

SUSTAINABILITY REPORT 2020

KICKS



BEAUTY
RECYCLING



BEAUTIFUL
MINDS





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**BEAUTIFUL
MINDS**



**BEAUTY
RECYCLING**



**I'M
CONSCIOUS**

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CEO'S STATEMENT

KICKS CEO Freddy Sobin talks about how our company's sustainability work has continued to develop throughout a challenging 2020.

2020 was a challenging year in many ways, both for us as an organisation and for society in general, but it was also a year in which KICKS as a company continued to take new steps forward in our sustainability work. For KICKS, as part of the Axel Johnson Group, sustainability has been high on the agenda for a long time, and over the past year we have placed additional focus on these issues by developing a more comprehensive strategy and compiling clear directives and policies. We know that we still have a lot to deal with, but we can and always want to do more, and do it better – this is an important part of our corporate culture.

It is very pleasing to see the commitment engendered by sustainability issues, both internally within our organisation and among many of our customers, now that we've also started talking more broadly about what we do and why we do it. We want to reach out to even more people with regard to the initiatives we're implementing, and we want to pave the way for dialogue with our customers and other relevant stakeholders about what we can do more of, and do better.

Our new sustainability strategy is founded on three common cornerstones – *People, Planet and Product*. One focus area under *People* is what we call *Beautiful Minds*, where we since earlier provide financial support and cooperate with local support organisations working with mental illness, namely Tjejzonen, Mental Helse Ungdom and Mieli, which is a new partnership in Finland. One new feature is that we're now focusing even more on our own staff by offering free support

and coaching meetings with professional therapists via the app BlueCall. The latter is more relevant than ever on account of the increase in mental illness we're seeing in society in the wake of the pandemic.

We're also continuing to add and link Swedish municipalities and stores to our cosmetic waste collection scheme, as well as telling our customers how to dispose of their end-of-life beauty products in an environmentally safe way. This initiative goes by the name of *Beauty Recycling* and is directly related to the *Planet* strategic cornerstone. The roll-out of this initiative is taking a long time as KICKS needs to enter into agreements with each individual municipality. By the end of the year, our customers could drop off cosmetic waste at about 30% of our stores in Sweden. We think the pace of this initiative is too slow, so we'll try to speed things up over the next year. So we're hoping the remaining municipalities will respond more quickly and more widely.

When it comes to new features relating to *Product*, we've launched *Conscious*, which makes it easier for our customers to make smart and more conscious product choices. That's why we highlight the products that meet our criteria for each category – *Eco, Fair Trading, Minimal Waste, Locally Produced, Natural* and *Vegan Formula* – both in-store and online.

Besides our new sustainability strategy, we also developed new policies during the year: an overall sustainability policy, an

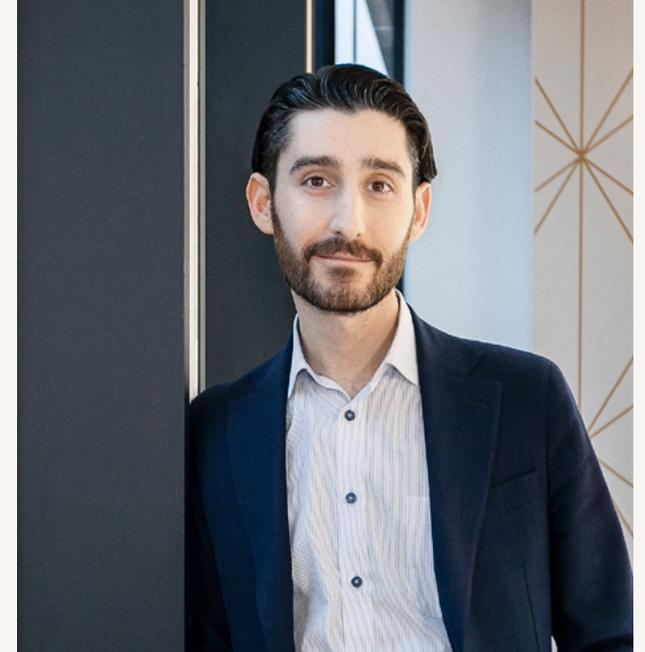


image policy and a packaging policy. The effect of these shouldn't be underestimated as they define the framework for the company's joint focus and sustainability efforts. The image policy aims to ensure that all images in KICKS channels are compliant with our established ethical values and goals concerning factors such as inclusion and norm-breaking ideals, which may be particularly relevant given the industry in which we operate. Our new packaging policy is guiding us so that we move more quickly, and to a greater extent, towards recyclable packaging and recycled materials in order to achieve our goals.

It's particularly pleasing to see that we're still adding new and additional initiatives in a year like 2020. We've chosen to adopt a broad approach towards sustainability and are working with lots of initiatives that we hope will create a positive impact and reduce our footprint.

A handwritten signature in black ink, appearing to be 'F. Sobin', located at the bottom right of the page.



THIS IS KICKS

KICKS POLICIES

- Code of Business Ethics
- Alcohol and drug policy
- amfori BSCI Code of Conduct
- Health and safety policy
- Image policy
- Car policy
- Packaging policy
- Sustainability policy
- CCTV surveillance policy
- Clothing policy
- Staff discount policy
- Policy on entertainment, wellbeing budget, representation, business travel and reporting expenses
- Salary policy
- Diversity and gender equality policy
- Pension policy
- Policy for couriers to home addresses
- Policy on gifts, rewards and benefits
- Information security policy
- Social Media Policy

As the leading beauty chain in the Nordics, KICKS offers a mix of external brands and own brands such as BeautyAct by KICKS and KICKS Beauty, as well as Atelier Rouge, Budgie, Continu, Flaer, MONSUN and Skin Treat via our subsidiary Myself & Friends. At some selected stores, we're also able to offer beauty services in the form of hairdressing salons, nail salons, brow bars and facials. We can offer makeup services and skin care analysis by our beauty experts in all our stores. Our aim is to inspire our customers to explore their own beauty.

KICKS has a total of just over 230 stores in Sweden, Norway and Finland, with online stores in those same countries. The KICKS head office is in Stockholm, Sweden, and about 300 people work there. There's also a small office in Norway. KICKS has about 2,100 employees in total, around 1,300 working in Sweden, 600 in Norway and just over 200 in Finland. KICKS is part of the Axel Johnson Group, which is owned by Antonia Ax:son Johnson and her family. Axel Johnson has a long tradition of combining commercial and social benefits, which makes corporate social responsibility both part of our history and a key element of our work going forward. Today KICKS has a sustainability manager and a sustainability specialist, based in the marketing department.

Governance

Responsibility for sustainability is shared by everyone at KICKS. The ultimate responsibility rests with the KICKS CEO. Sustainability means running operations to a high ethical standard where the risk of corruption is minimised in order to protect people and the environment, and where there's no risk of the KICKS brand attracting a negative reputation. As a profit-making company, we have a responsibility to ensure that financial profitability is created in a sustainable way that protects the world around us. This responsibility is delegated to the KICKS CFO, with support from the senior management team. Overall responsibility for sustainability issues is delegated to the sustainability manager, while social sustainability regarding employees is delegated to KICKS' HR manager.

About the report

This report relates to KICKS Kosmetikkedjan AB, corporate ID number 556432-9281. KICKS reports its sustainability efforts on the basis of the sustainability aspects deemed to be of significance with regard to the company's operations and stakeholder expectations. The sustainability report is inspired by GRI standards. The KICKS Board of Directors is responsible for the sustainability report and for ensuring it is drawn up in line with the Swedish Annual Accounts Act. This is our fourth sustainability report. It covers the 2020 financial year and all parts of the company.

OUR SUSTAINABILITY GOALS

For KICKS, sustainability is about taking responsibility at all levels: for fair working conditions and environmental awareness when it comes to raw materials, manufacturing, transport and business activities. This is a work in progress, and we step up our short-term and long-term goals every year.

PEOPLE

	Goal	Outcome	UN Sustainable Development Goals
Percentage of managers with an international background (2020)	20%	17%	8
Percentage of employees who have signed the Code of Business Ethics	100%	24%*	16
Increase awareness of and prevent mental illness through the Beautiful Minds	n/a	n/a	3
Promote inclusive ideals via a norm-breaking image policy	n/a	n/a	3, 5

*Due to the pandemic, and as a result of working from home and furloughs, it was decided that only new employees should sign the Code of Business Ethics.

PLANET

	Goal	Outcome	UN Sustainable Development Goals
Percentage of stores collecting cosmetic waste in Sweden	100%	28%	11, 12
Amount of cosmetic waste collected (kg)		5,814	11, 12
CO2e emissions (tonnes/SEK million/year)	<0.17 (2020)	0.22	13
Percentage of recyclable packaging	100% (2025)	89%	12
Percentage of packaging made from renewable raw materials or recycled materials	100% (2030)	21%	12
Transparency on sustainability in the supply chain	n/a	n/a	12

PRODUCT

	Goal	Outcome	UN Sustainable Development Goals
Percentage of sales from our Conscious range	10%	15%	12
Percentage of sustainably produced palm oil in our own brands	90% (2020)	94%	8, 12, 15
Percentage of suppliers in high-risk countries that have a valid audit cycle	100%	100%	8, 16
Exclude environmentally hazardous ingredients through our restriction list	n/a	n/a	12

