



Shoe Manufacturing Inc.

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Approval – Affected Departments						
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LACROSSE FOOTWEAR, INC.
CODE OF ETHICS POLICY



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LFI Code of Ethics Policy

Last Modified: 3/10/2022

Overview

This code describes the commitment of LaCrosse Footwear, Inc. (LFI) to lawful and ethical conduct in all its affairs. Given the continuous changing nature of the world in which the Company operates, no hard and fast rules can cover all ethical or legal situations that an Employee may face. Honesty, integrity, and fair dealings are the basis of our Company's activities, this Code extends beyond the subjects described below. You, as an Employee, are encouraged to take the initiative in ethical decision-making. LFI is committed to complying with all laws, and you are expected to honor this commitment. As established in LFI's Core Values: We act with the **highest** standard of integrity in all relationships.

Purpose

This Code generally describes and implements LFI's policies and procedures concerning the Company's compliance with all laws and ethical behavior.

Applicability

This Code applies to all Directors, Officers, Employees and Representatives of LFI and its majority-owned subsidiaries (including any limited liability company), whether located in the United States or elsewhere. Whenever the term "LFI," "LaCrosse Footwear" or "Company" is used in this Code, it means LaCrosse Footwear Inc. and its majority-owned subsidiaries.

Conflicts of Interest

LFI recognizes and respects the right of each Director, Officer, Employee and Representative to take part in financial, business, and other activities outside of his or her regular job or role with the Company. However, those external activities must not place any Employee or Representative in an actual or apparent conflict with his or her responsibilities to LFI



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A “Conflict of interest” occurs when the external activities of a Company Director, Officer, Employee or Representative interferes with, or appears to interfere with, the Company’s valid interests. A conflict of interest may also arise when an individual’s external activities interfere with the performance of his or her responsibilities to the Company. A conflict of interest may make it difficult for a person to perform Company work with integrity, without bias and effectively.

Outside Activities

Without the prior written approval from the Company’s Executive team, no Company Director, Officer, Employee or Representative should be employed by, or have any other substantial business interest or investment in, a competitor, customer, vendor, or supplier of footwear, nor clothing accessories or other merchandise the Company is currently or prospectively marketing.

Relationships with Customers, Vendors and Suppliers

LaCrosse Footwear’s strength and longevity is the result of our ability to sustain long-lasting, mutually rewarding relationships with our customers, suppliers, investors, and others with whom we do business. We continuously work to strengthen these relationships by listening, learning, training, and innovating with conscientious, trustworthy actions and constant attention to results and quality of our work.

Customer Relationships

Our customers expect the best from LaCrosse Footwear, and each of us must ensure that our individual decisions and actions contribute to a positive perception of our Company, enhance our customers’ satisfaction, and promote brand loyalty. We aim to deliver the highest possible value in the products and services that we offer to our customers.

Supplier and Other Relationships

We seek strong, mutually rewarding business relationships with those we can enhance the quality of our products and services. We look for suppliers and business allies who



demonstrate strong values, ethical principles and who support our commitment to quality. We will not associate with those who breach the law or fail to comply with the sound business practices we promote. We encourage fair competition amongst our potential suppliers and vendors and deal equitably and reasonably with all.

LFI purchases goods and services from many outside sources. The selection of services or goods should be based solely upon price, quality, service and need. As an Employee or Representative, you should avoid situations that have potential to interfere, or appear to interfere, with your ability to make independent and objective decisions regarding purchases on behalf of the Company. Any Company related sales or purchases must be free from any inference or perception that implies favorable treatment was sought, received, or given, whether in the form of gifts, favors, entertainment, services, or other gratuities.

Gifts/Incentives/Bribery

Any act that seeks to influence others, either directly or indirectly, such as paying bribes or any other measure that is unethical or will tarnish LFI's credibility and reputation of integrity is prohibited. Even the appearance of such conduct must be avoided.

Offering or receiving any gift, gratuity, or entertainment over the amount of \$250 annually that may be perceived to influence unfairly a business interaction is prohibited because it creates, at the very least, the appearance of a conflict of interest. Senior management, Product Development, Marketing, Sales, and Sourcing are required to submit an itemized list of gifts received annually on behalf of the Company; however, it is acceptable to participate in vendor/customer events to promote LaCrosse relationships. Senior management individuals have discretionary ability to approve of participating in such events.

When receiving items of small value designed to build understanding and goodwill among business partners, discretion and common sense should guide your decisions. If a substantial gift or favor is offered or received, an Employee should graciously decline the gift or favor and the Employee should notify their supervisor within 24 hours of the offer. If declining a gift may be seen as offensive or culturally insensitive, the gift may be accepted on behalf of the company and notify Human Resources to determine next steps. Keep business entertainment

at a moderate level and actions should demonstrate the clear intent to facilitate business goals. The type of entertainment offered or received is a reflection of the integrity of LaCrosse Footwear and inappropriate entertainment should not be provided or accepted.

