





**UN GLOBAL COMPACT** *Communication On Progress* 



#### **LETTER FROM OUR CEO**

CSR is about taking responsibility for the impacts of an enterprise on people and the environment. Therefore, it is essential for ID® Identity as a company to take care of the social and environmental challenges by actively taking the necessary responsible choices to contribute with goods that are ethically and responsibly produced.

At ID® Identity we are continously engaged in the area of CSR, emphasized to be a company that does things properly and thus responsibly wherever in the world the goods are produced.

It can be difficult to know what a sustainable product is, when seeing how the words are used differently in various contexts. It's new territory for most people, meaning there is not a final result for what is right or wrong.

We believe for ID® Identity the path is to analyze and select the focus areas, where we see, we can contribute to a difference on subjects related to sustainability, environment and ethics. Not trying to match them all, as that would mean a risk of a mediocre result – It's a matter of balance.

Today the Sustainable Development Goals are as incorporated in our daily CSR strategy as the Ten Principles. As previous years we reconfirm that our activities are based on the Ten Principles in the areas: Human rights, Labour rights, Environment and Corruption.

We focus on well-designed products produced in materials ensuring a long lifespan to reduce environmental impacts. The choice of environmentally friendly materials and manufacturing processes is integrated into design and development processes. The cooperation with our suppliers is based on mutual respect for the fundamental human rights and working conditions. We seek to influence our manufacturers to live and integrate these throughout their supply chain.

This is our third annual statement describing the actions and achievements we are working with to integrate Global Compact, SDGs and the Ten Principles into our business strategy. We will continue our work with CSR to ensure a continued progress.

This statement will be available to our stakeholders and other interested.







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# PART OF OUR DNA



The ID® garments are designed with the greatest

With CARE for the care of the

consideration for per-

formance and durability

when in USE.

USE

With **CARE** for the environment, we have selected the best materials, maintaining the good quality in the complete lifespan of the products.

The ID® garments are created to emphasize common expression and to **UNITE** people wearing corporate wear showing their identity.

### **USE | CARE | UNITE**



#### **OUR DNA**

We believe that good quality and unquestionable product performance is of highest importance to our customers. We strive to be the quality choice and developing high quality products. The ID® name should be our customers' guarantee of quality that they can pass on with confidence. This has been a driving force which has kept us in the industry for years and is still relevant today.

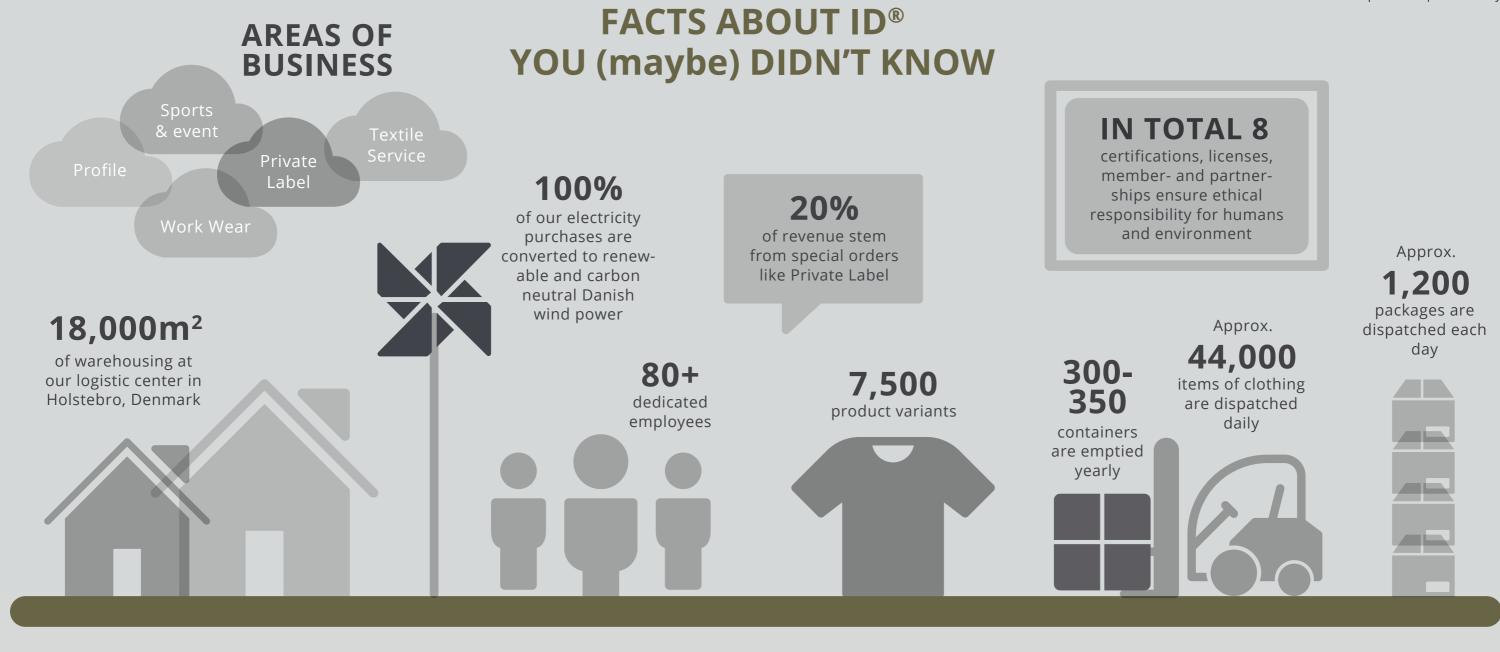
Embracing the ID® history and meeting the future, we keep on striving for excellent product performance. We describe our DNA in three small words **USE I CARE I UNITE.** 

