

# Mini Rodini Human Rights and Environmental Due Diligence (HREDD) policy

## INTRODUCTION

Mini Rodini's mission is to make it easy and fun for parents and gift buyers to buy children's wear with the lowest possible impact on people, animals, and our planet.

As a global clothing company, we have a responsibility to operate in a way that respects human rights and minimizes the harm our business has on the environment. We are convinced that our high sustainability ambitions are essential to operate our business successfully, now and in the future.

Our Human Rights and Environmental Due Diligence policy (hereinafter referred to as HREDD), is a framework for how we conduct business. It is a complement to the policies listed below and upholds our commitment to them:

- Code of Conduct
- Forced labour statement
- Migrant worker and Syrian refugee policy
- Child labour policy
- Excessive overtime policy
- Abrasive blasting policy
- Living wage policy
- Animal welfare policy
- Internal sourcing policy
- Office purchase policy
- Anti-bribery statement
- Internal policy against offensive behaviour

Our first version of our HREDD policy was published as a responsible business conduct in 2023 and was built up with input from internal and external stakeholders. This policy has since been updated and is as of 2024 a HREDD policy, in accordance with the updates from OECD. We will continuously update this policy whenever there are changes to our way of working or when new risks emerge that has an impact on how we conduct our business.

## OUR COMMITMENT

The HREDD policy is applicable to everyone within our organization, including employees, directors, and board members, as well as contractors, consultants, and freelancers engaged in our operations. Any breaches of our HREDD policy or other violations of any Mini Rodini policies and directives, will not be tolerated.

Mini Rodini are committed to respect and uphold human rights through the due diligence processes listed in this policy, within our full operations. Our approach and definition of human rights is based on the UN Guiding Principle on Business and Human Rights and is informed by the OECD Guidelines for Multinational Enterprises and the Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector, the ILO Declaration on Fundamental Principles and Rights at Work, as well as the UN convention on the Elimination of all Forms of Discrimination Against Women.

Following this due diligence process means that we will conduct human rights due diligence regularly in our operations and use our impact and influence to mitigate and prevent risks of human right violations. We commit to regularly assess and address human right violations in our supply chain by the standards Fair Wear Foundation's Code of Labour Practice (CoLP).

We believe that social dialogue and worker involvement is essential to create sustainable change for working conditions and we are committed to encourage transparent management and worker dialogues, freedom of association and collective bargaining in our value chain.

We are aware that women workers can be especially exposed to human right violation risks and are hence committed to applying a gender lens in all social sustainability assessments, initiatives, and programs to empower women workers.

We recognize the impact that our business operations have on the planet, and we are committed to continuously assess how we can decrease our footprint further as per our GOTS commitment. This includes creating long-lasting garments of high quality, minimize overproduction, reduce the use of harmful chemicals, select better materials, as well as minimizing waste in our production process. We are also committed to over time reduce the negative impact that other aspects of our business have on the environment such as our packaging, transport, sales practices, and the practices in our office.

We are aware of the impact that our business practices have on suppliers and in turn workers, and we aim to remain our close, and long-term relationships with our suppliers and keep them closely involved throughout the production process including planning and forecasting. We are committed to support our suppliers to constantly progress their environmental practices as well as improve the condition for their workers.

We are committed to regularly report to the public on how we work with sustainability. We are accountable for our actions, our business-, and sourcing decisions, and we value an honest and open engagement with our stakeholders – such as the workers producing our products, our suppliers, our employees, our customers, and others.

## **WORKING WITH A RISK-BASED APPROACH**

Based on the OECD Due Diligence framework and with the support of our membership in the Fair Wear Foundation as well as our membership with GOTS, we have adapted a risk based due diligence process to handle potential issues in our supply chain connected to human rights and environmental impact.

- Identify risk of harm
- Cease, prevent and mitigate
- Track
- Report and communicate
- Remuneration

## **IDENTIFY RISKS**

We identify risks to breaches of human rights on several different levels; in the country, in the sector, in the business model we have, and in the production process within the factories where our products are made.

