

SUSTAINABILITY REPORT

2018



KUYICHI
PURE GOODS

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Introduction

Vision

At Kuyichi we believe in taking environmental and social responsibility for our actions. This includes more than making just good products at the right price. We want to give a positive impulse to the garment industry by choosing organic and recycled materials. We select our suppliers with care and want to improve conditions in this industry. Since the beginning of Kuyichi in 2001, this has been the core of our company.

Heritage

Our journey started in 2000 in Peru, South America. The founders of Kuyichi - NGO Solidaridad - were exploring the cotton industry in Peru and were shocked by the pollution and poverty they saw.

The alternative was organic cotton. Without the use of toxic chemicals, and with a better life for cotton farmers. The most commonly worn product made of cotton is a pair of jeans, so we started making 100% organic denim.

organic to
the Bone

Looking Back at 2017

2017 was a good year for us. A year in which new people joined our team and a positive and clear energy pumped through our veins. We're so excited to take step after step towards even more sustainable products while not losing the passion for making really good and qualitative denim. Hey, we're not perfect, but we're trying hard to be the best that we can. Let's dive into the new year, but not after quickly looking back at our Seepje collab from last year.

Seepje x Kuyichi

In December 2017, we teamed up with Seepje. For every pair of jeans bought in one of the shops, our customers received a try-out sample of the Seepje soap to help them clean their pure goods. Seepje makes organic soaps from super-shells which come from the Sapindus Mukorossi fruit in Nepal. When those super-shells come into contact with water, they form soap that will wash and soften your clothes.



Combined with these trial packages we set up some wash & care tips for your denim items. To make sure you can enjoy your - Kuyichi - denim as long as possible. This collaboration was rolled out in the Netherlands and Germany.



Om onze jeans nog langer mooi te houden, is het belangrijk om er goed voor te zorgen en ze goed op een goeie manier te wassen. Daarom geven we je graag wat wastips mee om ervoor te zorgen dat je zo lang mogelijk kunt genieten van je pure goods.

- ✦ Was je jeans zo min mogelijk, hang hem uit of hang hem in de badkamer als je (warm) doucht
- ✦ Check het waslabel, was je jeans niet te warm
- ✦ Gebruik een natuurlijk wasmiddel - zoals Seepje - dat zacht is voor je jeans en goed voor het milieu
- ✦ Was samen met gelijke kleuren om verkleuring te voorkomen
- ✦ Stop je jeans nooit in de droger maar laat hem aan de waistband drogen door de lucht
- ✦ Stop de wasmachine niet te vol en gebruik niet te veel wasmiddel om wasvlekken te voorkomen
- ✦ Laat je jeans niet te lang in de wasmachine liggen als die al klaar is om geen vieze geur te krijgen
- ✦ Keer je kleding binnenstebuiten en sluit rits of knopen om de kleur langer te behouden en de jeans te beschermen
- ✦ Hang je jeans niet te drogen in de zon of keer hem binnenstebuiten om verkleuring te voorkomen

enjoy your pure goods

KUYICHI
PURE GOODS

Social Responsibility

Let's Be True

Transparency

To improve the garment industry, transparency is very important. Transparency is therefore a core value of Kuyichi. We publish our suppliers on our 'Pure Production' page with full descriptions and certifications on the site and communicate more and more about our process towards the most sustainable denims.

Responsible Sourcing

Since the beginning of 2016, Kuyichi entered a new era with new leadership. This also introduced changes in our supply chain. But to keep it sharp, we made a clear overview for you with all our suppliers of 2018. Among which a couple of new ones: SARP & Egedeniz!

