MINI RODINI

SUSTAINABILITY REPORT 2023

00. Table of Content

- 01. Note from Cassandra Rhodin, Founder & Creative Director
- 02. Reflections of the year -Sustainability Department
- 03. About Mini Rodini
- 04. Highlights
- 05. Quick facts Mini Rodini
- 06. SDGs and SDG mapping
- 07. Our product
 - 7.1 Our materials
 - 7.2 Fiber sourcing guidelines
 - 7.3 Our certifications
 - 7.4 Children's safety
 - 7.5 Chemical management
- 08. Our production
 - 8.1 Responsible supplier relationships
 - 8.2 Human rights and environmental due diligence
 - 8.3 Country and factory risks and mitigations
 - 8.4 Living wages
 - 8.5 Traceability
- 09. Climate impact

10. Circularity

- 10.1 Upcycling
- 10.2 Treasures
- 10.3 Mini Rodini Second hand
- 11. Partnerships
- 12. Mini Rodini own operations
 - 12.1 Corporate social sustainability
 - 12.2 Employee training
 - 12.3 Mini Rodini policies
- 13. Mini Rodini own operations
 - 13.1 Communication
 - 13.2 How we report



WWW.MINIRODINI.COM

01. Note from Cassandra Rhodin Founder & Creative Director



The clothing industry is a very dirty business as we all know by now. One of the worst industries of all.

Heavy on chemical use, slave labor, and has a huge impact on people and our planet. Our promise at Mini Rodini is to try our best to be the most sustainable option, and we are not compromising with quality nor design. We also demand the same standards from our partners, meaning that sometimes they have to develop and push their work with better production in order to be able to work with us.

As long as we produce a much better product than what's on the conventional market, I feel like Mini Rodini has a reason to exist.

As an independent company we have the ability to hold tight to our core values. We believe we have the power to change and we lead our company in the direction towards the future we wish for.

/Cassandra Rhodin, Founder & Creative Director

02. Reflections of the year Sustainability department

Looking back at 2023, it was an eventful year for Mini Rodini, especially within sustainability.

With rising conflicts across the world, increasing inflation and more apparent signs of the climate crisis, our focus on sustainability has been more important than ever. To make sure that we could uphold our sustainability standards whilst simultaneously working to meet our future ambitions, Mini Rodini made the decision to create a separate sustainability department and recruit a head of sustainability.

During 2022 we managed to reach our Better Product goal of 100 %, and have during this year started to measure our fiber usage in a new, more stringent way, in order to set our bar even higher going forward.

We were able to, for the third year in a row, map out our climate impact. This year we managed to include further aspects of our business which will give us a more accurate picture of our environmental footprint. During the coming year we hope to set a goal with an accompanying roadmap, detailing how we can lower our carbon emissions going forward.

To move closer to our circularity ambitions, we launched the Mini Rodini second hand platform on our website in partnership with reCRQL - a new addition to our assortment. Since the start of Mini Rodini our clothes have been in high demand on the second hand market, and launching our own second hand platform felt like a natural step for us to take.

Looking ahead to 2024 we see a lot of opportunities and challenges that we will take on. We see that the world has set a higher standard for companies with new legislations in several countries, including the EU. We welcome these new directions, and hope this will lead to stronger regulations of the textile industry overall.

With the new sustainability department in place, we will set new, even higher sustainability goals and roadmaps, to build on all the work we have already done. We recognize that this will require a lot of effort and new thinking from the whole organization, but we are excited to elevate our ambitions and set a plan for how we can reach it together.

/Klara Helmbold, Head of Sustainability Elin Lindén, Sustainability manager

03. About Mini Rodini

Mini Rodini is created by a female leader, Cassandra Rhodin, who is the main owner of the brand, has artistic control and is involved in the overall business strategy of the company. She designs the collections, shoots the images, and is behind the storytelling of the brand.