In accordance with our due diligence framework, we assess actual and potential negative impacts, and look at the severity of harm, the likelihood of harm and the irremediable character of the harm to prioritize our actions.

Our process of identifying and handling risks is present through all stages of our business. As we have identified that there are higher risks to both human rights and environmental impact in our production process, our production team have an especially high focus on the risks connected with our production. This includes all steps of the production process from entering a new production country, developing new products and risks on factory level.

## INDUSTRY AND COUNTRY RISKS

There are several risks to human right and the environment within the textile sector. Below are the risks that we have identified as the most salient, however this list is constantly updated and not exhaustive:

- child labour
- forced labour
- discrimination
- harassments
- excessive hours of work
- compensation
- occupational health and safety
- the right to establish or join a trade union and representative worker organization and right to collective bargaining
- hazardous chemicals
- soil eutrophication
- water consumption
- water pollution
- energy consumption and CO2 emissions
- bribery
- corruption

All these risks are weighed in our risk assessment exercise, where we assess the likelihood and severity of the different risks on a country and supplier level. The risks are then prioritized based on their accumulated risk level and informs our sourcing decisions and the plans we make together with our suppliers.

We recognize that all these risks vary across different countries due to legal and cultural differences. As of 2023, we had production in Turkey, China, and Portugal. We have identified that Turkey and China are high risk countries and many the risks listed above are present in these countries. The most urgent issues for us to address here are forced labour, working hours, living wages and right to freedom of association. As Portugal is located in the European Union, where labour laws are more robust and strongly enforced, we believe the risks here to be lower, however we still see that gender inequality, low wages and the exploitation of migrant workers are risks we need to address.



Before we at Mini Rodini decide to enter a country for production, we conduct a risk assessment to identify risks to human rights and the environment. The risk assessment is based on industry reports and the Fair Wear Foundation country risk scoping tool, as well as information we gain from other industry partnerships. Based on the risks assessed, we analyse how we can best organize our business practices to mitigate and prevent these risks. This includes both our purchasing decisions, supplier development plans and stakeholder engagements.

If we see that the risk of harm is too high in a country, and our ability to mitigate and prevent those risks are too limited, we decide to not conduct any business in that country. These decisions are jointly taken in the company and are a part of our sourcing strategy.

## HOW SUPPLIERS WORK WITH US

To identify and mitigate risks on supplier level we ensure that our suppliers are informed of, and sign our Code of Conduct (CoC), and that audits and update meetings with suppliers are conducted regularly. Our CoC is aligned with the Fair Wear Foundation's Code of Labour Practice and highlights our commitment to have as little negative impact on the environment as possible, throughout our production process. All our business partners must read and sign our CoC, as well as fill in Fair Wear Foundation's questionnaire. This applies to all our textile suppliers, sub-suppliers, partner that produces goods that are sold at Mini Rodini, produced in a collaboration with Mini Rodini or that carry the Mini Rodini logo. We do not allow any production in a unit that have not signed our CoC. It is required of all our first-tier suppliers to make sure that the standards of our CoC is upheld in the factories where they place orders for fabrics. In the future we will improve our follow up process to ensure even lower tier suppliers are aware of our CoC. All suppliers must be transparent and disclose any units they are working with and all subcontracting units performing printing, laundry, and embroidery in accordance with our subcontracting policy included in our business contract.

When we see the need for a new supplier, our sourcing and onboarding process ensure that the new factory is assessed, and that we feel confident they can work with us as a partner on prevention, mitigation, and remediation of harm to human rights. The sustainability manager performs the risk assessment for all new production location and reviews social audits, certifications, and other relevant documents. Once all documents are reviewed, we can start the onboarding of the supplier where the first step is to set up a meeting between the sustainability manager and the supplier to discuss labour and human rights risks and how we can work to prevent any harm to workers. In the future we aim to include worker representatives or factory trade union representatives, to ensure that the voice of the worker is captured at this stage. Suppliers are then required to fill in the Fair Wear Foundation questionnaire and we add the supplier into the Fair Wear Foundation system.