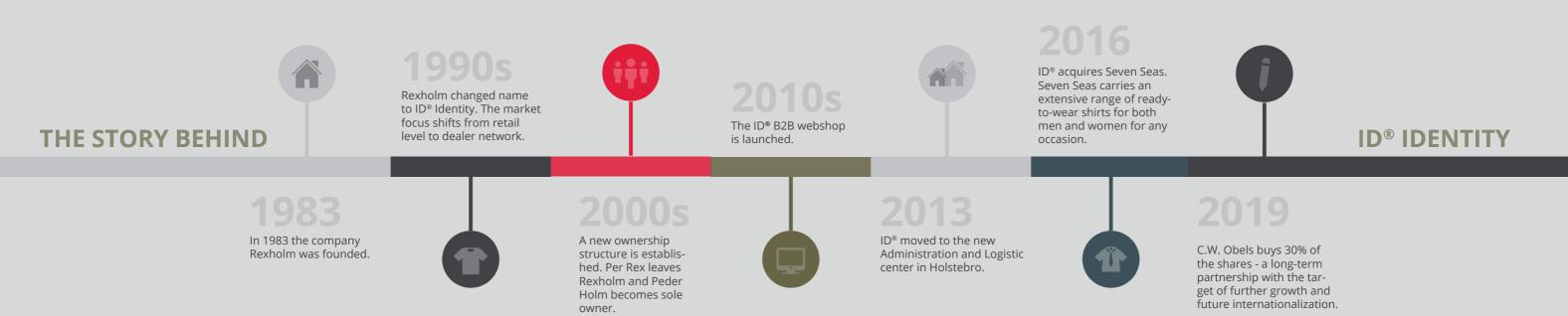
#### **BRANDS BY ID®**

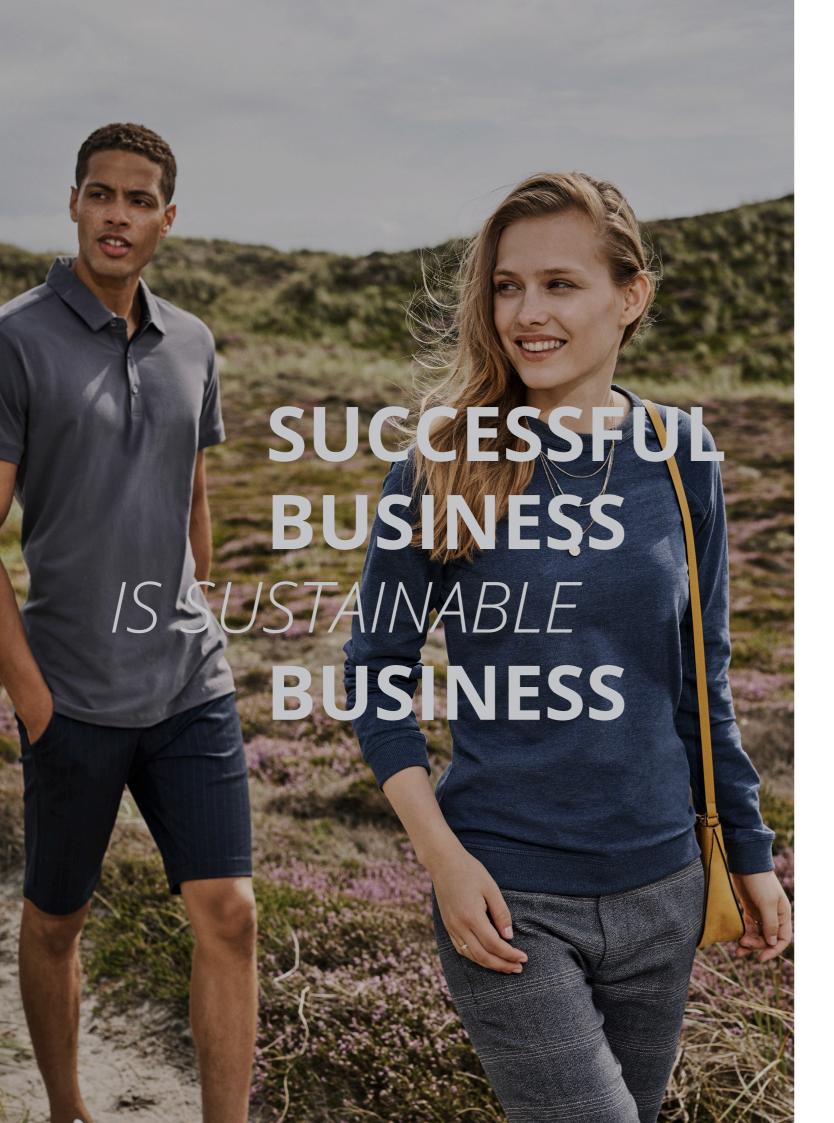
We continuously develop new styles in appealing design and high quality. Latest we introduced three new sub-brands - GEYSER by ID®, Seven Seas by ID® and PRO Wear by ID®. Brands with different focus yet the same performance.

During the years ID® has developed new product types and incorporated other brands.

The roots visualize our DNA – No matter the brand - the goal is the same for high product performance, quality and long lifespan made in materials carefully selected and produced responsibly.





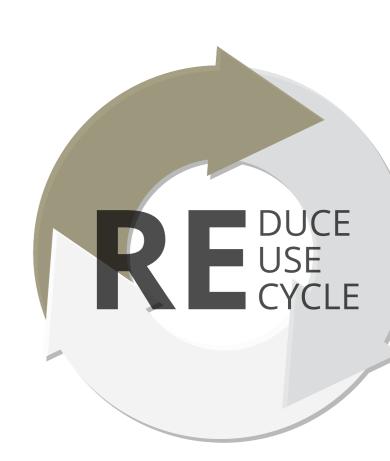


### WE SHARE THE RESPONSIBILITY

The focus is to recycle when possible and when it makes sense, always reducing use of new raw materials. We believe and put our focus in it every day.

The level of thinking in a responsible way to act, has always been a part of ID® Identity's way of acting and thinking, but no doubt, that we have increased our ability to think responsibility into different areas than previously.

Beside the work with our supply chain and products, we are thinking of ways we in our own building can take measures of action. The environmental policy is a method to increase our internal understanding as well as making sure we all understand why and for every person to be a partner implementing the responsible way of thinking sustainability - based on the knowledge we have at present time.







## A SUSTAINABLE DEVELOPMENT

#### A MORE SUSTAINABLE FUTURE

ID® Identity supports the 17 Sustainable Development Goals (SDGs) as the blueprint to achieve a better and more sustainable future. All 193 member countries have agreed to address the global challenges e.g. poverty, inequality, climate change, environmental degradation, peace and justice, and to reach the goals by 2030.

The 17 Goals are all interconnected and through 169 targets and indicators the future task have been set to create a better sustainable future for generations to come.

#### THE EVERYDAY WORK WITH THE GOALS

Everyday ID® Identity works with the all SDGs in different ways. We have chosen to work with six primary goals, where we through actions can influence changes, while others are indirectly affected through the primary goals.

The work with SDGs is focused on the choice of sustainable materials, sustainable production methods, social and environmental considerations, with a continued focus on long product lifespan and high product quality.

#### WE CARE - OUR SIX FOCUS GOALS



#### **OUR WORK -** NO POVERTY

Fair remuneration for workers. Textile production is taking place in countries where poverty can be a challenge. We only work with factories who has a social compliance system ensuring the worker's salary in due time and according to the legislation and up to the living standard. We require suppliers to sign our Code of Conduct as well as membership of amfori BSCI or Smeta.



#### **OUR WORK -** GOOD HEALTH AND WELL-BEING

Are both important - no matter if we are talking staff in ID® or suppliers in other parts of the world. The best job is carried out by staff being healthy and safe. Through our certificates Oeko-Tex and GOTS together with EU Ecolabel license; we set high requirements to avoid and reduce the use of hazardous substances and chemicals to promote a healthy life for all. It concerns all substances and chemicals getting in contact with people as well as the one being a risk of polluting earth, water or air.



#### **OUR WORK - QUALITY EDUCATION**

Education is knowledge. Knowledge is the tool which enables people to develop and able to create changes. Educations will ensure decent wages, better health and gender equality. Every year we support a local slum school in Dhaka Bangladesh for children aged 6 – 14 years, so they can continue their education year after year.

#### **OUR WORK - DECENT WORK & ECONOMIC GROWTH**

Community, trust and good working conditions describes ID® as a working place. When travelling to our suppliers we promote decent working conditions as well and require factories to have a social compliance system in accordance with ILO conventions and for the production to be carried out in a responsible manner and securing worker's rights, health and safety. We have long time cooperation with factories ensuring a continuous development as well as innovation to secure financial growth and sustainable manufacturing for both parties.



#### **OUR WORK -** RESPONSIBLE COMSUMPTION AND PRODUCTION

Right from product development we strive to choose the best sustainable raw materials to ensure products with long lifespan and durability. Taking the necessary care to avoid the use of hazardous substances and chemicals during production and ensure none is left in the final products for safety of workers, user and the environment. We put effort in avoiding release of substances to earth, water and air. We focus on reducing use of new materials, and reuse when possible and take care of waste being separated for recycling. We use ecological cotton, recycled polyester as well and paper and carton from sustainable forestry.