Cassandra started the company in 2006, and Mini Rodini was born and raised according to her vision, to make clothes in high quality that kids love to wear, without compromising on environmental and social aspects of production.

Since then Mini Rodini has created a new arena in the childrenswear industry, with unique prints, a genderless design and an ambitious sustainability agenda.

VISION

Mini Rodini is the first choice for the conscious parent and gift buyer by providing a high quality product with unique design, and by being a leader in sustainability standards.

MISSION

Mini Rodini makes it easy and fun to buy childrenswear that has the lowest possible impact on people and our planet.



04. Highlights

01.

Launch of Mini Rodini's own **second hand** platform

02.

Only certified fabrics in our garments

03.

98 % of our fibers were certified, organic or recycled sourced

04.

25 % of our store sales came from our Treasures concept, including 770 repaired pieces

05.

1,8 tons of fabric

upcycling collections, more than 18 tons in total

06.

Living wage

07

Third year in a row we mapped out our **climate impact** - the most extensive yet



05. Mini Rodini Quick Facts

2023 PRODUCTION COUNTRIES*

Türkiey	77%	7 suppliers, 11 factories	jersey, woven, heavy knit, swimwear, socks
China	15%	5 suppliers, 11 factories	outerwear, jersey, woven, acessories
Portugal	8%	1 supplier, 3 factories	jersey
Sweden	0,02%	1 supplier, 1 factory	wall paper

MINI RODINI STORES AND OFFICES

SWEDEN, STOCKHOLM

- Head office
- Warehouse
- 1 Mini Rodini Store

UNITED KINGDOM, LONDON

• 1 Mini Rodini Store

WHOLESALE WORLDWIDE PRESENCE

C	0	11	NI	T	D	V
	U	υ	IN		Γ	I

NO OF WHOLESALE CUSTOMERS

	United States	80
	Italy	70
RS	Netherlands	55
<u> </u>	Germany	30
RETAILERS	Sweden	29
R	Spain	22
TOP 10	Australia	21
Ö	United Kingdom	16
- T	Canada	13
	Finland	11
	Others	105
	TOTAL	452

*Footnote - In this report we account for the suppliers that we have bought products from, which were sold in 2023, for further information see section 13.2 - How we report



06. Mini Rodini sustainability agenda -SDG and SDG mapping



In 2015 the UN identified 17 sustainability goals (SDG) as a part of the 2030 Agenda for Sustainable Development. By setting these goals, the UN set a clear direction for what we all need to prioritize in order to develop in a way that is sustainable for our planet, all living creatures and people.

As a global clothing company we recognize that we have an important part to play in reaching these goals and have integrated the SDGs into our sustainability strategy to help us stay focused on our priorities, develop programs & initiatives and guide our business.

When the UN presented the SDGs we at Mini Rodini identified SDG 8, 12, 13, 14, 15, and 17 as the most essential ones for us to prioritize as our operations have the most impact on these goals.

06. Mini Rodini sustainability agenda -SDG and SDG mapping



SDG 8 DECENT WORK AND ECONOMIC GROWTH

- * FairWear members
- * Chemical management (worker protection) RSL
- * Living wage program
- * Policies and whistleblowing service
- * Responsible supplier partnership
- * GOTS certification



SDG 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

- * Fiber sourcing policy
- * 100 % certified materials
- * Design strategy
- * Chemical management RSL
- * Upcycling
- * Treasures concept
- * Annual Sustainability Reporting
- * Fair Wear Foundation members
- * Textile Exchange members
- * Policies to never burn or let unsold clothes go to landfill
- * Free repair service
- * Mini Rodini second hand
- * Material policy for packaging



SDG 13 CLIMATE ACTION

- * Fiber sourcing policy
- * Textile Exchange yearly reporting
- * Customer communication
- * Climate impact reporting
- * Logistics policy, never plan airfreight for incoming goods
- * Free repair service



SDG 14 LIFE BELOW WATER

- * Fiber sourcing policy
- * Chemical management RSL
- * GuppyFriend washing bag, sold in our channels
- * Packaging material policy