The risk assessment of the supplier can then be conducted through the Fair Wear Foundation risk assessment tool, which is based on the country risks as well as information from their latest audit and other reports. Based on the outcome of the risk assessment and the findings of the latest audit we might identify areas where the supplier must improve in order to meet our sustainability standard, these improvements are set up through corrective action plans (CAP). The CAP includes jointly decided steps and timelines that we continuously track to ensure a steady progress. It might be required for us to give more extensive support to suppliers for them to mitigate properly mitigate some risks, in which case we will support with training and materials. Going forward we hope to develop an even more efficient way to follow up and support our suppliers in these areas. The actions are often identified through the Fair Wear Foundation Action Centre, which also help us identify areas where we as a brand need to improve in order to support the suppliers to develop their labour conditions.

To continuously identify risks and to make sure suppliers uphold our CoC standards they must undergo audits at least every three years, conducted by trusted third parties. We expect all our suppliers to be transparent with us and any auditing company, in accordance with our transparency policy. If a supplier has any problems to live up to our standard, or we find any issues coming from the audits, we set up a CAP, as explained in the process above.

In order to improve working conditions in factories, we believe that it is essential that the workers are informed and made aware about their rights. It's required that all our suppliers post Fair Wear Foundation Worker's Information Sheet in all languages spoken in the factory, and that they inform their employees about their labour- and human rights.

From an environmental perspective it is important that all suppliers are engaged and have their own goals and improvement plans. We produce most of our cotton garments in factories that are GOTS certified with the exception of limited, niche products, that are only used for specific collections. All the fabrics in our garments must be produced according to our material guidelines and all cotton must be organic.

Only after social and environmental compliance is accepted the process continues to sample and quotation with the production team.

## **THE VOICE OF WORKERS**

We at Mini Rodini believe that the most efficient way to mitigate and prevent risks on factory level is through a functional social dialogue between workers and managers. Freedom of association and social dialogue is fundamental in our CoC and something we at Mini Rodini strongly emphasize to

Alsnögatan 7, 5tr, 116 41 Stockholm

[www.minirodini.se](http://www.minirodini.se)

all our business partners and are committed to uphold. For social dialogue to be inclusive it's crucial that all worker groups have a proper representation including women and migrant workers.

We also seek to capture the voice of workers through other means such as the Fair Wear Foundation helpline, through which workers can raise concerns and grievances directly to us as a brand. We are committed to hear and address all complaints that are raised against the factories that produce our products. When we receive complaints from the Fair Wear Foundation helpline, we conduct further investigations to develop a plan for resolving issues with the supplier. The solution must comply to the national laws of the supplier's country and international standards. Our goal is to address the affected individual's situation promptly, before any harm occurs, and respond appropriately based on the severity and scope of the problem. We always assess the satisfaction of the complainant after the solution has been implemented. Local Fair Wear Foundation staff or external stakeholders may provide support during the investigation and remediation process whenever more consultancy needed. The Fair Wear Foundation helpline should, however, be used as a last resort, if regular grievance mechanisms in the factory, have failed, as we believe it's more efficient for management and workers to solve issues directly.

## **HOW WE WORK WITH SUPPLIERS**

We recognize that many of the above listed risks are heightened through poor purchasing practices from brands, such as low wages, overtime, harassments etc. From the start of our business relationship with a supplier we aim to initiate a long-term relationship with stable orders where we can include the supplier in both planning and forecasting, to create conditions where risks of stress and overtime are kept low. We are in close communication with our suppliers continuously throughout the production process and suppliers are always given the opportunity to update our timelines to meet their needs. This is a responsibility that all our staff involved in the production process, are responsible to uphold in accordance with our production policies.

