



**SUSTAINABILITY REPORT**  
**2018**



**KICKS**



# Contents

1

## Introduction

Sustainability and beauty – hand in hand p.3  
This is us p.4

2

## Our value chain, our footprint

Environment, diversity and opportunities p.6  
Our value chain p.7

3

## What we use

Spotlight on packaging p.12  
Plastic packaging p.13  
Cosmetic waste p.14  
Natural Choice p.15  
Safe products and good alternatives p.17  
List of ingredients p.18  
Common myths p.19  
Animal ethics p.21

4

## The effects we create

S.H.A.R.E. p.23  
More of You p.25  
The word from our stores p.26

5

## How we do it

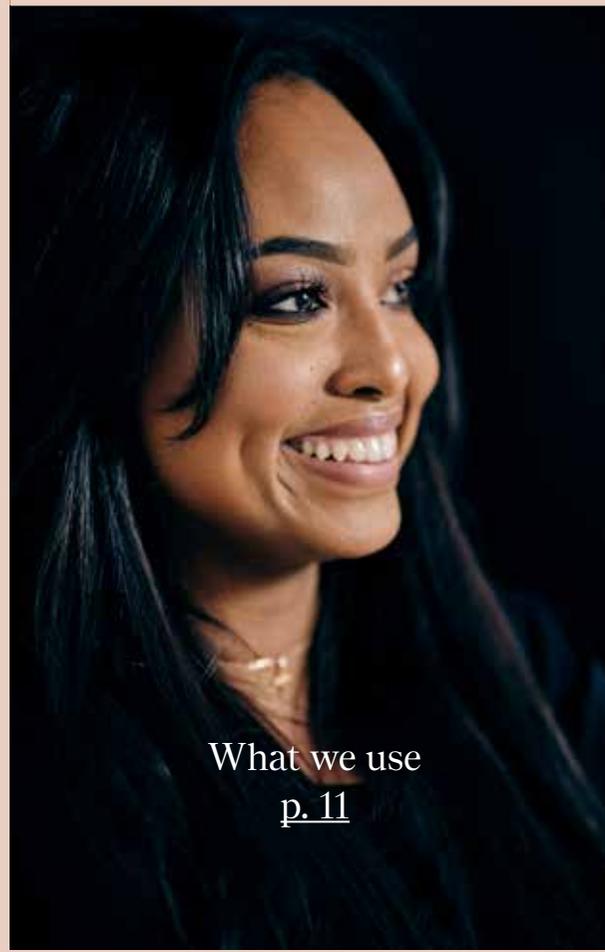
All our employees p.28  
Key figures p.30



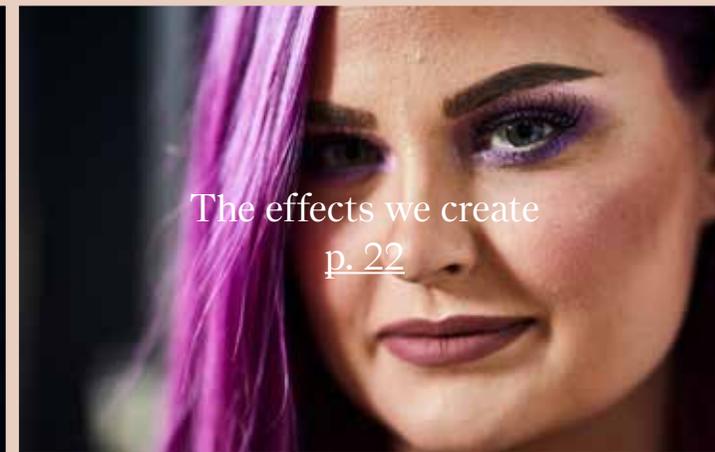
Introduction  
p. 3



Our value chain, our footprint  
p. 5



What we use  
p. 11



The effects we create  
p. 22



How we do it  
p. 27

# Sustainability and beauty – hand in hand

We live in a time of challenges and rapid changes, both economic and environmental. Sustainability is therefore understandably high on the agenda. For CEO Freddy Sobin, sustainability lies at the root of everything KICKS does on a daily basis.

For me as CEO, sustainability is about everything we do, from selling beauty products that overturn stereotypical ideals of beauty to offering products that have no negative effects on either people or the environment. This is a challenge, but as the Nordic region's largest beauty chain, it also presents an opportunity. We want to, and indeed must, take the lead and strike a path that hopefully will inspire others.

To a large extent, our sustainability work comes down to how we think, act and communicate at every level, internally and externally. We want to show that beauty can be many different things and encompass many different looks, as a way to inspire our customers. We believe that actively working on diversity is a way to attract a broad public – both as a beauty chain and as an employer. Diversity reflects society and thus drives it forward. The same is true for us personally and for a workplace. Our starting point is that as a company we reach out better to our customers by being different. We make this happen by practising what we preach, both within the company and in our customer communications.

As a company we work actively on market intelligence, and in 2018 we have closely followed the public debate on plastics. Like many other parties, we have begun to analyse more intensively what we can do. Plastic is a material that we are all surrounded by, as consumers and companies. We are pleased to see all the publicity about the sustainability challenges associated with plastics, as it creates the momentum to move the issue forward. Here at KICKS, for example, it influences the way we develop and package our own products.

Together with other companies in the Axel Johnson Group, we are conducting an analysis of our plastic flows and KICKS is currently working to develop its own plastic strategy.

Unfortunately, cosmetics currently have a negative environmental impact once they have done their job. In some cases, products and packaging should not be thrown away in ordinary household waste. KICKS has therefore launched an initiative that involves collecting customers' cosmetic waste in our stores, providing a great opportunity to engage with our customers and promote sustainable behaviours. At the time of writing, only customers in Stockholm and Gothenburg are able to deposit their cosmetic waste in selected stores, but we are working with municipalities to expand the number of stores and cities where we can offer this service.

The entire retail sector is undergoing a paradigm shift as purchasing patterns change and, just like everyone else, we are seeing an ongoing channel switch. Customer traffic is increasingly heading toward the digital channels, which brings increased choice for the customer, but also greater risks to some extent. One such risk is that products containing prohibited substances might end up on the market. As a company, we constantly focus on product safety as part of our sustainability work, and we want our customers to always feel confident about the products they buy from us.

Demand for organic, natural and vegan products is steadily rising, and we are seeing many players rushing to meet the market's needs. Sometimes, however, this happens at the



“We are keen to be even clearer about what our products contain and offer a wide range of brands and products.”

Freddy Sobin, CEO

cost of clarity. KICKS is keen to be even clearer about what our products contain and offer a wide range of brands and products. Our beauty experts have a key role to play in this, providing personal, expert help and suggesting the most suitable products for each customer's individual needs.

We have a shared conviction that beauty and sustainability are important, and that naturally the two can be combined. We also believe more can be done within our own company and in our wider industry. With strong focus and commitment, we are therefore going to continue developing and promoting our sustainability work to our customers, our employees and our suppliers.

# This is us

As the leading beauty chain in the Nordic countries, KICKS offers a mix of its own and external brands, plus services such as hair and beauty salons in some of its stores. We aim to interact with the customer in the best possible way, in all channels and on the customer's terms.

**KICKS has a total of** approximately 250 stores in Sweden, Norway and Finland, with online stores in those same countries. The KICKS head office is in Stockholm, Sweden, and is the workplace of about 200 people. There is also a small office in Norway. In total, KICKS has about 2,300 employees, with around two thirds employed 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.

**This is our second sustainability report.** It covers the financial year 2018 and all parts of the company. It is inspired by the GRI standards and meets the criteria of the Swedish Annual Accounts Act.

**In 2016 we carried out a materiality analysis** to identify the areas and issues that our stakeholders think we should focus on. The analysis covered surveys of employees and customers in all countries, as well as interviews with shareholders and stakeholder organisations. Benchmarking was also carried out in which our work was compared with that of our industry colleagues, and a media survey identified trends. The different stakeholder categories highlighted different focuses, to a certain extent, with customers wanting to see sustainable products, a secure supply chain, sustainable packaging and expert staff. The employees wanted skilled leaders and emphasised the importance of a workplace free from discrimination.

