of their labor rights will be addressed by factory management.

The Confidential Reporting Channel to FLA Affiliated Gore Apparel Brands

The GORE BIKE WEAR® & GORE RUNNING WEAR® Code of Conduct includes a reporting channel that workers can use to submit grievance directly to the SR Manager. This reporting channel includes a phone number, fax number, and the email address of the SR Manager. In 2016, the SR Manager worked with other Gore staff to be able to provide local contact information for the confidential reporting channel. Currently, the FLA-affiliated Gore apparel brands have local Gore contacts listed on the Mandarin and Burmese translated Codes.

In addition to the reporting channel on the Code of Conduct, ELEVATE provides contact information for the auditor during worker interviews. The ELEVATE field instructions for conducting audits for FLA-affiliated Gore apparel brands include providing contact information to all interviewed workers, and during the 2014 audit field observation in China, the FLA verified that this requirement was fulfilled. However, during a 2015 audit field observation in Turkey, the FLA observed that the auditor did not provide contact information during any of the worker interviews. After receiving the field observation report, the SR Manager and the Social Compliance Specialist from the Fabrics Division revised the ELEVATE field instructions to emphasize the requirement of providing contact information during the worker interviews. Additionally, Gore has implemented its own shadow audit process, in which the Social Compliance Specialist will observe one ELEVATE audit per cycle to ensure that audits are conducted to Gore's standards.

Ensuring Training on Grievance Mechanisms

Ensuring that workers are trained on grievance mechanisms is included in the audit scope, and the FLA verified in 2014 that ELEVATE had included a review of training materials on grievance mechanisms and questions about grievance mechanisms during the worker interviews during the audit field observation. However, during the 2015 audit field observation in Turkey, the auditor did not review any documents on grievance mechanisms, including evidence of training. The SR Manager and Social Compliance Specialist have worked with ELEVATE to strengthen the field instructions to ensure that assessment of grievance mechanisms and training is included.

As mentioned in the section above on Principle 3, training is also addressed during the CAP review process, in which the SR Manager will ask further questions on the training provided and include areas of improvement into the CAP. The FLA reviewed how the SR Manager collects training materials submitted by factory management to verify that training on grievance mechanisms was conducted.

The FLA recommends that the FLA-affiliated Gore apparel brands continue to work with ELEVATE to ensure that grievance mechanism training is assessed, and to work with its suppliers on developing a mechanism to assess if the training is effective.

PRINCIPLE 5: MONITORING⁵

Pre-Sourcing Factory Assessments

Prior to entering a new sourcing country, the Factory Manager conducts a Pre-Sourcing Visual Mapping to review the conditions of the country. This visual mapping is incorporated into the sourcing strategy, which is updated on an annual basis and reviews their current supplier capabilities and technological innovation. A recent example for new sourcing country approval is Myanmar, in which staff reviewed different stakeholders' evaluations of the country's overall conditions from the labor and health, safety, and environment (HSE) perspectives. When first conducting this analysis in 2012, the Factory Manager, Sourcing & Supply Team, and the SR Manager had decided it was not the right time for the FLA-affiliated Gore apparel brands to start sourcing from there. However, in reviewing the conditions of the country in 2015 and with an existing and trusted strategic supplier partner opening a facility in Myanmar, the FLA-affiliated Gore apparel brands started to source from two suppliers in 2016.

The FLA-affiliated Gore apparel brands follow Supplier On-Boarding procedures, which include completing a supplier checklist, supplier audit, supplier management interview, and factory visit to collect information on production, capacity, and environmental and social compliance performance. The SR Manager will review all submitted information, including a previous audit of the supplier from the last 12 months. If the audit is from an approved source – such as the FLA, assessments from accredited FLA members, Fair Wear Foundation, or Gore-approved ELEVATE auditors – the SR Manager will not conduct an additional audit and instead will review the progress of remediation. The Supplier On-Boarding procedures also include assessments from the Bangladesh Accord on Fire and Building Safety and the Alliance for Bangladesh Worker Safety, if the FLA-affiliated Gore apparel brands were to source from Bangladesh.

