



SUPPLIER CODE OF CONDUCT

This Supplier Code of Conduct (“**Supplier Code**”) sets forth the minimum standards that Callaway Golf Company and its direct and indirect subsidiaries (collectively “**Callaway**”) expect each supplier to meet. The Supplier Code is designed to ensure that all Callaway suppliers adhere to socially responsible business practices, and that all products made for Callaway are produced under lawful, humane and ethical conditions.

Suppliers, defined as any entity involved in the production and/or manufacture of products or business materials for Callaway, must strictly comply with this Supplier Code and these standards under all circumstances or risk losing Callaway’s business.

EVERY SUPPLIER MUST:

COMPLY WITH ANTI-BRIBERY AND ALL OTHER LAWS

Suppliers must comply with all laws and regulations in all locations where their business is conducted, including but not limited to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, workplace safety laws, fair labor laws, environmental laws, data protection and privacy, and all other laws and regulations whether or not specifically referenced in this Supplier Code.

USE VOLUNTARY EMPLOYMENT

Suppliers may not use involuntary or forced labor – indentured, bonded, or otherwise.

DEAL LAWFULLY WITH FOREIGN CONTRACT AND MIGRANT WORKERS

Suppliers must ensure that workers do not pay for their jobs, that all workers retain control of their travel documents and have full freedom of movement, and that all workers are informed in writing of the basic terms of their employment before leaving home (as more particularly described in AAFA/FLA commitment to Responsible Recruitment, UN Global Compact and ILO Guidelines for Migrant Workers).

ENSURE THAT EMPLOYEES ARE 16 YEARS OR OLDER

Suppliers may not hire any employee under the age of 16, or under the age interfering with compulsory schooling, or under the minimum age established by law, whichever is greater.

PROVIDE A WORKPLACE FREE OF HARASSMENT, DISCRIMINATION AND ABUSE

Suppliers must provide an environment free of harassment, discrimination, abuse or corporal punishment in any form. Supplier’s employees should be treated with dignity and respect and the workplace should be free of physical, sexual, psychological, verbal, or other abuse or harassment.

ENSURE FAIR AND ACCURATE COMPENSATION

Suppliers must pay their employees at least the minimum total compensation required by local law or collective agreements, whichever is higher, including all mandated wages, overtime pay, allowances, leaves, and benefits (and including meeting all national and local insurance requirements).

ENSURE THAT WORKING HOURS ARE NOT EXCESSIVE

Suppliers may not exceed the legal limitations with regard to hours worked each day and hours worked each week in the locations and countries in which items are produced. Suppliers will provide at least one day (24 consecutive hours) off in every seven-day period, except, on rare occasion, as required to meet urgent business needs. Working hours must be recorded by reliable and accurate timekeeping systems and be available for review.

USE FAIR AND NON-DISCRIMINATORY EMPLOYMENT TERMS AND PRACTICES

Suppliers must employ, pay, promote and terminate workers on the basis of their ability to do the job, rather than on the basis of personal characteristics or beliefs, including any distinction, exclusion or preference made on the basis of race, color, sex, religion, political opinion, national extraction or social origin.

PROVIDE A HEALTHY AND SAFE WORKPLACE

Suppliers must provide a safe and healthy work environment, including clean drinking water and sanitation (in accordance with UN Resolution 64/292), proper guarding and personal protective equipment. Where residential housing is provided for workers, suppliers will provide safe and healthy housing. Suppliers will provide health checks as required by law. Supplier should take steps to prevent accidents and injury in the workplace, including, but not limited to, ensuring that potential risks are identified and appropriate safety measures are taken, complying with laws regarding building use, safety and occupancy, and having plans in place for emergency situations. Suppliers must record injuries and accidents and report serious injuries.

ALLOW FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

Suppliers must recognize and respect the right of employees to exercise their lawful rights of free association, including joining or not joining any association of their choice and to collectively bargain.

TAKE ENVIRONMENTAL RESPONSIBILITY

Suppliers must comply with environmental rules, regulations and standards applicable to operations, and observe environmentally conscious practices in all locations where their business is conducted.

ENSURE CONFLICT FREE SOURCING

Suppliers must implement a policy and processes to reasonably assure that the use of the tantalum, tin, tungsten and gold in Callaway products do not directly or indirectly finance armed groups in Covered Countries as defined by the Conflict Minerals Rule issued by the U.S. Securities and Exchange Commission (SEC) under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

COMPLY WITH CUSTOMS

Suppliers must comply with applicable customs law and, in particular, establish and maintain programs to comply with customs laws regarding illegal transshipment of products. Suppliers must also cooperate with local, national and foreign customs and drug enforcement agencies to guard against illegal shipments of drugs.

ACT WITH HONESTY AND TRANSPARENCY

Callaway expects its suppliers to be open and honest about their business transactions and in their dealings with Callaway. Suppliers also must be transparent, open and cooperative with Callaway in connection with this Supplier Code.

Callaway and its respective, duly authorized representatives have the right during reasonable business hours, upon advance written notice to the supplier, to inspect and audit the supplier’s compliance with the standards listed above. Supplier should promptly report to Callaway any known or suspected violations of this Supplier Code.