**Our focus areas are derived** from the materiality analysis.

- To constantly expand and improve our offering
- To actively contribute toward a socially sustainable society
- To minimise the negative impact of our business
- To require certain sustainability standards from suppliers and other business partners

**We have a responsibility** to ensure that the products we sell have been manufactured under good conditions, in social and environmental terms (read more about our value chain on [page 7](#)). We also have a responsibility to ensure that they consist of ingredients that do not harm people or the environment (read more about our ingredients on [page 18](#)). In addition, we make sure we comply with current guidelines and standards to attain resource-efficient, eco-friendly and high-quality operations. We also believe we can create value through our S.H.A.R.E. initiative (read more on [page 23](#)), by making it easier for our customers to make conscious product choices (read more about Natural Choice on [page 15](#)) and through our project to collect cosmetic waste (read more on [page 14](#)).

**Our vision is to be a world-leading** role model in the beauty industry. Our ambition is to integrate sustainability throughout the organisation, and we still have some way to go before we get there. We are striving to improve all the time. Today we have a sustainability manager and a sustainability specialist, based in the marketing department.

## KICKS policy

- Code of business ethics
- Health and safety policy
- Diversity and gender equality policy
- Car policy
- Environmental policy
- Travel policy
- We are a member of amfori BSCI and have adopted BSCI's ethical code as a code of conduct for our suppliers.





Our value chain,  
our footprint

# Environment, diversity and opportunities

The majority of the sustainability performance of a product is determined as early as the development phase. Much of our environmental impact comes from water consumption and from energy consumption from heating water in manufacturing.

**Hot water** is needed to blend different ingredients, for example to mix oils and water in a cream, or to mix solid and liquid ingredients. To reduce environmental impact, our suppliers work to optimise manufacturing to minimise energy consumption, for example by making the most of heating and using emulsifiers that enable mixing with cold water. We are investigating how we can monitor water and energy use, with a view to setting requirements for our suppliers.

**A large proportion** of our environmental impact comes from packaging. We can influence the packaging protecting our own products, for example by designing the packaging so it is easy to recycle, using materials that are lighter and so reduce transport emissions, and by developing packaging that is easy to empty completely so that no contents are thrown away unnecessarily (read more about plastic packaging on [page 13](#)). We are also seeing whether it is possible to produce highly concentrated products, which are diluted with water by the consumer. This produces less waste and less unnecessary transport of water.

**Another major part of our influence** – this time social rather than environmental – comes from our advertising campaigns, through the ideals they show and the models we use in our marketing. When it comes to our own brand, we have a greater opportunity to influence the content than for other brands. We have previously been challenged for displaying sexist advertising for other brands and also for using models that reinforce stereotypical ideals of beauty.

**Our concept** “More of You” celebrates diversity. We want to highlight the beauty of difference and broaden the ideal. We will be working to offer a broader range of products that suit different ages and skin colours, and also products for men, to contribute toward a more open and diverse image of beauty.

**Our own brand products are made** by manufacturers that also make products for other companies. The fact that we buy in production, transport and advertising creates a general risk, as it gives us less scope for follow-up and influence. The same is true for external brands. It is therefore important that we work with our suppliers and try to improve our partners’ performance as well as our own.

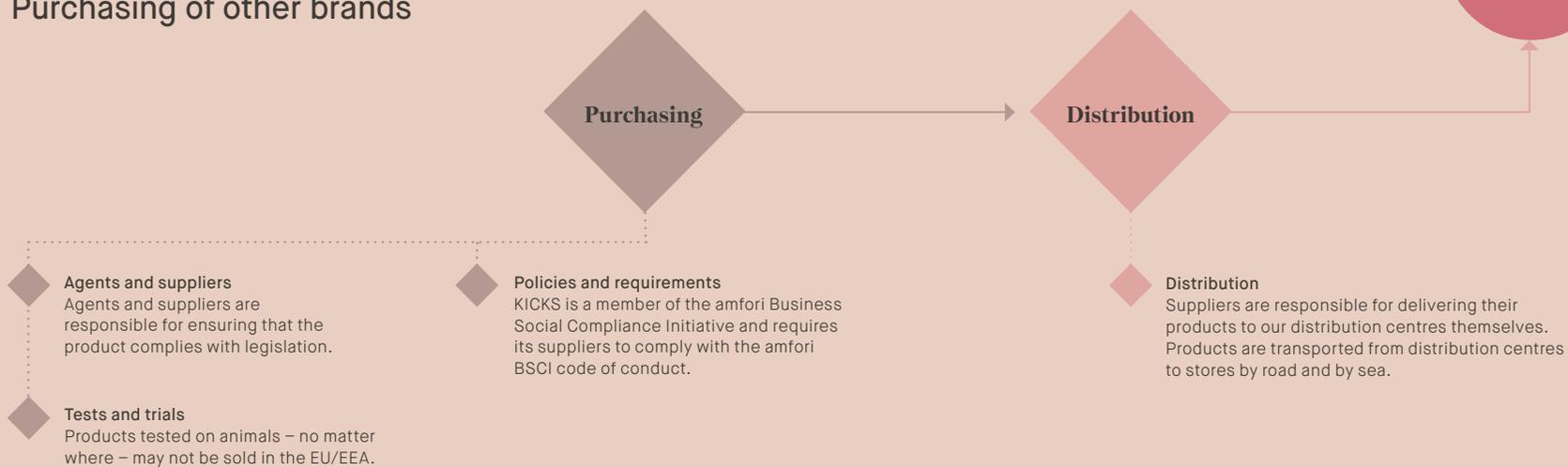


“We are investigating how we can monitor water and energy use, with a view to setting requirements for our suppliers.”

## Own brands



## Purchasing of other brands



## Own brands

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### Raw materials

#### Rejection/selection of raw materials

Naturally, we comply with cosmetics legislation for all the products we sell. With our own products, we are able to control all aspects of the process from development to sales. This allows us to go even further and also have a list of substances that are not allowed to be contained in KICKS' own products – either because they have a negative impact on the environment or because the ingredients may cause allergies.

All chemicals must be chosen in line with the precautionary principle and be used, handled and stored to minimise any negative impacts on the environment and human health. KICKS does not accept products made from endangered species, e.g. tropical wood. Suppliers must be able to verify the source of origin. KICKS only accepts exfoliating particles that are biodegradable and made from renewable resources, not microbeads.

### Production

#### Processing and composition

The majority of KICKS' own production takes place in the EU. We carry out inspections of the factories in the EU ourselves to ensure good manufacturing practice. The purpose is to check that the requirements made of production are met and that there is no mixing and no pollutants. We also demand complete traceability of raw materials, packaging materials and end products.

#### Production and energy

We require that our suppliers work to constantly improve and that this leads to:

- Minimal use of resources such as energy, water and raw materials
- Minimal emissions to air, water and land
- Minimal waste
- Minimal environmental impact throughout the product lifecycle, for example through choice of material or recycling possibilities.

#### Social conditions and code of conduct

KICKS is a member of amfori, and has adopted amfori BSCI as our code of conduct. The greatest risk of human rights violations lies with suppliers in what are known as risk countries. Through our membership, we work to ensure compliance with human rights and to improve social conditions in the factories that produce our products. The factories in risk countries, in Asia in our case, are scrutinised in line with amfori BSCI's audit

cycle. If the supplier is approved, the next inspection is in two years' time. Where shortcomings are found, the supplier must be checked again in 6–12 months. The inspections are carried out by accredited, independent amfori BSCI auditors. In 2018, 100 percent of KICKS' suppliers of KICKS' own brand in risk countries were audited.

#### Training

Through one of KICKS' suppliers, two of the factories that manufacture our products in China have begun using the training tool QuizRR Rights & Responsibilities.

The training is done on tablets and is based on videos in the local language plus a knowledge test. The tool can be used in groups or individually. It comes in different versions for managers and employees and it is possible to track the learning.

#### Packaging

Must be recyclable and ideally made from recycled materials. We are able to influence the user part of the value chain by adapting the size of the packaging based on needs and how often the product is to be used. Powder products last a long time, while creams and foundations last for a shorter period. Creams in a pump last the longest, followed by tubes and finally jars, because bacteria enter the product every time you dip your fingers in. On the other hand, it is difficult to empty the pump packaging completely, while there is less left over in a tube.

