

CORPORATE SOCIAL RESPONSIBILITY

Kid recognises the value and importance that corporate social responsibility (CSR) has to play in any progressive organisation today, both for employees and the wider community. As well as making our customers' home more colourful and attractive places in which to live, we appreciate that throughout the supply chain we must act responsibly towards our employees, suppliers and the environment.

The company has begun a process to integrate all of our CSR activities into a defined programme that we can activate, measure and respond to on behalf of all stakeholders. We have in place a number of initiatives, both internally and in conjunction with partners, that are making a difference to the way we will conduct our business in the future.

For Kid, CSR means ensuring we have the best possible sustainable production and safe and



well-managed working conditions. It also means operating in partnership with our suppliers – ensuring we undertake business that is mutually beneficial. Our social responsibility means that we seek to ensure good working conditions throughout the supply chain, protecting the environment, while delivering quality products to our customers.

ETHICAL SUPPLY CHAIN

In 2008, Kid became a member of the Initiativ for Etisk Handel (IEH), in English known as the Ethical Trading Initiative Norway (ETI), a resource centre and a driving force for ethical trade. IEH works to promote responsible supply chains so that international trade safeguards both human and labour rights, sustainable development and sound environmental management.

Meeting ethical standards is of major importance to Kid, and we are committed to working only with companies that have appropriate working and environmental conditions, and as a member of IEH we are actively working with our suppliers to ensure this.

Kid is also a member of Grønt Punkt Norge – Green Dot Norway – a national, non-profit, member-based organisation set up to manage the collection and recycling of used packaging. Kid partners with Grønt Punkt Norge to manage a proper collection and recycling of all our plastic, metal and glass packaging, beverage cartons and corrugated cardboard in Norway. By using this service, we are licensed to use the Grønt Punkt mark on our packaged products.



ENVIRONMENTAL MEASURES

During 2015, Kid continued the replacement of old-fashioned lighting with the latest LED lighting systems. This new energy-saving lighting system is also in use throughout our headquarters and logistics centre. Further initiatives include the development of an environmental audit which will analyse, among other things, the company's use of electricity, with a view to improving our environmental footprint.

The company is actively working to reduce concentrations and quantities of hazardous materials and we use an industry-standard chemical guide that lays out strict requirements for the use of chemicals in production. We support our suppliers in their efforts to produce the lowest possible levels of local contamination during production, and the least chemical substance residues in their produced goods. We also focus on using the most appropriate materials and try to produce the least amount of waste products as possible.



Alessia towels are a good example of this, where the towels are only made from textile remnants from other towel productions.

We have established a textile recycling scheme in collaboration with UFF Norway for the collection, re-use and recycling of used interior textiles. UFF Norway operates a large humanitarian aid network, developed through projects related to the re-use of fabrics and textiles. The organisation has developed a robust system for ensuring that the handling of fabrics occurs in an ethical and responsible manner, and is a member of Fundraising Control in Norway.

Kid stores act as reception centres for unwanted interior fabrics – such as curtains, tablecloths, towels and bed linen – which are dropped off by the public in plastic bags, which Kid then sends off for use by UFF.

SAFE AND QUALITY PRODUCTS

Kid wants all of our customers to be certain in the knowledge that there are no products that they buy from our stores which are detrimental to health or environmentally hazardous. Through continuous testing, we ensure that all the products we offer are safe and produced under strict production techniques.

All of our fabrics carry the Oeko-Tex label. This means that they are produced to conform with the current Oeko-Tex Standard 100, which sets strict requirements on the level of chemicals used in clothing products. For example, all of our baby fabric products meet the Oeko-Tex Standard 100, Class 1 - the most stringent requirements, with very low limits for chemical residues – while linen, bed sets, blankets and pillows for adults are produced according to Oeko-Tex Standard 100, Class 2.

Oeko-Tex has test laboratories throughout the world to ensure equal testing methods and common standards. A certificate number and

the name of the test institute which carry out the product's testing must be on the Oeko-Tex label to be valid. This tracking capability is one of the principles of the certification system and is the consumer's assurance that the product is legally marked.



Additionally, Kid is working with other certification schemes, including GOTS and Swan labelling. GOTS (Global Organic Textile Standard) is an international labelling scheme for organic textiles, which demonstrates that they meet environmental, health, social and worker safety criteria throughout the production process.

The Swan is the official Nordic eco-label and demonstrates that a product is a good environmental choice. Kid's candles carry the swan label as they are made using animal fats rather than palm oil, whose production is a major contributor to rainforest deforestation and threatens animal diversity. Kid napkins also carry the swan label.

CHARITABLE ACTIVITIES

Kid has determined that it will make the greatest positive impact on the community by supporting a single charity and doing all we can to raise funds and awareness of a single cause. For this reason, the company has chosen to support Pink Ribbon, a breast cancer awareness campaign.



Kid is among the main sponsors of the Pink Ribbon campaign in Norway. Every October, we sell Pink Ribbon pins and

our bespoke-designed Pink Ribbon products in all of our Kid stores, with all profits going directly to the campaign. In 2015, we contributed more than NOK two million to Pink Ribbon.

SUPPLIER PARTNERSHIPS

Kid Interior purchases goods from many parts of the world, and there is a large and complex supply chain with many links. We do not own production sites ourselves, so it is particularly important for us to know that both workers and the environment are well taken care of within supplier companies.

Kid recognises that we need to work closely with our suppliers in order to monitor and assist them in their own social responsibility initiatives – particularly in relation to working conditions, environmental impact and business conduct.

To ensure that our production is undertaken in ethical conditions, all our suppliers are obliged to sign and comply with our Code of Conduct and restricted substance requirements for chemical content. These agreements will ensure sound employee working conditions, that no child labor is in use, that environmental considerations are taken into account –



especially in relation to the protection of exotic woods and forests – and that there is good animal welfare.

We conduct regular business and factory site audits of our suppliers – most of whom are operating in China, India, Pakistan and Bangladesh – in order to evaluate their CSR performance. Here, the health, safety & environment, wages and working conditions, along with business practices, are evaluated, so we may vouch for a CSR-compliant supply chain.

Audits are undertaken every three-to-six years. If issues are discovered during the audits, wherever possible and

appropriate Kid will work with the supplier to tackle non-compliance issues by changing routines or implement other changes. It is neither in our interests, or those of our suppliers, to drop them as a partner if we can help them to meet ours and their social responsibility targets.

DOWN PRODUCTS

Kid is proud to offer a wide range of quality products from NORDUN, our own brand of duvets and pillows adapted specifically to the Norwegian climate.

All of our down products undertake regular laboratory testing for purity, correct down content – duck or goose feather – fill-weight and down-proofing of the cover. They

are also produced in an ethical manner, which means that the animals are not force fed, nor the down and feathers picked from live animals. All of our down products carry a Down Pass certification, issued by the European Down and Feather Association (EDFA) and controlled by the International Down and Feather Testing Laboratory (IDFL).



MORE DETAILS

Full details of Kid's corporate social responsibility programme are available at: www.kid.no/vaart-samfunnsansvar