The following guidelines should allow you to make a decision whether the offered gift lies within the bounds of acceptable business practice:

- the gift clearly relates to the conduct of business;
- the gift is moderate, reasonable, and in good taste
- cash gifts should not be received nor offered;
- the person owning the gift should feel comfortable giving or receiving the gift in front of third parties, such as Employees, Representatives, Suppliers or the media;
- the recipient of the gift is not pressured to grant special favors as a result of the gift; and
- the gift complies with applicable laws and accepted ethical standards.

To avoid placing a client or LFI in an awkward or compromising position, you should become familiar with each client's gift and entertainment practice before selection of gifts or entertainment of any type.

Any gift which has been received or company product that is received through a company discount or giveaway is prohibited from being re-sold.

Family and Friends

These conflicts of interest guidelines are not intended to interfere unduly with your family relations or your personal life. However, there are situations where the actions of your family members and close personal friends may constitute a conflict of interest. In situations where personal interests are beyond your control, you must be sensitive to the potential conflict and avoid compromising, or appearing to compromise, the interests of the Company. An Employee or Representative should not supervisor, nor be in the position to influence, the hiring, work assignments, or assessments of someone with whom they have a close personal relationship.

Duty to Disclose

Circumstances that might constitute a conflict of interest must be disclosed promptly. Contact your supervisor or, the Company's Vice President of Human Resources so that the matter can be discussed openly and resolved immediately.

Directors and Officers

A conflict of interest exists when LFI enters into any arrangement with an entity in which a Company Director or Officer has a significant financial interest. This policy sets forth the procedure that the Company's Directors and Officers must follow in order to waive the apparent conflicts and authorize the Company to enter into such transaction.

No contract, agreement, arrangement, or transaction between LFI and any customer, supplier, or other entity in which a Company Director or Officer has a material financial interest will be authorized unless the material facts, with respect to that proposed transaction, are disclosed to, and approved by, the President.

This procedure for waiving a conflict of interest between the Company and a Company Director or Officer may not be amended or waived until all or any proposed amendment or waiver shall have been considered by the President.

Ownership in Other Businesses

LFI Employees and Representatives cannot own, directly or indirectly, a significant financial interest in any business entity that does or seeks to do business with, or is in competition with, LFI unless specific written approval has been granted in advance by the President. As a guide, "a significant financial interest" is defined as ownership by a Representative, Employee and/or family members of more than 1% of the outstanding securities/capital value of a corporation or that represents more than 5% of the total assets of the Representative, Employee and/or family members.



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Confidential Information

Information is a key corporate asset. Everyone within the Company has an obligation to protect and preserve Company assets. Theft of confidential information or its inadvertent release to third parties may help competitors by providing them with a technical advantage, a solution to an important problem, or help them avoid costly research and development activities. With respect to third parties inappropriate handling of sensitive information or original ideas that are provided to the Company can lead to loss of trust between business partners and expose the Company to liability for damages.

Confidential information generally includes, but is not limited to, financial records, business plans, sales and marketing data, Employee records, such as medical records and salary data, and technical information.

If you have access to proprietary and confidential information (whether belonging to the Company or to a third part that is conducting business with the Company), you must take every reasonable precaution to keep it confidential. To sustain the attainment of this goal, the Company has put the following policies in place:

- access to confidential information is limited to authorized persons on a “need to know” basis;
- confidential information should be disclosed only where there is a valid business need, and then only as specified in the Company’s policies and instructions or as directed by the Company’s Executive Team; and
- confidential information cannot be used for your personal benefit or for any other non-Company purpose.

The duty to protect the Company’s confidential information remains after you leave the employ of the Company. You will be asked to sign a confidentiality agreement prior to beginning employment.

If you have questions or concerns as to whether certain information is confidential, or about the Company’s policies in handling and dealing with confidential information, you should contact your immediate supervisor or, if that is not feasible, the Human Resources Department.



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Misrepresentations and False Statements

Employees and Representatives should not make a deliberate misrepresentation concerning LFI or its business operations. No Employee or representative should ever create or assist anyone in creating false or misleading entries in any document or business record, including but not limited to a business expense or Employee time report. No false statements on the Internet, nor unrecorded or “hidden” funds or assets are permitted under any circumstances.

Fair Competition

We are committed to promote the continuation of free enterprise and fair trade. We believe that healthy competition, fostered by fair play, contributes to a dynamic global marketplace. As a result, LFI will not engage in or support activities that improperly restrain trade or that constitute unfair and unethical business practices or predatory economic conduct. The Company will comply with such laws wherever it does business.

In all business dealings with suppliers, customers, and competitors, LaCrosse Footwear will:

- compete with integrity;
- treat all customers and suppliers honestly, fairly and objectively
- avoid any unfair or deceptive practice and always present our services and products in an honest and forthright manner;
- make clear to all suppliers that we expect them to compete fairly for our business and we will select our suppliers strictly on merit;
- comply with all laws prohibiting agreements with competitors to fix prices or other sales terms; divide or assign sales territories, customers, or product lines; coordinate bids and agreements with customers to fix their resale prices. These types of agreements are generally illegal in the United States and many other markets where we conduct business.

Questionable or Improper Payments

In dealing with other corporations and private citizens, we firmly adhere to ethical business practices. We will not seek to influence others, either directly or indirectly, by paying bribes or



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kickbacks, or by any other measure that is unethical or will tarnish LFI's credibility and reputation of integrity. Even the appearance of such conduct must be avoided.