Name	Type partnership	Base Country	Sustainable Measurements
Soorty	Fabric & Cut-Make-Trim Denim	Pakistan	GOTS certified, SA8000, ISO9001, GRS, BSCI & Higgs Index
Dinateks A.S.	Cut-Make-Trim Denim	Turkey	BSCI, FWF audited 2015
SARP	Cut-Make-Trim Denim	Turkey	GOTS certified, FWF audited
Trend Urbania	Cut-Make-Trim Denim	Italy	European standards
Egedeniz	Cut-Make-Trim Tops	Turkey	GOTS certified, GRS, Higgs Index
Alec	Cut-Make-Trim Tops	Portugal	GOTS certified, OEKO-Tex 100, ISO 9001, ISO 14001, SA8000
Bossa	Fabric supplier	Turkey	GOTS, BCI, OEKO-Tex 100, ISO 14001, GRS
Kilim	Fabric supplier	Turkey	GOTS certified fabrics, GRS
Berning	Trimmings - Buttons & Rivets	Germany	ISO 9001, ISO 14001, OEKO-TEX 100, SA 8001, OHSAS 18001
EU design	Trimmings - Buttons	Italy	European standards
Cadica	Trimmings - Jacrons & Paper Trimmings	Italy	Production in Turkey & Italy - OEKO-Tex 100, ISO 9001, FSC
YKK	Trimmings - Zippers & Buttons	Japan	Production in Turkey - Bluesign, OEKO-Tex 100, Higgs Index
Coats	Threads	England	ISO 14001 & certifications on different products
Raja Pack	Packaging	The Netherlands	Recycled packaging (60%)
Growing Paper	Packaging	The Netherlands	Biodegradable seeds paper

On our 'Pure Production' page you can read all about our suppliers and what they are doing about their social and environmental sustainability.

Visits and audits

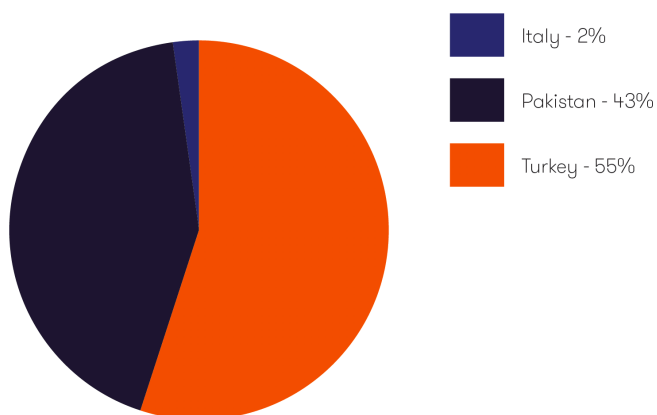
We aim to visit our suppliers at least every year.

- In 2016, Kuyichi visited Dinateks A.S. in Turkey.
- In March 2017 two of Kuyichi's owners - Floortje Dessing and Peter Schuitema - visited our denim supplier Soorty in Pakistan.
- November 2017 we visited Dinateks and two suppliers SARP and Egedeniz.
- In 2015 our Turkish supplier Dinakon (Daniteks) was audited by the Fair Wear Foundation. Unfortunately because of the changes in the Kuyichi leadership and restart of the company, we did not manage to follow up on the audit.
- We're aiming and preparing to become a Fair Wear Member again from 2019 on.

Production volume

To give you a full insight we also share with you in detail where our production comes from.

Denim Collection



Tops Collection



Code of Conduct

Our Code of Conduct is issued to ensure that the Kuyichi products we sell are produced responsibly. The Code of Conduct applies to all parts of the production chain, to our suppliers and their subcontractors. We regard it to be very important to take responsibility for our actions, and we want to make this perfectly clear to all of our (sub)-suppliers, our staff, agents, distributors and other parties. Our Code of Conduct contains the basic requirements we demand of all of our suppliers and subcontractors.


The Code of Conduct is based on international regulations set by the International Labour Organization (ILO) and the United Nations Universal Declaration of Human Rights and includes the Code of Labour Practice used by Fair Wear Foundation. Although we are currently not a member of the Fair Wear Foundation, we do highly value their Code of Labour Practice and based our Code of Conduct on it. Kuyichi's Code of Conduct is attached.

Environmental Responsibility

Sustainable materials

We aim to solely use sustainable materials. We use the Environmental Benchmark for Fibres by Made-By to define this. Class A and B are the most preferable materials. This includes organic cotton, tencel, linen, recycled cotton and recycled - PET - polyester.