Suppliers receive approval for FLA-affiliated Gore apparel brand production so long as progress of remediation is shown from the previous CAP. Additionally, suppliers are required to provide a training schedule that shows when management will receive training on the Code of Conduct and FLA Compliance Benchmarks. Suppliers also must submit evidence of posting the GORE BIKE WEAR® & GORE RUNNING WEAR® Code of Conduct.

Assessing Factory Conditions

Procedures for monitoring a supplier's social compliance performance were developed by the SR Manager. All Tier 1 suppliers receive an annual assessment by ELEVATE, unless the suppliers can provide an audit report and CAP from the last 12 months from an approved organization. The SR Manager is looking to further develop a risk analysis approach to monitoring; however, the SR Manager and Social Compliance Specialist are conducting shadow audits of ELEVATE audits to ensure that audits are being conducted according to the field instructions. In 2015, during a shadow of an ELEVATE audit, the Social Compliance Specialist noted that several findings were not included in the final audit report. Through engagement with ELEVATE, the SR Manager and Social Compliance Specialist have established further protocols for ELEVATE to implement to ensure that audits are conducted according to Gore's standards.

⁵ Principle 5: Company affiliate conducts workplace standards compliance monitoring.



One of the first SCI assessments ever conducted by the FLA in Myanmar took place at a GORE BIKE WEAR® & GORE RUNNING WEAR® contract facility

During the headquarter assessment, the FLA reviewed with the SR Manager and Social Compliance Specialist the case of one supplier that has had minimal findings included in the audit report. Before exempting this factory from future audits and using those resources for capacity building, the Social Compliance Specialist will observe the audit conducted at this facility to ensure that the lack of findings is not due to inconsistent application of the field instructions. The FLA considers Gore's internal collaboration to conduct such shadow audits as a strength of the social compliance program.

Audits include worker interviews, consultations with unions or worker representatives, management interviews, documentation review, visual inspection, and occupational safety and health review. In both audit field observations, the FLA verified that all elements were included and especially that worker representatives were interviewed during the audits. In the 2014 audit field observation, the FLA observed that union representatives were also included in the opening and closing meetings. Additionally, auditors will review the contents of collective bargaining agreements as part of the audit and the SR Manager tracks the establishment of unions and collective bargaining agreements.

As part of the recommendations from the 2015 audit field observation in Turkey, the FLA recommended that auditors use a criteria-based selection for worker interviews. Similar to the SCI methodology, the SR Manager and Social Compliance Specialists worked with ELEVATE to include special categories of workers in the interview process. The field instructions were revised to include young, pregnant, nursing, migrant workers, workers on HSE or fire safety committees, and union or worker representatives. Additionally, the field instructions included further guidance on the sample size for the worker interviews, based on the number of workers at the factory.

The FLA recommends the SR Manager and Social Compliance Specialist continue to work with ELEVATE to ensure audits are conducted to the standards included in the field instructions. Additionally, with coordination of improving audit quality and the implementation of the supplier scorecard, the FLA recommends that FLA-affiliated Gore apparel brands continue to pursue the establishment of a risk-analysis approach to monitoring to support efforts to mitigate excessive auditing at the factory level.

PRINCIPLE 6: COLLECTION & MANAGEMENT OF COMPLIANCE INFORMATION⁶

Managing & Analyzing Compliance Data

The SR Manager maintains the supplier tracker for all 16 suppliers, which includes the following information: production site address, contact information, worker count, union presence, and collective bargaining agreements. For 2017, ELEVATE will start to collect information on labor disputes, accidents, and incidents during the audit process. The SR Manager also collects further information about FLA affiliate Gore apparel brand suppliers in the tracker to inform sourcing practices, such as other buyers, production processes, peak production months, annual holidays, primary language and nationality of workers and management, percentage of female workers, FLA Participating Supplier affiliation, and if there have been any FLA Third Party Complaints at the supplier. All supplier information is collected and stored by supplier on the FLA affiliated Gore apparel brands' database.