SDG 15 LIFE ON LAND

- * Fiber sourcing policy
- * GOTS certified as a brand
- * Chemical management RSL
- * Office purchase policy
- * No meat policy at the office



SDG 17 PARTNERSHIPS FOR THE GOALS

- * Strong supplier relationships
- * Textile Exchange members
- * Swedish Chemical group / Rise members
- * Fair Wear members
- * GOTS certified as a Brand
- * TEKO Sveriges textil och modeföretag members

07. Our product

Since the start of Mini Rodini in 2006, our vision is to be the first choice for the conscious parent and gift buyers and we work hard to be a leader in sustainability standards. We try to achieve this by providing a high quality product with unique design, made from the best possible materials available for people and the planet. Our clothes are made by organic and recycled materials and we always strive to have 100 % certified materials in our clothes, from fabric to buttons and trims.

7.1 OUR MATERIALS

At Mini Rodini our ambition is to minimize the negative impact that the production of our garments has on the environment and the people making our garments. One of the most essential aspects to consider in order to meet this ambition is the materials we choose for our production.

In our supply chain, we work with fibers that are organic, recycled or stem from sustainably better man-made processes with strict regulations of negative chemical impacts. To ensure these claims are met we always look for the best and strictest certifications of materials.

Our goal has been that all the products we make contain at least 78 % materials that are better for the environment, compared to conventional materials, as defined by us as Better Products. This means fibers that are organically sourced or recycled and always certified through GOTS, GRS or other trusted certifications. In 2022 100 % of all products met this goal, and we have therefore set a new structure for



how we measure our fiber usage, which allows us to be even more stringent. In this year's sustainability report, 2023, we account for our total material usage on fiber level. This means that if a material's composition comes from a mix of several different fibers such as 95 % organic cotton and 5 % elastane, both fibers are accounted for. Last year's report only accounted for the main fiber of the material. We have also included all materials used for a product, compared to previous years where only the main fabric was disclosed, and not lining, padding etc. For more information, see section 13.2 - How we report

7.2 MINI RODINI FIBER SOURCING POLICY

Our fiber sourcing policy provides us with a framework for what materials to use when we develop our products, in order for them to have as small of an impact on the environment as possible. This policy should always be followed and exceptions are only allowed in products that can not be produced in the below materials. In 2023 almost all our products followed this policy, with the exception of some used for our shoes produced in collaboration with FILA, which stood for 0,8% of our total sourced fibers. Our fiber sourcing policy is based on Textile Exchange Preferred Fiber and Material Reports.

- * NATURAL FIBERS All plant based fibers should be from organic farming, GOTS certified or OCS certified for blended fabrics.
- * ANIMAL FIBERS The only animal fiber we use is wool and it must be sourced from Responsible Animal farms, GOTS or RWS certified.
- * SYNTHETIC FIBERS All synthetic fibers should be recycled and GRS certified. *We've made an exception for elastane, we don't have the correct setup to use recycled options, but are working on finding a way.
- MANMADE CELLULOSIC FIBERS The only MMCFs we use are LENZING branded TEN-CEL[™] Lyocell and TENCEL[™]Modal micro.
- * We never use; exotic skins, fur, down, angora wool, virgin acrylic, conventional viscose,

Main material, lining, padding - strictly follow our sourcing policy for all fiber components. Trims, buttons, zippers, thread - better components when possible.