### Distribution

#### Distribution

The size of the packaging is to be optimised for the product's content to minimise waste and the transport of air. KICKS skin and hair products and makeup are made in Sweden and Europe. Accessories such as hair and makeup brushes are made in China. The products manufactured in Europe are transported by road, while products from China come by sea. Products are transported from distribution centres to stores by road and to Finland by sea.

### Own operations

#### Retail in store

We are working to reduce the environmental impact of our 250 or so stores by reducing the amount of resources consumed, with a focus on electricity consumption and recycling.

#### Marketing

KICKS operates in an industry with a constant focus on appearance. Therefore, we consider that awareness surrounding the messages we are sending out through advertising, images and other marketing are a central issue in terms of our impact on society. As a retailer of beauty products we deal with both our own ads and ads from the brands we sell. We reject ads if we find them sexist or objectifying.

#### Own waste

KICKS stores sort both ordinary waste and cosmetic waste.

#### Staff and office

We offer employee training on KICKS' sustainability work. In it employees learn more about how KICKS works on sustainable development and how they can help customers to make more conscious choices.

### Cosmetic waste

In 2017 we launched a pilot project together with Stockholm Water and Waste, aimed at collecting cosmetic waste from our customers in selected stores in Stockholm. The pilot went extremely well and as a result we signed up more municipalities in 2018. Read more about this on [page 14](#).

## Purchasing of other brands

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### Purchasing

#### Agents/suppliers

There are buyers for every product category. Suppliers present new products twice a year. KICKS is responsible for ensuring that its own brand products are legally compliant, while our respective suppliers are responsible for ensuring the compliance of products from other brands.

#### Social conditions and code of conduct

We are a member of amfori, and have adopted amfori BSCI as our code of conduct. It is vital for us that all business relations are run responsibly. Therefore we require our suppliers to meet our requirements in terms of ethical business guidelines, social requirements, general environmental requirements, etc. 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.

### Distribution

#### Distribution

Suppliers are responsible for delivering their products to our distribution centres themselves, which means we are unable to measure our climate impact from that part of the distribution chain. We need to investigate how we might measure this factor in the future.

Products are transported from distribution centres to stores by road and to Finland by sea. We make demands of our transport contractors and strive to minimise transport. When it comes to our own brand, we try to optimise the number of products in boxes to reduce the transport of air.



### Climate-smart delivery options

Since KICKS reordered the shipping choices at checkout online to make climate-smart delivery the preselected choice, this option has gone from being the least common selection to the most common. Most KICKS customers previously chose the express delivery option.

The climate-smart delivery option involves better use of freight capacity and goods being shipped by regular transport, as well as deliveries being moved by train as far as possible. It is no more expensive for our customers, and this shipping is free for our gold members.

## Production countries

Sweden  
**23%**

Skin and hair products are primarily manufactured in Sweden.

Germany  
3%

France  
0.2%

Switzerland  
2%

Italy  
**29%**

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

Finland  
2%

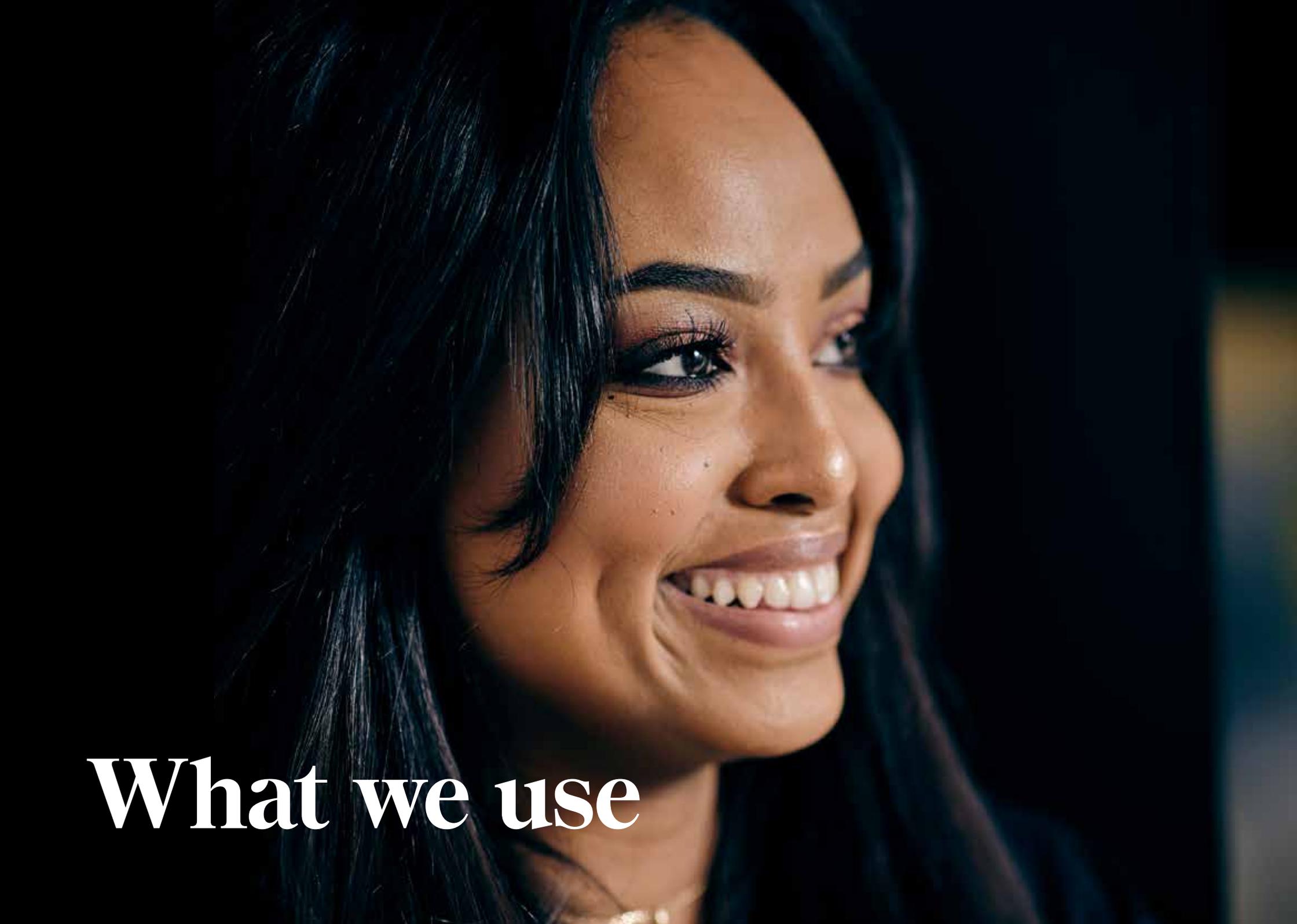
Poland  
2%

Turkey  
0.3%

South Korea  
**13%**

China  
**26%**

China produces accessories such as hair and makeup brushes.



**What we use**



“There is a common misconception that plastic is more resource-hungry than other materials.”

Lena Lundberg, IKEM

# Spotlight on packaging

Sweden is a long way ahead of the pack, not least thanks to the design guide developed to ensure that packaging can be recycled.

**The global problem** of marine pollution is heartbreaking and incomprehensible. It therefore feels positive that jointly within the EU we are setting a good example and pushing for global solutions. We need to be able to exploit the benefits of plastic, and so the best way forward is to work on effective waste management, plus awareness among everyone involved that littering and pollution are not acceptable. Simply limiting the use of certain disposable plastic products fails to tackle the root causes of the pollution problem.

**In the plastics industry, we have** responsibility to develop plastic packaging that is resource efficient, cuts food waste and is as recyclable as possible. Here, Sweden is a long way ahead of the pack, not least thanks to the design guide that has been developed to help manufacturers ensure that their packaging can be recycled. Although the collection system is exceeding the national targets, continuous development is needed to make it as easy as possible for consumers to sort their waste for recycling.

**Packaging is receiving more and more** attention in the public debate. Consumers are expressing increasingly strong demands and want to see packaging that has limited environmental impact – or sometimes no packaging at all. However, packaging fulfils an important role in protecting the products that they contain and, through lighter material choices, cutting carbon emissions from distribution. The packaging is also an important part of the purchasing experience.