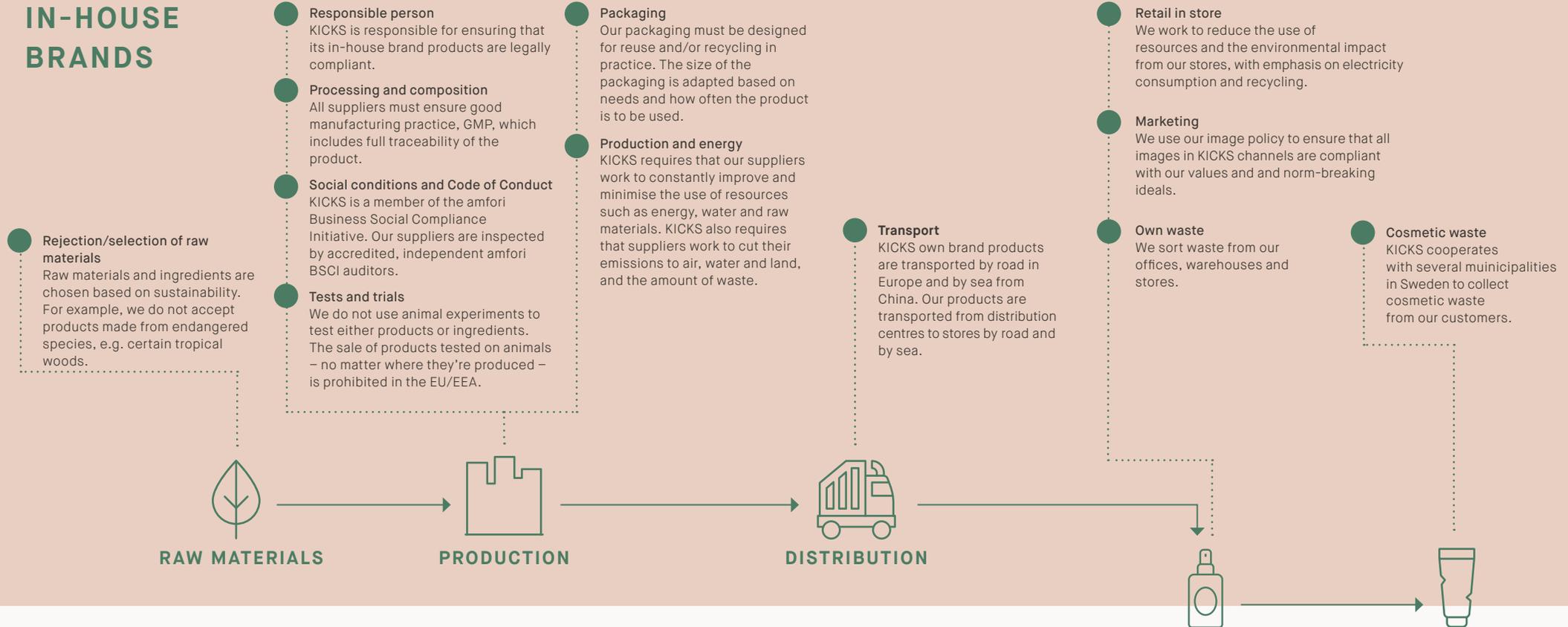
RISK ANALYSIS

Risk area	Description	Risk management
ENVIRONMENT	Ingredients with a particularly negative impact on the environment	Restrictions on chemicals and materials in supplier agreements
		List of restrictions for chemicals in our own brand products
		Requirement on use of sustainable palm oil in our own brand products
		Implementing a sustainability policy in 2020
	Greenhouse gas emissions from electricity use	Annual monitoring of energy consumption and emissions
		100% electricity from renewable sources in own operations
		Implementing a sustainability policy in 2020
		Energy survey for large companies
		Mapping of energy in production of own brand products
		Requirements for reduced emissions in supplier agreements
	Water consumption	Implementing a sustainability policy in 2020
		Mapping of water consumption in production of own brand products
		Requirements for reduced water consumption in supplier agreements
	Greenhouse gas emissions from transport and travel	Requirements for reduced emissions in transport agreements
		Requirements for company cars and business travel in the travel policy, in order to minimise emissions
		Implementing a sustainability policy in 2020
		Annual monitoring and reporting
	Incorrect handling of cosmetic waste	Implementing a sustainability policy in 2020
		Collecting cosmetic waste in cooperation with several municipalities in Sweden
		Customer information about recycling
Non-recyclable packaging	Survey of packaging in own brand products	
	Packaging policy to ensure materials can be recycled	
Pollution from production	Requirements linked to chemicals handling in supplier agreements	
	Third-party audits (BSCI, SEDEX with SMETA, SA8000)	

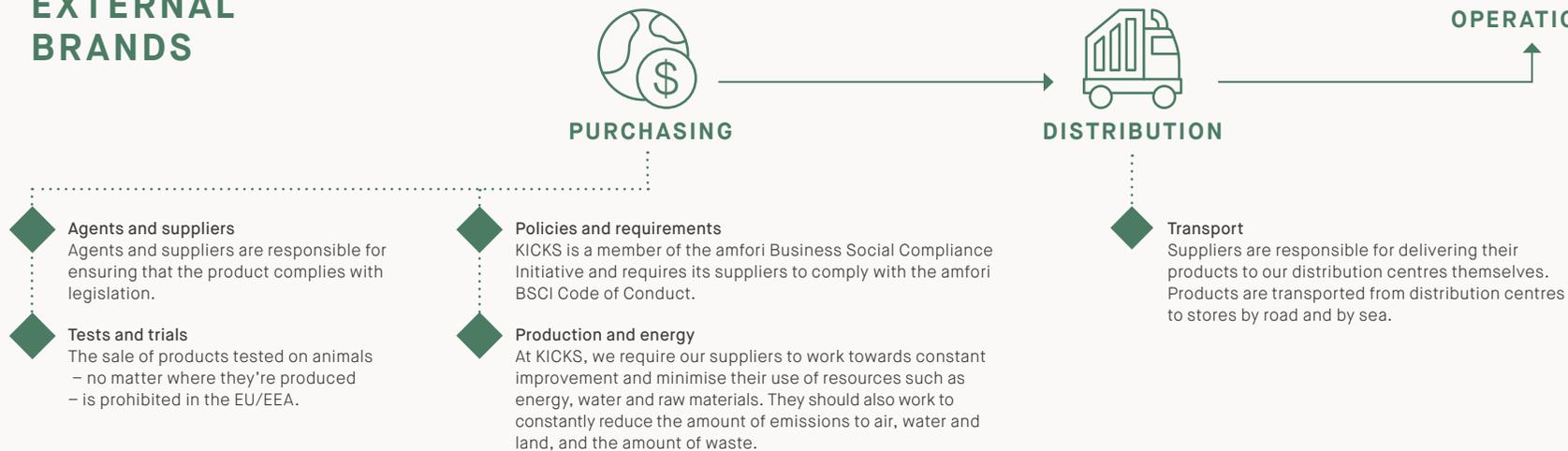
RISK ANALYSIS CONT.

Risk area	Description	Risk management
SOCIAL RESPONSIBILITY	Health and safety risks, work-related injuries, stress-related health risks and deficiencies in gender equality and diversity among staff.	Work environment policy for a good, safe work environment
		Diversity and gender equality policy to reduce the risk of discrimination
		Whistleblowing function that's readily accessible to all employees
	Health and safety risks and poor working conditions among suppliers	Bimonthly staff surveys (follow-up and discussion in relevant team)
		Systematic work environment management in the fields of safety, harassment and the work environment committee
		Prevention of health issues internally by means of access to motivational talks in the BlueCall app
Stereotypical ideals and lack of diversity in communication	Requirements and follow-up via the amfori BSCI Code of Conduct	
	Third-party audits (BSCI, SEDEX with SMETA, SA8000)	
HUMAN RIGHTS	Breaches of freedom of association, safety, discrimination	Increase awareness of health issues by raising the topic in our own channels
	Lack of employment contracts and reasonable working hours and pay	Image policy for norm-breaking and inclusive ideals
	Child labour or forced labour	Requirements and follow-up via the amfori BSCI Code of Conduct
		Third-party audits (BSCI, SEDEX with SMETA, SA8000)
ANTI-CORRUPTION	Corruption attempts	Whistleblower system for anonymous reporting of suspected irregularities
	Impact of business relations	Quarterly supplier follow-ups, own brands
		Zero tolerance for bribery in the Code of Business Ethics. Signed by all employees annually.
		Requirements and follow-up via the amfori BSCI Code of Conduct
		Whistleblower system for anonymous reporting of suspected irregularities
		Authorisation scheme for payment of invoices

IN-HOUSE BRANDS



EXTERNAL BRANDS



CHAPTER
#1:
PEOPLE



BEAUTIFUL MINDS: WHAT KICKS IS DOING TO BOOST MENTAL HEALTH



Mental health is an issue close to our hearts here at KICKS, and we're using Beautiful Minds to maintain a long-term approach to boosting mental health among both customers and employees. We want to raise awareness and contribute to mental well-being by talking about how people feel, both in our own channels and together with our ambassadors.

KICKS supports and cooperates with organisations working with mental health as part of our long-term efforts to prevent and raise awareness about mental illness. In Sweden, we cooperate with Tjejzonen, Sweden's biggest support organisation for everyone who identifies themselves as girls. In Norway, we cooperate with Mental Helse Ungdom, which is working to increase openness with regard to mental health issues and the availability of care; and in Finland, we cooperate with MIELI, which runs Sekasin chat, to ensure that no young people are left alone with hard and difficult thoughts. Every year KICKS grants funding to support organisations so that they can help more people. Besides the annual contribution, we ran regular campaigns in our stores for the first time in 2020, offering our customers the opportunity to round up their final totals and give the difference to the various organisations in each country.

Since 2016, KICKS has been able to offer an internship programme for young people with their own experience of

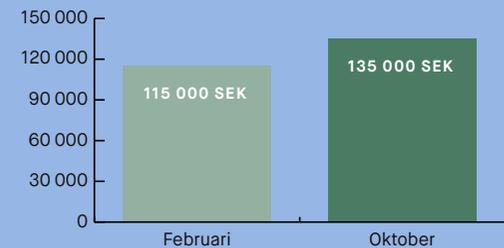
health issues, in cooperation with the support organisations in each country. Each trainee had a KICKS employee as a dedicated mentor. We were unable to run any internships in 2020 due to precautions related to the pandemic. Over time, we've seen a reduction in the number of employees applying to become mentors; and in the light of this, a decision was made to discontinue the mentor-led internship programme and focus instead on supporting the regular activities of our partner organisations Tjejzonen, Mental Helse Ungdom and MIELI. Since the start, KICKS has conducted eight rounds of its internship programme in Sweden, seven in Norway and three in Finland.



KICKS CUSTOMERS ROUND UP IN THE FIGHT AGAINST MENTALHEALTH ISSUES

During the year, KICKS has conducted two fundraising campaigns where our customers had the opportunity to round up their final totals and support our partners Tjejzonen, Mental Helse Ungdom and Mieli. The first campaign took place around Valentine's Day in February, while the second took place in October to highlight World Mental Health Day.

COLLECTION DURING THE YEAR



* Collection for Tjejzonen and Mental Helse Ungdom only. The cooperation with Mieli began in October.

KICKS AND TJEJZONEN WIN "CORPORATE COOPERATION OF THE YEAR 2019"

In the autumn of 2020, KICKS and Tjejzonen received the "Cooperation of the Year 2019" award from the Giva Sweden organisation, the industry organisation for secure donation. The judges at Giva Sweden gave the following reasons for their decision:

"At a time when cooperation between companies and organisations is becoming increasingly important when it comes to resolving social challenges, the innovative and long-term cooperation between Tjejzonen and KICKS is a real role model. Its aim is to improve the mental health of young girls, and an internship programme for women aged 18 to 27 gives participants the opportunity to find out what it's like to work for KICKS while also receiving support from a mentor who can offer security and inspiration and show them the way forward. This cooperation is a shining example of how a non-profit organisation's purpose and need for financial support can be matched with a company's desire to offer its employees the opportunity to get involved – even during working hours."

