



GIII Conflict Minerals Policy

Introduction:

Under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the U.S. Securities and Exchange Commission ("SEC") adopted Rule 13p-1 under the Securities Exchange Act of 1934, as amended. Rule 13p-1 requires SEC registrants such as GIII with conflict minerals that are necessary to the functionality or production of a product manufactured by the registrant to disclose annually whether any of those minerals originated in the Democratic Republic of the Congo ("DRC") or an adjoining country (the "Covered Countries"). "Conflict minerals" are defined as (A) columbite-tantalite, also known as coltan (the metal ore from which tantalum is extracted); cassiterite (the metal ore from which tin is extracted); gold; wolframite (the metal ore from which tungsten is extracted); or their derivatives; or (B) any other mineral or its derivatives determined by the Secretary of State to be financing conflict in the Covered Countries..

If a registrant can establish that the conflict minerals in its products originated from sources other than the Covered Countries, or from recycled and scrap sources, the registrant must submit a specialized disclosure report on Form SD that describes the steps that the registrant took to determine the origin of the conflict minerals in its products.

If a registrant has reason to believe that any of the conflict minerals in its supply chain may have originated in a Covered Country, or if the registrant is unable to determine the country of origin of those conflict minerals, then the registrant must exercise due diligence on the conflict minerals' source and chain of custody, and the registrant must annually submit a Conflict Minerals Report to the SEC that includes a description of those due diligence measures.

In line with this requirement, GIII has established this Conflict Minerals Policy.

Policy:

GIII encourages all its vendors and direct suppliers to refrain from using conflict minerals in their supply chain.

GIII conducts a reasonable country of origin inquiry to all of its suppliers on an annual basis (calendar year), beginning in 2013 covering the period from January 1, 2013 through December 31, 2013, and each subsequent year.

GIII will provide the required disclosure to the SEC based on that year's inquiry.

Details of this inquiry process are as follows:

Requirements:

GIII is required to conduct a ‘reasonable country of origin inquiry’ that must be performed in good faith and be reasonably designed to determine whether any of its minerals originated in the Covered Countries or are from scrap or recycled sources.

GIII may then be required to perform additional due diligence in order to determine the originating source of the minerals. The SEC recognizes the due diligence framework of the Organization for Economic Cooperation and Development (“OECD”) to be adequate to meet this exercise. Our due diligence measures include:

- Communicating** and incorporating into contracts our expectations to suppliers on a conflict-free mineral supply chain,
- Identifying** and assessing risk areas in the supply chain,
- Implementing** a strategy to respond to identified risks,
- Verifying** vendors and direct supplier’s compliance to its DRC conflict-free policy

At this time, GIII is encouraging all of its vendors and suppliers to be “DRC Conflict Free” and to develop a verifiable ‘DRC Conflict-Free policy’, similar to this one.

GIII is requesting that suppliers’ source materials that utilize the minerals mentioned above from smelters validated as compliant to a Conflict Free Smelter (“CFS”) protocol using the CFS Compliant Smelter List as found in the EICC/GeSI Conflict Minerals Reporting Template, or at <http://www.conflictreesourcing.org/>.

At this time, GIII does not require its suppliers to be “DRC Conflict Free”.

At this time, GIII is requiring that its suppliers work with GIII in its efforts to collect information about its supply chain in respect to conflict minerals.

Failure to cooperate in good faith with GIII’s efforts to collect accurate information about its supply chain may result in termination from the GIII supplier matrix.

Communication:

All GIII purchase orders will include the following statement:

“GIII encourages all its vendors and direct suppliers to refrain from using conflict minerals in their supply chain. By fulfilling this Purchase Order, you are agreeing to cooperate in good faith



with GIII's efforts to accurately report on conflict minerals in its products. For further information, please contact your production coordinator and see the 'GIII Conflict Minerals Policy'."

The GIII Compliance Department is responsible for fulfillment of the GIII Conflict Minerals Policy.

GIII requires all its vendors and suppliers to complete the EICC/GeSI Conflict Minerals Reporting Template (see separate file) and return the completed form to the GIII Compliance Department (G-IIICompliance@G-III.com)

Once received, a report at the company level is developed to provide the required disclosure.

Identification:

Utilizing industry resources, GIII considers the list attached as Appendix A, as recommended by the industry's American Apparel and Footwear Association ("AAFA"), to demonstrate the general areas of concern for conflict minerals in GIII's products.

Vendors and suppliers that determine that its products refrain from use of conflict minerals and obtain an independent audit, certify that it obtained such an audit, include the audit report as part of its disclosure to GIII, and identify the auditor are considered "DRC Conflict Free".

Implementation:

As stated above, GIII requires all its vendors and suppliers to complete the EICC/GeSI Conflict Minerals Reporting Template on conflict minerals. Upon receipt of completed templates, GIII reviews the responses provided by suppliers.

In the event that a response differs from the product manufactured by suppliers, GIII will reach out to the vendor or supplier for further inquiry. Vendors or suppliers should be prepared to answer all questions in full. GIII Compliance will help the vendor or supplier gather additional necessary information. GIII may utilize internal auditors or third party auditors to review in greater detail if necessary.

In support of the implementation of the above steps, GIII utilizes tools and materials considered industry standards such as the AAFA "Conflict Minerals Guidance" and Conflict Free Sourcing Initiative resources, as well as discussing with our customers, brand partners, and legal counsel. We cross reference this information to ensure that all requirements are met and any best practices in this area that can be fulfilled are fulfilled.



Verification:

At any time, GIII reserves the right to verify a direct supplier's compliance to its DRC conflict-free policy, whether through internal measures, or third party auditors.

Questions, comments, concerns regarding the above policy may be directed to the GIII Compliance Department (G-IIICompliance@G-III.com), or your production coordinator.

APPENDIX A:

**Risk Assessment – Potential Areas of Concern for Conflict Minerals in Products
U.S. Apparel, Footwear, & Related Industries
Reporting under the Conflict Minerals Regulation
Securities and Exchange Commission
September 2012**

Tin or Derivatives of Tin

- In metallicized yarns
- As solder in button, zippers, and other fasteners
- As composite material in, or in coating on, buttons, zippers, hooks, and other fasteners
- As composite material in rivets and eyes
- As composite material in drawstring and shoelace grommets
- As a stabilizer in PVC or other rubber/plastic materials. Would appear as organotin (a derivative of tin) (could appear in PVC/plastic soles on shoes, or in PVC/plastic smart phone and tablet cases/covers and CD/DVD cases, in PVC/plastic components of luggage, handbags, totes, brief cases, laptop cases, backpacks, cosmetic bags, wallets, and related travel goods items)
- In underwires in brassieres
- As solder in outdoor equipment, like tent poles
- As solder in watches and eyeglasses
- As solder in jewelry
- In electronics on apparel, footwear, and related products
- As composite material in glitter and other shiny, reflective materials placed on shoes and clothes
- As solder in glitter and other shiny, reflective materials placed on shoes and clothes
- As solder on belt buckles
- As composite material in belt buckles
- In leather (as a result of the tanning process)
- In boot hooks used for lacing
- On decorative features of scarves or gloves

Gold

- In metallicized yarns
- In gold filament yarns in high-tech sportswear
- As composite material in or on jewelry
- As composite material in or on watches

Tantalum

- As composite material in electronics (blinky lights, pedometers, heart monitors, ipod connectors, etc.) on shoes, clothes, and related products (ex. holiday apparel, musical apparel, “twinkle toes” type kids shoes)
- As composite material in watches

Tungsten

- Jewelry