In 2015, the SR Manager started to analyze the audit data to identify trends in non-compliances. The analysis reviewed non-compliances by code element and employment and management functions such as factory structures, grievance procedures, termination & retrenchment, and recruitment, hiring, and personnel development. This 2015 data showed that the HSE code element had the largest number of findings, with Employment Relationship having the second most findings. Through this analysis, the FLA-affiliated Gore apparel brands identified that suppliers require further training on HSE and Employment Relationship practices in order to uphold these standards. Options for training and capacity building opportunities to improve supplier performance are currently being explored.

The FLA recommends that the SR Manager continue to analyze the data of suppliers, including profile data of suppliers and findings by country or product category. Further analysis of supplier and social compliance data can support the development of the social compliance program and how to allocate resources towards trainings and capacity building to improve working conditions.

PRINCIPLE 7: TIMELY & PREVENTATIVE REMEDIATION⁷

Tracking Remediation at the Factory Level

The SR Program includes its remediation process within its monitoring procedures that were discussed in Principle 5. The FLA reviewed the remediation procedures, which include the timeline for receiving immediate action notifications and the full audit report. ELEVATE notifies Gore within 24 hours if there are any zero tolerance findings of child labor, denied access, forced labor, corporal punishment, critical health and safety violations, and physical abuse or harassment. Additionally, the procedures include consultation with civil society on remediation in the case of zero tolerance findings.

⁶ Principle 6: Company affiliate collects, manages, and analyzes workplace standards compliance information.

⁷ Principle 7: Company affiliate works with suppliers to remediate in a timely and preventative manner.

Once the audit report is provided to the supplier, the supplier is to submit the CAP within 30 days. The CAP includes the possible root causes per finding, responsible staff for ensuring remediation, action plans, and the timeline for completion. At the time of the assessment, ELEVATE will provide an initial findings report and CAP. Once the supplier submits the CAP to the SR Manager, the manager will review the CAP and provide feedback and suggestions to ensure the implementation of sustainable remediation actions.

At the time of the headquarter assessment, the FLA reviewed the monitoring and remediation procedures and recommended that the SR Manager include a process to ensure that union and worker representatives are included in the remediation process. The SR Manager revised the procedures to accommodate the recommendation and will implement it for the 2017 audit cycle. Additionally, the SR Manager will communicate to suppliers during the CAP process to include feedback from union and worker representatives as part of the CAP development process.

Root Cause Analysis

Root cause analysis is briefly included in the monitoring and remediation procedures. In the ELEVATE field instructions, assessors are to provide the perceived root causes for each finding. Additionally, when submitting the CAP, the suppliers are to provide their own root cause analysis, which the SR Manager will review and provide feedback.

During the headquarter assessment, FLA staff reviewed the challenges the SR Manager and Social Compliance Specialist have encountered in implementing thorough root cause analysis, which can require a highly skilled auditor who has a thorough understanding of social compliance, local conditions, and business practices. The SR Manager and Social Compliance Specialist will continue to work with ELEVATE to assess for root causes. The FLA recommends that the FLA-affiliated Gore apparel brands continue to strengthen root cause analysis to support sustainable remediation.

Effectiveness of Remediation

The SR Manager tracks a supplier's progress on remediation through regular communication and collection of evidence of the actions implemented. The SR Manager maintains the CAPs and documentation on the affiliated Gore apparel brands database. In conducting follow-up audits, ELEVATE is to review the initial audit report and report if the original findings have been remediated completely, ongoing, pending, or if there are new findings.

Because of the importance of investing in supplier relationships, the SR Program focuses on remediation progress in the methodology of the supplier scorecard. The supplier scorecard's section on social compliance takes into account the supplier's progress on remediation and if there are repeated findings or sustainable remediation actions. The scorecard will be further discussed in Principle 8.

