



**MOUNTAIN  
FORCE**

PRECISION  
APPAREL

**Mountain Force AG**

# Social Report 2013



Social Report – Mountain Force AG – 2013  
01.08.2014

## Social Report 2013



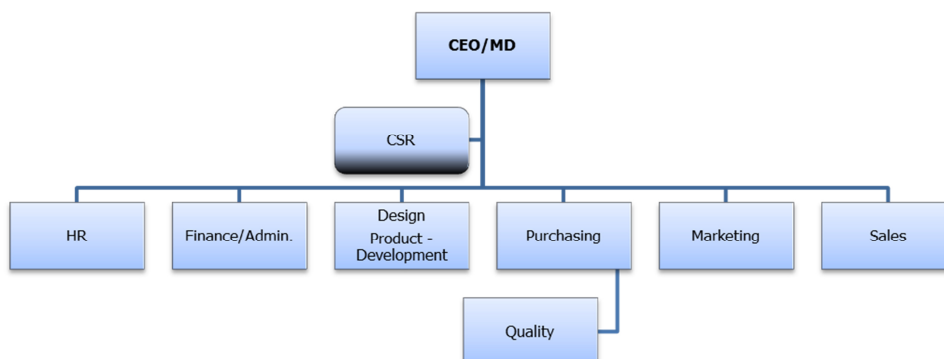
Company URL:

[www.mountainforce.com](http://www.mountainforce.com)

Fair Wear Foundation member since:

**August, 2011**

Mountain Force - Organisational chart:



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## **Social Report 2013**

### **1. Summary: goals & achievements 2013**

Becoming an affiliate of the Fair Wear Foundation in August 2011, Mountain Force took an important step in its pursuit of continuously improving and securing working conditions in its supply chain.

Already before August 2011 Mountain Force was continuously making sure that every employee understands the importance of the FWF philosophy and is committed to Fair Wear Foundation's mission of improving labour conditions along its supply chain.

It is of highest importance for Mountain Force to focus on Corporate Social Responsibility. All staff members in direct contact with our supplier such as Design, Product Development and Quality are focused and well trained.

Mountain Force is mainly working with its most important supplier KTC. KTC was being accepted as the first performance technical garment manufacturer to become a member of FWF in May 2011. By implementing the FWF Code of Labour Practices, KTC aims to continually improve the compliance process, provide fair labour conditions to all workers and enhance transparency to the general public. KTC as a factory member of FWF was audited by a FWF local audit team in 2013. As a result, Mountain Force has monitored almost 100% of its total turnover in the last year. This goes beyond FWF's requirement of auditing at least 60% of the total purchasing volume during the second year of a membership.

During 2013 we have visited and inspected our supplier KTC. Visits have been primarily carried out by our CEO, who knows working conditions in Asia very well, as he used to work for several years in the garment industry in Asia. The insights and learning's from the inspections have been very useful for us. Unlike many other brands we did not have to modify our purchasing strategy because our main supplier KTC is an affiliate of FWF itself. Regardless of KTC's membership we keep our eyes open.

During Mountain Force inspections of the KTC manufacturing site in 2013 we have been receiving proof that KTC is continuously improving its compliance process.

In November of 2013 FWF conducted a brand performance check at Mountain Force. The performance check is a tool to verify that Mountain Force implements the management system requirements for effective implementation of the Code of Labour Practices, as specified in the FWF Charter. As a result the performance check report states that "Mountain Force is transparent to the public on its supplier, sourcing practice, production planning and pricing..."

Roman Stepek CEO of Mountain Force is stating very clearly that social compliance and improving labour conditions is playing a significant role in our decision making, strategically and operationally. No compromises are acceptable in regards to CSR.

For 2014 we will stay focused on continuously improving the compliance process.

## **2. Sourcing strategy**

### **2.1. *Sourcing strategy & pricing***

Mountain Force is working with KTC to assure that compliance in its supply chain is permanently monitored and properly executed. Due to the high technical requirement of our brand we forged a long term collaboration with KTC and their unmatched reputation of **K**nowledge, **T**echnology and **C**raftsmanship.

Mountain Force has been cooperating since its beginnings in 2005 with KTC and is having face to face meetings at least every three months.

Mountain Force is not working with any agents or intermediaries since our business model only works by having an exclusive agreement with our manufacturer.

### **2.2. *Organisation of the sourcing department***

As we are a lean company the sourcing is being handled directly by our CEO, Roman Stepek.

### **2.3. *Production cycle***

Mountain Force has only one production cycle per year, as we are offering one winter-collection per year.

We intend to order as early as possible to give KTC sufficient time to run the bulk production between March and end of July. We have to enable KTC to continuously load their allocated production line. Our market environment is very demanding in regards to early and timely delivery hence we constantly have to adapt lead times and therefore we have to live an open partnership with KTC.

### **2.4. *Supplier relations***

Mountain Force and KTC formed a strategic partnership.

### **2.5. *Integration monitoring activities and sourcing decisions***

N/A due to the exclusive agreement between Mountain Force and KTC.

## **3. Coherent system for monitoring and remediation**

Mountain Force had started already prior to its membership at FWF to discuss with KTC their membership with FWF and their view of the Code of Labour Practice. We inspect compliance to the FWF CoLC actively and as stated above at least four times a year.

Outcome of the inspections is the basis for the corrective action plan and being followed up by the CEO of Mountain Force personally.

## **Social Report 2013**

### **3.1. KTC - China**

Please see above explanation on the close cooperation between Mountain Force and KTC.

KTC in its social report 2013 is very transparent on its payments of salaries and wages. KTC took also an active part in a report about the social compliance in the outdoor industry, including wage ladders comparisons. KTC is providing decent working conditions to their workers and tries to pay at least the best practice wage or the legal minimum wage – whichever is higher – as the regular wage.

## **4. Complaints procedure**

As described above KTC is the main manufacturer for Mountain Force. Whenever a Mountain Force representative is on site, he checks and follows up on the functionality and any outcome of the "grievance procedure" of KTC.

Please see further details on the KTC social report 2013.

## **5. Training and capacity building**

### **5.1. Activities to inform staff members**

Staff of Mountain Force is sufficiently informed about FWF membership and the implementation of the Code of Labour Practices.

Information about FWF is provided through internal emails and trainings especially sales clinics.

KTC informs and trains its workers about FWF membership and the implementation of the Code of Labour Practices (please see KTC social report 2013).

### **5.2. Activities to inform agents**

The business partners of Mountain Force have been informed about our membership in the FWF.

### **5.3. Activities to inform manufacturers and workers**

Please see KTC's social report for detailed information.

## **6. Transparency & communication**

Mountain Force uses various channels to inform their stakeholder about its commitment to FWF. Visualization of our membership to the FWF can be found on our catalogue, our in store books, sales clinic brochures, our hangtags, in our web site, company paper, etc.

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We also actively lecture during our sales clinics about the importance of our membership to FWF and our view to the Code of Labour Practice.

The social report 2013 is presented on our web site.

### **7. Stakeholder Engagement**

There have been no key topics/concerns regarding the compliance raised through any of our stakeholders

### **8. Corporate Social Responsibility**

Corporate Social Responsibility is on the agenda at many meetings of Mountain Force. We need to further increase our transparency internally and externally. CSR needs to be further developed within management, our employees and our stakeholders. Everyone, all the stakeholders around us need to realize that Mountain Force has assumed its responsibility in regards to Corporate Social Responsibility.