#### **OUR WORK - PARTNERSHIPS FOR THE GOALS**

The most important partnership is our suppliers. Their understanding for our business and their willingness to do innovation and developing their product to support our strategies are vital for a sustainable cooperation. We also cooperate with Teknologisk Institut / Oeko-Tex, Miljømærkning Danmark / EU Ecolabel, Control Union / GOTS and other organizations within the textile sector; among others amfori, ACCORD, Global Compact, Bureau Veritas, Hohenstein as well as other stakeholder organizations.



# PRODUCTS | MORE THAN YOU SEE







#### THE CUSTOMER REQUIREMENTS

At ID® Identity we offer more than products to our customers. We offer solutions to cover the need of our customers best possible and more. Our solutions cover from products and marketing to warehousing and transportation.

We have great respect for the requirements from our customers, and we take great pride in honouring the requirements. As a textile company we have an important obligation to develop products with respect for the environment and for the human rights and the labour rights in the countries, where the products are being manufactured. We follow the ILO Core Conventions and support the Ten Principles of the UN Global compact being member.

#### LONG-LASTING USABILITY

When designing our products, the main goal is to create products with a long-lasting usability to minimize the need for new products and hence reduce the waste of products being thrown out after end-use. Therefore, we carefully select fabrics and accessories, which we know will provide the product with the needed strength to meet our demands for long-lasting features.

#### WE SHARE THE RESPONSIBILITY

When working with selections of fabric and accessories, we also take great care to ensure that our products are produced in an environmental and sustainable manner and not least produced with respect for the human and labour rights and without use of harmful chemicals or substances.

#### **QUALITY TESTING**

We use international standards to test and evaluate all our products to make sure they meet not only our expectations and requirements but also those of our customers. We always conduct wash and wear tests for all new products besides testing all the properties of the products with the Bureau Veritas.

When signing our Quality Manual our suppliers confirm to comply with REACH regulation not using forbidden or harmful substances or leaving any residue in the final garments.

#### **SAMPLE DONATION**

During the process of developing new products, a number of samples are always produced, which can't be sold as actual ID® products to our customers, so we donate these to different kinds of charity.

# WHAT WE HAVE ACHIEVED IN 2019/2020

OEKO-TEX ®
CONFIDENCE IN TEXTILES
STANDARD 100
1976-299 DTI
Tested for harmful substances.
www.oeko-tex.com/standard100

3 OUT OF 5

sub-product categories are Oeko-Tex® certified 57%

Oeko-Tex® certified products are Annex 6, product class 1

96%

of our core basic products are Oeko-Tex® certified ECOlabel www.ecolabel.eu

23%

PRO Wear by ID® styles are Ecolabel certified

STAND STAND

#### **GOTS CERTIFIED**

In 2020 we gained the GOTS certificate. A new GOTS product range will be launched in 2020

**EVERY YEAR** 

our basic products from Bangladesh are tested in Bureau Veritas towards our products requirements with satisfactory result 100%

of our suppliers have signed our Code of Conduct placing demands on social, ethical and environmental conditions

# HAPPY BIRTHDAY

### The most sustainable T-shirt is the one that can be worn over and over again.

#### **FAST FASHION IS NOT SUSTAINABLE**

In the fashion industry, multiple collections are typically released each year. The modern fashion industry makes a living selling new trends several times a year, but fast fashion is neither sustainable nor healthy for the environment.

The most sustainable T-shirt is the one that can be worn over and over again and, most importantly, one that does not go out of fashion and retains its shape and colour day in, day out. In other words, quality, design and functionality are essential.

Unlike brands that constantly pursue the latest seasonal trends, we focus on creating corporate wear with a stylish, classic, long-lasting design that doesn't go out of fashion.

### TIMELESS DESIGN THAT NEVER GOES OUT OF FASHION

The T-shirt appeared more than 100 years ago. First in the US Army and then immortalized by Hollywood icons such as Marlon Brando and James Dean.

ID® launched the T-TIME® T-shirt for more than 26 years, and of course it must be celebrated. It's a true classic when it comes to design, quality and functionality, and this is exactly why T-TIME never goes out of fashion.

T-TIME® is a classic round neck T-shirt with four-layer ribbing in neck and shoulders and neck bands. Even after many washes the T-shirt maintains the colour and shape. ID® T-TIME is available in 9 sizes and 25 different colours.



### YOUR GURANTEE OF A CLEAR CONSCIENCE





### WE GAINED THE OEKO-TEX, ANNEX 6

Today ID® Identity holds two certificates for Annex 4 and Annex 6. We believe the importance for us to own the certificates ourselves.

#### **INCREASED OEKO-TEX WORK**

Autumn 2019 we decided to increase our work with Oeko-Tex gaining certificate for Annex 6. Annex 6 contains even tighter limit values compared to Standard Annex 4.

Annex 6 is developed for companies with focus at Detox Substances and the Detox Campaign. Not only does Annex 6 request limit values for substances, but there are also expanded requirements as well as requirement for colour fastness.

#### TWO CERTIFICATES

Today ID® Identity holds two certifi-

cates for Annex 4 and Annex 6. We believe the importance for us to own the certificates ourselves.

Not only do we request our suppliers to keep up with the requirements, we meet the requirements ourselves and act ourselves and are deeply involved in the daily work maintaining the certificates.

It's a part of our DNA showing integrity and commitment. We do what we say – Responsible behavior.

#### LABELLING OF PRODUCTS

During 2020 we will start labelling our basic products with the

Oeko-Tex certificate number, so customers always can see and recognize the product.

#### RESPONSIBILITY IS SHARED

Our partners – the producers have great importance in the work with Oeko-Tex. Understanding the need for constant development into more sustainable solutions are of benefit for all #SDGS17 – Partnerships for the goals.

Our work with the Oeko-Tex certificates is a part of our commitment working with UN Sustainable development goals.



### OUR OWN GOTS CERTIFICATE IS NOW A REALITY

We are proud to announce that April 2020, we gained the GOTS certificate - a standard for textiles made from organic fibres.

#### **TEXTILES MADE FROM ORGANIC FIBRES**

The Global Organic Standard is recognized as the world's leading processing standard for textiles made from organic fibre. It defines high-level environmental criteria along the entire organic textiles supply chain and requires compliance with social criteria as well.

#### **PRODUCT**

The GOTS label grade "organic" certifies the garment contains a minimum of 95% certified organic cotton.

#### **ENVIRONMENTAL CRITERIA**

Environmental policy enables us to meet the criteria for chemicals, energy, water and waste. All chemical inputs such as dyestuff and auxiliaries must meet environmental and toxicological criteria as well as requirements on biodegradability.

#### **PERFORMANCE CRITERIA**

GOTS sets criteria for the technical perfor-

mance with parameters for colour fastness as well as shrinkage. Raw materials, accessories and the final products must meet stringent limits regarding unwanted residues.

#### **SOCIAL CRITERIA**

Social compliance based on ILO conventions is a GOTS criteria. Continuous work internally and with producers to improve working conditions and the freedom to choose for workers based on ID® Code of Conduct.

#### **QUALITY ASSURANCE SYSTEM**

The entire supply chain must be certified. Transparency through all chains are of major importance and the verification of a certified product.

With the GOTS certificate we again underline our commitment to UN Sustainable Development Goals. The criteria for GOTS is very clear towards the Un Sustainable Development Goals.



