Social Compliance

Rip Curl is a surfing company that was founded in 1969 by two surfers, Brian Singer and Doug Warbrick. Almost 50 years on, they remain acting Founder / Directors of the company today and have a strong belief in fair play and consistent business practice.

Along the way, they crystalized how to do things the “Rip Curl Way” and developed a set Company Principles and Values which are now a daily road map for https://www.ripcurl.com/au/explore/social-compliance.html
how we act and conduct ourselves as a company and crew. Those Principles and Values are...

1. CUSTOMERS
2. COMMITTED CREW
3. CREATIVITY AND INNOVATION
4. COMMUNITY & ENVIRONMENT
5. HONESTY & INTEGRITY

But our commitment to these Principles and Values does not end outside the walls of Rip Curl offices and facilities. It extends to the places where our products are made, the factories that make them, and the people inside those factories.

By staying Committed to best and fair practice with our extended supplier Crew, we will deliver the most Creative and Innovative products to our Customers in the safest and best manner. By constantly checking ourselves when selecting and working with our suppliers, and also by maintaining Honesty and Integrity in that process, we will manage to work with good social compliance in the Community and Environment in which those suppliers live.

Being a forward thinking environmentally friendly business is an ongoing concern. Rip Curl understands that the world knows more now about the effects of human actions on our planet, than at any other time in history. Therefore, we believe it is our responsibility to try harder to be better in this area and match our actions with our company Principles and Values.

Applying these Principles and Values holds us accountable, and reminds us how important it is to ensure that the workers who make Rip Curl products are treated fairly, in accordance with local and international laws (and accepted international standards of compliance). At Rip Curl we recognize that our Crew is the backbone of our business, and we expect our business partners to understand that and respect the rights of their Crews equally.

We take the same approach to our Environmental Policy, matching our actions with our company Principles and Values.

With this general intention in mind, Rip Curl also recognizes the breadth of its supplier base – its capacity to influence suppliers, and the level of sophistication of the supply chain. Reaching a satisfactory level of compliance among suppliers – in all areas of production – is an ongoing process that requires time and effort, but this is a process to which Rip Curl is highly committed. Devoting resources is a necessary part of that.

Rip Curl’s intention is to purchase merchandise solely from sources that adhere to and respect the Principles, Values and standards that Rip Curl holds paramount.

All merchandise is to be manufactured in accordance with all applicable laws of the respective country of manufacturer, as well as relevant international
standards. It is also a fundamental element of our relationship that all production is undertaken at the agreed factories that have been inspected and approved by Rip Curl. No unauthorized sub-contracting, outsourcing or any other diversion of production from the agreed factories is allowed under any circumstances.

Rip Curl has developed the following fundamental principles, which constitute Rip Curl’s Factory Workplace Code of Conduct, and our Environmental Policy.

**Factory Workplace Code of Conduct**

**Transparency:** In order to do business with rip curl, suppliers must commit to full transparency in their supply chain. The supplier must seek the approval for all primary and/or subcontracted facilities prior to production. In addition, the rip curl may seek to extend transparency further down the supply chain.

**Compliance with the law:** In order to do business with rip curl, a supplier is 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, suppliers are expected to apply the highest standard.

**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, gender identity, 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.

**Responsible recruitment:**

No worker shall pay for their job; all workers shall retain control of their travel documents and have full freedom of movement; and all workers shall be informed of the basic terms of their employment before leaving their home country or region.

**Modern slavery:** There shall be no slavery of any kind in the supplier’s supply chain. This includes the use of forced labor, human trafficking, prison labor, indentured labor, bonded labor or other forms of labor facilitated by any form of coercion or deception. Workers are not required to lodge deposits or their identity papers with their employer and are free to leave their employer after reasonable notice.

**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 workplace 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 environment has on workers.

**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 voluntary and 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 worker’s 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 Rip Curl to take appropriate actions that seek to progressively realize a level of compensation that does.