From the 2015 SCI assessment in China, it was found that 77 percent of the workforce had exceeded the legal monthly overtime limit of 36 hours for 10 of the 12 months reviewed. The SR Manager reviewed the updates from the factory on this issue, and was able to report that progress in reduced working hours was starting show on the timesheets of some of the sewing lines. Additionally, the supplier was able to show evidence of integrating workers into the development of a policy to bring overtime down to legal monthly limits. Workers were invited to support this process, and the factory management provided documentation of the minutes and the announcement inviting workers to support the policy development process.

In reviewing the remediation procedures, the FLA recommended that the process for the follow-up audit be clarified to ensure that zero tolerance issues are addressed, and that the ELEVATE field instructions ensure that the previous audit report is reviewed. The SR Manager has revised the remediation procedures and worked with ELEVATE to incorporate the recommendations from the FLA. The FLA recommends that the FLA-affiliated Gore apparel brands continue to analyze progress of remediation through follow-up audits and remediation updates, to ensure the improvement of working conditions.

PRINCIPLE 8: RESPONSIBLE PURCHASING PRACTICES⁸

The GORE BIKE WEAR® & GORE RUNNING WEAR® Products' Responsible Sourcing Policy

In 2016, the SR Manager coordinated the relevant business staff to develop the Responsible Sourcing Policy for the FLA-affiliated Gore apparel brands. The relevant staff to develop this policy included the buyers, planners, Factory Manager, and the SR Manager for the FLA-affiliated Gore apparel brands. These relevant staff members reviewed responsible sourcing and purchasing practices standards throughout the industry to develop the policy, which was approved the Sourcing & Supply Team Leader. The policy provides an overview of Gore's ethical commitment and the Code of Conduct before going into the guidelines of responsible sourcing.

The overall goal of the guidelines is that social and labor performance can inform business decisions. The guidelines also discuss the complexity of the GORE BIKE WEAR® & GORE RUNNING WEAR® products that are developed for high-performance road and mountain biking and long distance and urban running in all weather conditions. One of the main sourcing challenges is the small quantities for purchase orders (POs) and the machinery required to sew the innovative fabrics used for the product. Because all GORE-TEX® products are guaranteed to keep consumers dry, suppliers must use approved equipment to uphold this certification.

The policy reviews how the FLA-affiliated Gore apparel brands will strive to mitigate negative impacts through balanced planning; appropriate lead times; addressing financial terms; strong communication with the buyers, planners, SR Manager, and the supplier; and measuring the supplier performance. For balanced planning, buyers and planners work together to provide the



The SR Manager for GORE BIKE WEAR® & GORE RUNNING WEAR® products describes the jacket's unique features that influence Gore sourcing decisions

supplier with forecasts six months and three months prior to the PO placement. Suppliers have two weeks to accept POs, and once the supplier has accepted the PO, no design changes can be made to the product. In the case that there are production capacity issues at the factory, the planners will work with the factory to explore options to avoid negative impacts, such as placing orders earlier to balance workload, splitting larger orders into different shipment, using air freight for fabrics or finished garments, and placing POs for carry-over styles during low production periods.

⁸ Principle 8: Company affiliate aligns planning and purchasing practices with commitment to workplace standards.

The FLA-affiliated Gore apparel brands calculate lead time by reviewing the following criteria: country location, product mix, transportation time of finished goods, lead times of raw materials, production capacity, and public holidays or shut downs. For financial terms, price negotiation is conducted by the Factory Manager, who takes the following into consideration: labor costs, minimum wage, bill of materials, working minutes, complexity of the product, inflation, and how the country or region fits into the sourcing strategy. The elements of communication and measuring supplier performance will be further discussed later in this section.

The FLA interviewed relevant staff on the development of this policy to uphold supplier collaboration and maintain strong relationships. Staff discussed how there are design complexities of the products and the required production techniques used to ensure that the GORE BIKE WEAR® & GORE RUNNING WEAR® products using GORE-TEX® and GORE® WINDSTOPPER® fabrics perform as marketed. Guidance from the Factory Manager or even machinery will often be provided to the suppliers to ensure products are manufactured to the FLA-affiliated Gore apparel brands' standards. Due to this investment of resources, staff work to maintain longterm relationships with suppliers, emphasizing the need to improve efficiencies and working conditions. The FLA considers the investment in supplier relationships a strength of the GORE BIKE WEAR® & GORE RUNNING WEAR® products' social compliance program.

