

## California Transparency in Supply Chains Act Disclosure Statement.

Dansko, LLC (“Dansko”) is committed to socially responsible, professional, and ethical business practices and Dansko chooses to work with suppliers and contractors that Dansko believes have the same commitment. While local customs and laws may vary by country, Dansko strongly believes the importance of human rights is both universal and constant throughout the world. In this regard, Dansko has implemented the Dansko, LLC Code of Conduct that unequivocally states that:

Supplier shall not use forced or involuntary labor of any kind, including but not limited to prison labor, slave labor, debt bondage, indentured labor or otherwise.

Dansko’s direct suppliers and contractors are provided with the Dansko Code of Conduct and are now required to agree to the terms of the Dansko Code of Conduct before becoming a direct supplier to Dansko (in the form of a signed certification) and periodically thereafter (typically annually).

The California Transparency in Supply Chains Act of 2010 (California Senate Bill 657) (the “Act”) requires companies like Dansko that manufacture or sell products in California to disclose Dansko’s efforts used to track possible slavery and human trafficking in Dansko’s supply chains.

The following is Dansko’s statement pursuant to the Act.

**(1) Engages in verification of product supply chains to evaluate and address risks of human trafficking and slavery. The disclosure shall specify if the verification was not conducted by a third party.**

Dansko’s review efforts begin with an internal geographic evaluation of Dansko’s supply chain for all of Dansko’s products to evaluate the risk of noncompliance in slavery, human trafficking and other human rights and labor issues. Dansko continues with an initial review of potential direct suppliers and, on an on-going basis, as part of Dansko’s performance review of Dansko’s supply chain. As indicated above, Dansko also requires that Dansko’s direct suppliers agree to the terms of the Dansko Code of Conduct. All of the above is done by Dansko and not by a third party.

**(2) Conducts audits of suppliers to evaluate supplier compliance with company standards for trafficking and slavery in supply chains. The disclosure shall specify if the verification was not an independent, unannounced audit.**

Dansko visits and evaluates direct suppliers on an as needed basis (as determined by Dansko) depending on the scope and nature of the business relationship with that direct supplier. This evaluation includes announced visits by Dansko to direct supplier locations (i.e., factories) and is focused on overall supplier performance and working conditions, all in a manner consistent with Dansko’s internal audit procedures. Dansko does not presently contract with third parties to audit and certify specific compliance with the Dansko Code of Conduct. Dansko does though

require that direct suppliers provide written certification that the direct supplier does “not use forced or involuntary labor of any kind” and post the Dansko Code of Conduct in their locations.

**(3) Requires direct suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business.**

With the implementation of the Dansko Code of Conduct, Dansko requires that direct suppliers certify in writing that the direct suppliers comply with the Dansko Code of Conduct with respect to slavery, human trafficking and other human rights and labor issues and comply with the laws of the country or countries in which they are doing business.

**(4) Maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking.**

Dansko’s commitment to socially responsible, professional, and ethical business practices are reflected in the Dansko Code of Conduct which, in the event of a violation by a supplier, provides Dansko with the right to cancel any outstanding orders and terminate any future business with that supplier. Dansko’s employees and contractors with production and sourcing responsibilities are expected to comply with the Dansko Code of Conduct and Dansko has a zero tolerance for any employee who acts in conflict with the Dansko Code of Conduct.

**(5) Provides company employees and management, who have direct responsibility for supply chain management, training on human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products.**

Dansko’s employees and management with direct responsibility for supply chain management have received training on forced labor, including human trafficking and slavery.

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