MADE-BY ENVIRONMENTAL BENCHMARK FOR FIBRES

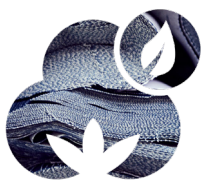

www.made-by.org

CLASS A	CLASS B	CLASS C	CLASS D	CLASS E	UNCLASSIFIED
Mechanically Recycled Nylon	Chemically Recycled Nylon	Conventional Flax (Linen)	Modal® (Lenzing Viscose Product)	Bamboo Viscose	Acetate
Mechanically Recycled Polyester	Chemically Recycled Polyester	Conventional Hemp	Poly-acrylic	Conventional Cotton	Alpaca Wool
Organic Flax (Linen)	CRAILAR® Flax	PLA	Virgin Polyester	Cuprammonium Rayon	Cashmere Wool
Organic Hemp	In Conversion Cotton	Ramie		Generic Viscose	Leather
Recycled Cotton	Monocel® (Bamboo Lyocell Product)			Rayon	Mohair Wool
Recycled Wool	Organic Cotton			Spandex (Elastane)	Natural Bamboo
	TENCEL® (Lenzing Lyocell Product)			Virgin Nylon	Organic Wool
				Wool	Silk
More Sustainable			Less Sustainable		

MADE-BY Benchmarks cannot be printed, circulated or copied without the accompanying MADE-BY logo and website.

bwe This Benchmark was made in cooperation with Brown and Wilmanns Environmental, LLC. For further information on this Benchmark see www.made-by.org/benchmarks

Organic Cotton



All the cotton we use is 100% organic cotton. Organic crops are grown without the use of chemical fertilizers, pesticides and insecticides. Pesticides pollute soil and water, killing wildlife and harming communities. With organic agriculture natural fertilizers and fertilizing techniques are used instead, including compost, manure, naturally derived mineral and plant fertilizers, and crop rotation.

Compared to conventional cotton, organic cotton has a lower carbon footprint, because organic cotton farming requires less energy and healthy organic soil can store more carbon. The production process also requires less water. Furthermore, it enormously reduces the grey water footprint (polluted water). Organic cotton is grown from non-genetically modified seeds (GM), which means organic farmers keep control on their own business and they do not have to buy expensive GM seeds.

GOTS certification



All used cotton is GOTS certified. GOTS stands for the Global Organic Textile Standard. This is a global textile standard for organic fibers, which also includes ecological and social criteria. The aim of the standard is to ensure organic standards – everything from the harvesting, through the manufacturing process to the labeling – in order to offer a credible global certificate to the consumer.

All our cotton is 100% organic GOTS certified, but not all the final products are GOTS certified. Unfortunately fabrics that contain recycled cotton can't have a GOTS certification. That's why those fabrics have a Global Recycled Standard, Oeko-tex and/or OCS blended certificate to ensure the quality and content. The jeans from our Pakistan supplier are completely GOTS certified and our coming A/W 2018 tops collection as well.

Recycled cotton



Since 2012 we have been using recycled cotton in our denim fabrics. Used cotton is shredded and re-spun into a new one-of-a-kind yarn. Recycling greatly reduces the water, energy and chemicals needed to produce new fibers. We aim to use more recycled content, among which also post consumer recycled denim.

Recycled polyester



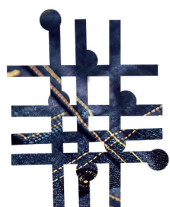
Plastic bottles are collected, shredded and re-spun. This saves over 75% of the greenhouse gas emissions and more than 90% of the human-toxic chemicals needed to produce virgin polyester. Recycling PET stops plastic from polluting the land and oceans, and it gives a soft and smooth look and feel to the fabric.

Tencel



We are a big fan of the sustainable material Tencel. TENCEL® are lyocell fibers from the house of Lenzing. They are of botanic origin, since they are extracted from the raw material wood. Fiber production itself is extremely eco friendly, due to the closed loop system. Our light washed denim collection contains 36% Tencel, made of eucalyptus wood pulp.

Linen



Made from the flax plant, it's one of the strongest fibers known to man – and the oldest. Making linen yarn requires few pesticides, and reduces CO2 emissions by 30% and water use by 90% versus conventional cotton. It has a fresh, crisp and richly-textured feel

Vegan



Most of the denims have a leather patch on their jeans. We decided to stop with the use of leather since 2016. We replaced the patch for a patch made of jacron, which makes all Kuyichi jeans vegan. Jacron is made of recycled paper. It is a washable and very resistant material.