HOW KICKS ACTIVELY WORKS TO BOOST EMPLOYEES' MENTAL HEALTH

During the year, KICKS initiated a partnership with BlueCall so as to focus even more clearly on preventing health issues internally. Sara Leffler Sjölander, HR Partner at KICKS, explains more about this work here.

Sara, what are KICKS' goals for the mental health and well-being of its employees?

– Our goal is to provide a healthy workplace where our employees thrive and enjoy working. We want to be an employer that creates conditions for physical and mental well-being and provides support in order to promote this. This also helps ensure higher levels of attendance among healthy staff. We want to create a good, pleasant work environment with an open corporate culture, where people should feel fine about talking about how they feel. Personal mental health shouldn't be a taboo subject.

Why is it important for KICKS to focus on mental health as a company?

– Adopting a preventive approach to mental health issues internally results in healthier employees, less sick leave and less work-related mental health issues, and hence lower costs associated with sick leave as well. We know that if people feel good, they do a good job – and this benefits both employees and the company. KICKS wants to be a good employer that cares for its employees' well-being. Taking care of employees and investing in various measures to promote health is a prerequisite when it comes to creating a healthy company, not least from a long-term perspective.

In 2020, KICKS initiated a partnership with BlueCall – what's that?

– BlueCall is a mobile app that aims to prevent mental health issues by means of motivational discussions with quality-assured conversational therapists.

Why did KICKS choose to start working with BlueCall?

– KICKS has since previously followed up on workload and perceived job satisfaction by means of employee surveys. Our cooperation with BlueCall is allowing us to focus even more closely preventing mental health issues internally. We think BlueCall is a useful tool, giving our employees the opportunity for mental training via a conversational therapist. The app is easy to use, and it can provide extra security for users as calls are anonymous. We want our cooperation with BlueCall to lead to greater well-being within the company, while also boosting our resistance to mental health issues. BlueCall allows us to provide our employees in need of support with a useful tool for dealing with everyday challenges.



Are there any industry-specific challenges related to mental health as far as KICKS employees are concerned?

– We know there's been an increase in mental health issues in society over the past decade, and many young women are particularly affected and suffering. KICKS has a lot of female staff, and that's why it's even more important for us to work with this issue as a company with prevention in mind.





Do you perceive any risks with BlueCall and the collection of data about employees' well-being?

– One of the elements that's important to us is that our employees should feel safe using the service. BlueCall is an entirely anonymous service for our employees, throughout the entire process, from registration to call. The conversational therapist who talks to our employees is bound by professional secrecy, which means that everything said during conversations is confidential. As a company, we receive a report from BlueCall on topics discussed and data on usage and user satisfaction, and the aim of this is to enable us to go on working on preventive work environment management.

If you could pass on one thing that we can all do to reduce mental health issues in the workplace, what would that be?

– There are so many things to say, but what I really want to make people aware of is the importance of communication. That can never be said too many times. If we just talk to one another, we can also work more effectively on preventing problems in the workplace while also developing as human beings. In all my years as an HR Partner, I've seen a strong positive effect on many teams when they've started working on their communication.

As an employer, how has KICKS worked with the mental health of its employees in 2020, given the ongoing pandemic and the challenges it presents?

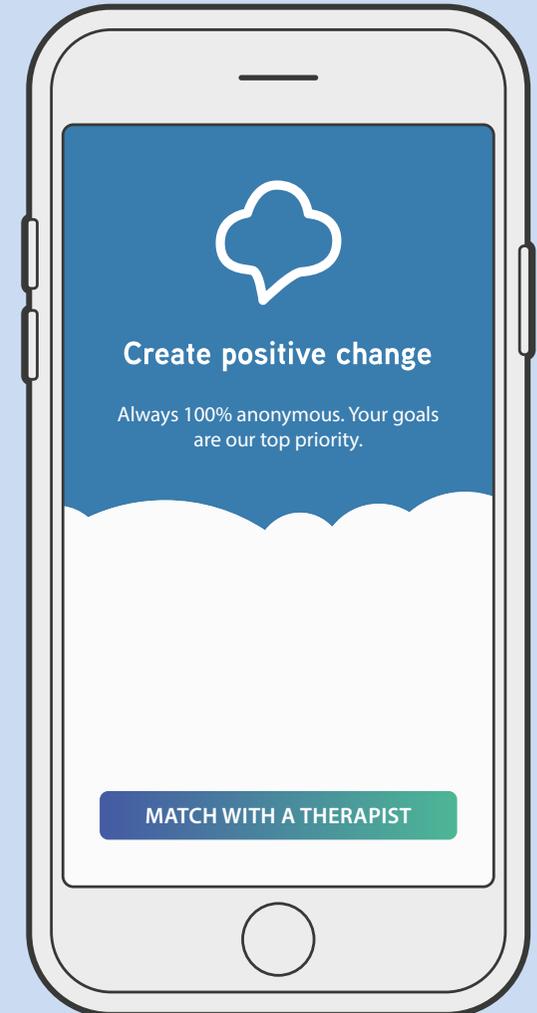
– 2020 really has been a challenging year in many ways. The pandemic has led to concerns about infection, as well as challenges associated with reduced sales and customer influx. This has had a major impact on an enormous number of our employees. Those of us on the company's crisis team have worked actively throughout the entire pandemic to take the right action, taking into account the various directives that have emerged. Communication has been one of the most important elements of this work, but also one of the most challenging. There's been a lot of information to take on board and a huge number of different directives that we've

needed to share with our employees in the best possible way, as a company. We've asked specific questions in our regular employee surveys about the measures we've implemented in connection with COVID. We received many, many answers and have been able to go on working with them in order to take the right action to reduce anxiety, and to ensure that our employees feel as secure as possible. Being able to implement BlueCall at this time is also something we consider to be an important and relevant way of helping our employees at a challenging time like this.

HOW DOES BLUECALL WORK?

BlueCall is a mobile app that aims to prevent mental health issues by means of motivational discussions with quality-assured conversational therapists.

- The BlueCall app allows employees to make calls or chat anonymously to a conversational therapist.
- The app makes it possible to match employees with a therapist as required and desired. The calls are tailored to the individual needs of the employee.
- Calls are booked via the app, and appointments within 24 hours are guaranteed. The service is available seven days a week.
- Calls are 45 minutes long and take place over the phone or via chat.
- You can have regular conversations with the same therapist, but you can swap to someone else as well.



“IT’S IMPORTANT FOR THE IMAGES IN KICKS CHANNELS TO EXPAND IDEALS AND STANDARDS”



In 2020, the marketing department at KICKS developed an image policy so as to ensure that all images in KICKS channels comply with the company’s values and goals regarding inclusion and ideals. Brand & Marketing Manager Helena Bengtson explains why the image policy is needed and what results it’s produced.

What is the KICKS image policy?

– In part, it’s a tool for us in the marketing department, providing us with guidance on image publishing in all KICKS channels, and it’s also a tool ensuring that discussions with our suppliers are as transparent and as clear as possible when ads are submitted.

Why has an image policy been compiled for KICKS?

What’s the purpose, what’s the goal?

– The beauty industry often focuses on appearance, but it doesn’t always feel like the entire beauty industry has kept up with the trend towards more inclusion and norm-breaking ideals. The KICKS brand platform More of You is an external promise that we must be inclusive, that beauty is for everyone and that we therefore have to offer something for everyone. That’s why it’s also important for the images we use in all of our channels not to have too narrow a focus, and above all, that we don’t communicate unhealthy ideals – that would lead to us failing in the promise we make with More of You.

Have you ever refused to publish ads in KICKS channels with reference to the content of the image policy? How has the situation been resolved?

– Certainly. Unfortunately, we have to refuse external brands the opportunity to use their images in our channels a few times a year. In 90 per cent of the cases, we refuse images related to objectification. We always make sure this is discovered in time so that the supplier has the chance to submit new

material. It might involve cropping an image in a different way, changing a model or just using a product without a model.

What response have you received to the image policy?

– It’s been received positively both internally and externally, perhaps because it’s pretty easy to use as we help out by providing lots of sample images. So far, no suppliers have objected to working on the basis of our image policy, and a number of them have pointed out that it’s great KICKS is actively taking responsibility when it comes to these things. There have also been far fewer discussions with our suppliers about these issues since we introduced the image policy in early 2020. The image policy has clarified where we stand, and we can use the image policy both proactively and as a clear reference.

The image policy states that KICKS doesn’t publish images with unethical content. What do you mean by “unethical content”?

– Images that express men’s violence against women or romanticisation of drugs, for instance. Besides unethical content, the image policy also covers directives linked with power balance, unhealthy ideals and objectification.

Are diversity and representation highlighted in the image policy?

– Very much so, yes. This is particularly true of our own images, which we have more control over. We use demographic statistics for Sweden from Statistics Sweden and try to ensure as far as possible that our images reflect the society we live in.

How does KICKS work to comply with the image policy in the material you create yourselves?

– We don’t allow models under the age of 18 to work for KICKS. As I said, we also use demographic statistics for Sweden from Statistics Sweden for all our images produced in-house so as to reflect the distribution in our images as much as possible. But it’s not just a matter of skin tones and origins, we’re also trying to capture different kinds of personalities in the images we produce ourselves. We’re working particularly hard on that at the moment.

Do you think there are any risks associated with KICKS developing its own image policy? Isn’t it up to each company to decide for itself what values they want to convey, as long as they don’t break the law?

– To be honest, I think there’s a risk if you don’t have an image policy. Studies show that women are adversely affected by stereotypical advertising and that it can help to lower their self-esteem and self-image and negatively affect their performance. We must be able to stand for everything that’s published in our own channels, and that’s why we consider it necessary for KICKS to have an image policy.

KICKS EMPLOYEES – OUR MOST IMPORTANT ASSET

Our employees are our most important asset. We meet customers and the market through them, and they create value for the company. We're always doing our best to make sure that the people who work for us feel good, feel involved and have the opportunity to develop, and that nobody is mistreated or discriminated against, irrespective of gender, background, age or other factors.

Diversity is important for us and we are keen for KICKS to reflect society. We also believe that by having a balanced team we are showing who we are and that the equal value of all people is important. The stores find it a challenge employing men and older people. Our stores reflect society as a whole when it comes to employees with a foreign background, but there are few men and an uneven age distribution too.