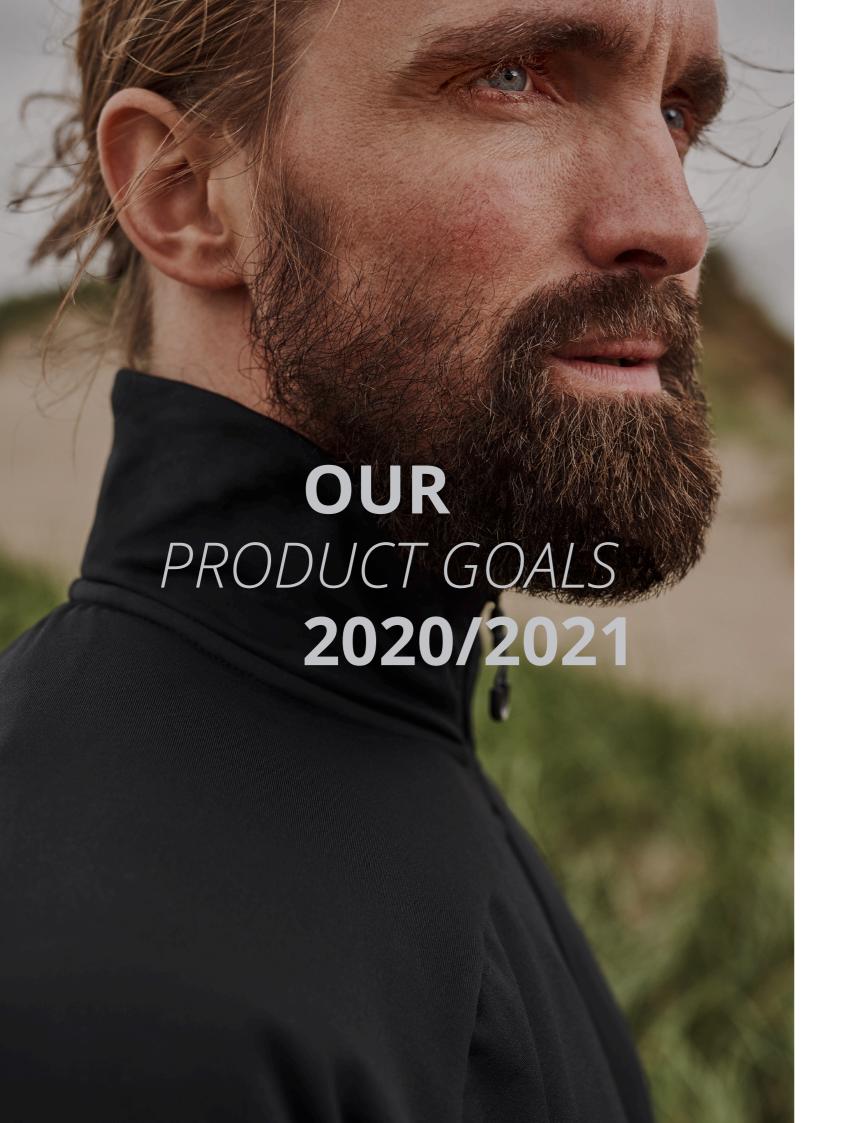
### WE CARE ABOUT OUR WORLD & FORESTS

#### MORE SUSTAINABLE MATERIALS

As a part of our continuous work with more sustainable materials, we will during 2020 change all our labels to be from recycled materials. It will be a continuous project to keep on working on adding sustainable materials as well as products to our product range. We will conduct the changes as quickly as it's feasible for our supply chain.

#### LABELLING OF PRODUCTS

Besides labels; hangtags will be made from wood from sustainable forestry and recycled sources by FSC mix certified producer. With these hangtags ID® supports #SDG15.





We will continue to work ensuring a sustainable production of our products and be environmentally responsible.



03

05



We will increase the EU Ecolabel with 20%.



#### **OEKO-TEX STYLES**

We will keep on ensuring our core basic products are Oeko-Tex certified, and increase the Oeko-Tex certified products Annex 6 with 1%.



#### **GOTS STYLES**

We expect GOTS sold pieces will reach equal level to EU Ecolabel the first year.



All main labels for basic styles will be from GRS certified recycled polyester source.



# 06

#### HANGTAGS

All hangtags for basic styles will be made from wood from sustainable and recycled sources by FSC mix certified producer.



CARE LABELS Care label for basic will be changed with visible Oeko-Tex logo for easier recognition and where possible from recycled materials.





# PROCUREMENT | WE TAKE RESPONSIBILITY





#### **EQUAL COMMITMENTS**

We acknowledge the responsibility we have as an actor in the textile industry. Which is known to represent risks towards human and labour rights, and the environment in the production of our products. We need as a company to identify and address the risks in all aspects of our business.

Our ambition is to do business with suppliers who have equal commitments as ID<sup>®</sup> Identity towards social, environmental and ethical sustainability.

#### LONG-TERM PARTNERSHIPS

The framework of ID® Identity is based on the ILO conventions and the Ten Principles of UN Global Compact. It's our goal to influence our employees and business partners to respect the Universal Declaration on Human and Labour Rights and the environmental protection.

We trust in long-term partnerships with our suppliers. A partnership providing both partners the possibility of growth, improvements and security in all aspects of the business relationship.

The top suppliers have been working with ID® for a long time - several years, some back to 2003. Still suppliers abroad from the early days in the 80's are a part of the supply chain.

Open and transparent dialogue is part of the daily communication and due diligence. We care about each other and value the corporations - #SDG17 – Partnership for the goals.

These long-term relationships have formed a kind of family involvement. These relationships have created a very important sense of proximity, confidence, security and transparency. All equally important.

We know each other well and all know their role in maintaining and developing the products supporting the production of quality garments.

# WHAT WE HAVE ACHIEVED IN 2019/2020

### amfori (1)

98%

of sold Basis styles in 2019 were from amfori BSCI suppliers



procurements for sold pieces are delivered in FSC certified export cartons



more factories have uploaded the remediation plans



100%

of papers for printing and copies, booklets and similar are PEFC or FSC certified and in several cases also either certified according to Ecolabel or Nordic Swan

### **3 FACTORIES**



have improved their result, so factories with 'good result' have increased from 61% to 87%. We no longer have factories with 'not acceptable' result



100%

catalogues are printed at an environmental certified print house



ALL

paper towels and napkins are FSC certified.



23%

PRO Wear by ID® styles are Ecolabel certified



#### **OUR MEMBERSHIPS**





#### **SOCIAL & ETHICAL SAFE PRODUCTION**

ID® Identity has been member of amfori BSCI since 2013 and expect our suppliers to work with the amfori BSCI system or other similar certification systems such as SMETA/SEDEX or SA8000. As a member of amfori BSCI we support SDG 8 – Decent work and economic growth.

We take our responsibility seriously. Most of our products are manufactured in countries, where risks are possible. We visit the factories frequently to have our eye on the manufacturing places as well as the condition under which our products are produced.

Doing business in foreign countries can be difficult due to the language barrier. We need help from 3rd. party to keep us up to date with speech details, in very good communication with the suppliers, keeping an open dialogue with the focus on improvements.

Here our cooperation with amfori BSCI is a great help for both us as well as our suppliers; auditing the place of production according to the amfori BSCI Code of Conduct by 3rd. party auditors.

With RSP for several producers, ID® Identity has taken on the responsibility to follow producers in their work with social compliance. We pay regular visits to different places of production and talks directly with management to promote the understanding for the amfori BSCI requirements and hence the needed improvements and creating a mutual understanding for the development of substantiality and general growth.

We follow and guide the producers in how to work with their remediation plans, so improvements are conducted regularly, keeping focus where the next improvement can be found. Continued improvement is the keyword.