Foreign Corrupt Practice Act ("FCPA") Compliance

No Company Director, Officer, Employee or Representative may offer or give a gift or gratuity to a foreign official without the prior written approval of the Company's Executive Team or legal counsel. The Foreign Corrupt Practices Act ("FCPA") prohibits any "U.S. person" from offering or giving any item of value to a "foreign official" for the purpose of influencing any act or decision of such foreign official acting in his or her official capacity; inducing such foreign official "to do or admit to do" any act in violation of the lawful duty of such official; inducing such foreign official to use his or her influence with a foreign government or instrumentality thereof to effect or influence any governmental act or decision; or, securing any improper advantage. Because the law is broadly written and the legal penalties for both you and the Company are severe, you are strictly prohibited from making any payment (as identified above) that is prohibited by the FCPA. The status of certain "facilitating" payments may be unclear under the FCPA, those payments must be reviewed by the Company's Chief Executive Officer or legal counsel and must be authorized in writing before made.

Insider Information

Those in possession of material, non-public information are considered insiders and must preserve the confidentiality of such information and abstain from publicly disclosing such information until the material, non-public information is publicly disclosed. Insider trading is unethical, illegal and is strictly prohibited. It is also illegal to pass on material, non-public information to anyone else, other than in the ordinary and necessary course of LFI's business. Material information is usually defined as information that a reasonable investor would consider important in his or her decision to buy, sell, or hold stock of LFI's parent, ABC-MART, Inc. Please contact the Human Resources Department with any questions or suspicious activity.

Political Activities and Contributions

As private citizens, Employees may become involved in the political process on their own time. LFI does not restrict Employees' personal participation in political activities or use of personal



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funds for political purposes. At no time is an employee allowed to act or project that they are acting on behalf of LFI or its subsidiaries with regards to a political message or stance. Of course, participation must take place within the framework of the law.

From time to time, when permitted by federal and state election laws, LFI will support political activities. The laws and regulations governing corporate political activities are complex and vary from community to community. As such, before engaging in any political activities on behalf of LFI, please consult with the Human Resources Department. This will help ensure the activity or contribution is legal, publicly known and accepted, and cannot be misconstrued as having been for any improper purpose.

Environment, Safety and Health

We actively promote the health and safety of Employees with policies and practical programs that help individuals safeguard themselves and their co-workers. We believe a healthy, productive workforce contributes significantly to LFI's performance and success. We encourage Employees to take many precautions to prevent illness and injury. We will continue to make appropriate changes in our behavior or work environment that will contribute to improving the overall wellness, health and safety of ourselves and others.

Fraud and Similar Irregularities

Company policy prohibits fraudulent activity and establishes procedures to be followed concerning the recognition, reporting and investigation of suspected fraud.

Fraud includes, but is not limited to, such actions as:

- A dishonest or fraudulent act
- Embezzlement
- Forgery or alteration of negotiable instruments such as checks, and drafts
- Misappropriation of LFI, Employee, Representative, customer or supplier assets
- Conversion to personal use of cash, securities, supplies, or any other LFI asset
- Unauthorized handling or reporting of LFI transactions
- Falsification of LFI records or financial statements for personal or other reasons

Fraudulent activity can include actions committed by an Employee or Representative that injure suppliers and customers, as well as those that injure LFI, its Employees and Representatives. As a result, the Company intends to pursue legal and criminal prosecution in all instances of fraud with the objective of fully recovering any misappropriated funds and punishing an offender.

Any Employee, Representative or agent who suspects that any fraudulent activity may have occurred or is occurring is required to report such concern to either the Human Resources Department or the Executive Team. One of these individuals should be contacted before any action is taken. Such allegations, if proven to be factual, could lead to the dismissal of the offending Employee or Representative, the involvement of local law enforcement, and actions to recover Company funds.

Outside Representatives

All Outside Representatives of LaCrosse Footwear, Inc., will be provided with a copy of this Code of Ethics and informed that they will be expected to comply with its provisions with respect to any of their work-related activities for the Company.

Ethics Dispute Resolution

LFI provides a confidential means for you to bring any complaints or alleged violations of this Code to the attention of management through the Company's dispute resolution process. The dispute resolution process may be used if you are dissatisfied with the general working environment, believe that a violation of this Code has occurred, or is proposed. The first step is to discuss the situation or problem with your immediate supervisor. If a satisfactory resolution is not achieved, the matter should be discussed with your appropriate manager, and then with the Human Resources Department.

When a more serious problem or situation exists, a written statement of the problem or concern should be given to your immediate supervisor. Your supervisor will work with you to resolve the situation. If the problem is not resolved to your satisfaction, in a timely manner, a written complaint should be sent to your appropriate manager and to the Human Resources Department. You should receive a response in writing within five (5) business days, and a meeting, if appropriate, will be scheduled at the earliest possible date.

An employee may also file an anonymous report of possible violations of the Company's ethics standards. This can be completed by:

- Calling the toll-free hotline: (888) 332-3573
- Filing online:

https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=20123



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