Our health and safety work is steered by the Health and Safety Committee and regulated in a health and safety policy and an anti-discrimination action plan. We have safety representatives in the workplaces where these have been selected by the union partner to ensure that our procedures are complied with throughout, in other units we work with regional safety representatives. Health and safety work differs between the different workplaces. In the stores we focus a great deal on safety and security and reducing the risk of robbery. Here we also recognise that working alone constitutes a risk and that many people feel unsafe to a certain extent when working alone. We have installed CCTV cameras so that we can document incidents and also as a deterrent, and we've also installed lockable cabinets for valuable products.

Skills development is important if we're to provide the current and future skills needed at KICKS. Academy online, our digital training portal, allows employees and managers to take part in learning activities so that they can develop in their roles. The range of courses includes KICKS Beauty School, training courses and inspiration from internal and external brands, in-store services, leadership programmes, procedures and directives. Our learning is mixed, which means we offer a combination of digital courses, classroom opportunities, learning at work and webinars. KICKS began offering its certification courses Skincare Advisor and Makeup Artist in 2017, and since the start KICKS has certified 60 Skincare Advisors and 80 Makeup Artists. KICKS will also be certifying Fragrance Advisors in the near future.



Goal: Every year, 100% of employees must sign the KICKS Code of Business Ethics

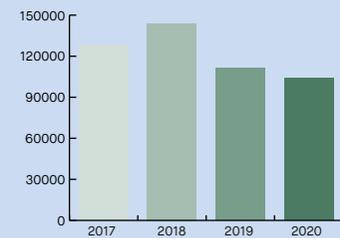


Due to the pandemic, and as a result of working from home and furloughs, it was decided this year that only new employees should sign the Code of Business Ethics.

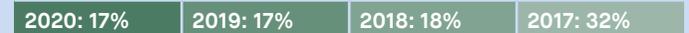
Number of cases of corruption: 0

KICKS has a whistleblower service in place so that employees can anonymously report any suspicious activity that could seriously affect the company or a person's life or health, or that fails to comply with our company's values and principles on business ethics. 14 incidents were reported via the whistleblower service in 2020. Following closer investigation, these cases were also classed as HR matters.

Number of courses completed

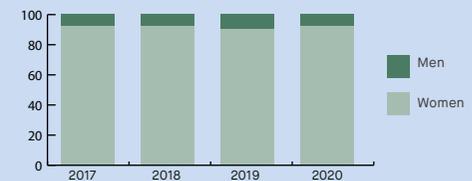


Goal: 20% of managers should have an international background (2020)



The figures are based on KICKS Sweden, as we don't conduct the same follow-up in Finland and Norway. The difference between 2017 and 2018 is due to a change in the definition of foreign background used in the measurement tool.

Gender distribution, managers



Gender distribution, all employees





Yrkesdörren exists partly to make it easier for new Swedes to build professional networks in Sweden, but also to make it easier for established Swedes to utilise the skills available among people with foreign backgrounds.

Yrkesdörren was created in 2015 by Axfoundation, an independent and non-profit organisation. In September 2020, Axel Johnson took over Yrkesdörren from Axfoundation so as to scale up diversity and inclusion efforts still further.

An evaluation shows that 91% of participants feel that Yrkesdörren has improved their position in the labour market. 94% of "door openers" (established Swedes) stated that they got as much out of the meeting as the people they met, and that they also underwent development. 79% of participants feel that they've expanded their networks and learned more about the recruitment process and labour market in their industry.

How can I get involved in Yrkesdörren?

1. Register as a participant or door opener at yrkesdorren.se. When you've registered, you'll be linked with a person who matches your profile.
2. Meet your new contact for an hour with the aim of exchanging experiences.
3. Identify two new contacts that the door opener can pass on to the participant.

A DOOR TO INTEGRATION

At present, seven out of 10 jobs are given to contacts that have already been established. KICKS works with Yrkesdörren – an initiative aimed at expanding the network between new and established Swedes – to organise networking breakfasts where new Swedes are matched with KICKS employees in order to share thoughts about social codes, CV tips and other valuable advice on how to gain a foothold in the Swedish labour market. David Heeroma, Chief Operating Officer at KICKS, talks about his experiences of Yrkesdörren.

David, why did you choose to get involved with Yrkesdörren?

– This is an important initiative and a good format that means there are no excuses for people not to take the time.

How did your first meeting via Yrkesdörren go?

– I've met two different contacts. They were both very driven people with lots of questions, so the conversation got going really naturally. There was a brochure containing questions that you could use to get the conversation going, but we skipped that completely and talked about all kinds of things, while at the same time there was clear emphasis on what I could actually do to help them further in some way. The discussions with both of them were conducted in Swedish. My contacts spoke Swedish well enough for that to feel natural, even though they were fairly new to Sweden.

What were the backgrounds of the people you met? Did the matching seem relevant?

– We overlapped one another purely in terms of experience and skills, but on both occasions my contacts were a little more senior than me. They'd been working for a bit longer, but we could easily talk about digitalisation, IT and projects, which was the field where we were matched. I remember the discussions, they were good. Both were very results-oriented, it felt like they were doing this because they had faith in the concept. They saw it as a way to advance their careers.

What have you been able to contribute as a "door opener"?

– My last contact had worked with project management for a long time but didn't have a network of project management contacts in Sweden. I put him in touch with a number of consultancy and

project management intermediaries who have large networks for linking different companies with jobseekers with the relevant skills.

What has Yrkesdörren given you personally?

– Above all, I think it's the feeling that I'm involved in doing something specific about this important issue, and within the scope of my job. It feels as though you actually have time to do this, even though you have a time-consuming job. I'm making a relatively simple investment, not for my own benefit but for the benefit of the people I'm matched with, and obviously it feels good to be able to help someone.

What's been the best thing about taking part in Yrkesdörren?

– It often takes quite a bit of time if you want to get involved in these issues. Yrkesdörren has a clear purpose: you try to open doors by linking your network with the new contacts, and that's all that's expected. Quite simply, it's clear and doesn't take much time. I like the structure, the format and the expectations. I think this is a really powerful combination that could get a lot of people involved.

Would you recommend involvement with Yrkesdörren to others?

– Definitely! And again, you really don't need to put in a lot of effort. I think everybody has a responsibility to help with integration, because that's what Yrkesdörren is all about. It's in everyone's interest.



CHAPTER #2: PLANET

BEAUTY RECYCLING: DISPOSE OF YOUR COSMETIC WASTE AT KICKS

Few of us are aware that cosmetic waste such as nail lacquer, hair dye, eyebrow dye, perfume, hairspray and so on contains substances that mean it should be deposited for recycling rather than being flushed down the toilet or disposed of as regular household rubbish.

Previously, it was only possible to take your old cosmetics to recycling stations and recycling centres, which tend to be in remote locations and so are difficult to access without a car. KICKS wants to help minimise the environmental footprint of beauty products and make them easier to dispose of after use. It's been possible since 2017 to drop of your cosmetic waste, no matter what brand, at selected KICKS stores. From having run a pilot project in Stockholm, we've now been able to get more municipalities and stores all over Sweden to sign up.

In Sweden, municipalities have a monopoly on collecting consumers' cosmetic waste. Therefore, KICKS isn't allowed to collect cosmetic waste itself and needs to work with the municipalities or their waste management companies by acting as a collection point for municipalities that collect and process waste. To be able to take back cosmetic waste, KICKS therefore has to get the municipalities on board. This presents a challenge, as KICKS has stores in almost 90 municipalities.

Of course, cosmetic waste can also be taken to a recycling centre. The easiest thing is to check directly with your municipality to find out what they'll accept, and where to find your nearest collection point for cosmetic waste.



Locations where you can dispose of your cosmetic waste:

Danderyd:	1 store
Gothenburg:	5 stores
Haninge:	2 stores
Helsingborg:	1 store
Huddinge:	1 store
Lidköping:	1 store
Piteå:	1 store
Solna:	2 stores
Stockholm:	12 stores
Sundsvall:	2 stores
Södertälje:	1 store
Tyresö:	1 store
Täby:	1 store
Upplands Väsby:	1 store
Värmdö:	1 store
Ängelholm:	1 store
Ödåkra:	2 stores
Östersund:	1 store



BEAUTY RECYCLING: HOW TO DO IT



In 2019 KICKS ran a customer survey to find out about customer behaviour when it came to cosmetic waste. It showed that not many people recycle their used beauty products. The reason turned out to be that they simply don't know how to go about it. Half of the people

who completed the survey answered that they don't know where they can hand in used beauty products, and 66% don't know how to sort them for recycling. To guide our customers correctly, we've produced a quick reference guide for the bathroom.

TO HOUSEHOLD WASTE



Cotton buds, wet wipes, cotton pads, hair and tampons shouldn't be thrown down the toilet. These cause major obstructions at water treatment plants and should be thrown away with general household waste. In Stockholm alone, 32 tonnes of rubbish is thrown down the toilet every week! Only toilet paper should be flushed down the toilet.

TO PACKAGING RECYCLING



Empty packaging from shampoo and skin care, for example, is sorted by material: plastic, paper, cardboard, glass, and so on. Separate packaging that has multiple components in different materials or colours. Packaging with some detail in a different material is sorted according to what material most of the packaging is made of. Sorting and recycling your packaging means you're ensuring that the material can be used to make new packaging.

TO THE RECYCLING CENTRE OR SELECTED KICKS STORES



Of course, we want our customers to use up the products they buy, but sometimes people do want to get rid of a product. Nail polish, hairspray, perfume, etc. all contain environmentally harmful ingredients that shouldn't be poured down the drain or thrown out with household rubbish. Half-empty packaging must also be handed in* – don't pour the leftovers down the sink.

** Half-empty packaging isn't recycled as hazardous waste in Finland.*



HOW KICKS HAS ALREADY BECOME MORE RESOURCE-EFFICIENT

- Gift cards made of paper instead of plastic
- Light pink bags made of recycled plastic, instead of black ones, in order to facilitate recycling
- Sealing bags in recycled plastic
- FCS-labelled giftwrap
- Eliminated our smallest plastic bag from our stores as it can't be reused as easily
- Paper bags made from Swedish forest products, with recycled cotton in the handle
- Fragrance sticks made from Swedish paper

RESOURCE-EFFICIENT PACKAGING

Packaging is a large part of the product as a whole. When developing new products, the packaging is chosen based on how often the product will be used and the kind of product it is.