We have also signed the Bangladesh ACCORD on fire and building safety. With this we are committed to source in Bangladesh and to support the implementation of requirements set by the ACCORD.

We take pride in contributing to the improvements made since the ACCORD was started. With the fees from signatory companies the ACCORD has employed people, who can check and help the factories with safe construction of building and for electrical installations to be proper to avoid accidents. This way the workers are ensured a safe workplace.

All factories working for signatory companies will undergo regular independent fire, installation and structural inspections. Factories are required to have remediations plans – CAPS, which are monitored as well and not least training of workers for safety of workplaces.



# OUR PACKAGING & METHODS

Our aim is to use materials supporting an environmental and sustainable production as well as work with environmentally friendly packaging and transportation methods.

#### HOW TO PACK GARMENT WITH MINIMUM USE OF PACKAGING MATERIAL?

There has always been a great focus on packing of garments. How can we best possible pack garment with minimum use of packaging material and still keep good quality of the garments. Since many years a larger part of our products have been packed with more items in one polybag instead of single packing.

In 2018 we changed all polybags to be without print and in a LDPE quality which could be recycled. Beginning 2019 all export cartons from Bangladesh have been FSC certified materials a minor part of export cartons from China is also FSC certified.

In 2020 we have set new goals; beside continuing the work with export cartons from FSC material, we have started changing polybags to recycled LDPE polybags. For some factories the recycled materials are closer to their hand and the change is possible for other factories the material is not as available. It's important to understand the development taking place in the world right now gathering materials for recycling.

We will only use recycled materials when we trust the origin of the material through certificates. Still it takes hard work to investigate properly to avoid green washing and to make sure to buy recycled materials close to where it's to be used to avoid excessive use of Co2 transporting materials.

Currently, we are testing how we can avoid use of polybags in a greater scale without compromising the quality during transport and later when storing in our warehouse.

Furthermore, we also set a standard for packaging and transportation. Our aim is as well as using materials supporting an environmental and sustainable production also to work with environmentally friendly packing and transportation methods.

We choose carriers, who support our requirements and who have a clear social and environmental and ethic responsible strategy. All our forwards must meet the EN 16258:2012 standard for methodology and requirement for calculating and reporting energy consumption and greenhouse gas emissions.







We will continue to evaluate if further sustainable solutions can be found within office supply to areas other than paper articles.





We expect an increase of Ecolabel by 20%.





#### **AMFORI BSCI**

We will continue the dialogue with suppliers who have not yet joined the BSCI platform, about the possi-bility for them to join the amphori BSCI platform. Current level expec-ted to be unchanged.



#### **RECYCLED POLYBAGS**

We will continue the work with recycled polybags as well as reducing the use of polybags.





#### **FSC EXPORT CARTONS**

We will continue to work with FSC certified export cartons, expected 1% increase.





#### MORE SUPPLIERS TO JOIN

All suppliers representing 2% or more of buying volume must join the amphi BSCI platform (or similar). Suppliers below 2% of BV are encouraged to join the platform within two years if BV is raising.





#### SUPPLIER COLLABORATION

We will keep working with our suppliers to encourage them to do improvements and remediation plans.

# PEOPLE | A STORY ABOUT SOLIDARITY







#### **IMPORTANT RESOURCE**

People are one of the most important resources for ID® Identity, both internally and through out our supply chain. We take our responsibility seriously and have incorporated the responsibility in our daily processes and actions.

We want our dealers and their customers to feel confident when doing business with us, knowing that the fundamental human and labour rights always are of highest concern for ID® Identity.

ID® Identity supports the fundamental human rights and we distance ourselves from any form of discrimination due to race, religion, gender, age or handicaps. Diversity in our workforce is considered a strength, therefore there are equal terms regardless of country of origin, gender or other special conditions.

We strive to make sure that neither we or any of our business partners are prohibiting the right to association and collective bargaining or complicit with forced labour, child labour and human trafficking.

#### **INTERNAL EMPLOYEES**

All new employees receive the Employee Handbook, the handbook specifies how employees should act towards customers, suppliers and colleagues to maintain the human rights but also to secure good and ethical ways for talking, writing and acting.

#### WASTE MANAGEMENT

New employees are also introduced to ID® waste management. In all offices as well in the warehouse are designated areas for waste. All waste must be separated for recycling purpose. All waste is separated into paper, carton, plastic and finally waste which can't be recycled.

#### INTERNAL INTRODUCTION

Once a new employee is hired, the first weeks of the employment, they will have an introduction to all departments in ID® Identity. The introduction to ensure the employee has knowledge about the work carried out in the different departments and the responsibility of the department and specific persons. The introduction is important to incorporate the new person quickly to the ID® Identity community, working routines as well as getting close to colleagues, so they are dressed for the teamwork.

#### PENSION & HEALTH INSURANCE

All employees are offered a pension programme and a health insurance and the possibility of including their family. It's important for ID® Identity that all employees can have treatment in case they in one way or another feel ill. #SDGs 3 Good health and well-being. Employees with good health behaviors have lower absence and a lower risk for stress and other in our world common diseases.

#### **BREAKFAST & CELEBRATIONS**

ID® Identity provides breakfast and fruit to all employees as well as coffee, tea and water. Celebrations of employees are taking place. The community celebrates colleagues if it's a birthday, anniversary or childbirth, all employees are gathering to celebrate the person and salutes.

#### **APV - WORKPLACE EVALUATION**

Every 3rd. year a written APV (Work-place evaluation) is conducted, running APVs are also held to secure updates for workplace and the environment. All employees have the right to a yearly dialogue about wages and a personal interview. A safety committee mannered by employee and management takes care about the safety and environmental issues in the company and conducts regular meetings.

#### **EXTERNAL - FACTORIES**

As we don't have any factories of our own, the Code of Conduct and our quality manual are tools to inform our suppliers about the human and labour rights, all suppliers must read, sign and comply with these. The amfori BSCI is the other tool we use to be sure that our suppliers respect and comply with the principal rights of their workers. The ACCORD in Bangladesh also helps to secure remediation and support worker participation and training programmes.

Most of our suppliers are long-term suppliers with whom we meet regularly and visit the actual place of production, this way we also see for ourselves how the conditions appear.

Through the BSCI audits we get insight and the possibility to help our suppliers to improve if needed. It's our aim to conduct business in a way which gives benefit for our customers and suppliers and with secure growth for all parties involved.

### WHAT WE HAVE ACHIEVED IN 2019/2020



### EDUCATION OF SUPPLY CHAIN

As a part of our Supply Chain strategy and work with Ecolabel products we continuously educate all our partners



0%

grievance has been detected during the period



#### **TTH HANDBALL**

We support the local TTH handball and other clubs and cultural organizations in the surroundings of Holstebro



#### LOCAL SCHOOL

In Bangladesh we continued our support to local school and secured the schooling for pupils

100%

of the employees are informed about the strategy of the company by management. Financial figures are published every month to keep an open and clear information level



#### DANISH HOSPITAL CLOWNS

We support Hospital Clowns in Danish hospitals

# THE ID® COMPANY SPIRIT & 30 YEARS ANNIVERSARY

Employees are our biggest asset. The resources in our company are the experience and skills our employees have acquired. We give priority to the little things that improve our community.

Where it all began – Ulfborg, a small station town located in West Jutland in Denmark. Here back in 1983 the company Rexholm A/S, today named ID® Identity, was founded by Peder Holm and Per Rex. From a start with just few employees, Rexholm grew year by year and more people were employed to maintain the continuous growth of the company. It was during these years the ID® company spirit was founded.