FIBERS USED FOR PRODUCTION IN 2023

Main fabric, Lining, Padding excl trims*

In 2023 98 % of our fibers were certified, organic or recycled sourced

GENERIC FIBER	PROPERTIES	SHARE OF TOTAL FIBER USE
Cotton	Organic	63,9 %
Polyester	Recycled	27,3 %
Polyamide	Recycled or regnerated	2,9 %
Tencel Lyocell	Lenzing	1,5 %
Elastane	Virgin	1,2 %
Wool	Organic	0,2 %
Linen	Organic or EU Flax	0,1 %
Polyurethane	Virgin	0,6 %
Eva	Virgin	0,2 %
	Biobased	0,01%
Polyolefin	Virgin	0,04 %
Paper	Responsible Forestry	2,1 %

*Footnote - We account for the volume of all products that were produced and sold in 2023, for further information see section 13.2 - How we report



7.3 OUR CERTIFICATIONS

There are many certifications for textiles and fibers available on the market. We work with some of the strictest and most extensive certifications like GOTS and GRS. This ensures that the entire production process from raw material to final product is monitored and certified, including working conditions and quality control like color fastness and shrinkage.

87 % of all styles produced in 2023 were certified on a product level, the remaining 13 % was made out of certified materials.

"100 9	%,
---------------	----

of our products were made using only certified fabrics."

CERTIFIED PRODUCT	87,25%
GOTS Organic	71,86 %
GOTS - Made with organic	7,77 %
GRS Product	7,08 %
Organic Blended Content Standard	0,33 %
Organic 100 Content Standard	0,21 %
CERTIFIED MATERIAL	12,75 %
GRS Fabric/Yarn	6,61 %
Econyl - Aquafil	2,00 %
TENCEL - Lyocell	1,93 %
GOTS Organic FABRIC	1,76 %
Recycled 100 Claim Standard - FABRIC	0,43 %
Paper products - Responsible Forestry	0,02 %
Totalsumma	100,00 %

*Footnote - We account for the volume of all products that were produced and sold in 2023, for further information see section 13.3 - How we report



The Global Organic Textile Standard (GOTS) is an international certification that demands strict environmental criteria on the entire manufacturing process. GOTS certification ensures that an external auditor evaluates all phases of production after harvesting; yarn production, processing, manufacturing, packaging and branding.

Importantly, GOTS certification does not only include environmental and chemical criteria throughout the whole process, but regulations on social criterias such as work environment, wages and working hours are also covered. Certification also ensures technical quality parameters like color fastness and shrinkage for the finished product.



The Organic Content Standard (OCS) is an international standard that sets requirements for third-party certification of organic input and chain of custody.

GOTS requires 70-100 % organic fibers in the product, OCS blended requires only 5 % organic content. This means OCS is a good alternative certification when controlling the organic content that is blended with other fibers. Organic cotton is not the only organic material covered in the standard - organic linen, organic hemp, organic wool etc. are covered as well.



GLOBAL RECYCLED STANDARD - GRS

This standard is an international, full product standard that sets requirements for third-party certification of recycled input, chain of custody, social and environmental practices, and chemical restrictions. Polyester and polyamide are the most common recycled fibers but cotton, wool and others are also applicable.

A good semi-synthetic alternative to viscose and conventional cotton is TENCEL[™] Lyocell. It is a regenerated fiber spun by reconstituting cellulose, often taken from the beech or eucalyptus tree. These fibers are extracted from sustainably grown wood using a unique closed loop system which recovers and reuses 99 % of water and solvents, minimizing the environmental impact of production. The fiber is 100% biodegradable. TENCEL[™] Lyocell is a branded fiber from LENZING.

ECONYL®

Econyl is a high-quality fiber made from regenerated nylon, making it perfect for swimsuits and sportswear. Econyl is produced from nylon waste such as fishing nets and other textile industry waste that is then regenerated into new fibers. Mini Rodini's swimwear has an UV protection of UPF 50+ solely from the fabric construction, not from additional treatment, resulting in a longer lasting end product able to be used and re-used by several kids.

7.4 CHILDREN'S SAFETY

It is essential that all our products are safe and free from toxins. Each garment is evaluated in a risk assessment where we identify children's safety, quality and chemical risks. The risk assessment helps us identify which garments require more extensive testing which are then performed in third party laboratories. Our children's safety standards, chemical restrictions and general quality measures, are based on available standards in all our selling markets.