Most of KICKS' own packaging is made from plastic. Plastic is a really good material in many respects – it's durable, moldable and light. Traditionally, however, plastic has been made from fossil oil. To reduce our carbon footprint, we want our packaging to be suitable for recycling so that the oil used for the packaging can be recycled several times over. The industry has long believed that all plastic packaging is suitable for recycling, but now we understand the complexity of the material recycling system. Black plastic and other dark colours are extremely difficult for sorting machines to identify. And even if the black plastic could be sorted out, there is no great demand for it. Black plastic contains so many different pigments that making new plastic packaging in other colours from it is difficult.

This means we're constantly replacing our black packaging with recyclable colours. We're also reviewing our materials and trying to use materials that can both be recycled and for which there's a market. All makeup from KICKS Beauty has been phased out over the year, along with a large amount of black plastic packaging. Our own new brand, BeautyAct by KICKS, has a small amount of black packaging, but that's because the supplier has been unable to offer any lighter alternatives.

Online shopping is continuing to increase year on year, in the world in general and for KICKS specifically. 2020 was no exception, but online shopping grew even more on account

of the COVID pandemic, when customers began shopping online to an even greater extent. This results in more transport and emissions. We've worked over the years to optimise our packaging for the products we send out, so as to reduce the amount of air we transport. We're also working to optimise transport packaging around the products we transport, to both customers and our stores. We've started using a jiffy bag filled with recycled paper instead of plastic for smaller products and a box for perfumes, which were hard to pack previously. We've chosen to remove plastic from our packaging and decided only to keep it for protection in very large, fragile parcels. Bubble wrap is now made from 70% recycled plastic. We no longer print out delivery notes; these are now sent digitally. We've saved about 20 tonnes of paper simply by no longer sending delivery notes.

PUMP, TUBE OR JAR?

Creams in a pump have the longest shelf life, followed by tubes, and finally jars, where bacteria enter when you dip your fingers in. But when you use tubes less is left behind than if you use pumps.

WORKING TOGETHER TO REDUCE PLASTIC USE

Like other Axel Johnson Group companies, KICKS always strive to use all our resources efficiently and in a way that reduces our environmental impact. One initiative in this effort involves the group-wide plastic goals that were devised in 2020. KICKS sustainability specialist Åsa Fredriksson Jedeskog, a member of the working group, explains what these goals actually involve.

Why is it important to reduce plastic consumption?

– Virgin plastic is usually made from fossil sources, which helps to increase carbon dioxide in the atmosphere. This in turn contributes to global warming. That's why it's important to reduce the amount of virgin plastic we use and recycle the plastic that already exists.

Why has the Axel Johnson Group developed common plastic goals?

– A large volume of packaging enters the market in Sweden every year on account of Axel Johnson Group companies. One step towards becoming more circular as a group is to develop plastic goals to ensure that the packaging we actually place on the market can also be recycled – as a first step – before only using recycled material in our packaging in the long run. KICKS has been involved from the outset in developing the goals, which have been devised via workshops, training courses and support initiatives at all companies.

What goals are set?

– Our goals for packaging for our own brands is to make the materials recyclable by 2025, and to make it from recycled or renewable material by 2030.

What action have already been taken in order to attain these goals?

– We've started phasing out the black plastic from our own brands, and now only a few of our products still use black plastic. When we develop new products, we are careful to choose materials that can be recycled and reduce the amount of mixed materials.

Are there any risks involved in reducing plastic consumption?

– Plastic is a really good material: it's light, moldable and durable. There are different risks depending on what you're replacing the plastic with. Glass, for example, is a material that many are already recycling, but it's heavier than plastic, which means that transport emissions are higher. Metal is extremely energy-intensive to extract unless you go for recycled metal. Various exciting paper packaging types are currently being developed, but as things stand at present we're not sure whether the beauty industry will be able to use them without a coating. All packaging has its pros and cons. I'm hoping we'll be able to eliminate some packaging completely without replacing it with a new kind. I also think it's important to use the plastic resource that already exists for making new packaging out of recycled material.

Will the switch to packaging made from recyclable materials make products more expensive for KICKS customers?

– Manufacturing this type of packaging will be more expensive initially, but it's hard to say exactly how much more expensive. But the cost will probably drop rapidly as demand increases. One thing we can be absolutely sure of is that we'll see both major and rapid development in this regard.



HOW WE'RE WORKING TO REDUCE KICKS' CARBON FOOTPRINT

Measuring, following up and working to reduce our carbon footprint is an important element of KICKS' sustainability work. Smarter transport and business travel, together with optimised packaging, are factors that can help us achieve our goals in this regard.

KICKS measures and follows up the climate footprint from stores, business travel and transport from our warehouses to customers and stores. We're working to optimise the size of the packaging to the product content so as to reduce the transportation of air, and thus carbon dioxide emissions. KICKS skin and hair products and makeup are made in Sweden and Europe. Accessories such as hair and makeup brushes are manufactured in China. The products manufactured in Europe are transported by road, while products from China come by sea.

Our suppliers deliver their products to our warehouses, so we haven't been able to monitor these emissions. Products are transported from distribution centres to stores by road, and to Finland by sea. We make demands of our transport contractors and are doing everything we can to minimise transport.

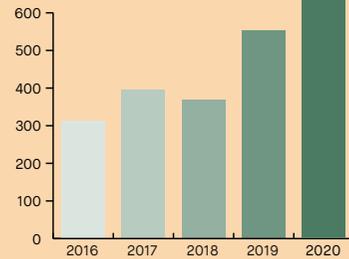
Up until 2020, KICKS will emit a maximum of 0.17 tonnes carbon dioxide equivalents per million Swedish kronor in sales, matching the level of emissions in our base year, 2016. The carbon emissions include emissions from energy consumption at our stores, business travel and transport from our warehouses to stores and customers. KICKS transport operations have increased in 2020 as a result of changes in purchasing patterns during the pandemic, with a doubling of the number of orders from e-commerce. The increase in transport meant that KICKS failed to meet its goal for emissions.

Efforts to reduce our carbon footprint aren't complete. We'll define new climate goals in 2021.



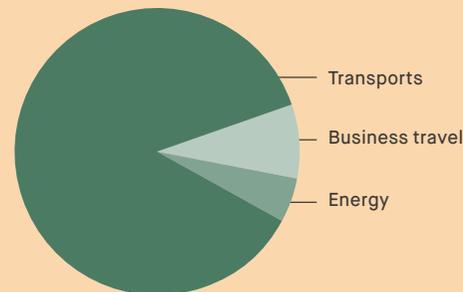
Carbon dioxide emissions (tonnes of CO₂e/SEK million)

Goal: 0.17 tonnes of CO₂e/SEK million (2020)
Outcome: 0.22 tonnes of CO₂e/SEK million



Transport emissions (tonnes of CO₂e)

Transport emissions from distribution centres to stores, and from e-commerce warehouses to customers.



Distribution of carbon footprint

The distribution of our carbon footprint from transport to stores and customers, business trips and energy consumption at our stores.

0.4 litres water/ product

Water consumption

This figure applies to KICKS own brands and is based on information from the 16 out of 39 factories that shared the data.

0.1 kWh/ product

Energy consumption

This figure applies to KICKS own brands and is based on information from the 16 out of 39 factories that shared the data.

CHAPTER #3: PRODUCT



I'M
CONSCIOUS

WHERE WE MANUFACTURE KICKS PRODUCTS

SWEDEN
23%

Skincare and hair care products are primarily manufactured in Sweden.

GERMANY
4%

NETHERLANDS
< 1%

SWITZERLAND
2%

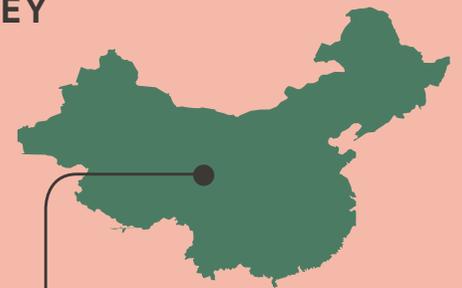
ITALY
40%

Our largest production country is Italy, where the makeup is manufactured.

Greece
< 1%

POLAND
3%

TURKEY
< 1%

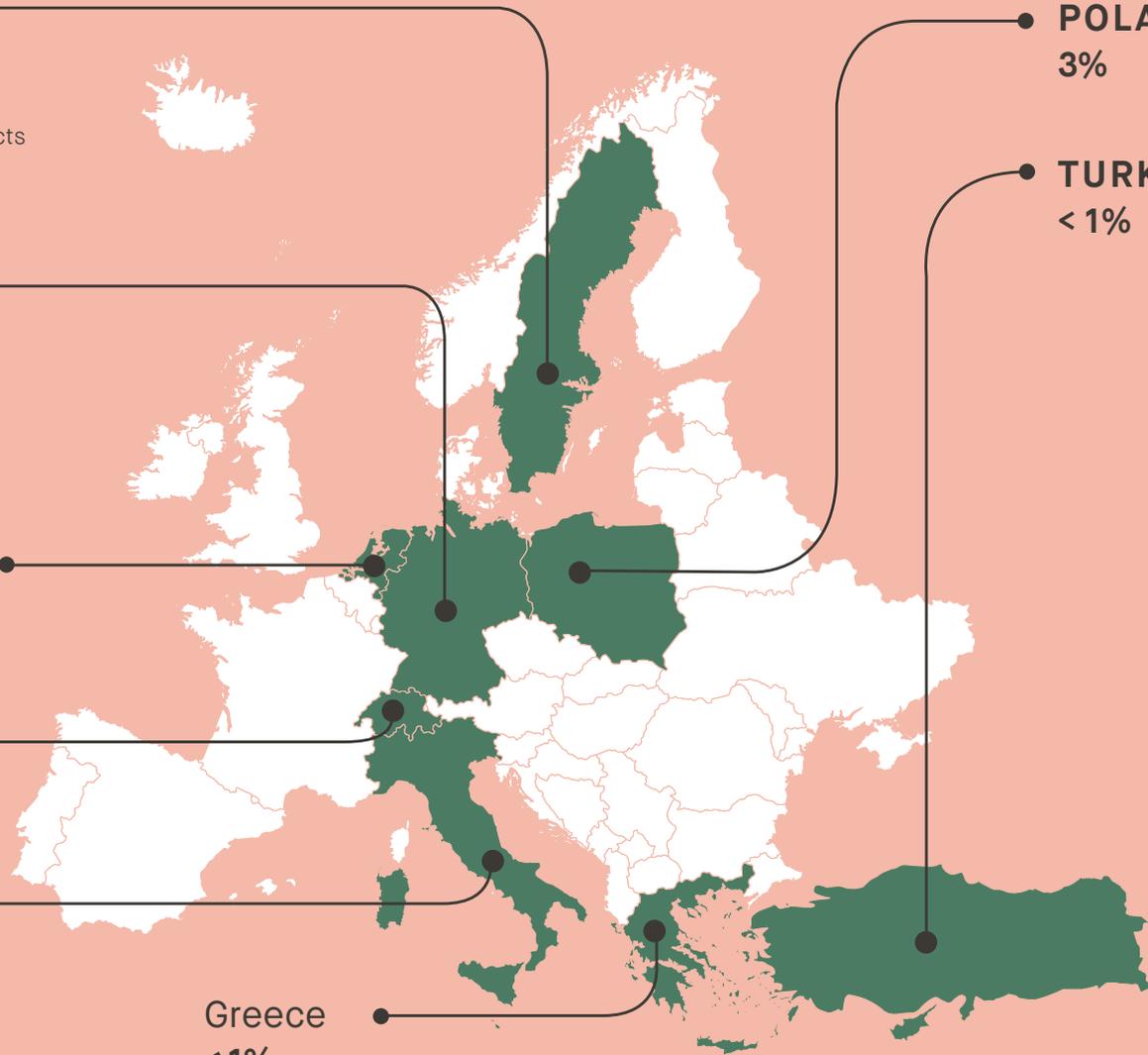


CHINA
18%

Accessories such as hair and makeup brushes are produced in China.