The company spirit was there right from the beginning, set by the very first owners and employees. All founded in the local community where people care about each other and the company where they work. In the beginning employees were responsible for many different jobs at the same time, so all knew the situation of the company and how they could contribute best possible. Here the community was a positive factor in every working day for all.

#### **COMMUNITY IS THE KEY FOCUS**

Since it all started in 1983, it has been important for Peder Holm, founder & majority shareholder of ID®, to maintain the corporate culture where 'community' plays a key role. The community is today a key issue for ID® Identity.

The staff association arranges different kind of arrangements. All from bowling games, football games, hockey to winetasting and cooking competitions. Every year a big summer party is arranged with different themes from wild west to Hawaii party. A perfect opportunity for all staff to enjoy the togetherness and getting even further relations.

Peder Holm says "employees are our biggest asset. The resources in our company are the experience and skills our employees have acquired. We give priority to the little things that improve collaboration, unity and the working environment - elements that make ID® a secure and exciting place to be, and this is exactly why our community is so important."

#### **CELEBRATING 30 YEARS ANNIVERSARY**

At ID® a high seniority is not unusual at all. Several employees have been a part of ID® from the start, and in 2019 we celebrated the 30 years anniversary of John Pedersen who is the 3<sup>rd</sup>, employee from the very start of the company.

"The day was full of celebrations as John is the true spirit of an ID® Identity employee. Always taking care of his colleagues and takeing big pride in assuring the ID® spirit and DNA is passed to the next generations. You can always rely on having a birthday song from John. As an employee through so many years John has worked with many different tasks and never says no to a challenge" tells Peder Holm.

John Pedersen tells himself "at ID® I have worked in the economy department as book keeper. Through the years I have joined purchasers on their trips to other parts of the world to visit suppliers, just to have a better understanding and to know the people and factories belonging to the supply chain of ID®." Today John is one of the senior employees and still a valued employee and takes care that every day is a fantastic ID® working day.







## COMMUNITY IS OUR KEY FOCUS



### LOCAL TRIATHLETE WITH HIGH 2020 AMBITIONS

In 2020 GEYSER by ID<sup>®</sup> will be supporting 22 years old Jens Emil Sloth Nielsen, Danish cross-triathlete and representative of the Danish national team.

In the start of 2020, we announced a new collaboration with the Danish triathlete Jens Emil Sloth Nielsen and our sub-brand GEYSER by ID®. 22 years old Jens Emil is a Danish triathlete and representative of the Danish national team.

The ambitions for 2020 are high. "My competitive streak is huge and my goal for 2020 is to establish myself in the European elite in cross-triathlon" tells Jens Emil. At ID® we look forward to supporting Jens Emil on the sideline and following his journey.

Jens Emil was raised in Bjerringbro, Denmark, where he graduated from the city's high school in 2017. Today he lives in Aarhus, where he studies a Bachelor in Sport at Aarhus University.

After playing many different ball games through the start of his teenage years, Jens Emil suffered a knee injury, which meant that he opened his eyes to mountain biking instead. As a junior he made his debut on the Danish MTB national team, and has since been able to ride in the top of the Danish senior elite.

### WHAT IS CROSS-TRIATHLON?

Classic triathlon consists of swimming, road cycling and running. And takes place at different distances.

In cross-triathlon, swimming is still included, while the road bike has been replaced with a mountain bike and the race has been replaced with a trail run. The new form of triathlon was born in the mid-1990s, but has now evolved into a worldwide race series called X-terra.

### **EDUCATING CHILDREN** FOR A BETTER FUTURE



Social responsibility is a major part of the ID® core values. We have contributed to a slum school in Dhaka, Bangladesh, through the GLP Foundation for many years, so that young children get a good start to their schooling. Bangladesh is a country of many contrasts, and almost half the population lives under very primitive conditions.

GLP currently runs two schools in Dhaka - one in Gabtoli and another in Badda - with 400 children. The schools follow the national primary school curriculum with an emphasis on extra-curricular activity including learning English.

Since 2012, all their grade 5 students and 90% of their grade 8 students, girls and boys in equal numbers, have achieved A grades in public board exams. Since 2011 GLP schools have had 100% pass records. The success rates have been impressive as children graduating from GLP to higher educational institutions and moving onward to better jobs and businesses.

ID® has visited the school several times, and it is rewarding to see how the association's work is making a difference.



#### **COMMON MEETING PLACES**

- We support TTH handball club

Through several years the local handball team TTH Holstebro has been supported by ID®. It's a tradition to participate when matches and giving the team the best support possible.

July 2019 renewed the partnership with TTH for the coming two years as a platinum partner. With this partnership ID® not only supports TTH as a team, but also supports two handball players directly.

Peder Holm founder of ID® Identity is happy to continue the corporation with TTH Holstebro for the next seasons and pronounces:

"For Holstebro and the entire regional area, it is important we retain some of the strong teams within the sport and with TTH at the top of Danish handball, the club is part of the visibility and branding of the entire area and at the same time creating great experiences for the entire family, citizens and companies

Due to the huge value the club creates we are obliged to support the company. The strategy of TTH gives us as a partner a belief in exciting experiences in the coming years. At ID® Identity we work according to the motto "we will win" and this is why TTH and ID® fit well together as the aim is the same."



#### SMALL MAGICAL MOMENTS

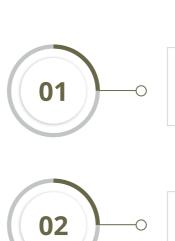
We are proud to announce that ID® for another year will be supporting the Danish Hospital Clowns with a donation which creates heart space filled with play and magic for hospitalized children.

Each year, approx. 75.000 children are admitted to the Danish hospitals - some for a longer period of time. Danish Hospital clowns work to strengthen the children's joy and life courage of hospitalized children so that they can better understand the course of the disease. They meet and acknowledge the child where it is. In the anxiety, in the joy, in the boredom.

When the Danish hospital clowns enter a room, they see the people who are - children, relatives and staff - and respond to the specific mood. Maybe the hospital room needs to be transformed into a room full of play and magic. Maybe help is needed to conduct an investigation. Or maybe we need to put words and body on the child's pain.

The hospital clown shares his strength with the child and provides what is needed. For many children, the clown can become a safe hand to hold when life in the hospital hurts. And an anchor to return to.







We expect no grievance through the period.



#### LOCAL SCHOOL

We will continue to support the local school in Bangladesh.



#### SUPPLIER COMMUNICATION

We will keep on communicating with suppliers to work with remediation plans to ensure proper working conditions for staff and to ensure their rights.



03

05

#### **DUE DILIGENCE PROCESSES**

Keep up the work with the due diligence processes to identify, prevent, mitigate and remedy.



#### **WORKING CONDITIONS**

We will keep on the continuous work to improve working conditions for our employees.





#### TTH HANDBALL

We will continue to support TTH handball as well as other local clubs and organizations.

# **ENVIRONMENT |**A BETTER FUTURE







#### A RESPONSIBLE ENVIRONMENTAL BUSINESS

The aim of ID® Identity is to conduct a responsible environmental business, we support environmentally friendly technologies, products and raw materials.

An environmental approach in the textile industry is needed as the industry is known for the possibility of negative impacts during the manufacturing of raw materials and final products and the transportation.

Our company policy is based on common sense, our producers are to understand and see the effect of continuous improvements of the environmental conditions in the supply chain.

We emphasize in our Code of Conduct that we aim to work with producers, who focus and strive to minimize the burden on the environment. This balanced to their financial, geographical and innovative possibilities. All employees are introduced to our environmental policy among other things sorting of waste, printing habits and always looking for new ways of being environmentally friendly.