**Environment:** Business partners of Rip Curl are required to comply with all applicable environmental laws, rules and regulations at their facilities and in the communities in which they operate, particularly with respect to water, energy, hazardous chemicals, air quality and waste. Further, Rip Curl expects its business partners to incorporate environmentally responsible practices into all of their activities that relate to their business with Rip Curl.
Rip Curl Owned Factory

Since 1989, Rip Curl owns and operates a large state-of-the-art wetsuit manufacturing facility “Onsmooth Thai Co., Ltd” located at 143 Moo 7 Thawangtarn, Saraphee, Chiangmai, Thailand. The factory employs around 650 workers and is one of the largest employers in the region. Operating this facility allows us to control the environmental impact of this production, as well as pricing, lead times and entitlements for our workers, all while allowing us to develop the ultimate surfing wetsuits.

Rip Curl is committed to ensuring all factory workers are being paid a living wage. While we are currently paying significantly above statutory minimum requirements now, we continue to review against living wage metrics to ensure our workers remain our number one priority.

Countries of Production

Due to the technical range of products Rip Curl offers, our supply chain is diverse and widely spread, with regional offices controlling local suppliers, while the
Torquay Head Office manages global supplier relationships.

Regular factory visits and product development trips are a major part of ensuring our supply chain is transparent. Click here to view our factory list.

Sourcing Countries: China, Thailand, India, Bangladesh, Vietnam, Hong Kong, Indonesia, USA, Cambodia, Italy, France, Morocco, South Korea, Australia, Brazil, Japan,

Audits of our Suppliers

Rip Curl works with Elevate, a leading global quality standards auditor, to perform audits on our behalf. Using the ERSA (ELEVATE Responsible Sourcing Assessment) format, Rip Curl ensures our factories are upholding our Workplace Code of Conduct and adhering to local laws protecting factory workers and the environment.

Environmental Policy

Since the beginning Rip Curl has actively contributed to its local communities, through employment opportunities made available and through supporting relevant community groups and issues, particularly maintenance of the coastal environments. We also have a strong determination to be environmentally responsible, and we encourage our crew to participate in achieving this. The below points guide the crew in achieving our Value of “Community and the Environment”, that constitutes our Environmental Policy.

- Design and develop innovative products that are durable and long-lasting to extend product life and reduce overall consumption, considering the impact of each stage of the production cycle on the environment.
- Bring added value to product design and manufacturing, such as eco-friendly and recycled materials.
- Continue to grow our understanding and search for new methods in all aspects of the production process, with the end goal of reducing our impact on the environment.
- Reduce our use of plastics throughout the production and delivery process of our products.
- Respect the people and the land in which our products are produced.
- Give back to the local community and environment in which our offices and suppliers are located.
- Demonstrate honest and ethical behaviour in all that we do.

We see our pathway to sustainability as a journey where our customers, crew and shareholders are constantly raising their expectation level. It is this level of
expectation we seek to meet and exceed.

**In practical terms, our commitment to improving the environmental sustainability of our operations extends to:**

- For over 20 years all of our warehouse and office crew spend a day a year (Rip Curl Planet Day) working to rehabilitate the natural environment in their local areas (tree planting at Bells Beach, cleaning up the beach at Trestles, tending to the sand dunes in Hossegor).

- We support like-minded environmental organisations at a local level, in line with our Principles and Values, and we see that by giving control of this to our local regions, we can make a daily difference with the many small organisations that work hard in this space.

- The Rip Curl Pro Bells Beach is the longest running professional surfing contest in history. It is also a “Waste Wise” accredited event, with on average 80% of all rubbish generated during the event window sifted into recycling piles and delivered to appropriate waste facilities.

- We have developed a 100% recycled line of mountainwear – the “Rip Curl Search Series” – to deliver a sustainable and durable alternative for customers who want this type of product.

- We are working with scientists in varied organisations on a more environmentally sustainable way of manufacturing wetsuits, continuing our 49 years of leadership in wetsuit technology. This is particularly important as we seek to improve our own factory – an area that we control on a daily basis.

- We have reduced the individual packaging requirements surrounding our products, which has vastly reduced the waste on hand each week in our warehouses.

- We introduced a new polybag that contains 40% less plastic by weight and made with 30% recycled plastic.

- We introduced new swing tags that are a mix of Forest Stewardship Council (FSC) recycled paper and paper from controlled woods.