SOUTH KOREA
10%



MORE SUSTAINABLE SUPPLIER PARTNERSHIPS

Like many other stakeholders in the beauty industry, KICKS has no factories of its own. Instead we work with selected suppliers around the world and demand that the factories that manufacture our products take people and the environment into account. That’s why we work systematically and cooperate with stakeholders on these issues so that we can go on improving.

The majority of KICKS’ own production takes place in the EU. Our largest production country is Italy, where the makeup is manufactured. Skincare and hair care products are primarily manufactured in Sweden. China produces accessories such as hair and makeup brushes. It’s important to us to ensure that our products are manufactured by suppliers and at factories with decent working conditions, and this is an area that we’re constantly working on. One step in safeguarding involves auditing our suppliers in high-risk countries in line with a social standard approved by us.

Requirements

KICKS sees sustainability as an important part of our purchasing process. When evaluating new suppliers, we check first and foremost that the supplier is able to offer the right product with the right quality, characteristics and price, but also that the supplier runs their operations sustainably, predominantly from a social perspective. To become a KICKS supplier, companies have to meet our requirements, which include both statutory requirements relating to the product and the production process, and KICKS-specific requirements regarding function, quality and sustainability.

When signing contracts, all suppliers – of both in-house and external brands – must accept our sustainability requirements and the amfori BSCI Code of Conduct, which is based on the Ten Principles of the UN Global Compact. The requirements in this code are in harmony with the ILO (International Labour Organization) Core Conventions, the REACH chemicals regulation and the precautionary principle that we apply to our work and expect our suppliers to adhere to. The requirements cover all steps in the production process, and the supplier is responsible for informing subcontractors about our requirements and ensuring compliance with them.

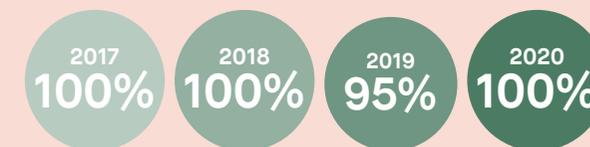
Audits and follow-up

The greatest risk of human rights violations lies with suppliers in what are known as high-risk countries. Besides approving our Code of Conduct, we require all our suppliers in high-risk countries (according to amfori BSCI’s risk classification) who manufacture KICKS’ own products to undergo checks via an on-site audit and obtain approval on the basis of a social standard. The inspections are carried out by accredited, independent auditors. Our goal is for 100% of the factories in high-risk countries that we work with to have valid audit results. KICKS approves several recognised social standards for factory audits: *amfori BSCI*, *SEDEX SMETA* and *SA8000*.

Through our membership of amfori BSCI, we work to ensure compliance with human rights and to improve social conditions at the factories that manufacture our products. When the factories are audited in line with these standards, checks are conducted of whether suppliers offer decent working conditions, have safe production processes and don’t use banned substances, whether water, energy and other resources are used effectively and whether the factories have processes ensuring that toxins aren’t released into the environment. If non-compliances are identified in factory audits, a plan of measures is launched for which the supplier has to demonstrate how the non-compliances are to be tackled and within what timeframe. As a last resort, the partnership with the supplier is terminated in cases where the measures are considered insufficient and no desire to change is demonstrated. The requirements cover all steps in the production process. The supplier is responsible for informing subcontractors about our requirements and ensuring that they are met.



GOAL: 100% OF KICKS’ OWN SUPPLIERS IN HIGH-RISK COUNTRIES HAVE A VALID AUDIT CYCLE.



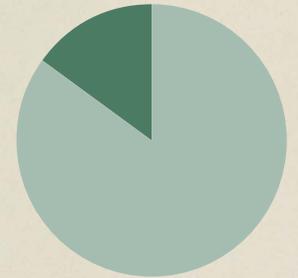
No cases of human rights violations were reported during the year. All the factories in high-risk countries have been audited and have a valid audit cycle.

A LIST OF OUR SUPPLIERS CAN BE FOUND AT THE END OF THE SUSTAINABILITY REPORT.



The aim is for the Conscious product range to account for 10% of sales.

2020: 15%
2019: 13%
2018: 12%
2017: 2%



The criteria for our conscious product range were changed in 2018. The range previously comprised certified organic products only.

CONSCIOUS BEAUTY BUYS

It's easier for our customers to make conscious beauty choices now. Our customers can use Conscious to easily find products including everything from organic and locally produced items to fair trade products and products that don't contain animal ingredients.

Fair Trading – fair trade products

Being able to support small-scale farmers through your choice of beauty products is an easy way to make a difference. This growing category includes products with various fair trade labels such as Fairtrade. All fair trade labels help to improve working and living conditions for the people who grow and produce the goods, promoting fair wages and community projects such as clean drinking water and better local healthcare.

Natural – 100% natural ingredients

There are many different definitions of natural in the beauty industry, but there's no regulatory framework governing what it should involve. At KICKS, we choose to make things as easy as possible for anybody who wants to know exactly what they're investing in. This is why the Natural category includes products whose ingredients are all derived from nature, whether cultivated or wild.

Eco – ecolabelled & organic products

This category contains organic products and products that are ecolabelled. For a product to belong to this category, at least 20 per cent of the product's contents must be organic. For rinse-off products, at least 10% of the contents must be organic. The material in wet wipes, pads and cotton buds must be 100% organic.

Vegan Formula – no animal ingredients

Beeswax, silk protein and wool fat are animal ingredients commonly found in beauty products, but the Vegan Formula category contains products that are completely free from ingredients of animal origin. No products sold by KICKS are tested on animals.

Locally Produced – made in the Nordic region

This category contains products manufactured in the Nordic countries. Choosing locally produced beauty products has many advantages. It benefits the environment by reducing shipping distances, as well as promoting the local economy.

Minimal Waste – recycled material & refills

More and more beauty industry stakeholders are offering smart packaging that's made from recycled material or can be reused. This trend, which is often referred to as minimal waste, is on the rise and our category includes refills, concentrated products and reusable packaging.

LIST OF INGREDIENTS

Here are a few examples of common ingredients and their functions in different beauty products.

ANTIOXIDANTS

Substances that protect the body from free radicals and thus combat the body's ageing process. E.g. Tocopherol, Tocopheryl acetate and Ascorbyl palmitate.

ANTISTATICS

Added to conditioners to help detangle the hair, e.g. Behenrimonium Chloride and Cetrimonium bromide.

ASTRINGENTS

Tighten skin and shrink pores, e.g. alcohol and several extracts.

EMULSIFIERS

Allow fat and water to be mixed to form a cream, e.g. Cetyl Alcohol, Stearyl Alcohol and Glyceryl Stearate.

FILM FORMERS

Create a film on the skin for a smooth feel, e.g. PVP, Polyethylene and Polysilicone-11.

HUMECTANTS

Retain moisture in the skin, e.g. Glycerin, Hyaluronic acid and Propylene glycol.

COLOURS

Are often stated with a CI number. CI stands for colour index, e.g. Carmine CI 75470.

CHELATING AGENTS

Stabilise heavy metals in makeup.

PRESERVATIVES

Prevent uncontrolled growth of bacteria, mould and yeast, e.g. Phenoxyethanol, Methylparaben and Benzoic Acid.

EMOLLIENTS

Lock in moisture and soften and smooth skin, e.g. oils and silicones.

SURFACTANTS

Surfactants are fat and water soluble and encapsulate water-soluble "dirt" so it can be rinsed off with water, e.g. Sodium Laureth-Sulfate (SLES), Sodium Lauryl Sulfate (SLS) and Betaine.

PH REGULATORS

Give the product the right pH for its area of use. E.g. Citric Acid, Sodium Hydroxide and Lactic Acid.

PROPELLANTS

Liquids that expand to a gas when released in spray products such as deodorants, hairspray or mousse, e.g. Butane, Propane and Isopentane.

UV FILTERS

Protect skin from solar radiation, e.g. Titanium Dioxide, Zinc Oxide and Benzophenone-1.

VISCOSITY CONTROLLING AGENTS

Adjust the viscosity of the product, e.g. Sodium Chloride, Xanthan Gum and Sodium Acrylates Copolymer.

VITAMIN A

Reduces and prevents wrinkles and evens out skin tone, e.g. Retinol, Retinyl Palmitate, Retinyl Acetate.



SAFE INGREDIENTS

Cosmetic products sold within the EU/EEA must be safe to use and are carefully checked by the European Commission's Scientific Committee on Consumer Safety before being placed on the market. In other words, people can be sure that products purchased within the EU/EEA are safe to use.

Cosmetics and chemicals legislation ensure that beauty products don't contain anything that's harmful to you, but there's more that can be done when it comes to sustainability. We work to ensure that our own products are as good as possible, which is why we have a list of restricted substances that aren't permitted in KICKS own brand products. This list contains substances that have or are suspected of having a negative impact on the environment and the user. The restricted list is updated on an ongoing basis and pushes us to constantly choose better ingredients for our own brand products. The list of restrictions can be found at the end of the sustainability report.



HOW KICKS IS WORKING FOR RESPONSIBLE PRODUCT DEVELOPMENT – IN PRACTICE

Sustainability is an integral part when developing and manufacturing products for KICKS own brands. Hannah Molin, Product Manager at KICKS In-house Brands, explains how this is done in the various parts of the production chain – and which measures contributed to even more sustainable production in 2020.