Slow Fashion

We started the organic revolution as being the first brand to produce organic jeans. Along the way we realized that our collection is timeless and keeps its value. We started loving the concept of slow fashion. A beautiful pair of jeans keeps its value. That's why we have partly let go of the seasonal collections. We still make some seasonal denims and tops, but a big part of our collection consists of Never out of Stock denims. Denims we will have in our collection season after season and reproduce when needed. So that you can re-find your favorite pair of jeans even seasons later

*Don't PANIC
it's ORGANIC*

Fiber Contents

We want to move to 100% preferred materials so we keep track on all the materials we use in our denim and tops.

Denim Collection

With our prognosed production for the rest of this year, our 2018 S/S + 2018 A/W denim collections consists of the following materials in percentages:

Material	% in styles	% in quantities	% in 2017
Organic cotton	89,0%	86,4%	91,1%
Tencel	2,6%	5,0%	3,6%
Recycled Denim	2,9%	3,7%	0,0%
Elastan	1,5%	1,4%	1,5%
Recycled Polyester	1,5%	2,0%	2,1%
Recycled Cotton	1,0%	0,2%	0%
Polyester	0,7%	0,7%	1,7%
Polyacryl	0,9%	0,6%	0%
Total	100%	100%	100%

Tops Collection

Our A/W 2018 collection has different styles of sweaters, T-shirts, tops, denim shirts and denim jackets. These items consists of the following fiber percentages:

Material	% in styles	% in quantities
Organic cotton	56,9%	56,9%
Linen	23,8%	23,8%
Recycled PET Polyester	19,0%	19,0%
Elastan	0,3%	0,3%
Total	100,0%	100,0%

Restricted Substances

The purpose of a Restricted Substances List (KUYICHI RSL 1.0) is to reduce the use of hazardous substances in the textile and apparel supply chain. A restricted substance must be absent from a finished product or present in limited concentrations. This responsible chemical management procedures are applicable for all products, including accessories attached to garments, prints and packaging materials.

Substances are restricted for many reasons. Some substances are restricted due to concern for the environment, while others are restricted due to health and safety concerns for workers or consumers. Some restricted substances are also restricted by legislation (according as REACH). All our suppliers are obligated to work with otherwise our RSL or GOTS compliancy.

There are 11 priority chemical groups, of which nine are currently restricted in all KUYICHI products:

- Phthalates (ortho-phthalates)
- Brominated and Chlorinated flame retardants
- Azo dyes
- Organotin Compounds (e.g. TBT)
- Chlorinated Solvents
- Chlorobenzenes
- Chlorophenols
- Short-Chainned Chlorinated Paraffins (SCCPs)
- Heavy Metals (cadmium, lead, mercury, chromium (VI))

Alliance for Responsible Denim

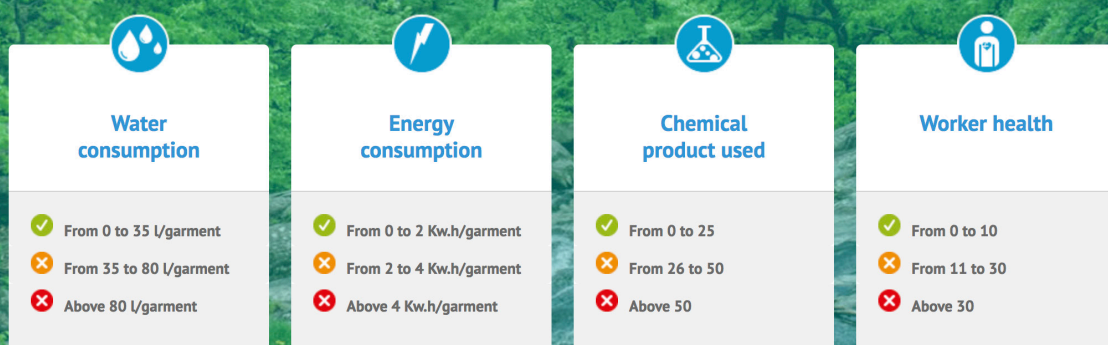
We're member of the Alliance for Responsible Denim - ARD - to take steps together with other (Dutch) denim producers towards improving the ecological sustainable impact of denim production. By joining forces and exchanging ideas and knowledge we manage to accelerate the process into more sustainable production processes. ARD focusses on two different areas

Post-Consumer Recycled Denim Standard

This project focuses on creating a bigger demand for Post-Consumer-Recycled-Denim - PCRD - by facilitating between mills and brands. ARD joins the buying power of different brands to create a combined demand for PCRD in new fabrics.

