

CHILD LABOUR POLICY

This policy is developed by the Varner CSR team and is regularly revised by both Varner and expert organizations.

ABOUT VARNER

Varner is a leading Scandinavian fashion retailer comprised of the following private brand and retail concepts; Bik Bok, Carlings, Cubus, Dressmann, Dressmann XL, Urban, Days Like This, Volt and Wow. We do not own any production units ourselves. We cooperate closely with 180 approved suppliers and 350 approved factories. Our production offices is located in our four biggest production countries, China, Bangladesh, India and Turkey. Read more about us here: www.varner.com.

CHILD LABOR

Varner is aware that child labor occurs in the textile industry and garment sector. We know that today over 150 million children are victims of child labor and that we have a responsibility as an international retailer to act on this issue. Child labor is defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. This includes work that is mentally, physically, socially or morally dangerous and harmful to children; work that interferes with their schooling; and engaging in work children who are under the minimum working age(s) set by national legislation or international standards. A child is every person under 18 years old. A young worker is defined as a child who is above the minimum legal working age and is engaged in economic activity.

OUR POSITION

Child labor is a serious breach of our Supplier Code of Conduct and we have a Zero Tolerance Policy on child labor in our supply chain. We are committed to ensure that the production of our goods does not negatively affect individuals working in our supply chain. Our policy applies to all suppliers and production units manufacturing goods for any Varner brand. Varner recognize and support the rights of children including rights in the UN Convention on the Rights of the Child; the International Labor Organization’s Convention No. 138 on Minimum Age, and Convention No. 182 on Worst Forms of Child Labor. Varner is committed to respect and avoid infringement of children’s rights in own operations as well as in our business relationships, and also to support and advance children’s rights through partnerships and business engagements.

In our Supplier Code of Conduct we explicitly point out that child labor is not acceptable in our supply chain. The minimum age for workers shall not be less than 15 years of age and comply with (i) the national minimum age for employment or (ii) the age for completion of compulsory education, whichever of these is the higher. Exceptions may be considered where ILO Convention N^o 138 is applicable. There shall be no recruitment of child labor defined as any work performed by a child younger than the age(s) specified above. The manufacturer must have a certified copy of an official document indicating the worker’s date of birth. In countries where this is not possible, the factory shall implement a humane and proper method to confirm the age of its workers without the worker being discriminated or violated. Policies and procedures for remediation of child labor prohibited by ILO conventions N^o 138 and N^o 182 must be established, documented, and communicated by manufacturer to personnel and other interested parties. Adequate support shall be provided to impacted children to attend and complete compulsory education. No person under the age of 18 shall be engaged in labor that is hazardous to their physical and mental health or safety, including night work, or that is damaging to their education. Young workers (defined as workers above minimum age but below the age of 18) shall be given the opportunity to participate in education and training programs. The programs must not be conditioned by the manufacturer, but be established in cooperation with Varner and expert organizations.

OUR EFFORTS TO ELIMINATE CHILD LABOR

We clearly state our position regarding child labor to all our suppliers. The children's wellbeing and best interest is our main priority. The best interest of the child should apply to all actions and decisions we take. This calls for closely established active and preventive measures together with local expert organizations to respect the child's rights and to promote health, growth and well-being.

Varner continuously work to identify and assess where in own operations and business relationships there is risk of infringement on children's rights particularly related to child labor. To identify risk in the supply chain Varner has established a due diligence process where we assess risk of violations to our human rights requirements and take action to mitigate harm. We assess all factories before any production can start, as well as with regular intervals in the course of the cooperation. We investigate all our Code of Conduct elements included points related to child labor (see above) during all such assessments.

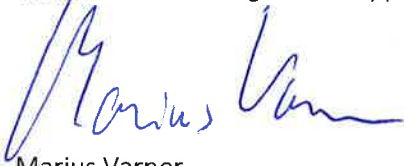
We initiate preventive measures where there is potential risk of infringement of children's rights. This includes a plan for remediation efforts in cooperation with local expert organizations (see varner.com/no/sustainability for cooperating organizations). We participate in projects and cooperate with organizations that work for children's rights in the production markets where we are present.

We work towards transparency and always search for actual improvements by trying to find root cause for each specific case we identify. Each case is different in nature and must be handled differently. Every case is monitored and followed up by our local CSR-staff. Varner reserve the right to terminate business relations with partners unwilling to engage in preventive or remediating measures.

COOPERATION AND COMMUNICATION

Cooperation with our suppliers, business partners and child rights experts is an important part of our work with human rights and labor rights. Capacity building and competence projects are important in order to improve worker engagement and raise awareness over children's rights and responsibilities. Our ultimate aim is to contribute to positive change for people impacted by our business. We want all of our business partners to share this goal. An important key is building strong and long-term relationships with our suppliers founded on mutual respect, transparency and dialog. Varner will as a part of ongoing sustainability reporting publically report annually on the efforts to respect and support children's rights.

Varner senior management support this policy.



Marius Varner
Chief Executive Officer