How much does KICKS think about sustainability when developing new brands and products?

– This is something that’s always considered throughout the product development process. We try to produce as much as possible locally, a large proportion of our brands are produced in Sweden. We also avoid using black plastic in our packaging, because this type of plastic is hard to recycle. We’ve also replaced lots of packaging in the existing range with other alternatives that facilitate recycling, e.g. minimising mixed materials. Our Flaer brand is particularly sustainable as the brushes are made of recycled aluminium and recycled plastic. The packaging is also designed as a small toiletry bag that can be reused.

Are diversity and inclusion important factors when it comes to developing new brands?

– I’d say that’s a hygiene factor. That said, there’s always more to do and this is something we’re working with constantly. To name but a few examples of how things are moving in the right direction, in 2020 we launched our new BeautyAct brand, increasing the range to 24 foundation shades. Even when developing skincare products, we take into account that different problem-solvers are needed for different skin types. Of course, we also maintain a diversity perspective when it comes to the models we use in our images.

Why did KICKS choose to produce vegan products?

– Almost all KICKS own brands products are vegan, there are a couple of brushes in the range that use pig bristles. In the beauty industry, using animal ingredients isn’t all that common. This wasn’t something that was important to highlight before as it wasn’t specifically requested by customers. There are so many good alternatives that there are no real reasons why we should use animal ingredients. There are some exceptions, though, such as lanolin and beeswax, where finding good vegan alternatives is often a bit more difficult.

How do you make sure that raw material suppliers that KICKS works with take people and the environment into account in their work?

– These requirements are included in our contracts with suppliers, and they need to demonstrate that they have certain certifications in order to confirm that they meet these requirements.

There are lots of types of environmental certification in the beauty industry. What is KICKS’ view of these?

– As I said before, there are lots and lots of labels and certifications. Exactly what these represent is often quite unclear to consumers and suppliers. Sometimes it sounds better than it actually is, too. KICKS has chosen instead to be transparent, guiding customers by clearly stating information about the product on our product packaging such as the proportion of natural ingredients.

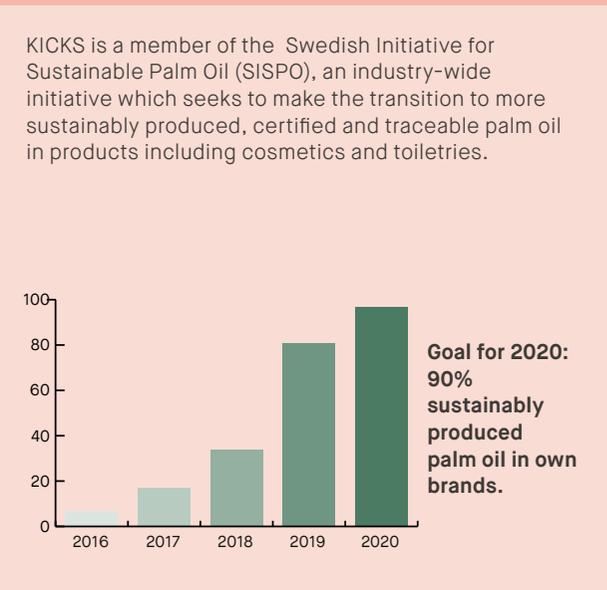
BeautyAct KICKS BEAUTY
BY KICKS

KICKS has two own brands, **BeautyAct by KICKS** and **KICKS Beauty**. KICKS also develops these brands through its subsidiary Myself & Friends:

ATELIER
ROUGE
FLAER

BUDGIE
MON | SUN

continu
SKIN TREAT
ACTIVE BOTANICAL BEAUTY



RESTRICTION LIST FOR INGREDIENTS

The restrictions below apply to own brand products in addition to relevant EU legislation, such as the Cosmetics Regulation (1223/2009) and the REACH Regulation (1907/2006).

GENERAL REQUIREMENTS

Criteria	Requirement
Fragrance	Must comply with the latest International Fragrance Association (IFRA) Standards
Nano material	Must notify KICKS in advance if a nano material is to be used
Nitrosamine-forming compounds in contact with nitrate (e.g. diethanolamine, lauryldiethanolamine, 5-bromo-5-nitro-1,3-dioxane and 2-bromo-2-nitropropane-1,3-diol)	Usage ban
Purity of ingredient	All ingredients used shall be of cosmetic or food grade quality
Substances of Very High Concern (SVHCs)	Concentration limit 0.1% (1,000 mg/kg)
REACH Annex XVII	Follow Restrictions
REACH Annex XIV	Usage ban
PFAS	Usage ban
Microplastics	Usage ban

SPECIFIC REQUIREMENTS

Chemical substance	CAS No.	Limit value/Requirement
Alpha-hydroxy acids	-	Follow the SCCNFP opinion on Alpha-hydroxy acids - Glycolic acid may be used safely at a level of up to 4% and a pH ≥ 3.8 - Lactic acid up to a maximum level of 2.5% and a pH ≥ 5.0 It is recommended that there should be appropriate warnings to the consumer of: - Avoiding contact with the eyes - Avoiding or affording protecting from UV whilst using products containing AHA because of the suggestion of susceptibility to increased damage from UV
Antimony (Sb)	7440-36-0	Total amount - In polyester ingredients (e.g. glitter flakes): < 260 ppm - In all other types of products: < 10 ppm
Arsenic	7440-38-2	Concentration limit 3 ppm
Benzethonium chloride	121-54-0	Usage ban
Benzophenone-1	131-56-6	Usage ban
Benzophenone-3	131-57-7	Usage ban
3-Benzylidene Camphor	15087-24-8	Usage ban
Butylated Hydroxyanisole (BHA)	25013-16-5	Usage ban

RESTRICTION LIST FOR INGREDIENTS CONT.

SPECIFIC REQUIREMENTS

Chemical substance	CAS No.	Limit value/Requirement
Butylated hydroxytoluene (BHT)	128-37-0	Usage ban in finished product, not in raw material
Butylparaben	94-26-8	Usage ban
Bromochlorophene	15435-29-7	Usage ban
2-Bromo-2-Nitropropane-1,3-Diol	52-51-7	Usage ban
5-Bromo-5-Nitro-1,3-Dioxane	30007-47-7	Usage ban
Cadmium (Cd)	7440-43-9	Concentration limit 5 ppm
Chlorhexadine digluconate	18472-51-0	Usage ban
Chlorhexadine dihydrochloride	3697-42-5	Usage ban
Chlorhexidine and its salts	55-56-1	Usage ban
Chloroacetamide	79-07-2	Usage ban
Chlorobutanol	57-15-8	Usage ban
Chlorophene	120-32-1	Usage ban
Chloroxylenol	88-04-0/ 1321-23-9	Usage ban
Chlorphenesin	104-29-0	Usage ban
Climbazole	38083-17-9	Usage ban
Chromium (Cr)	7440-47-3	Cr (VI) usage ban Cr concentration limit 10 ppm
CI 72288	1308-38-9	Usage ban
CI 72289	12001-99-9	Usage ban
Cetrimonium chloride (CTAC)	112-02-7	Usage ban as preservative (for other uses than as a preservative, follow limits in Annex III in 1223/2009)
Cetrimonium bromide (CTAB)	57-09-0	Usage ban
Cyclomethicone	69430-24-6/ 556-67-2/ 541-02-6/ 540-97-6	Usage ban
Cyclohexasiloxane (D6)	540-97-6	Usage ban, except in make-up
Cyclopentasiloxane (D5)	541-02-6	Usage ban, except in make-up
Dibromohexamidine isethionate	93856-83-8	Usage ban
Dichlorobenzyl alcohol	1777-82-8	Usage ban
Diiodomethyltolylsulfone	20018-09-1	Usage ban

RESTRICTION LIST FOR INGREDIENTS CONT.

SPECIFIC REQUIREMENTS

Chemical substance	CAS No.	Limit value/Requirement
Formaldehyde-releasing compounds (e.g. Diazolidinyl Urea, Imidazolidinyl urea, Quaternium-15, Methenamine, DMDM Hydantoin, Benzylhemiformal, Sodium Hydroxymethylglycinate)	-	Usage ban
Formaldehyde	50-00-0	Usage ban
Fragrance allergens	-	Fragrance allergens must be below the limit of declaration in face products: 0.001% in leave-on products and 0.01% in rinse-off products
Hexamidine diisethionate	659-40-5	Usage ban
Hexetidine	141-94-6	Usage ban
Homosalate	118-56-9	Usage ban
Iodopropynyl butylcarbamate	55406-53-6	Usage ban
Laurylpyridinium chloride	104-74-5	Usage ban
Lead (Pb)	7439-92-1	Concentration limit 10 ppm
Mercury (Hg)	7439-97-6	Concentration limit 1 ppm
4-Methylbenzylidene Camphor	38102-62-4, 36861-47-9	Usage ban
Methylchloroisothiazolinone (MCI)	26172-55-4	Usage ban
Methylisothiazolinone (MI)	2682-20-4	Usage ban
Nickel (Ni)	7440-02-0	Concentration limit 10 ppm
Octocrylene	6197-30-4	Usage ban
Phenyl mercuric acetate	62-38-4	Usage ban
Phenyl mercuric borate	102-98-7	Usage ban
Phthalates, except Diethyl Phthalate	-	Usage ban
Polyaminopropyl biguanide (PHMB)	32289-58-0/ 27083-27-8	Usage ban
Propylparaben	94-13-3	Usage ban
Quaternium-14	27479-28-3	Usage ban
Quaternium-8	-	Usage ban
Silver chloride	7783-90-6	Usage ban
Thimerosal/Thiomersal	54-64-8	Usage ban
Tosylamide/Formaldehyde resin	25035-71-6	Usage ban
Triclosan	3380-34-5	Usage ban

RESTRICTION LIST FOR INGREDIENTS CONT.