Part of this program was the 'Long Live Denim' event in which different mills showcased their fabrics with PCRD in it. At this event we selected a beautiful fabric for the Classic Blue wash, our new NOS style. This fabric is made by our supplier BOSSA and consists of 79% Organic Cotton, 20% recycled denim and 1% Elastan. The Classic Blue is the follow-up of our Deep Blue. We chose this style because it is our all-time bestseller. It's the wash in which we can make the biggest impact by volume. This fabric is also used for the Carey Glory Blue, in stores this August.

Besides we're also collaborating with Sympany to re-integrate collected - Kuyichi - denim into new jeans. More about this collab under Collaborations.



source: <http://eim.jeanologia.com/en>

Wet Processing Benchmark

The ARD arranged 'Doctor Visits' in which different Wet Processing specialists advised us on how we could improve our washing recipes. They combined a Chemical specialist with a Machinery specialist to get informed about making impact on both sides. ARD pushed us to use this on our NOS-styles.

After these doctor visits we started working on our washing recipes in collaboration with our supplier Soorty. Their laundry uses Jeanologia technology, which also comes with their own measuring tool EIM - Environmental Impact Measurement. This tool assesses the impact of the wash in four different categories: Water, Energy, Chemicals & Worker Health. With a scoring system you can define the sustainability of a wash and work on improvements.

With Soorty we worked on getting the look and feel of the improved washes comparable to the old wash recipes. Together we've managed to reduce the washes to the following combined scores:

Style	Wash	Old EIM	New EIM
KALE	Light Vintage	44	28
NICK	Light Vintage	44	28
CHRIS	Light Vintage	45	32
HAILY	Light Vintage	44	32
AMY	Light Vintage	44	32
HAILY	Herbal Blue	32	18
AMY	Herbal Blue	32	18
JAMIE	Back to Black	23	16
CAREY	Back to Black	21	14
KALE	Dark Shadow	42	21
AVERAGE		37	24

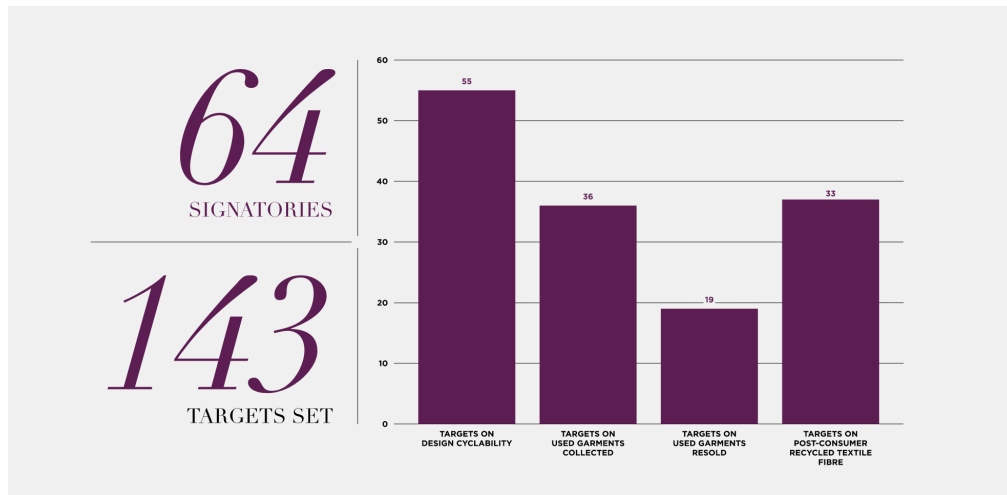
Our aim is to be measuring the wash impact of all our jeans by 2020. Besides Soorty, we will also start measuring at our manufacturer SARP this year.