Training Relevant Business Staff on Responsible Purchasing Practices

After the Responsible Sourcing policy was developed, all relevant business staff received training on the policy in November 2016. The training and the policy include a flow chart that shows the various practices that can result in negative impacts for workers. Additionally, the bi-monthly meetings are used to review the planning and progress of each season, and to share knowledge on challenges in trying to address balanced planning to avoid negative impacts.

Feedback on how staff have implemented what they have learned from trainings is included in the performance review process. The FLA recommends that the FLA-affiliated Gore apparel brand continue to assess how they can ensure that training on responsible purchasing practices has been effective.

Holding the Relevant Business Staff Accountable

To hold relevant business staff accountable for implementing responsible purchasing practices, the bi-monthly meetings serve as a time for staff to report on how they are managing their responsibilities for the season's collection. Additionally, a master timeline for the development and production of the season's collection is reviewed and maintained. This master timeline includes the deadlines and people responsible for each action of the season's collection. The FLA reviewed the master timeline and interviewed staff during the headquarter assessment, in which they discussed how the relevant business staff work together to address challenges so that negative impacts can be avoided. Lastly, as mentioned in Principle 2, the SR Manager will provide feedback during the performance review process on how staff uphold the Code of Conduct and the Responsible Sourcing Policy.

The FLA recommends that the FLA-affiliated Gore apparel brands explore ways to analyze the performance of a season and address how improvements can be made in future seasons to mitigate negative impacts at the factory level.

Dialogues with Relevant Business Staff & Suppliers to Implement Responsible Purchasing Practices

The main contact for GORE BIKE WEAR® & GORE RUNNING WEAR® suppliers is the Factory Manager, who is in regular communication with – and conducts frequent visits to – suppliers to discuss challenges and implementation of workplace and quality standards. The Factory Manager also manages the costing negotiations, in which it is encouraged that suppliers provide transparent information on the costing of products. Because of the complexity of the product, working minutes tend to be exceptionally longer for new styles. The FLA-affiliated Gore apparel brands strive to keep styles at the same supplier through multiple seasons so that the supplier can gain efficiencies that result in less cost of the product. When these efficiencies are gained, the decreased production costs go towards the supplier's profit margin, instead of the FLA-affiliated Gore apparel brands absorbing the reduction of product cost.

When entering Myanmar, the Factory Manager worked with the factory management to support the new facility in producing GORE BIKE WEAR® & GORE RUNNING WEAR® products. Due to the skill of the workforce and the development required to produce high-performance products, the FLA-affiliated Gore apparel brands took this feedback from the supplier and provided POs of simpler products, so that the supplier would be more successful in completing the orders. The FLA-affiliated Gore apparel brands will continue to work with their contract suppliers in Myanmar so that they can improve capacity to produce the high-performance products. The FLA considers the commitment to developing informative and collaborative relationships with suppliers a strength of the FLA-affiliated Gore apparel brands' SR program.



Employees involved in the screen printing process at a contract facility of GORE BIKE WEAR® & GORE RUNNING WEAR® in Myanmar

Incentivizing Suppliers to Improve Conditions for Workers

In 2016, the SR Manager worked with relevant business staff to develop a supplier scorecard to review suppliers' performance in quality, product compliance, social compliance, procurement and services, and price stability. Each element has a responsible staff member to input the data of the scorecard; responsible staff include the Quality Manager, the SR Manager, Buyer, and Sourcing & Supply Team. For the social compliance rating, the SR Manager rates suppliers based on transparency, communication, engagement and collaboration, and improvement. Nature of non-compliances is not included in the scorecard, because of the importance of the supplier relationship and the investment the FLA-affiliated Gore apparel brands place with these suppliers. As discussed in the section above on Principle 3, if progress towards improving working conditions is not achieved or committed to, the FLA-affiliated Gore apparel brands will end the business relationship. Suppliers receive a rating from 1 to 10 for each element, and all elements are weighted and calculated to provide a letter ranking (A, B, or C). In reviewing the supplier scorecard, most of the FLA-affiliated Gore apparel brand suppliers received an overall B rating. The relevant staff are reviewing the methodology of the supplier scorecard to ensure that ratings accurately represent the supplier.