**There is currently a great deal of talk** about reducing the use of plastics, particularly unnecessary plastic packaging. Regrettably, there is a common misconception that plastic is more resource-hungry than other materials. It therefore worries me when I see this single-minded focus causing a switch to other materials that, unfortunately, increase carbon emissions and consumption of resources. An extensive study has shown that if we were to replace today's plastic packaging with the next best material, energy consumption in society would double and carbon emissions more than double. We could, however, cut our carbon emissions by recycling all plastic packaging. For every kilo of plastic packaging that is recycled into new products, we save two kilos of carbon emissions.

**It is positive to see** all the initiatives aimed at increasing plastic recycling and use of the recycled plastic. Key players such as the Swedish Food Retailers Federation, for example, have presented concrete commitments to replace new plastic with recycled or renewable plastic. This creates opportunities to invest in more recycling and the development of new technologies.

Lena Lundberg,  
IKEM

# Plastic packaging

KICKS has a long-held goal that all the packaging from its own brand products should be recyclable and/or made of recycled or renewable materials.

**The majority of KICKS' own packaging** is made from plastic, often in black. Plastic is an extremely good material in many respects – it is hard-wearing, mouldable and lightweight. Traditionally, however, plastic has been made from fossil oil. To reduce our carbon footprint, we want our packaging to be suitable for material recovery, 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 material recovery, but we now understand the complexity of the material recovery 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 from it is difficult.

**KICKS has therefore decided** to change the look of our packaging and move away from black, thus making it more recyclable. This will be an ongoing project, as it will take many years to implement the change across our entire range. KICKS is also a driving force in encouraging collaboration with other players in the beauty industry to bring about change. The aim is to ensure that all packaging is in a recyclable colour.

## Sort more!

- Sort all packaging for recycling
- Separate packaging that has multiple components in different materials or colours. It is easy to spot the different materials in a glass jar with a metal lid, but it is more difficult to remember that a transparent plastic bottle should be separated from its black cap for optimum recycling.



# Cosmetic waste

Most of us collect batteries, leftover paint and light bulbs and hand them in as hazardous waste at municipal recycling centres. Few of us are aware, however, 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 waste.

It has previously only been possible to take your old cosmetics to recycling stations and recycling centres, which tend to be in remote locations, making them 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.

In 2017, we launched a pilot project together with Stockholm Vatten och Avfall, aimed at collecting cosmetic waste from our customers in selected stores in Stockholm. The pilot went extremely well and as a result we extended the project and signed up more municipalities and waste companies in 2018. In 2019, we will continue working to introduce similar systems at more stores and in more municipalities across Sweden. We are also investigating the possibility of rolling this out in Norway and Finland.

In Sweden, municipalities have a monopoly on collecting consumers' cosmetic waste. KICKS is therefore not 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 the municipalities who collect and process the waste. To be able to take back cosmetic waste, KICKS therefore has to get the municipalities on board. This is a challenge as KICKS has stores in almost 90 municipalities.

The hazardous waste is collected by municipalities at special collection points and different municipalities class different substances as hazardous waste. Some municipalities also take back cosmetic waste such as sun protection products, makeup and shampoo. People can find it difficult to know what the rules are in their own municipality and where the

collection point is. Since KICKS sells all these product groups, we want to help make sure that this waste does not end up in the wrong place. Mascara, shampoo bottles, skin lotion and products like these do not need to be disposed of as cosmetic waste. Use up the content and then recycle as plastic packaging.

You can naturally deposit your cosmetic waste at a recycling centre. The easiest way is to check with your municipality directly to find out what they collect, and where to find your nearest collection point for cosmetic waste.

## Locations where you can dispose of your cosmetic waste:

- Huddinge Centrum
- Haninge Centrum, Port 73
- Gothenburg: Avenyn, Backaplan, Femman/Nordstan, Frölunda Torg and Angered Centrum
- Stockholm: Drottninggatan, Farsta, Fleminggatan, Fältöversten, Gallerian, Globen, Hornstull, Högdalen, Kista, Mood shopping centre, Ringen, Skärholmen and Vällingby.
- Täby Centrum
- Upplands Väsby Centrum



“Being able to drop my cosmetic waste off in the KICKS store is a superb service. I wouldn’t have known what to do with it otherwise. Really convenient!”

Ulla, 68

## Take the following beauty products to selected KICKS stores or the municipality’s collection point:

- Products in spray bottles, known as aerosols
- Nail lacquer
- Nail lacquer remover
- Hair dye
- Perfume (empty perfume bottles are sorted as glass)
- Hair removal products



# Natural Choice

More and more people want to make conscious choices when it comes to skin care and makeup. However, this is complicated because there are numerous different certificates for organic, Fairtrade, ecolabelled, natural and vegan products. There are also brands that choose not to certify their products despite the fact that they would comply with the criteria; for example because it costs too much or because the criteria are lower than the criteria of the brand.

## Natural Choice

We have a broad range of certified brands and brands that have chosen not to certify their products for different reasons, but which work actively on their content and are passionate about sustainability. We believe in having a wide range of sustainable products that also have the effect, quality and feel that our customers want. We aren't trying to wag fingers, we just want to make things easier for those of our customers who want to make conscious choices. To help people find their way through all the different labels, we have divided them into five categories: Organic, Fairtrade, Ecolabelled, Natural and Vegan. We call this range Natural Choice.

## Organic

Organic products are made from ingredients grown without artificial fertilisers or synthetic pesticides. There are different types of certification for organic beauty products, with different requirements for the amount of organic content. We want to broaden the range of organic beauty products and therefore include both certified brands and brands that have chosen not to certify their products. The criteria for the products in this category are that products such as creams and perfumes must contain at least 20% organic ingredients, while products that are based on minerals or rinsed off must contain at least 10% organic ingredients. The reason that the requirement concerning organic content is lower for products that are based on minerals or that are rinsed off, and so contain a large proportion of water, is that neither minerals nor water can be grown and therefore do not count as organic.

## Fairtrade

Choosing Fairtrade products is a way for the consumer to contribute toward change. Fairtrade certification can enable growers and employees to affect their working conditions and increase their income. Many beauty products contain a lot of water and other ingredients that cannot be Fairtrade certified, which means that the proportion of Fairtrade-certified ingredients is lower in these products. Examples of ingredients in beauty products that can be Fairtrade certified are shea butter, olive oil, cocoa butter, sugar, honey, coconut oil, argan oil and various extracts.



## Common animal ingredients

- Beeswax
- Honey
- Carmine, red colour from a louse
- Keratin, substance from horn
- Lanolin, wax from sheep's wool
- Silk
- Hair from goats or ponies in makeup brushes

## Ecolabelled

The Ecolabelled category contains products that have an ecolabel such as the Nordic Swan or the Forest Stewardship Council (FSC). FSC protects forest diversity, organic processes and production capacity.

## Natural

Natural products only contain natural base ingredients, such as vegetable oil. From a sustainability viewpoint, these are often better than conventional base ingredients extracted from fossil oil. There are no regulations governing which skincare products can be called natural, and the proportion of natural ingredients can differ a great deal between different products, all of which may be termed natural. There are different certification systems for natural and organic skincare and different certifications have different criteria. Our criterion for products in this category is that they must contain at least 95% natural ingredients, with water counted as natural.

## Vegan

It can be hard to know which beauty products are free from animal ingredients. To make it easier for everyone who wants to exclude animal ingredients from their beauty products, we have gathered these products under this category. The prod-

ucts you find here do not contain ingredients of animal origin in line with our suppliers' list of ingredients. Our thinking behind the category is simply to make it easy for our customers who want to exclude animal ingredients from their products.

## Natural or organic?

Natural beauty products contain ingredients from nature that are processed as little as possible and thus have no synthetic ingredients. Organic products also come from nature, but provide a guarantee that the ingredients are grown without the use of any artificial pesticides or fertilisers. Water and mined minerals are examples of natural ingredients, but they cannot be certified as organic, because they are not grown. Coconut oil, on the other hand, can be both natural and organic.



## 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 a tube means less left behind than a pump.



# Safe products and good alternatives

Ingredients lists for beauty products can be long and difficult to understand, but the fact is that every ingredient performs a function and that is why they are in our products.

**Cosmetic products sold** within the EU/EEA must be safe to use and they 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. When it comes to the environment, the picture is more complex. Cosmetics legislation has so far primarily focused on the safety of the user and not necessarily on the impact on the wider environment. We are, however, seeing a change in this area, with environmental aspects beginning to be included in the assessment of the ingredients, which is a positive trend.