Benchmark and process classification depending on the EIM score



Global Fashion Agenda Commitment

The Copenhagen Fashion Summit established itself to be the leading event on sustainability. Since the first one in 2009, it set out targets and drove ‘agenda-setting discussions on the most critical environmental, social and ethical issues facing our industry and planet’. At the 2017 Summit Global Fashion Agenda came up with a commitment to accelerate to a circular fashion system, consisting out of four different action points. A lot of brands already committed to this:



source: <http://www.globalfashionagenda.com/commitment/>

We were not present at this summit, but did commit the following:

- Action point 1: Implementing design strategies for cyclability

* By 2020 the principles of designing for cyclability will be at the core of our designs.

- Action point 2: Increasing the volume of used garments collected

* Take back actions in stores - permanently and temporary in at least 10% of our stores by 2020.

* Take back system for - yet to be launched kids jeans.

- Action point 3: Increasing the volume of used garments resold

* Not implementing for now

- Action point 4: Increasing the share of garments made from recycled post-consumer textile fibers

* By 2020 at least 75 % of our denim styles will contain recycled fibers. At least 25% of these fibers are recycled from collected Kuyichi or otherwise collected post consumer recycled fibers.

We'll keep track of our targets and communicate this in our Sustainability Report. The target base for these action points is:

	Target	Current action	Status
Action point 1	Policy	Researching designing for circularity	- In process
Action point 2	10%	Brainstorming about implementations	- 1,75 % of stores
Action point 4	18,75%	Increasing and selecting PCRD fabrics	- 2% of denim

Transportation

We are constantly working to improve our transportation and make our production more local. This includes the sourcing of the fibres (mostly cotton), fabrics, trims and the finishing of the garments. The fibers > fabrics > garments stream is already sourced locally. So right now we're working on the sourcing of our trims. We've managed to get around 60% of our trims sourced locally already. This decreases the amount of transportation immensely and reduces our carbon footprint. That's why we're striving for a 100% local production.

Currently, the transportation of our finished pure goods is arranged in two ways. From Turkey and Italy the products are shipped by truck to our warehouse in The Netherlands. The products from Pakistan are shipped to Europe via sea freight. We're looking into the possibility to ship by train from Pakistan.

CO2 compensation

Right now we're estimating our total carbon footprint by the Climate Neutral Group. This includes the total office emissions and transportation. Together with them we'll make sure that our 2018 CO2 emissions will be fully compensated with a Gold Standard project in Turkey, since part of our CO2 emissions are emitted there.

Gold Standard means that every credit you buy reduces 1 ton of CO2 in the atmosphere. Climate Neutral Group also stated that wind, sun and biomass projects are now profitable without the additional investments of CO2 compensation. That's why they exclude these projects and instead focus on projects which need the extra funding. End of this year we will publish the report on this.

Bags and Packaging

The packaging that is used for webshop orders is made of 60% recycled - film - plastic produced by Raja Pack. We include a card with information about eco friendly wash & care. This Growing Paper card is made of potato and is - ink included - biodegradable. Forget-me-not flowers will grow if you plant and water the card. By this we aim to minimize useless packaging.

Our webshop orders are shipped from our warehouse in the Netherlands - Montapackaging Roosendaal BV. At this warehouse the packaging of our suppliers is recycled and re-used to send goods to our retailers. They are ISO 14001 certified and are part of the 'Blauwzaam energieconvenant II', since they reduced their carbon footprint by 12,6% between 2011 and 2014. They also managed to reduce their residual wastestream by almost 30% through film separation. The warehouse is powered by green energy from Engie.

Office

In December 2017 we moved into our new office. This office gives us more room and a beautiful showroom. Almost all furniture is secondhand, besides the desks and office chairs. We put a lot of plants in it to provide clean and healthy air and all the lights are LED. Our energy is provided by electricity from renewable resources through VandeBron.

Vandebron is a green energy company based in Amsterdam (NL) that provides green electricity and regular gas to individuals and businesses. The company distributes energy generated by independent energy producers. Electricity is generated from wind, solar and biomass. Most windmills and suncells are located on farms or are wind parks set up through cooperation. Our energy is totally powered by wind energy from one of the four (!) wind mills of Jacques and Anny Vrolijk in Lelystad (NL). On the website of Vandebron you can find out more about them.