PURITY RESTRICTIONS ON CERTAIN COMMON INGREDIENTS

Component	Limit value/requirement
All materials	Must be: - Free from benzene and other residual solvents - Free from CMR (as defined in Article 57 in REACH)
Arachis hypogaea oil (Peanut oil)	Must be refined and of high purity (protein level < of 0.5 ppm)
Cocoamidopropyl betaine (CAPB)	Dimethylaminopropylamine (DMAPA) < 10 ppm in bulk raw material Monochloroacetic acid (MCA) < 10 ppm in bulk raw material Dichloroacetic acid (DCA) < 15 ppm in bulk raw material
Ethoxylated ingredients	1,4 dioxane should be < 10 ppm in all raw materials (i.e. PEG), < 30 ppm in 70% sodium Laureth sulfate and < 10 ppm in the final product
Nitrosamine risk raw materials (materials with a risk of containing nitrosamine before being put in a cosmetic product, e.g. Cocamide DEA, Cocamide MEA, Lauramide DEA, TEA-lauryl sulfate, Lauramine oxide, Cocamine oxide, Triethanolamine)	< 50 ppb nitrosamines, must be documented
Nitrosamine combination risk, i.e. amine and nitrite in same product (e.g. amines in Cocoamidopropyl betaine, Cocamide DEA, Sodium Coco-amphoacetate, and nitrite in magnesium nitrate, 2-bromo-2-nitropropane-1,3 diol)	Must not be in same product (this applies to both raw material and the final product)
Mineral Oil and Waxes (i.e. paraffin, petrolatum, paraffinum liquidum)	Must be of food or pharma quality
Polymers	Shall have a residual monomer concentration of < 0.5%
Talc	Shall be of food or pharma quality, e.g. comply with UK CTPA monograph/purity or similar to show cosmetic purity

SUPPLIER LIST

CHINA

Factory name	Country	Address	Product range	Supplier Name
Jinzhou Accessories Ltd (R&L)	China	3rd floor, No.6 building, No.4 street, BoFeng Road, QILing Village, Zhang-MuTou Town, Dongguan 523578, Guangdong - China	Tools & Accessories	Balmid
Zhuoer	China	Liu Jia Song Zhuoer Industrial Park, Da Huai Town, Enping City	Tools & Accessories	Balmid
Ningbo Eureka Commodity Co., Ltd (Chungfat)	China	No.58 Xingzhong Road, Qijiashan, Beilun District, Qijiashan, Beilun District, Ningbo, Zhejiang - China.	Tools & Accessories	Balmid
Newplus Enterprise Co. Ltd	China	AREA ONE, FLOOR 4TH, BUILDING 642, DASAN VILLAGE, DASAN COMMUNITY, GUANLAN STREET, LONGHUA NEW DISTRICT, Shenzhen	Tools & Accessories	Balmid
Homedollar (Cixi Zhihong Machinery Manufacturing Co)	China	Cixi Zhihong Machinery Manufacturing Co., Ltd	Tools & Accessories	Balmid
ROOTSMEN(ZQ) COMPANY	China	No.28, First Alley, Shabu Village, Duanzhou Road, Zhaoqing 526060, Guangdong - China.	Tools & Accessories	Balmid
Hairbrush solutions (NINGBO BEILUN JUNYANG BRUSHES CO., LTD)	China	No. 28, Jing 12 Road, Xiaogang, Beilun, Ningbo, Zhejiang - China.	Tools & Accessories	Balmid
Horizon (Foshan Yuli Cosmetic Accessory Co., Ltd)	China	B1 Pingzhou Industrial District, Guicheng Street, Nanhai, Foshan, Guangdong - China.	Tools & Accessories	Balmid
Ningbo Keyar	China	Nanyuan Village, Fuhai Town, Cixi., Ningbo 315332, Zhejiang - China.	Tools & Accessories	Balmid
Shenyang Guanpin Woodenware Co., LTD (GIM-HWA)	China	No. 489, Liutiaohe Village, Magang Town, Shenbei New District, Shenyang 110124, Liaoning - China	Tools & Accessories	Balmid
Terry Packaging Products Shenzhen Company Limited	China	3F, Block C, Jin Kai Jin Industrial Park, Shui Tian, Shi Yan Town, Bao An District., Shenzhen 518108, China	Packaging	Balmid
JUNHE INDUSTRY & TRADE Co (Ray Int)	China	11, 15, 16#, Metal knife cut industrial park, Zhuhai (Yangjiangwanxiang),, Yangjiang 529900, Guangdong - China.	Tools & Accessories	Balmid
ZHONGSHAN SHANGYANG TECHNOLOGY (SY-beauty)	China	No.28, Xingtang Road, Baishihuan Village, Sanxiang Town, Zhongshan, Guangdong - China	Tools & Accessories	Balmid
QZBM(HUIZHOU) CO., LTD	China	Floor 1, Building A, Yinshan Industrial Area, Liangjing Town, Huiyang District, Huizhou, Guangdong - China	Tools & Accessories	Balmid
Cang Zhou Zhen Di Brush Making Co., Ltd.	China	Wang Wei Tun Industrial Area, Ma Chang Town, Qing Xian, Cang Zhou City, Hebei, China 061 001	Tools & Accessories	HCT EUROPE LTD SOS Beauty

SUPPLIER LIST CONT.

GERMANY

Factory name	Country	Address	Product range	Supplier Name
A.W. Faber-Castell Cosmetics GmbH	Germany	Nürnberg Strasse 2, 90546 Stein, Germany	Makeup	SANDA/FABER CASTELL
Schwan Cosmetics Germany GmbH & Co. KG	Germany	Schwan Cosmetics Germany GmbH & Co. KG Schwanweg 1, 90562 Heroldsberg, Germany	Makeup	Schwan cosmetics

GREECE

Factory name	Country	Address	Product range	Supplier Name
Smile Vosmandros D.S.A	Greece	Industrial area of Thessaloniki, DA12A, OT38, 57022 Thessaloniki, 57022 SINDOS, Thessaloniki 57022, Central Macedonia – Greece	Tools & Asseccories	Balmid

NETHERLANDS

Factory name	Country	Address	Product range	Supplier Name
Supplier does not want to make the information public			Accessories & Skin Care	Lemione

ITALY

Factory name	Country	Address	Product range	Supplier Name
B. KOLORMAKEUP & SKINCARE S.p.A. SB BENEFIT CORPORATION	Italy	via Canonica, 79/A 24047 Treviglio (BG)	Makeup	BKOLOR
Tutti Trucchi Cosmetici	Italy	Tutti Trucchi Cosmetici srl Società Unipersonale (Via Pradoni, 43 -26010 Sergnano (CR), Italy)	Makeup	HCT EUROPE LTD
CHROMAVIS SpA	Italy	Via Edwin P. Hubble, 2 26010 Offanengo (CR)	Makeup	CHROMAVIS

SUPPLIER LIST CONT.

POLAND

Factory name	Country	Address	Product range	Supplier Name
CHROMAVIS SERVICE SP. Z.O.O.	Poland	Robotnicza 1, 06-400 Ciechanów, Poland	Makeup	CHROMAVIS SERVICE SP. Z.O.O.
Cetes	Poland	ul. Bohaterów Warszawy 2, 02-495 Warsaw, Poland	Makeup	Cetes Cosmetics

SOUTH KOREA

Factory name	Country	Address	Product range	Supplier Name
Shinwoo	South Korea	95, GoongDong, KuroGu, Seoul 152882, Korea (South Korea)	Skin Care	Balmid
Beauty Promotions	South Korea	#495 GyuHyun BLDG, GyuHyeon-Dong, GyeYang-Gu, Inchoen, Korea, 21016	Skin Care	Balmid
Eyesome (Oxygent)	South Korea	309, Gieopdanji-ro, Wonggok-myeon, Anseong-si, Gyeonggi-do, Korea. 17557	Skin Care	Balmid
ECIS COSMETIC CO.LTD	South Korea	179 GONGDAN 1-DAERO	Skin Care	Balmid
BEST SOLUTION Co., Ltd.	South Korea	S-2203, Songdo Techno Park IT Center	Skin Care	Balmid
E.CIS COSMETIC CO.,LTD	South Korea	179, Gongdan 1-daero, Siheung-si, Gyeonggi-do, Republic of Korea	Skin Care	HCT EUROPE LTD

SUPPLIER LIST CONT.

SWEDEN

Factory name	Country	Address	Product range	Supplier Name
SALAB STOCKHOLMS ANALYTISKA LAB	Sweden	Britt-Louise Sundells Gata 15, 134 50 Gustavsberg	Skin Care	SALAB
Aerosol Scandinavia	Sweden	Fabriksvägen 2, Vallentuna	Hair Care & Skin Care	PARAGON NORDIC AB
MARIA NILA AB	Sweden	Andesitgatan 12 Helsingborg, Sweden	Hair Care	MARIA NILA AB
SVENSKA KRÄMFABRIKEN AB	Sweden	Västermalmsvägen 13 B791 77 Falun	Skin Care	SVENSKA KRÄMFABRIKEN AB
Candles Scandinavia	Sweden	CV-gatan 38B 703 82 Örebro	Candles	Candles Scandinavia
Supplier does not want to make the information public			Packaging	GEP Communications
Victoria Scandinavian Soap Ab	Sweden	Muskötgatan 10, 254 66 Helsingborg	Hair and Skin Care	Victoria Scandinavian Soap Ab

SWITZERLAND

Factory name	Country	Address	Product range	Supplier Name
FLAWA	Switzerland	FLAWA Consumer GmbH, Badstrasse 43, CH-9230 Flawil Switzerland	Accessories	FLAWA

TURKEY

Factory name	Country	Address	Product range	Supplier Name
CMC Consumer Medical Care GmbH	Turkey	Karaduvar Mah. Serbest Bölge (Free Zone), 6. Cadde Dis Kapi No:25 Akdeniz – Mersin, Mersin 33029 Icel – Turkey	Accessories	RYBRINKS

AUDITOR'S STATEMENT



Revisorns yttrande avseende den lagstadgade hållbarhetsrapporten

Till bolagsstämman i Kicks Kosmetikkedjan AB, org.nr 556432-9281

Uppdrag och ansvarsfördelning

Det är styrelsen som har ansvaret för hållbarhetsrapporten för år 2020 och för att den är upprättad i enlighet med årsredovisningslagen.

Granskningens inriktning och omfattning

Vår granskning har skett enligt FARs rekommendation RevR 12 *Revisorns yttrande om den lagstadgade hållbarhetsrapporten*. Detta innebär att vår granskning av hållbarhetsrapporten har en annan inriktning och en väsentligt mindre omfattning jämfört med den inriktning och omfattning som en revision enligt International Standards on Auditing och god revisionssed i Sverige har. Vi anser att denna granskning ger oss tillräcklig grund för vårt uttalande.

Uttalande

En hållbarhetsrapport har upprättats.

Stockholm den 25 februari 2021
PricewaterhouseCoopers AB

A handwritten signature in blue ink, appearing to read 'Camilla Samuelsson', is written over a faint, light blue circular stamp or watermark.

Camilla Samuelsson
Auktoriserad revisor

KICKS

Sustainability Report
2020