Due to the small quantity of units for POs, while the FLA-affiliated Gore apparel brands strive to provide increased business to suppliers that uphold workplace standards, the more applicable incentive is the commitment to keep carry-over styles at suppliers that meet the FLA-affiliated Gore apparel brand standards included in the scorecard. This commitment allows suppliers to pursue efficiencies in production practices for higher profit gains when manufacturing the repeat styles.

At the time of the headquarter assessment, the scorecard was being implemented and had yet to be communicated to suppliers. The FLA recommends that the FLA-affiliated Gore apparel brands socialize this scorecard so that suppliers can use it as a tool to benchmark progress. Additionally, the FLA recommends that the FLA-affiliated Gore apparel brands continue to explore other incentives to provide recognition to suppliers that uphold the commitment to improving working conditions.

PRINCIPLE 9: CONSULTING WITH CIVIL SOCIETY⁹

The CSO Engagement Strategy

In 2016, the SR Manager developed the Civil Society Organization (CSO) Outreach Strategy to better inform the SR Program. Through engaging with civil society, the strategy's objectives include understanding local practices, developing and implementing remediation or improvements plans, and to contributing to enhancing industry cooperation and stakeholder engagement. The strategy identifies China and Vietnam as the FLA-affiliated Gore apparel brands' high-risk and high-production volume countries to focus CSO engagement in the first phase. The second phase includes a focus on Myanmar, and the third phase includes Italy, Latvia, Romania, and Turkey. The SR Program is currently focused on the first phase, but has also been researching and engaging with non-governmental organizations in Myanmar. In researching CSOs, the SR Manager will review organizations to evaluate that they are supporting workers' rights and improvement of the lives of workers, pursuing ethical practices, upholding legal compliance, are politically neutral, and have a collaborative approach. The SR Program hopes to establish relationships with CSOs that can lead to pursuing programs that improve workers lives through training or capacity building.

Within the strategy, the SR Manager has included a CSO mapping for organizations in China, Vietnam, and Myanmar. The mapping includes women's rights organizations, labor rights organizations, factory compliance program support organizations, and commerce delegations. The strategy includes Gore's participation in other multi-stakeholder initiatives like the Sustainable Apparel Coalition (SAC), Chemicals Management Working Group, Dialog Textilbekleidung (DTB), German Fashion, European Outdoor Group, and the Outdoor Industry Association. Participation in these initiatives facilitates collaboration amongst the industry to improve various responsible business practices.

The FLA supports the development of the FLA-affiliated Gore apparel brands' CSO Outreach Strategy and recommends the continued implementation so that civil society can inform the SR Program to improve the lives of workers.

⁹ Principle 9: Company affiliate identifies, researches and engages with relevant labor non-governmental organizations, trade unions and other civil society institutions

CSO Engagement in a Global Supply Chain

As part of entering Myanmar for the first time, the Factory Manager and the Social Compliance Specialist met with the Delegation of German Industry & Commerce in Myanmar to learn more about the local conditions for people living and working in the country. In a meeting the Social Compliance Specialist had with the delegation, it was discussed that there is a need for local capacities to address the cultural barriers between Chinese, Taiwanese, or Thai management for local Burmese workers. Additionally, the local water is not recommended for drinking water, but workers do not have other alternatives. Gore is working to identify organizations that can provide support in personal health, hygiene, and clean drinking water.