Because it is not yet possible to provide green gas on a national scale, Vandebron offers Gasterra gas also combined with Gold Standard CO2 compensation. Next to reducing CO2 emission, their project serve local communities. We compensate our use of gas by Justdiggitt, which we really like since we also collaborate with them, read more under Collaborations.



Collaborations

We value collaborations to change the garment industry through partnerships. We want to work together with different organizations to increase our impact.



Justdiggitt x Antoine Peters x Kuyichi

On March 20th we launched our collab with Justdiggitt and Antoine Peters. Together we made a statement Tee for men and women which contributes to the regreening of the earth.

Justdiggitt is a Dutch NGO that develops large scale landscape regreening projects with a positive climate impact in Africa. They make use of different types of techniques for collecting rainwater so that it can penetrate the earth again and give vegetation a chance to recover. This process stimulates plant growth, restores the water cycle and gets nature back into balance. More greens is more oxygen, less CO2 and a cooler planet for us all.

Antoine Peters designed an all over print for the T-shirt which is in fact an infographic about the regreening process of the Justdiggitt projects. We played our part in the fair production of the Tee and Marc Haers shot some beautiful images. All profits of this project go to the projects of Justdiggitt. This means that by buying this shirt you actually contribute to a greener and cooler planet.



PETA



Since 2015 all our denims are vegan. We substituted all leather patches by jacrons or embroidery. To give a clear signal to all vegans out there, we're working on our PETA approved certification for all vegan items. Right now we're checking with our last suppliers to see if they're animal content free over the whole production process. When all is investigated and cleared, we can proudly and clearly show you which denims and tops are vegan and PETA approved.

Sympany x Kuyichi



We collect old (Kuyichi) jeans ourselves in two of our stores: Nukuhiva in Amsterdam and Utrecht, The Netherlands. Over the years this resulted in quite some collected denims.

We made some into warm scarfs in collaboration with Blueloop. Another part of the jeans get remade into new garments by Re-Bell and by UNRAVELAU. Re-Bell makes beautiful new clothing pieces and carpets out of old denim. UNRAVELAU used old Kuyichi denims for her upcycled denim collection 'THREADBARE'.

But still we have a lot of worn denim left, as does Sympany. You'll probably recognise their garment collecting bins if you're Dutch. Sympany provides jobs for people with a gap towards the labor market and pushes the use of post consumer recycled fibers into new garments. The profits they make are all going to Sympany+ projects in Africa, where they offer training and education. This provides people the skills which they can develop and use throughout their lives.

Together with Sympany we are developing a closed-loop denim with our combined collected denims. Stay tuned!

SNCKBR



We also engaged in a collab with SNCKBR Utrecht. This yet to be opened new vegan 'snackbar' has everything a vegan wants. Their mission? **'Making healthy freaking delicious'!**

Their head chef Reuben Waller worked for Michelin starred restaurants and was owner of the award winning plant-based restaurant Rootcandi in the UK. We will keep you posted on their opening and the results of our collab.

Looking forward

We're always looking for improvements when it comes to sustainability and quality. This results in a couple of goals and challenges Kuyichi focusses on. A lot of them were already discussed throughout the document. Here we sum them up, to give you a clear overview.

Goals

- Kuyichi aims for 100% transparency
- Kuyichi aims to maximize its use of recycled materials in our collections
- Kuyichi aims to reduce the impact of their products
- Kuyichi aims to work towards more sustainable transportation
- Kuyichi aims to increase the positive impact on their workers

Challenges

- Continuous innovation regarding sustainable materials
- Continuous improvement and reflection on own sustainability
- Find partnerships with likeminded partners to generate more impact
- Increase our impact in order to open up new opportunities by growing in Europe

KUYICHI
PURE GOODS

CODE OF CONDUCT

2017



Code of Conduct

This Code of Conduct is put together to ensure that Kuyichi products are produced responsibly. This Code of Conduct applies to all parts of the production chain, to our suppliers and their subcontractors. We consider it very important to take responsibility for our actions, and we want to make this perfectly clear to all of our suppliers and sub-suppliers, our staff, agents, distributors and other parties. This Code of Conduct contains the basic requirements we demand of all of our suppliers and subcontractors.