**Cosmetics and chemicals legislation** ensures that beauty products do not contain anything that is harmful to you, but in the area of sustainability there is more that can be done. We work to ensure that our own products are as good as possible, which is why we have a list of restricted substances that are not permitted in KICKS' own brand products. The 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. One such example is PFAS, an umbrella term for around 3,000 substances that are not readily biodegradable if they end up in nature. In an ingredients list, PFAS may appear as Perfluor... or Poly...fluor, where the dots (...) stand for another substance, such as ethyl. PFAS is often used for its water repellent properties in everything from beauty products to surface treatments on food packaging, clothing and frying pans. While PFAS chemicals are not a common ingredient in

cosmetics, we believe they are a problematic group of substances that we wish to exclude. Our discussions about PFAS began back in autumn 2017 and by June 2018 PFAS was on our list of restricted substances that are not permitted in our own brand products.

**For reasons of environmental concern**, there are other types of ingredients that we believe should be avoided if possible:

- Cyclic silicones (Dimethicone, D4, D5 & D6) are emollients that are not readily biodegradable and therefore accumulate in the environment. Hair oil is often made up almost entirely of cyclic silicones, but they are also common in foundations and creams, although in small quantities.
- Chemical UV filters are toxic to aquatic organisms and not readily biodegradable. In some places around the world certain UV filters have been banned due to the risk of damaging nearby coral reefs. Solar protection without chemical UV filters is like zinc paste and many people find it quite difficult to use, which is why it can be difficult to entirely avoid chemical UV filters. Look for a UV filter with the ingredients titanium dioxide or zinc oxide, as these are not harmful to aquatic organisms. If these substances are high up the ingredients list, this means that the product contains a large proportion of them, indicating that it is a better alternative.

“We work to ensure that our own products are as good as possible, which is why we have a list of restricted substances that are not permitted in KICKS' own brand products.”

Josefin Hård, KICKS Sustainability



# List of ingredients

Here are a few examples of common ingredients and the function they have 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.

## Anti-statics

Used as detanglers, especially in conditioner, e.g. Behentrimonium Chloride and Cetrimonium Bromide.

## Astringents

Tighten skin and shrink pores, e.g. alcohol and many plant extracts.

## Emulsifiers

Enable fat and water to be mixed in 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

Bind to water molecules and retain them in the skin, e.g. Glycerine, Hyaluronic Acid and Propylene Glycol.

## Colours

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

## Chelating agents

Stabilise heavy metals in beauty products.

## Preservatives

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

## Emollients/moisturisers

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

## Cleansers/surfactants

Surfactants are fat and water soluble and encapsulate water-soluble "dirt" so it can be rinsed off with water, e.g. Sodium Laureth Sulphate (SLES), Sodium Lauryl Sulphate (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 products such as deodorants, hairspray or foam products in aerosols, 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.





# The most common myths

It is not easy being a beauty consumer when you read scare stories about harmful ingredients. How worried do we need to be about parabens, sulphates and microplastics? Here we guide you through some of the most common myths.

**All cosmetic products** containing water need some form of preservative to avoid uncontrolled growth of bacteria and mould, which can itself cause serious skin reactions.

**The preservatives** currently in use are subject to strict requirements: they must be effective and render microorganisms harmless but without harming the user in any way. A mix of several different preservatives is often needed to attain sufficiently good protection, and the preservatives used in cosmetics are also used in other types of products such as cleaning products, paints and glues. Exposure to the preservatives in cosmetics is not harmful in itself, but potential exposure to the same preservatives from several different types of products increases the risk of allergies. The preservatives that pose a lower risk of contact allergies include parabens, Phenoxyethanol, Sorbic Acid and Sodium Benzoate.

**A few years ago** there were media claims that parabens cause cancer and are toxic for reproduction. This gave parabens a bad reputation that they still have yet to shake off, despite there being no data to support the claims in relation to the parabens used in cosmetics. In contrast to other substances that do the same job, very few people develop allergies to parabens, which makes them a good and important preservative. It is also important to point out that only very small amounts of preservative are ever added. To avoid preservatives entirely, we need to look to technical solutions, such as smaller packs, the use of tubes, storage in refrigerators and sterile packaging.

**Sodium Lauryl Sulphate (SLS)** and Sodium Laureth Sulphate (SLES) are two types of surfactant, with SLS the most commonly used surfactant on the market today. Surfactants dissolve fat and dirt and can be found in cleaning products

such as face wash, shower gel and shampoo. In concentrated form, all surfactants cause skin irritation, since the fat dissolving process affects the skin's natural layer of oils. The reason that some people wish to avoid sulphates is the concern that they will dry out the skin and thus increase the risk of irritation. A beauty product usually contains a blend of different surfactants at a low concentration, and also a number of different humectants tend to be added to create a gentle product. It is impossible to give general recommendations about sulphates, since different skin types react differently. If you notice that a product leaves you feeling dry, it may be that you are reacting to the sulphates. In this case try switching to a sulphate-free alternative.

**Polyethylene Glycol (PEG)** is often used to prevent products made up of water and oil from separating and helps to make

**Ingredients derived from palm oil have many names. Here are the most common ones:**

- Vegetable Oil
- Palmitic Acid
- Palm Kernel Oil
- Cetearyl Alcohol
- Palm Kernel Glycerides
- Glycerine
- Palm Glycerides
- Laureth
- Na-Laureth Sulphate
- Palm kernels

...and about 200 other names.

[You can find out more here.](#)



beauty products clear instead of cloudy. PEG also acts as a moisturiser in products such as liquid soap and shampoo. Concerns have been raised about PEG substances in beauty products because of a fear of skin irritation, which can occur as PEG substances age and begin oxidising. The risk of this happening and leading to skin irritation is extremely small, but to minimise this risk, you should make sure all your products are properly closed after use.

**The issue of microplastics** that end up in rivers and oceans has attracted a great deal of attention in recent years. This is a pressing problem, but as a consumer of cosmetics you don't have to worry about microplastics in your products. In 2017, Sweden introduced a ban on microplastics in toiletries that are rinsed off, such as scrubs or toothpaste. In practice, the ban has had little impact, since microplastics from toiletries are estimated to account for less than 1% of total discharges and the industry has already moved away from their use. Microbeads in scrubs have been replaced with exfoliators made from biodegradable ingredients such as apricot stones and sugar. Most of the beauty industry phased out microplastics as exfoliators several years ago.

**Plastic is made up of polymers.** There are currently multiple definitions of microplastics, with no consensus among researchers and authorities about what the term actually includes. The definition of microplastics in the Swedish ban is "plastic particles that are less than 5 mm in size and insoluble in water". Some polymers dissolve in water and so have different properties to the polymers that make a hard material and can form particles. This means that substances that count as plastic will not necessarily cause discharges of microplastics, for example because they are water-soluble or affect the consistency of the product.

**Palm oil cultivation** is poorly regulated and large-scale cultivation has led to widespread environmental impacts, causing problems for people in the local area. However, at the same time palm oil is a fantastic raw material; partly because it has an incredibly broad range of uses, and partly because the oil palm is by far the most effective oil crop in terms of land use. It uses less than half of the land required for other oil crops such as coconut or oilseed rape to produce the same amount of oil. Here at KICKS, we don't believe the way forward is to boycott palm oil and have chosen instead to focus on

pushing for the sustainable production of this oil. KICKS has therefore signed up to the Swedish Initiative for Sustainable Palm Oil (SISPO), an industry-wide initiative which seeks to make the transition to more sustainably produced, certified and traceable palm oil in products including cosmetics and toiletries. Together we can require, and thus influence, raw material suppliers to use certified palm oil.

**As a consumer** it is, unfortunately, difficult to make a conscious choice regarding palm oil, since the outside of a product is rarely clear about whether or not it contains ingredients from certified palm oil. We therefore feel it is important as a consumer to ask the question, so that it remains high on the agenda.

# Animal ethics

KICKS does not use animal experiments for testing either products or ingredients. Since 2004 there has been a ban in the EU/EEA on testing finished cosmetic products on animals and there has also been a ban on performing animal experiments on cosmetic ingredients since 2013. This means that products tested on animals, no matter where, may not be sold in the EU/EEA.

