

VAGABOND

SHOEMAKERS

Introduction

This statement has been published in accordance with the Modern Slavery Act (2015). It outlines the steps that have been taken by or on behalf of VAGABOND and its subsidiaries during the financial year of 2017 to prevent modern slavery and human trafficking in our business and supply chain. Actions to prevent modern slavery and human trafficking serve as a reinforcement of our strong intention of conducting responsible and ethical business with our partners (including but not limited to agents, vendors, manufacturers, factories suppliers and subcontractors). VAGABOND is committed to ensuring continuous improvement of working standards and analysis and evaluation of the effect that we and our partners have on the environment.

About the company

VAGABOND is a family owned private group of companies with its worldwide headquarters, Vagabond International AB, located in Varberg, Sweden and subsidiaries located in several countries globally. Vagabond Shoemakers is one of Europe's leading fashion shoe brands with a production of about 2 million pairs of shoes and accessories annually. Vagabond's design studio, which also includes a full-size prototype production workshop, is located at the headquarters. The production areas are sourced in-house and the products are sold in more than 40 markets worldwide, including Scandinavia, Germany, UK, USA and Russia. The brand is displayed by concept stores, e-shop, shop-in-shops and featured within department stores and in carefully selected multi-brand stores. Vagabond employs approximately 500 people, including 90 at the headquarters.

The Supply chain

VAGABOND purchase the main part of the products from suppliers in Vietnam where also the own factory, VAGABOND Vietnam is based. Other sourcing countries are China and Cambodia.

Modern Slavery

VAGABOND recognizes that there is a risk of modern slavery in any area of our business where there is migrant labour (country to country or within a country), high presence of refugees, young workers and risk of child labour, contract and agency workers, women workers and outsourced human resources function.

We do not tolerate modern slavery either within our business itself or within our supply chain. We take the issue of tackling it very seriously and we expect our supply chain to share the same values. As we source products from countries where there, in some areas, is a higher risk, we are committed to take steps to ensure that instances of modern slavery do not occur. With our external suppliers where we do not directly employ workers, we appreciate that achieving our objectives will not be a simple task. There are many constraints on our ability to improve working conditions, particularly where local governments do not enforce the law. However, we aim to tackle these constraints through partnerships with key suppliers and a process of continuous improvement.

VAGABOND Policies

VAGABOND's Code of Conduct¹ and Child Labour Policy reaffirm the commitment to conducting ethical business by observing local labour standards and internationally recognized human rights standards throughout our supply chain. Our standpoint against modern slavery and trafficking form parts of our Code of Conduct.

Due Diligence Process

VAGABOND utilizes an internal monitoring team to conduct announced and unannounced social compliance audits of our business partners and own supply chain facilities to evaluate and address risks pertaining to slavery and human trafficking.

VAGABOND's social compliance team is responsible for actively monitoring and assessing our business partners and own factory by Code of Conduct audits. These audits may be conducted by our own inspectors or by a third-party auditor.

Where non-compliance is identified, we will agree on corrective actions with the supplying partner to assure future compliance. During the corrective action process, we will offer support in forms of trainings if necessary. Events of continued non-conformance or serious violations of the Code of Conduct, will as an utmost effect result in termination of the supplier contract.

Assessing and managing risk of Modern Slavery and Human trafficking

In 2017, VAGABOND audited the suppliers according to the full Code of Conduct as well as separate audits on working environment. The full Code of Conduct audits were performed twice per factory during the year. All audits were performed against VAGABOND's Code of Conduct, using an audit tool based on the SA8000 standard.

Effectiveness of Program

In the audits of 2017, no acts of modern slavery or human trafficking were identified.

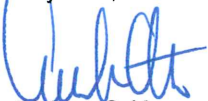
Training

VAGABOND's production, sourcing and social compliance personnel receive on-the-job training, to help further develop their ability to identify and evaluate risks in the supply chain.

VAGABOND has a social compliance training program in place that covers the topics of the Code of Conduct, including human trafficking and slavery. VAGABOND provided trainings to its suppliers during two occasions in 2017.

¹To be found at: http://www.vagabond.com/globalassets/pdf/vagabond_code_of_conduct.pdf
This statement has been approved by the Board of Directors of VAGABOND International AB on

May 25th, 2018



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Managing Director
VAGABOND International AB



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Board member
VAGABOND International AB