The FLA-affiliated Gore apparel brands will review a budget to accommodate project proposals for CSO engagement in Vietnam and China, as these two countries are key sourcing countries for Gore for the first phase. The proposal will be based on the needs of the suppliers in these two countries.

The FLA supports the plans to engage in China, Vietnam, and Myanmar to establish programs with civil society that can inform the SR Program and improve working conditions.

Unions & Worker Representative Structures

The monitoring procedures and ELEVATE field instructions include engagement with union and worker representative structures during the opening and closing meetings and worker interviews during assessments. As previously mentioned, the SR Manager and Social Compliance Specialist will work with ELEVATE to ensure that this process is implemented consistently during audits. Additionally, the SR Manager revised the remediation process to ensure that union and worker representative structures are consulted during the CAP development.

The FLA recommends that the FLA-affiliated Gore apparel brands continue to work to consistently implement processes to further understand union relationships with factory management.

PRINCIPLE 10: VERIFICATION REQUIREMENTS¹⁰

GORE BIKE WEAR® & GORE RUNNING WEAR® products has been an FLA Participating Company in good-standing since its affiliation in 2012. The SR Manager has implemented standard operating procedures to maintain its FLA affiliation. These procedures include maintaining the factory list on the FLA platform, completing the annual FLA self-assessment, submitting to SCI assessments and field observations, and paying annual dues.

The FLA-affiliated Gore apparel brands have submitted the annual self-assessments from 2013 to the present and have responded to requests from the FLA on a timely basis. The SR Manager has provided remediation updates to all active SCI assessments. The SR Manager and Social Compliance Specialist have attended FLA Board Meetings in the past and attended the FLA Europe Meeting in 2015. The FLA recommends that Gore pursue further participation and collaboration with other FLA members to contribute to the improvement of working conditions at the Tier 1 level and beyond.

¹⁰ Principle 10: Company affiliate meets FLA verification and program requirements.

SECTION 4: CONCLUSION AND RECOMMENDATION TO THE BOARD OF DIRECTORS

This review of the GORE BIKE WEAR® & GORE RUNNING WEAR® products' labor compliance program is intended to help inform the decision of the FLA Board of Directors on whether to accredit the company's program.

The FLA staff conclusion is that since affiliation as a Participating Company, GORE BIKE WEAR® & GORE RUNNING WEAR® products has increasingly developed a labor compliance program that, on balance, aligns with FLA standards, benchmarks, and protocols. Accreditation is a measure of the capacity of a company's labor compliance program to ensure respectful and ethical treatment of workers. The FLA recognizes that no labor compliance program is perfect; the notion of continuous improvement means that there will be instances when a specific principle or benchmark is not met, yet such occurrence does not call into question the integrity of an affiliate's entire program. The FLA will continue to provide programmatic recommendations to further an affiliate's labor compliance efforts in support of the FLA's mission to protect workers' rights and ensure decent working conditions. FLA staff recommends to the FLA Board of Directors the accreditation of GORE BIKE WEAR® & GORE RUNNING WEAR® products' labor compliance program.

The assessment identified certain areas in which the GORE BIKE WEAR® & GORE RUNNING WEAR® products' labor compliance program has been strong and areas with respect to which improvements are possible.

Strengths of the GORE BIKE WEAR® & GORE RUNNING WEAR® products' labor compliance program include:

- 1) The commitment from top management to develop and implement a social compliance program for the production of GORE BIKE WEAR® & GORE RUNNING WEAR® products, a small, but significant aspect of the Gore Fabrics Division's business;
- 2) The collaboration between the Fabrics Division and the GORE BIKE WEAR® & GORE RUNNING WEAR® Sourcing & Supply Team, specifically the support of the Social Compliance Specialist to develop sustainable systems for the social compliance program;
- 3) Investment to observe the audit process to improve consistency in applying the monitoring procedures;
- 4) The emphasis on commitment to remediation and improvement to sustain collaborative supplier relationships; and
- 5) The support and collaboration between the Social Responsibility (SR) Manager, Factory Manager, and Sourcing & Supply Team to develop and implement the Responsible Sourcing Policy and supplier scorecard.