- We are a signatory of the Australian Packaging Covenant, continuing to collaborate with other industries on sustainable packaging solutions.

- We have eradicated the use of plastic bags in our retail network.

- We have installed solar panels at our Torquay Head Office, warehouse and Byron Bay retail store, reducing our consumption of power and electricity.

- We have changed to low halogen lightbulbs, increasing energy efficiency in-office across the RCG.

- In 2020 we released our first sustainability report.

- We have started our journey to become B Corp certified.

Our ongoing plan is to improve in the areas already in action, before turning to new initiatives. That way we will know we are having a focused impact, rather than working in an ad-hoc fashion. However, if we see a logical improvement which can be made in a new area of environmental protection – and we can bring it to bear in our business immediately – we will seek to make that happen.

COVID-19 Fashion Commitments

As the COVID-19 pandemic continues across the world, the health and well-being of our supply chain is of paramount importance to us here at Rip Curl and whilst we alone cannot resolve this crisis we are committed to working in collaboration with other brands, companies and NGO’s.

By joining companies across Australia and New Zealand, Rip Curl shall be supporting the Baptist World Aid COVID Fashion Commitments to help and protect suppliers and the workers throughout the global fashion supply chain.

The 6 Baptist World Aid COVID Fashion Commitments are:

1. We commit to support worker’s wages by honouring supplier commitments
2. We commit to identify and support those workers at greatest risk
3. We commit to listen to the voices and experience of workers
4. We commit to ensuring worker’s rights and safety are respected
5. We commit to collaborate with others to protect vulnerable worker’s
6. We commit to build back better for workers and the world

Through open and honest communication along with our responsible purchasing practices we remain focused and committed to our social and environmental responsibilities to our suppliers, their workers, our customers and our crews as these commitments also reflect our own Company Principles & Values.

Over the coming months we will be able to share more information with you on the actions we have taken and are continuing to take through this crisis.

Update:

The release of the official 2020 COVID Fashion Report based on information collected by Baptist World Aid from January to July 2020 confirmed that Rip Curl already had in place a number mechanisms to meet 4 of the 6 commitments. During this time, we were working on programs that would fully meet all 6 commitments which are now all in place.

We honored our supplier commitments throughout this crisis and continue to do so. Ensuring that we remain compliant and transparent we have aligned our supply chain management program with our parent company Kathmandu Group Holdings under the services of Elevate, which has allowed us to identify our strengths and our weakness, helping us to move forward with a more effective strategy for the future. We have also rolled out a social media-based grievance mechanism enabling all workers to have their voices heard whilst protecting their identity.

We remain committed to working in collaboration with others through industry forums and roundtables to come together to discuss and shares ideas and
Rip Curl is invested in ensuring that we are focused on our social and environmental responsibilities. We do this not because we are told to but we because it is the right thing to do, we are a company that puts people before profit because if we didn’t, we wouldn’t be Rip Curl.

**Modern Slavery Statement 2020**

Published in accordance with the Australian Modern Slavery Act 2018, the [Rip Curl Modern Slavery Statement](https://www.ripcurl.com/au/explore/social-compliance.html) describes the steps taken by Rip Curl to address the risks of modern slavery throughout our supply chain during the financial year ending 31st July 2020.

Rip Curl was purchased by Kathmandu Holdings in October 2019 therefore, as a separate Australian entity with consolidated revenue of over AUD$100 million Rip Curl has prepared its its own submission in accordance with the Modern Slavery act.

We know that throughout the world Slavery exists in one form or another, as a company we agree and support the reporting requirements as laid out in the Australian Modern Slavery Act, we adhere to all legislation and efforts to drive a positive social transformation.

Our statement highlights the ways in which, consistent with its Company Principles and Brand Values, Rip Curl is complying with anti-slavery legislation and working alongside others to facilitate a positive social change, to access and address the risks of modern slavery in its business and supply.

‘The Search’ is the driving force that led to the creation of Rip Curl and this continues throughout the company today …..The Search never ends…… We believe that everyone should be afforded the freedom to explore their own personal Search.

Rip Curl is not here to put profit before people.