In 2013 ID® Identity moved to a new headquarter in Holstebro. The new headquarter is aimed to be a sustainable construction, where the light and heating is controlled automatically and controlled in relation to the weather. ID® has converted 100% of our electricity purchase to renewable and CO<sub>2</sub> neutral energy produced by Danish wind power.

#### **OUR ENVIRONMENTAL POLICY**

Based on our environmental policy, we have taken the next step towards developing methods and procedures for how to organize our work with environmental issues as well as setting target to follow.

The environmental policy is founded from management point and a part of the overall strategy of ID® Identity. All actions and goals are implemented in the organization and all employees are to be aware of the policy implemented. The policy specified the responsibility to uphold national and international legislation and reporting the impact level.

ID® Identity has always practiced responsible behavior and will continue to do so as well as keeping an open dialogue on the subject internally as well as through the supply chain to keep transparency on environmental subjects.

# WHAT WE HAVE ACHIEVED IN 2019/2020



96%

total waste is sent for recycling



We have increased plastic for recycling to

65 by chai

by changing our polybag quality



### CO<sub>2</sub> EMISSION

figures for transportation to customers destination is available to our partners.



96% of the total freight volume is sea

shipments

100% of our export cartons are now FSC mix

OEKO-TEX ®
CONFIDENCE IN TEXTILES
STANDARD 100
1976-299 DTI
Tested for harmful substances.
www.oeko-tex.com/standard100

We have managed for

57%

of our OEKO-TEX® products to reach the stricter level of annex 6

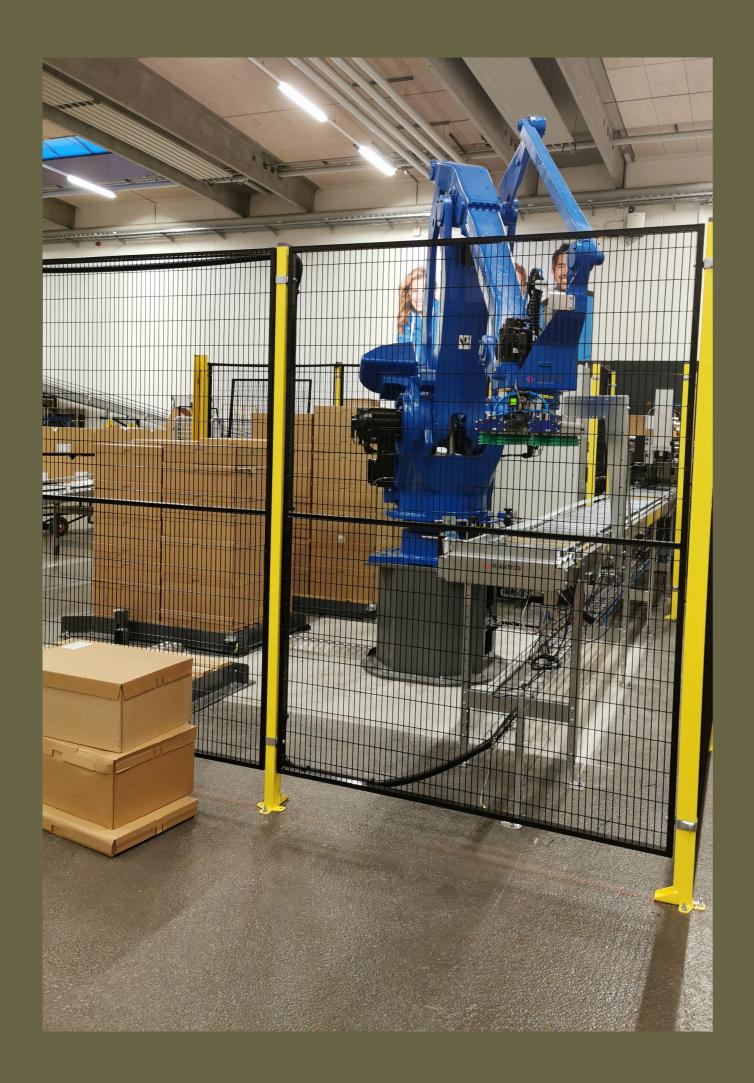
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More than

57%

quality.

of the transfers purchased are water based - increase of 19% since 2018



# WEDON'T SHIP AIR & UNNECESSARY PACKAGING

Say hello to our new packing robot that adapts the packaging to the content and volume of the goods. The new advanced technology contributes to a more eco-friendly and sustainable logistics management.

December 2019, we got our new packing robot installed and from beginning 2020 our new and improved technological packing robot started working.

The robot measures by laser how much goods are in a carton and then the robot automatically adjust the carton height to fit the goods inside, closes the carton as well as labels are automatically attached, finished cartons are stacked by the robot and now ready for pick up and on the way to our customer.

With the new advanced technology we minimize the shipment of air substantially as the robot adapts the packing to the content and volume of the goods.

#### **NEW REUSEABLE CARTONS**

The new cartons are FSC mix quality and designed in such a way that we avoid use of plastic straps as well as the carton can be reused by our customer for further shipping or storage.

Previously we had different kind of box sizes and small polybag for single garments orders. But with a carton where height can be adjusted to fit the goods, we no longer have need for many different sizes of cartons as we at the same time have increased the size of shipment polybag to be larger.



**WASTE** 

**SORTING** 

We continue to sort all our waste. The sorting of waste has increased our knowledge and understanding for treating waste correctly and the

result is much more waste

being recycled. In general, the

knowledge has increased our

# WE CAN ALL MAKE A DIFFERENCE



### CO<sub>2</sub> EMISSION - THE CARBON FOOTPRINT

We choose to work with carriers, who have an environmental policy and a strategy for sustainable behaviour and who as minimum follow the regulation for how to inform their carbon footprint.

The data collection for CO<sub>2</sub> emissions was started in 2019, and now we have the foundation to start identifying and evaluating our CO<sub>2</sub> emissions.

No matter if we are talking freight to ID® from producers or freight to customers we do our outmost to consolidate the goods and avoid excessive air shipments.

We choose to work with carriers, who have an environmental policy and a strategy

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for sustainable behaviour and who as minimum follow the regulation for how to inform their carbon footprint.

#### **CARBON FOOTPRINT**

We accept the fact that our carriers are at different levels in their work with carbon footprint and having different tools for the measure and evaluation, therefor slightly different results can be obtained.

The first year will be with focus on transportation freight from our warehouse and to reque-

96%
3%
//\ 1%

sted place of delivery by our customers.

One of the measures to reduce  $\mathrm{CO}_2$  emissions is paying attention to the extent of air and sea shipments. We have conducted the same comparing over the last years for mode of freight - from our producers and to our warehouse.

The level from between road, air and sea is 100% the same as previous year. So we are constant for the volume sending

#### **OUR ENVIRONMENT FOCUS AREAS**



#### **ENERGY OPTIMIZING**

- ID® Identity has converted 100% of our electricity purchase to renewable and CO² neutral energy produced by Danish Wind Power.
- Building Energy
   Management system
   optimizes energy use
   through automatic
   temperature control
   and automatic light
   control based on movement sensors.



#### G RESOURCES & WASTE MANAGEMENT

- Sorting of waste.
- Focus on packing materials both inbound as well as outbound.
- Minimizing of plastic and optimizing use of recycled plastic.
- Reducing excessive packing material.



#### **CLIMATE IMPACT**

• CO<sub>2</sub> is an area which ID® Identity will put more attention to for the coming years.