In our sourcing model we strive to keep our supplier base as consolidated as possible. We work with a limited number of long-term suppliers, where we put the majority of our order volume. This enables us to build a stronger relationship with these suppliers and together identify and mitigate risks. As our order volume is relatively low, we are however, faced with a limited leverage in many of the factories where we produce which in turn can lead to us experiencing challenges in initiating projects or gaining insights from monitoring initiatives. To mitigate this risk, we seek to initiate business relations with suppliers that share our values of social compliance and environmental impact and already have a well-functioning internal process.



We aim to always work directly with the factories, to get that close relationship and mutual understanding to learn and improve from each other. In some cases, we have an intermediary supplier working with several factories. The intermediary is efficient since it mitigates risks of issues connected to language barriers and there is just one partner for us to reach an understanding with and that can advocate our requirements. We do on the other hand, recognize that this creates a risk as our relationship with the direct supplier is more limited. It's hence essential that the management of all these factories are made aware of our requirements and values and sign our CoC.

We at Mini Rodini have made the decision not to produce with home workers as we believe risks are harder to both identify and mitigate in this business practice, and we hence can't secure good working conditions under those circumstances.

Sometimes we need to end the business relationship with a supplier, this could be due to issues in the production process, risks of harm to workers or strategic production decisions. When we need to end a business relationship with a supplier, the first thing we do is to evaluate how the exit affects the supplier and try to mitigate the negative impact it might have on workers, with support from our Fair Wear Foundation membership. Through our Supplier Exit Policy we then take appropriate action. To make sure that our exit will have as little impact as possible for suppliers and its workers, we communicate our decision clearly and timely, so the suppliers understand our decision and have time to re-plan their production schedule.

During the coming years we will adjust our internal production processes to align more with the Common Framework for Responsible Purchasing Practices (CFRPP) in order to improve our purchasing practices even further.

## **TRACK AND REVIEW PROGRESS**

Throughout the year, we will continuously track progress of the improvements that we have initiated in the factories we work with. We ensure that our initiatives are followed through and keep close dialogue with factory managements to ensure we are on track, and that the initiatives are having a positive effect. We strive to always keep our production teams informed about the development and risks we see with our suppliers, so that their sourcing decisions are informed of risk and status of each supplier. In this way we can support and encourage our suppliers to improve through our business relationship. Having this close connection between our internal departments and to have a joint development plan for our suppliers is something we will continue to build up in the coming years.

Some issues are difficult for us to address alone as one brand. We always strive to collaborate with and stay informed by, external stakeholders, such as NGO's, trade unions and other interest organisations. We also seek collaboration with other brands as this enables us to exchange learnings, be more efficient, and to combine our leverage in the factory to increase our power to influence.



## ENVIRONMENTAL IMPACT

We recognize that the production and selling of garment has a negative impact on the environment especially for resource use for material, material processing, packaging, and shipping. We are committed to continuously map and assess our environmental footprint, and to set up goals on how we can minimize our environmental impact in the future.

To mitigate the impact that our materials have on the environment we have a fibre sourcing guideline so that we select materials that have a lower environmental footprint compared to conventional materials. We use materials that are organic or recycled and that are certified.

## OUR MATERIAL SOURCING GUIDELINE

- Natural fibres - All plant-based fibres should be from Organic farming; GOTS certified or OCS certified for blended fabrics.
- Animal fibres - The only animal fibre we use is wool and it must be sourced from Responsible Animal farms. GOTS or RWS certified.
- Synthetic fibres - All synthetic fibres should be recycled, GRS certified. \*Exception is elastane, we don't have the correct setup to use recycled options but are working on finding a way.
- Manmade cellulosic fibres - The only MMCFs we use are LENZING branded TENCEL™ Lyocell and TENCEL™Modal micro.
- We never use exotic skins, fur, down, angora wool, virgin acrylic, conventional viscose.

