

Code of Conduct Compliance Commitment

VAGABOND INTERNATIONAL AB

December 2020

(Schedule A)

VAGABOND INTERNATIONAL AB CODE OF CONDUCT

All products of Vagabond should be produced in a way where the interests of every hand involved, and the environmental impact are in focus. The Vagabond Code of Conduct defines standards for fair, safe and healthy working conditions, and environmental responsibility throughout our supply chain. Our Code is based on international regulations set by the International Labour Organization (ILO), the UN Universal Declaration of Human Rights and the UN Convention on the Rights of the Child.

All Suppliers must commit to the Code of Conduct in all their production for Vagabond. Suppliers must also be fully transparent about who their sub-suppliers are and ensure that their sub-suppliers follow the Code of Conduct of Vagabond.

What happens if the Code is not followed? First, Vagabond will agree with the supplier on corrective measure within a reasonable time frame. In case the Code is violated repeatedly, Vagabond will terminate the co-operation and cancel existing orders. Suppliers premises must, at all times, be available for the Vagabond crew or any third party chosen by Vagabond for assessment of compliance to the Code of Conduct.

Suppliers must ensure that national legislations are followed.

1. Contract of employment

There should be a legally binding employment relationship for every worker. All workers, including short term and part time employed workers, should get a written contract of employment in their local language, stipulating the employment terms and conditions. The employer has a responsibility to ensure that all workers are aware of their legal rights and obligations.

2. Minimum age and regulations for young workers

Vagabond does not accept child labour.

The age for employment shall be no less than the age of completion of compulsory school and, in any case, not less than 15 years. We acknowledge that according to the UN Convention on the Rights of the Child, a person is a child until the age of 18. All legal limitations on the employment of persons below the age of 18 years must be followed. Children in the age of 15-18 shall not perform work which, by its nature or the circumstances in which it is carried out, is likely to harm their health or physical, mental, spiritual, social or moral development. Young workers shall be given the opportunity to participate in education and training programs.

There shall be no forms of debt bondage, forced or compulsory labour, slavery, or practices similar to slavery such as the sale and human trafficking.

- ILO Conventions 138, 182 and 79 and the UN Convention on the Rights of the Child

3. No forced labour

Employment should be freely chosen. There must be no use of forced labour, including bonded or prison labour. These conditions must be met unconditionally for all workers including temporary and contract workers. The employer must not retain their employees' identity documents.

- ILO Conventions 29 and 105

4. No discrimination

All employment relationships shall be based on the principle of equal opportunities, regardless of race, colour, sex or gender identity, religion, political affiliation, union membership, nationality, pregnancy or childbirth, social origin, or handicaps. There must be no discrimination in recruitment, wage policy, admittance to training programs, employee promotion policy, policies of employment termination and retirement.

- ILO Conventions 100 and 111

5. Freedom of association & the right to collective bargaining

The right of all workers to form and join trade unions shall be respected. Workers' right to negotiate collectively must not be prevented in any way. In those situations, in which the right to freedom of association and collective bargaining are restricted under the law, the employer shall facilitate other forms of independent and free association and bargaining for all workers. The employer shall develop and implement effective grievance mechanisms to resolve internal disputes and employee complaints in a respectful and transparent way. Workers' representatives must not be discriminated against and shall have access to all workplaces necessary to carry out their role.

- ILO Conventions 87, 98, 135, 154

6. Compensation

Wages and benefits paid for a standard working week must meet at least legal and industry minimum standards. In any case where the minimum standard is not sufficient to cover the workers' basic needs and allow for discretionary income (some savings), the employer is urged to strive for a living wage*. Deductions from wages which are not provided for by national law are not permitted. Overtime must always be compensated at a premium rate. Workers should be informed about how their wages are made up and receive a pay slip with this information. The workers should also be entitled of all legal social benefits, like pension and health benefits. These benefits must be clearly marked on the pay slip.

- ILO Conventions 26 and 131

7. Working hours

There must be no excessive working hours. The regular work week shall not exceed 48 hours, or the maximum allowed by the law of the country of manufacture, whichever is less. Employees are allowed at least 24 consecutive hours rest in every seven-day work period. All overtime work shall be consensual. Employers shall not request overtime hours on a regular basis. The sum of regular and overtime hours in a week shall not exceed 60 hours or the maximum of allowed by law of the country of manufacture, whichever is less. All employees shall be entitled to contractual holidays, sick leave, and parental leave.

- ILO Convention 1 and 14

8. Safe & Healthy working conditions, no harassment or abuse

Vagabond requires that suppliers provide safe and healthy workplaces for their employees. The employer shall implement effective regulations and routines to prevent accidents and minimize health risks.

-The employer shall ensure to cover any cost related to work incidents.

-First aid equipment must be easily available and a sufficient number of personnel shall have basic first aid training.

- The employer must provide adequate protective equipment where needed and train workers to use it.
- Evacuation plans should be in place and well known to all workers, evacuation paths must be clearly marked and unblocked, and firefighting equipment adequate.
- Temperature should be tolerable for work environments and ventilation sufficient to remain indoor air fresh from any pollutions from processes.
- Lighting shall be adequate for all workstations.
- The employer must ensure free and unrestricted access to clean drinking water.
- Sanitary facilities should be clean and workers must have access without unreasonable restrictions. The number of sanitary facilities should be adequate and separated by gender.

Every employee should be treated with respect and dignity. No employee should be subject to any physical, sexual, psychological, or verbal harassment or abuse.

- ILO Convention 155 & Recommendation 164

9. Housing conditions

If housing is provided by the employer, buildings must be safe and hygienic. Evacuation plans should be in place and well known to all workers, evacuation paths must be clearly marked and unblocked and firefighting equipment adequate.

The living space per worker must meet the minimum legal requirement. Sanitary facilities shall be separated by gender. There must be no restrictions for access to dormitories.

10. Environmental care

Vagabond encourages a progressive environmental work. As a minimum, National legislations, and standards in the country of operation, must be followed. Waste management and deposit of chemical waste and other hazardous material must be in accordance with national law. Emission and wastewater management must comply with, or exceed, local requirements. Relevant environmental permits and licenses for the operations must be collected.

11. Animal welfare

Suppliers must respect animal welfare and work progressively towards adopting healthy and humane practices towards animals. All animals shall be treated well and protected from suffering and disease. Animals shall be kept in an environment that allows for them to perform normal patterns of behaviour. Vagabond only accepts leathers from animals that have been bred for meat production. Material originating from endangered animals is not allowed in Vagabond products.

12. Management

The Management shall ensure a well-established and functional anti-corruption policy and handling of any eventual cases of corruption. Functional means for two-way communication between management and workers must be installed. There should be an appointed person in managerial position responsible for Social and Environmental compliance and implementation of the Code of Conduct.