**The cosmetics industry in Europe** has spent many years working on developing alternative test methods that do not involve animals. This work has proven successful and the industry therefore does not need animal experiments to prove the safety of its products. The alternative methods used also tend to be cheaper, faster and more accurate.

**Legislation on animal experiments** may look different in countries outside the EU/EEA. In China, for example, the supervisory authority may carry out animal testing on some cosmetic products produced outside China, before they are

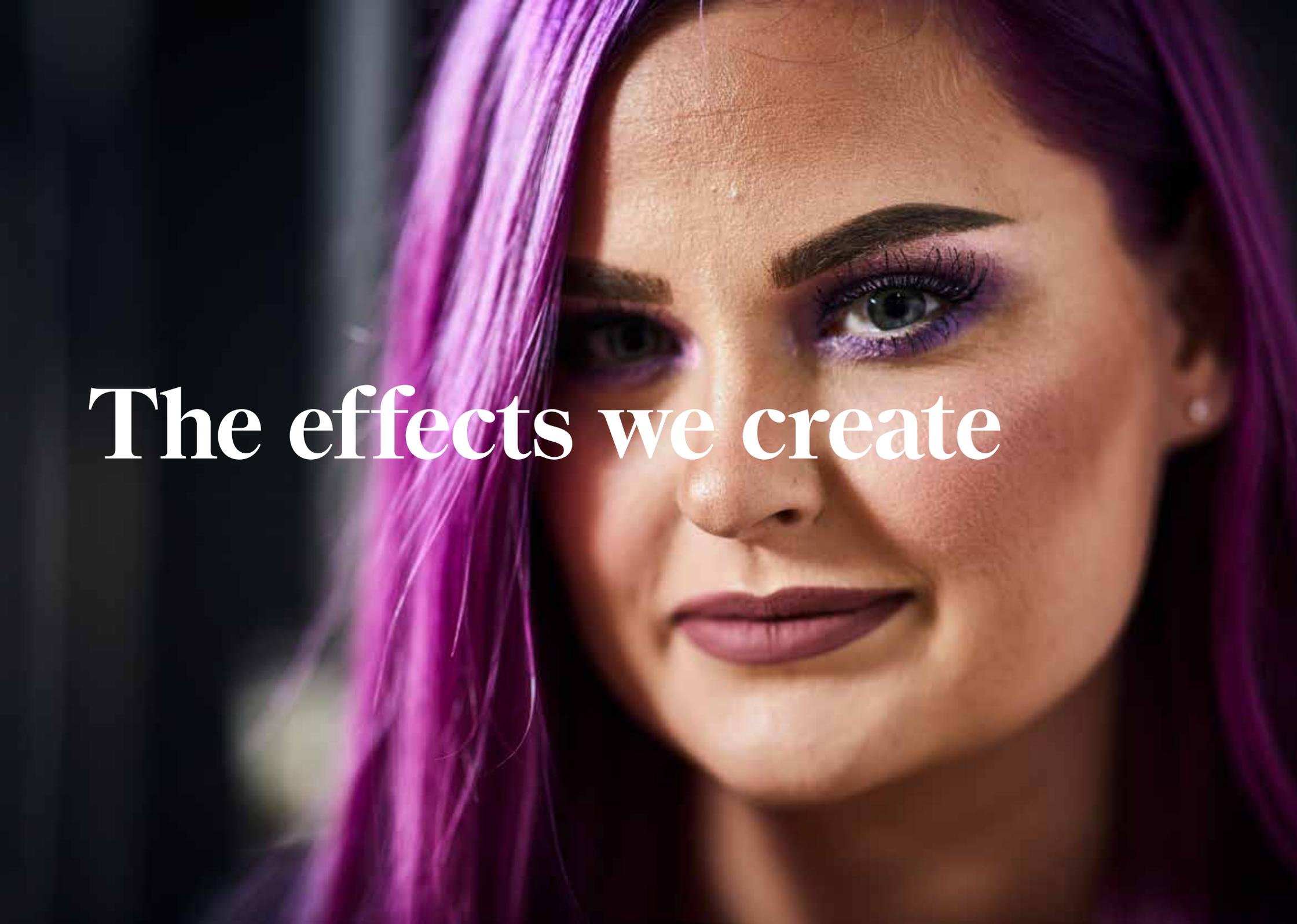
released on the market. The results of the tests performed by the supervisory authority in China cannot, and must not, be used to prove safety in Europe. In addition to the ethical considerations, the Chinese rules also mean that it is expensive and takes extra time to enter the Chinese market. The EU and the members of the European cosmetics industry that are active in China are therefore trying to lobby the authorities to accept the alternative methods used in the EU/EEA, which do not involve animal testing. Some progress is being made and there is a hope that change will come in the near future.

## The EU's Five Freedoms

We use synthetic alternatives to the greatest possible extent in our non-cosmetic products. KICKS also does not accept hair from animals that have been raised in cages solely for hair production. If animal products are used, the supplier must respect the five freedoms of the EU Farm Animal Welfare Council.

- Freedom from Hunger and Thirst – by ready access to fresh water and a diet to maintain full health and vigour.
- Freedom from Discomfort – by providing an appropriate environment including shelter and a comfortable resting area.
- Freedom from Pain, Injury or Disease – by prevention or rapid diagnosis and treatment.
- Freedom to Express Normal Behaviour – by providing sufficient space, proper facilities and company of the animal's own kind.
- Freedom from Fear and Distress – by ensuring conditions and treatment which avoid mental suffering.

[You can find out more here.](#)

A close-up portrait of a woman with vibrant purple hair and matching purple eye makeup. She has a soft, neutral expression and is looking slightly to the right. The lighting is dramatic, highlighting her features against a dark background. The text "The effects we create" is overlaid in white serif font across the center of the image.

**The effects we create**

# Positive and empowering internship programme

Mental health issues are growing in society, including both mental illness and mental problems that affect daily life. S.H.A.R.E. was launched in 2016 as a collaboration with expert organisations to raise awareness and break down taboos.

**KICKS wants to make** a positive contribution to the society of which we are part. It is important to us that our engagement is rooted in something that affects many of our employees and customers, which is why it felt natural for us to get involved in the issue of young women's mental health.

**S.H.A.R.E. was set up as a** long-term initiative in 2016, working in partnership with expert organisations to increase knowledge and break the taboo of mental illness by offering a mentor-led internship programme for young women aged 18–27 with experience of mental illness. The programme offers interns a chance to try out jobs in an industry that interests them, while at the same time receiving mentoring support from a dedicated colleague who is able to provide reassurance, inspiration and guidance. Many young women need people around them to talk to, trust in and build a relationship with.

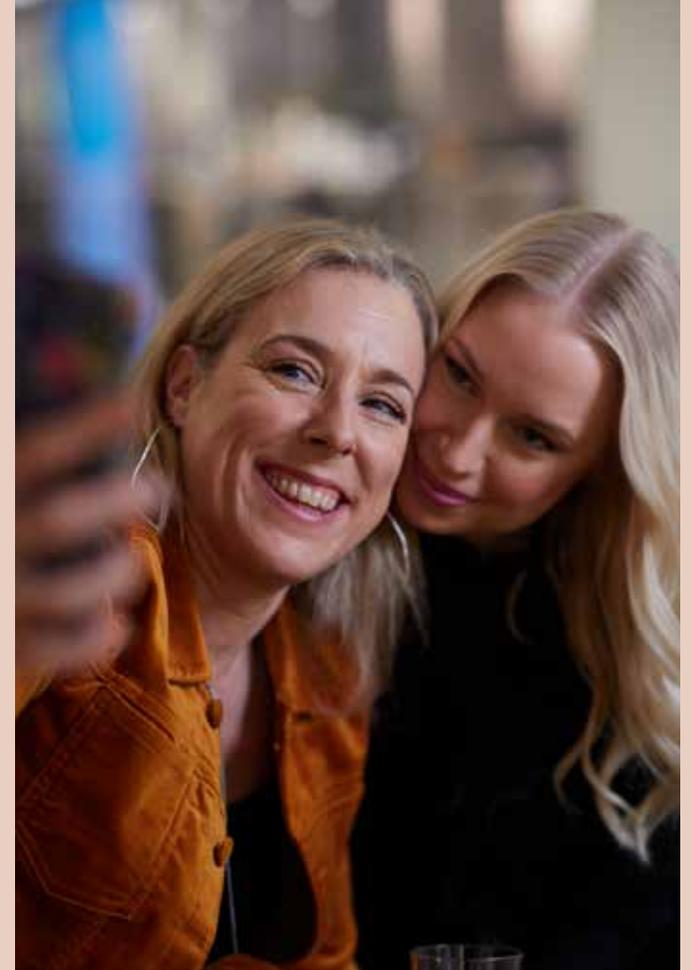
**The mentor-led internship** programme is run in partnership with certain organisations that we trust implicitly in this field. KICKS' partner organisations are Tjejzonen in Sweden, Mental Helse Ungdom in Norway and Mieli in Finland. Since the launch in 2016, KICKS has taken on 115 interns as part of S.H.A.R.E. We are also working at KICKS to increase awareness of mental illness. In early 2019 a training course will be offered to counteract the taboo surrounding the subject and to encourage people to open up about it. We want everyone at KICKS to be able to talk about how we are feeling, how we can help each other and where to seek help. The training is meant to contribute toward a culture in which talking about these issues comes naturally.