In order to reduce production waste, we aim to utilize all fabric that is produced for our garments, through our upcycling project which utilizes leftover fabric to make new garments. We are committed not to overproduce and we have a strict policy to never burn unsold garments and instead we store unsold garments in our warehouse and sell them through special collections.

The environmental impact of our transports, own office and stores is small compared to the manufacturing of our products. We strive to always use the most environmentally friendly mode of transport for our goods. We track all transport used for our products, from production locations to our warehouse and further to the end consumer. We plan truck, train and sea freight for all incoming goods and work hard to minimize any use of air freight. As we are an international company, we are still using air freight when transporting our goods from warehouse to our customers outside of Europe. In the future we hope to limit air freight even further.

## CHEMICAL IMPACT

Mini Rodini have very strict chemical policies, controlling both how chemicals are used as well as which chemicals we allow in our products. It is required of all our first-tier suppliers to make sure that our chemical policy is upheld, in their process as well as in the factories where they place orders for fabrics.

We have created an extensive Restricted Substances List (RSL), a list which is updated regularly and signed by all our suppliers. This list covers all chemicals on the EU's REACH list and even goes beyond their requirements to cover all our global selling markets. We require regular factory audit inspections, where we check that each facility is maintaining a good chemical management procedure to ensure workers are always safe from any risks caused by poor chemical handling. We also regularly test our garments for chemicals, to ensure that the final product doesn't contain any chemicals above the levels we have set. These tests are conducted in line with our chemical and quality policy.

Mini Rodini are members of The Chemical Group/RISE, which is a platform for textile brands to get regular legislation updates and tools to improve chemical management even further.

## COMMUNICATION

We at Mini Rodini believe in transparency towards both customers and stakeholders. To keep customers and stakeholders informed about the outcome of our risk assessments and our status towards our ambitions we annually publish our sustainability report as well as our social report on our Mini Rodini website.

Through our annual Brand Performance Check (BPC) conducted by Fair Wear Foundation, improvements to how we implement our human rights due diligence process, are identified and actions and goals for the coming year are set up. The outcome of our BPC is communicated through our sustainability report and available on our website.

## OUR BUSINESS AND CULTURE

At Mini Rodini we are committed to conducting all parts of our business in a responsible and ethical way. We know of the risks of bribery and corruption, and thus have an internal Anti Bribery policy to guide our actions.

We take responsibility for the influence we can have on consumers through commercial images, and only use responsible marketing that influences diversity, environmental care, and sustainable consumption patterns.

Alsnögatan 7, 5tr, 116 41 Stockholm

[www.minirodini.se](http://www.minirodini.se)

Everyone working for and with Mini Rodini should be treated fairly and benefit from our cooperation. Everyone, no matter gender identity, sexual orientation, ethnicity, socio-economic background, religion, political beliefs, or union membership is entitled to a prosperous and safe workplace, as stated in our policy against offensive behavior. Through our whistle blowing channel we ensure all our staff can raise any concerns anonymously through without any risk of repercussions.

Together with all employees at Mini Rodini, we are committed to creating an environment where everyone can grow as individuals as well as contribute to making Mini Rodini a successful brand. Courage, passion, and responsibility should inspire the work. As an employer we have a responsibility to facilitate this by giving each employee equal opportunities, rights, and obligations.

Engaging with the community around us and having a positive impact on people and culture is one of the reasons for Mini Rodini's existence. This includes everything from supporting organizations that share our ideals and goals, to communicating and enlightening customers of our work. Our core values will always guide us in the selection of new partnerships. Collaborations should be made with brands and companies that share our values.

This HREDD policy has been adopted and approved on behalf of Mini Rodini through our CEO and board of directors. It is the responsibility of our management team to ensure that all department and operations of Mini Rodini to uphold these standards and regularly follow up on its implementations and impacts. This policy has been communicated to all Mini Rodini employees and suppliers, as well as to the public through our website.

Signature by Mini Rodini's CEO

Date: 24-02-14

Signature:   
Håkan Ström, CEO