#### WATER MANAGE-MENT

- As no in-house production there is no wastewater to be managed.
- In-house focus on usage of water for kitchen, cleaning and toilets.



#### **CHEMICALS**

• Chemicals are limited to cleaning products, as not in-house production. All legislation for storing, identifying as well as safety procedures are in place.



**CARTON:** We have increased the recycled amount of carton by 1% compared to last year.

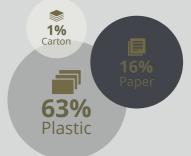
PAPER: We have increased the recycled amount of paper by 16% compared to last year. Continuously we are working on initiatives that in general can reduce our use of unnecessary paper.

PLASTIC: We have increased the recycled amount of plastic by 63% compared to last year. An increase was expected, since we changed the quality of our polybags through 2018 and during 2018/2019, the effect of the change of the polybag's quality shows as a larger amount of recycled material instead of grey waste.

More than 95% of our waste is reusable material already today. Perhaps we can reach a small improvement during the next years, but we are satisfied to keep the level and instead using our energy on how to minimize waste material instead.

Please see more information at page 11 - Recycle, Reuse, Reduce.

#### INCREASE OF RECYCLING



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#### **ENERGY CONSUMABLES**

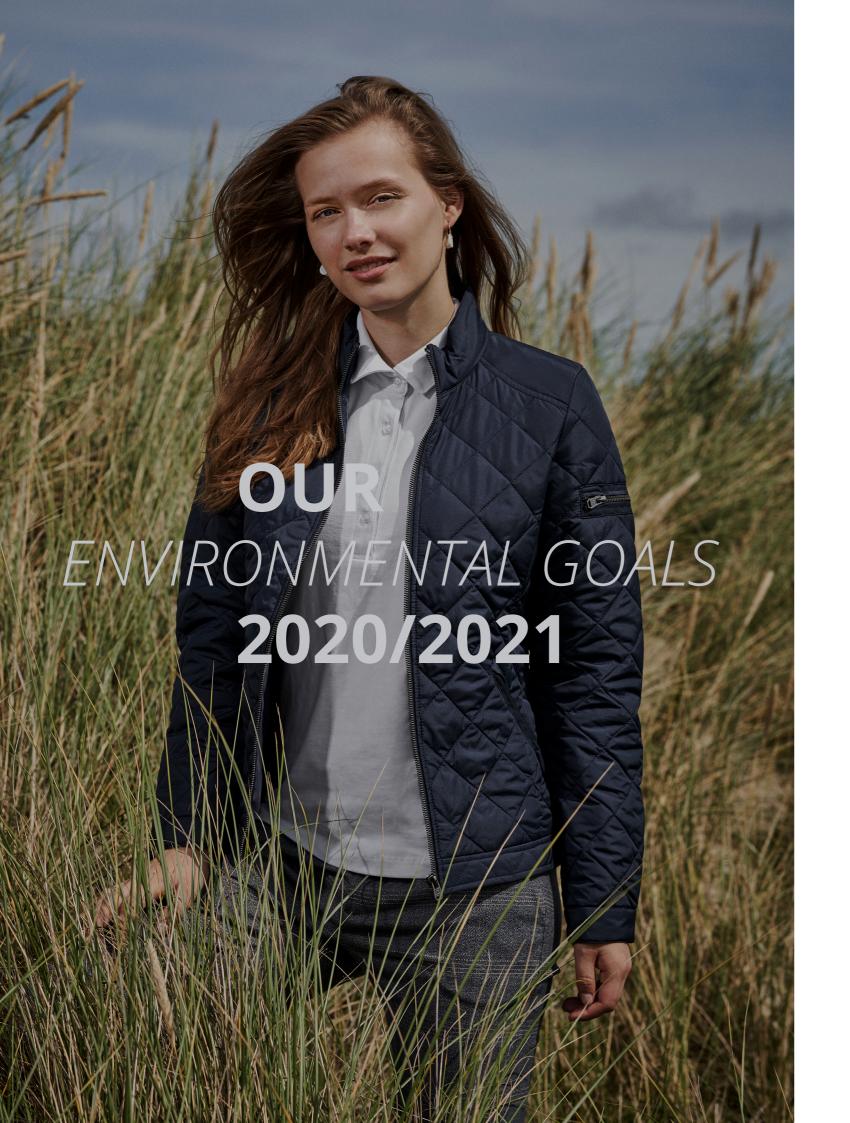
- Electricity, water & heat

From this year we are going to change our method for how to calculate and evaluate our energy consumables. We have made this adjustment to match the needed requirements for environmental requests within different certifications. We are also increasing our mindset of identifying, preventing, mitigating and corrections. Our energy consum will be informed per sold kg. textile form this year.

We don't expect larger deviations from the figures of energy consumables from year to year, as our building is energy optimized, of course increase in sales will mean greater activity in our warehouse and gates open more often. Year by year there will be minor deviations up and down.

In 2020 we have planned a visit from an Energy Consultancy to determine if any changes could be made to optimize our consumptions and decrease our energy consumptions.

our warehouse and to requeding.







#### **ENERGY CONSUMPTION**

We have planned visit from Energy Consultant to see if we can improve our energy consumption.



#### **BRAND LABEL**

All our brand labels will be changed to recycled quality.





#### RECYCLE DAMAGED CLOTHES

We are continuing our work how to recycle damaged clothes, IT equipment etc. in an environmentally friendly method.



#### HANGTAGS

All our ID® and sub-brand hangtags will be changed to FSC mix quality.





#### RECYCLED POLYBAGS

We will investigate the possibilities to change polybags into to recycled quality.





#### SUPPLIER COLLABORATION

Continue the work with suppliers as well as the certified products to obtain a continuous development in products as well as productions and producers with an even higher environmental approach.





#### AVOID USE OF POLYBAGS

We will test, if it's possible to avoid use of polybags for part of our products.





#### **ENVIRONMENTAL KNOWLEDGE**

We will keep on participating in arrangements, which can help us to obtain further environmental friendly knowledge.

## ANTI-CORRUPTION | A ZERO-TOLERANCE STRATEGY





#### **NO CORRUPTION & BRIBERY**

Corruption and bribery are known as barriers to sustainable development and the free trade.

ID® Identity has a zero-tolerance for corruption, bribery and extortion, all business needs to be conducted in an open, honest and ethical manner; no matter where in the world the business is taking place.

No employee may offer, promise, authorize or receive any bribe, kickban or other illicit payment.

ID® Identity counteract all forms and we will affect our business partners to follow the same conviction.

We don't offer, promise or ask for bribery or other unethically advantages to obtain or keep business possibilities or advantages.

Employees are not allowed to receive or give improper gifts in connection with their work. Neither do we pay any kind of protection money to obtain favourable terms.

# WHAT WE HAVE ACHIEVED IN 2019/2020



100%

of our suppliers have signed our Code of Conduct and hereby confirmed not to accept any kind of corruption or bribery



0%

signs of corruption or bribery have been noticed



#### NO EMPLOYEES

have received or given improper gifts in connection with their work, as they are not allowed to



#### NO PROTECTION MONEY

We haven't payed any kind of protection money to obtain favorable terms, as we have a zero-tolerance for corruption, bribery and extortion

# OUR ANTICORRUPTION GOALS 2020/2021



### CONTINUE OUR WORK

We will continue the work with risk assessment for possible areas of corruption or bribery



# STEP BY STEP TOWARDS A MORE SUSTAINABLE WORLD

Read more about our work with responsibility and sustainability at

WWW.ID.DK