**As a young adult**, making career choices can be difficult and overwhelming. Lizette Kantola was one of the people who applied to join KICKS' mentoring programme.

"I didn't know what I wanted to do, so instead I thought what do I enjoy, and beauty is my big passion. After my time at KICKS, I know that this is where I want to be. This industry feels a little magical and artistic somehow, and it drew me in at a young age. Beauty is so free and creative. For me, beauty has always had a positive ring to it and the word gives me a good feeling inside. It saddens me when beauty and the word 'ideal' are so often lumped together, because I think they're two completely different things. For me, beauty is in the eye of the beholder."

**Lizette's internship** is now over but she remains at KICKS' head office.

"I got a job so I'm still here and I love it! My internship was the first time in a long while that I felt my self-esteem grow. Having a mentor really made me feel 'wow this is so valuable!'. I've had low self-esteem and self-confidence for a long time, but the internship has begun to turn things around. I think it's a combination of coming here and finding people who believed in me, and being somewhere that really embraced my interest. I wish everyone could have a mentor when they start a new job. It's easier to settle in when you have someone to turn to for help. I've always felt proud to say that I was involved in S.H.A.R.E. It's so horrible that mental illness is a taboo subject, because taking the plunge and talking about these issues is good for you, and has certainly improved my own self-esteem. I find the partnership between



*“My internship was the first time in a long while that I felt my self-esteem grow”*

*Lizette Kantola,  
S.H.A.R.E. intern*



Tjezonen and KICKS so moving. I'm very aware that I've had this chance thanks to the wonderful people who make it all possible. If anyone is considering applying to S.H.A.R.E., I thoroughly recommend it!"

**Jessica Holst works as** Business Planning Director at KICKS and this is her first time as a S.H.A.R.E. mentor. She is in no doubt that a mentorship programme has many strengths. "It's about sharing the knowledge and experience you gained in your working life, but mentorship is just as much about sharing yourself. I also want to pass on the values I think are important – like everyone in an organisation is equally important to its success, so always be proud of yourself and the job you do! Mentorship is about coaching – where are you headed? And where do you want to end up? What extra tools do you need to get there and are there any interim goals along the way? I believe mentorship programmes are a good option for anyone with a history of mental illness. They provide time and security in a different way to a regular work placement."

**Being a mentor has also** given Jessica insights and new perspectives.

"Setting aside time for coaching and listening has proved extremely valuable in an otherwise hectic job. Lizette was so great at sharing her experiences and that gave me insights and increased understanding about what I want to share moving forward. The more people who know, the better. I definitely want to be a mentor again!"

**Mental illness** is not just an important matter internally; it is also a factor in the image that KICKS as a company presents externally. Beauty products are not what make you attractive – beauty comes from the person. However, the products we sell are incredibly fun and using them makes people happy. The self-care of your night-time and morning facial routine. The coolness and creativity of applying your makeup. These are moments of beauty. KICKS can help to combat mental illness by continuing to think about what we promote to the outside world; the images we present, the girls and guys we choose as models and what they look like.

### Common problems:

- Depression
- Borderline personality disorder
- Anxiety
- Stress
- Exhaustion
- Emotional instability

### S.H.A.R.E.

KICKS wants increase knowledge and break the taboo of mental illness. This is how we break down our work:

#### S - Support local organisations

We support organisations that work to combat mental illness

#### H - Hire in mentorship programmes

We offer mentor-supported internships in our stores and offices

#### A - Ambassadors

We highlight positive role models

#### R - Raise awareness

We use our channels to spread awareness of mental health issues

#### E - Empower

We promote empowerment by breaking the taboo of mental illness

KICKS wants to stand for a fun relationship to beauty. [You can find out more here.](#)



# More of You

More of You is an external promise and an internal signpost. We want to help everyone who comes to us to explore and express more of themselves. We also want to inspire everyone who works at KICKS to give more of themselves, their personality and their skills.

**More of You** is at the heart of broadening the KICKS brand, a long-term journey that began in 2017. It was born out of a growing understanding that the beauty industry has traditionally highlighted a single ideal – that of the young, Western woman. Marketing and the range of products are particularly geared toward young women with light skin. People with darker skin have found it, and still find it, difficult to source makeup that works for them.

**For us, it is about** both reaching out to more people by broadening our brand and being part of the drive for change. We want to get the message across that beauty is multifaceted

and that there is no right or wrong. It is about exploring your own potential and having fun. We want to reach out to more people – to men, to older people, to people with different types of appearance. Out of all this, we created More of You, which is about the way we communicate and about our products. Some brands have targeted themselves toward a broader target group and have a broader palette of colours and shades, and many brands are in the process of changing on the issue of colour range.

**KICKS is striving** for a broader range of products and marketing that highlights diversity in society so that more people

feel included – whatever their sex, skin colour or age. With KICKS Magazine – a key part of our marketing strategy – we think a great deal about how the More of You concept can actually be applied in our work. “When we plan the photo shoots and choose images for the magazine, we consciously aim for diversity in our choice of models. We think about not choosing just models with a particular stereotypical appearance or of a particular age, and we think about also representing our male customers. KICKS wants to include everyone,” says Caisa Jansson, Editor-in-Chief of KICKS Magazine.

## Our mission

We constantly strive to provide a broader range of products, to be inclusive and to promote our role as experts.



“Not everyone knows what they need for their skin and body. By asking questions and understanding each customer’s needs, we make sure every individual feels noticed. It’s not just about beauty. Wellbeing is also important.”

Behije, Store Manager, Hansa Malmö

# The word from our stores

The stores talk about their product range and how they work to secure inclusive and knowledgeable staff.

“When we were recruiting for the new flagship store in Stockholm, we worked actively to achieve a broad range of ages, skin tones and genders so that we had a workforce that reflects our customers. All the employees are also either skin therapists or makeup artists, so we know that our in-store staff are experts on skin tones and both young and older skin. When it comes to having an inclusive range, there are differences between the smaller KICKS stores and the flagship stores. The aim in the flagship stores is to have a wide range so that customers can always find a suitable base makeup.

Smaller stores have a bigger challenge, as they don’t carry all the brands and colours. They are able to sell products for all skin tones via the iPad, but we need to ensure that there are testers for every skin tone in the stores.

To help us, we have our training portal Academy Online, which regularly carries courses on new brands and so on. The models in the portal’s training films are all KICKS’ own employees, who vary in age, gender and skin tone in order to represent our customers.”

## When you’re not the norm – the word from our customers

“It’s easy to feel out of place when you enter a store and get the impression that you may not be the intended target group. In my experience as a guy, most stores have a huge range for women, while the range for men is confined to a single shelf tucked away at the back of the store. The beauty industry is also incredibly traditional when it comes to male and female. I’d like to see more products that weren’t so obviously coded according to traditional gender stereotypes.”

David, 31

“I feel that ads in the beauty industry are becoming more inclusive, but as a non-white consumer I still see a huge discrepancy in the range of products.

