



STATEMENT OF POLICY AND PRACTICE REGARDING MULESED WOOL

At Mountain Hardwear, we are committed to building a company of which we can all be proud – not only of the innovative products we create and the financial results we achieve, but the manner in which we achieve them. Whether it's responsible sourcing, giving back to our communities, or reducing our environmental impact, we believe corporate responsibility is a company-wide effort. Stakeholder input is invaluable to the continuous improvement of our corporate responsibility programs.

Consistent with our commitment to corporate responsibility and our Standards of Manufacturing Practices, Mountain Hardwear does not knowingly sell products that contain mulesed wool.

We have added our support to the retailers, trade groups, and other non-governmental organizations who have voiced concern over the practice of mulesing and have endorsed a position paper asking the Australian Wool Innovation (AWI) to recommit to the goal of ending mulesing and dedicate sufficient resources with the objective to achieve this goal by the end of 2013.

In addition, our fabric supplier has begun to purchase wool from *NewMerino*®, a brand of ethically-produced Australian merino wool that is introducing new concept of a fully documented, traceable wool supply chain to the US market. Produced through a network of Preferred Producer farmers who adhere to the most stringent standards for responsible animal husbandry and environmental farming, *NewMerino*® wool gives retailers, manufacturers, and consumers the ability to trace back—from garment to farm—and confirm the complete pedigree of the wool purchased.

We will continue to learn more about mulesing practices and will work with our suppliers and other stakeholders to develop and implement practices that promote and reward adherence to industry protocols and ethical standards across our entire supply chain.