The Code of Conduct is based on international regulations set by the International Labour Organization (ILO) and the United Nations Universal Declaration of Human Rights and includes the Code of Labour Practice used by Fair Wear Foundation. Although Kuyichi is currently not a member of the Fair Wear Foundation, we do highly value their Code of Labour Practice and based our Code of Conduct on it.

If the Code of Conduct is not followed, the conditions must be improved. The improvements will be handled first by discussions between Kuyichi and the suppliers and we strive to solve all issues but non-improvement of conditions can be grounds for termination of our collaboration and any contracts with the supplier.

Transparency

All our suppliers are shown on our website at the production page. Information and details of the supplier is visible on our website. This is a step towards full transparency in our production chain.

Code of Labour Practice

Employee Rights

Employment must be freely chosen at Kuyichi's suppliers. There shall be no use of forced, including bonded or prison, labour. There should be no discrimination in employment. All the aspects of the employment relationship shall be based on the principle of equal opportunities, regardless of race, color, sex, sexual orientation, religion, political affiliation, union membership, nationality, social origin, deficiencies or handicaps. Aspects of employment include: Recruitment, wage policy, admittance to training programs, employee promotion policy, policies of employment termination, retirement, and any other aspect of the employment.

Child Labour

There must be no use of child labour. Kuyichi does not accept the economic exploitation of children. People are considered children until the day they turn 18 years, according to the UN Convention. In some countries where the legal age is less, the age for admission to employment shall not be less than the age of completion of compulsory schooling and, in any case, not less than 15 years. If a supplier has employees aged 15–18, they must be treated with special consideration, with working hours and tasks adapted to their low age. For example, they must not do excessive overtime or night work.

Freedom of association

Workers at Kuyichi suppliers must have freedom of association and the right to collective bargaining (the right to negotiate as a group with the employer).

The company shall, in those situations in which the right to freedom of association and collective bargaining are restricted under law, facilitate parallel means of independent and free association and bargaining for all workers. Workers' representatives shall not be the subject of discrimination and shall have access to all workplaces necessary to carry out their representation functions.

Living wage

Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income. Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted. Deductions shall never constitute an amount that will lead the employee to receive less than the minimum wage. Employees shall be adequately and clearly informed about the specifications of their wages including wage rates and pay period.

Working hours

There should not be excessive working hours. Hours of work shall comply with applicable laws and industry standards. In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every seven-day period. . Overtime should be voluntary, and working hours including overtime should not exceed 60 hours per week. Overtime should not be demanded on a regular basis and must always be paid at a premium rate, in accordance with the law.

Safe and healthy working conditions

There should be safe and healthy working conditions. A safe and hygienic working environment shall be provided by the employer, and best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Appropriate attention shall be paid to occupational hazards specific to this branch of the industry and assure that a safe and hygienic work environment is provided for. Effective regulations shall be implemented to prevent accidents and minimize health risks as much as possible. Physical abuse, threats of physical abuse, unusual punishments or discipline, sexual and other harassment, and intimidation by the employer is strictly prohibited.

Contract

There should be a legally binding employment relationship. Every worker should get a written contract and all legal social security charges should be paid stated in the contract.

The contract should also be valid for short term or part time employed workers.

Inspections

To ensure that the code of conduct is followed, Kuyichi Pure Goods reserves the right to, at any time, send representatives or external auditors to inspect the suppliers and sub-suppliers who produce for us.

The undersigned hereby confirms that:

- We have read the Kuyichi code of conduct and accept the terms required of us as suppliers and of our sub-suppliers.
- We accept that Kuyichi, a representative of Kuyichi or an external auditor may visit the facilities where goods are produced for Kuyichi.
- We accept that if the code of conduct is not followed, this may result in our contracts being declared void.

The requirements in the code of conduct are minimum requirements. We are certain that many of our suppliers have even higher demands of themselves. Therefore, we want you to provide us with the relevant certifications and reports to confirm this.

Certifications & reports attached to this agreement:

-

Kuyichi

Supplier

Date:

Date:

Signature :

Signature :