It’s almost comical when stores bring in darker base products but only offer two darker shades, as if non-white skin only comes in two colours. The brands that have the widest range of shades, at least as testers in-store, are in the more expensive bracket. I’d like to see a wider range of shades in the budget category. There’s often a wider range online, which is good, but anyone who has ever bought a foundation knows that you’d rather test it first. Some brands do better than others and offer more shades as testers in-store. That is something you never got before.”

Aisha\*, 26

“I always buy the same brands and I know exactly what I want when I go into a store. But I had to try a lot of products to find out which ones I like. Finding the right foundation was awful, as the cost quickly escalated. I’d like to be given more product samples when I shop in stores, because it’s fun to try new products.”

Ulla, 68

\*the person is actually named something else



How we do it



# All our employees

Our employees are our most important asset. It is through them that we meet customers and the surrounding world and they are what creates value for the company. We are constantly striving to ensure that the people who work for us feel good, feel involved and have an opportunity to develop, and that nobody is ill-treated 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. There are few full-time posts in the stores and this makes it difficult to recruit older people, who often have families and a greater need for a higher income than young people without families. Many store managers are relatively young and some of them feel insecure about employing staff who are older than they are.

**In our management training** we try to encourage our store managers to employ older people. This is an important issue for us because we have a strategy of reaching more people, including older people, and need to be able to reflect that in our store staff. We believe that a varied team feels and performs better, and we therefore need to work on achieving a more diverse workforce. Work on gender equality and diversity is steered by our Diversity and gender equality policy from January 2017.

**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 policy. 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 realise that working alone poses a risk and that many people feel unsafe to a certain extent when working alone. We have installed security cameras both to enable us to document incidents and as a deterrent, and also installed lockable cupboards for valuable products. In the future, cash-free stores and new payment solutions may be relevant.

**Outside the physical stores**, the work is more about reducing mental ill-health and stress, and also working with ergonom-



“We believe that a varied team feels and performs better, and we therefore need to work on achieving a more diverse workforce.”



ically well designed workplaces. We strive to ensure that our employees are able to combine their work with parenthood, partly through flexible working hours and, where possible, working from home some of the time. We have annual safety inspections to follow up the work and to identify what we need to focus on more. We used to conduct a staff survey every 18 months to see how our staff were feeling, but in 2018 we began carrying out monthly surveys instead. We believe that this enables us to identify trends and take action more quickly. In 2018, 76% of KICKS' employees stated that they enjoy their job.

**We have a skills development** plan for all staff, with a particular focus on in-store staff. The KICKS digital training portal Academy Online gives staff access to the KICKS Academy, talk shows, training and inspiration from our suppliers. The purpose of the KICKS Academy is to enable KICKS employees and managers to become successful in their roles. Through the KICKS Academy, all our employees can easily access training in sustainability, KICKS' values, sales techniques and the basics of makeup, perfume, skincare and nails.

**Our aim for 2018** was to start working on a similar concept, but with a focus on leadership and coaching. Due to a lack of



resources, this has been put on ice, but we will be revisiting this matter in 2019. All training courses are open to all employees.

**We have been working** on developing a strategy to reduce the risk of corruption. As part of this work, we have identified supplier-led sales competitions as being associated with extra risk in terms of business ethics, because the sales staff were significantly rewarded by suppliers for selling their particular products. In 2016 we launched our code of business ethics, which steers this work. We are the only company in the industry to have distanced ourselves from sales contests controlled by suppliers.

**We have a whistleblower service** in place so that employees can anonymously report suspicious activity that could seriously affect the company or a person's life or health, and that fails to comply with our company's values and principles on business ethics. 17 incidents were reported via the whistleblower service in 2018. Most of them were matters for HR, but three were considered relevant and were investigated further. Following closer investigation, these cases were also classed as HR matters.

# Our key figures

## Code of conduct and inspections

**Target:** 100% of KICKS' own suppliers in risk countries have an approved audit cycle.

**Outcome 2018:** 100%

Most of KICKS' own brand products are manufactured in the EU, with 19 factories in risk countries such as China and Turkey producing our accessories and brushes. No cases of human rights violations were reported during the year.

KICKS is a member of amfori, and has adopted amfori BSCI as our code of conduct. All the factories in risk countries have been audited and have an approved audit cycle.

## Code of business ethics

**Target:** 100% of employees have signed KICKS' code of business ethics.

**Outcome 2018:** 95%

The aim is for all employees to sign the code of business ethics. We note, however, that 5% did not do so this year, due in part to parental leave and the replacement of line managers.

## Work environment

**Target:** The overall aim of the health and safety work is to achieve a sustainable working environment that ensures good physical and mental health, enjoyment and job satisfaction for all employees.

**Outcome 2018:** 76%.

In the KICKS employee survey, 76% of employees stated that they enjoy their job.

## Whistleblowers

17 incidents were reported via the whistleblower service in 2018. Most of them were matters for HR, but three were considered relevant and were investigated further. Following closer investigation, these cases were also classed as HR matters.

## Anti-corruption

0 cases of corruption

## Skills development

Number of courses completed

2016: 80,000

2017: 128,000

2018: 144,000

## Smuggling

We support the Swedish Customs Agency's fight against smuggling and actively distance ourselves from all handling of smuggled goods. We do not tolerate smuggled goods being transported in our means of transport or together with our goods shipments.

## Managers with international background

**Target 2020:** 20% of managers will have an international background

Outcome 2017: 32%

**Outcome 2018:** 18%

The figures are based on KICKS Sweden, as we do not 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

**Target:** Even gender distribution among managers by 2020 (Group-wide target)

Outcome 2016: 92.7% women

Outcome 2017: 92.7% women

**Outcome 2018:** 93.3% women

## Gender distribution all KICKS

2016: 97.6% women

2017: 97.6% women

2018: 95.2% women

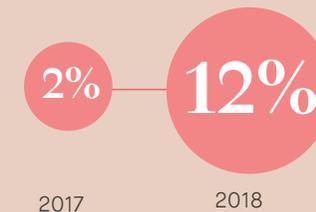
## Natural Choice

**Target:** 10% of sales from our sustainable offering.

**Outcome 2018:** 12%

The reason why we achieved the target this year but not in 2017 is that we now include products in the categories Organic, Natural, Fairtrade, Ecolabelled and Vegan. The range previously only comprised certified organic products.

### Natural Choice sales



## Transport

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

### Transport emissions CO2e/MSEK



## S.H.A.R.E.

**Target:** At least 90% of the interns and mentors are happy with the internship.

Proportion of interns who are happy with the internship:



Proportion of mentors who are happy with the internship:



Finland: On the question of how happy the mentors were with the duties involved, 2/5 were extremely happy, 2/5 were happy and 1/5 couldn't say. On the question of whether they would recommend mentoring to others, they all said "Yes".

\*Norwegian interns answered the question using a 1-5 scale, where 1 is the worst and 5 is the best.

## Bags

In September 2017, KICKS began charging for bags, with the aim of reducing the use of bags in general. We have seen a drop in the sale of bags in all markets.

No. of customers buying bags



## Palm oil in our own brand products

**Target 2020:** 90% sustainably produced palm oil  
**Outcome 2018:** 34%

Raw material suppliers offer sustainably produced palm oil to a greater extent than they used to, which means that the proportion of sustainably produced palm oil is rising in KICKS' products. It is gratifying to note that we have doubled the amount of sustainably produced palm oil every year since 2016.

Sustainably produced palm oil

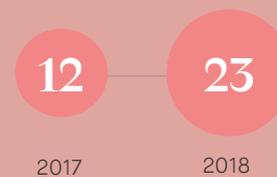


## Cosmetic waste

**Outcome 2018:** 2 553 kg

We expanded our commitment over the year by collecting cosmetic waste in more stores.

No. of stores that collect cosmetic waste



Cosmetic waste collected



## Emissions of CO2e

**Target 2020:** 0.17 tonnes CO2e/MSEK  
**Outcome 2018:** 0.17 tonnes CO2e/MSEK

This year, KICKS set a target for emissions of carbon dioxide. Up until the year 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 in our stores, business travel and transport from our warehouses to stores and customers. We realise that the task of cutting carbon emissions is not complete and we are continuing our drive to reduce emissions even further.

The majority of our carbon emissions lie outside our direct control. Working with our suppliers will therefore be crucial in reducing our carbon footprint.

Emissions CO2e/MSEK





Sustainability Report  
2018