Suggestions for strengthening the GORE BIKE WEAR® & GORE RUNNING WEAR® products' labor compliance program include:

- 1) Consistent application of monitoring procedures to ensure functioning grievance mechanisms are assessed and union and worker representatives are included in the audit process;
- 2) Further analysis of compliance and remediation data to identify trends with the applicable Tier 1 supply chain;
- 3) Complete implementation and communication of the supplier scorecard to inform sourcing decisions;
- 4) Improvement in the development and implementation of root cause analysis to inform CAP development and sustainable remediation; and
- 5) Continued implementation of the CSO Outreach Strategy in China, Vietnam, and Myanmar.

APPENDIX A: THE GORE BIKE WEAR® & GORE RUNNING WEAR® PRODUCTS' CODE OF CONDUCT



Workplace Code of Conduct

Preamble

The FLA Workplace Code of Conduct defines labor standards that aim to achieve decent and humane working conditions. The Code's standards are based on International Labor Organization standards and internationally accepted good labor practices.

Companies affiliated with the FLA are expected to comply with all relevant and applicable laws and regulations of the country in which workers are employed and to implement the Workplace Code in their applicable facilities. When differences or conflicts in standards arise, affiliated companies are expected to apply the highest standard.

The FLA monitors compliance with the Workplace Code by carefully examining adherence to the Compliance Benchmarks and the Principles of Monitoring. The Compliance Benchmarks identify specific requirements for meeting each Code standard, while the Principles of Monitoring guide the assessment of compliance. The FLA expects affiliated companies to make improvements when Code standards are not met and to develop sustainable mechanisms to ensure ongoing compliance.

The FLA provides a model of collaboration, accountability, and transparency and serves as a catalyst for positive change in workplace conditions. As an organization that promotes continuous improvement, the FLA strives to be a global leader in establishing best practices for respectful and ethical treatment of workers, and in promoting sustainable conditions through which workers earn fair wages in safe and healthy workplaces.

CODE ELEMENT	DESCRIPTION
EMPLOYMENT RELATIONSHIP	Employers shall adopt and adhere to rules and conditions of employment that respect workers and, at a minimum, safeguard their rights under national and international labor and social security laws and regulations.
NONDISCRIMINATION	No person shall be subject to any discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group or ethnic origin.
HARASSMENT OR ABUSE	Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.
FORCED LABOR	There shall be no use of forced labor, including prison labor, indentured labor, bonded labor or other forms of forced labor.
CHILD LABOR	No person shall be employed under the age of 15 or under the age for completion of compulsory education, whichever is higher.
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING	Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.
HEALTH, SAFETY, AND ENVIRONMENT	Employers shall provide a safe and healthy workplace setting to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employers' facilities. Employers shall adopt responsible measures to mitigate negative impacts that the workplace has on the environment.
HOURS OF WORK	Employers shall not require workers to work more than the regular and overtime hours allowed by the law of the country where the workers are employed. The regular work week shall not exceed 48 hours. Employers shall allow workers at least 24 consecutive hours of rest in every seven-day period. All overtime work shall be consensual. Employers shall not request overtime on a regular basis and shall compensate all overtime work at a premium rate. Other than in exceptional circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours.
COMPENSATION	Every worker has a right to compensation for a regular work week that is sufficient to meet the workers' basic needs and provide some discretionary income. Employers shall pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any fringe benefits required by law or contract. Where compensation does not meet workers' basic needs and provide some discretionary income, each employer shall work with the FLA to take appropriate actions that seek to progressively realize a level of compensation that does.

www.fairlabor.org

CONFIDENTIAL REPORTING CHANNEL FOR NON-COMPLIANCES:

Carolyn Oppenrieder | GORE BIKE WEAR® & GORE RUNNING WEAR® Products
Social Responsibility | Office: +49 8063 80 1579 | Fax: +49 8063 80 1557 | caoppenr@wlgore.com