7.5. CHEMICAL MANAGEMENT

Chemicals are a necessary part of each step of the textile production chain, from making the yarn to the ready garment. It is however essential that the chemicals used in these processes aren't harmful to the environment, the workers using the chemicals or to the consumer. This is why we at Mini Rodini have very strict chemical policies, controlling both how chemicals are used as well as which chemicals we allow in our products.

We have created an extensive Restricted Substances List (RSL), a list which is updated regularly and signed by all of 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. As an extra safety measure, we conduct random chemical tests for each season, to



ensure our RSL is upheld. We 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.

FLUOROCARBONS AND BIONIC- FINISH ECO®

Fluorocarbons are non-degradable chemicals that cause harm to people and the environment. Since 2014, we are only using the eco-friendlier impregnation option BIONIC-FINISH ECO® on all our water-repellent outerwear. BIONIC-FINISH ECO® is free from fluorocarbons, formaldehyde and paraffin.



08. Our production

Being a sustainable brand is not only about the product and what materials that are used but also, and just as importantly, about how it was made. We at Mini Rodini are committed to make sure that our products are made with as little negative impact as possible on the environment and the people making the garments. This includes paying living wages, avoiding over production and trying to keep our carbon emissions as low as we can. In other words, having a responsible production process.

RESPONSIBLE BUYING

Overproduction is a big environmental issue that we work actively to avoid. To let clothes go to landfill or be burned just because they were not sold within a season is something we would never tolerate in our company. Any item that isn't sold is saved in our warehouse for future opportunities such as our Treasure concept (see section 10.2 Mini Rodini Treasures). We also carefully calculate our buying for each season, to avoid any overproduction.

8.1 RESPONSIBLE SUPPLIER RELATIONSHIP

For more information about our work on supplier relationships and social sustainability, please see our social report 2023 <u>here</u>

LONG-TERM SUPPLIER RELATIONSHIPS AND WHY IT'S IMPORTANT TO US:

At Mini Rodini we want to work with suppliers who share our vision of creating high quality garments under fair working conditions, with as little impact on the environment as possible.

We aim to have long-term relationships with our suppliers, providing stable orders where we include the supplier in both planning and forecasting. In 2023 we kept all deadlines in terms of order placement and commenting on samples. This allows for suppliers to plan better which in turn makes it possible for them to ensure good working conditions for their employees and reduce risk of overtime and other safety issues.

During 2023 20 % of our order value was placed with factories that we have worked with for 5-9 years, and 35 % was placed with suppliers we have worked with for 10 years or more. 73 % of our order value was produced with suppliers where we have a leverage above 10 %. Having long-term relationships and placing orders in units where we have higher leverage allows our suppliers to invest in both social and environmental initiatives and programs, without the fear that these additional costs would impact their business.

ENSURING GOOD SUPPLIER STANDARD:

When we seek to enter a business relationship with a new supplier the first step is starting the due diligence process to ensure they live up to our standards. This includes reviewing previous audits and certifications, after which the sustainability manager and the supplier have a meeting to discuss labour and human rights risks, inform the supplier about our standards, and go over our code of conduct, in order for them to understand the expectations we have. It is essential to us that the supplier shares our values and wants to have a partnership where we work together to meet our sustainability and human rights ambitions. Our Code of Conduct is aligned with the Fair Wear Foundation's Code of Labour Practice and must be signed by all our business partners.

After this suppliers are required to fill in the Fair Wear Foundation questionnaire and are added to the Fair Wear system. Through the Fair Wear system we then conduct a full risk assessment, in accordance with our HREDD process. If a supplier has any issues to live up to our standard, or we find any issues coming from the audits, we set up an action plan together with our suppliers, with support from our FWF membership, so that our suppliers get the support they need to improve.

In addition to this our GOTS partnership makes sure that suppliers lower down in our supply chain are certified and comply with GOTS' standard which covers both social and environmental requirements.

If we need to end a business relationship with a supplier, we first evaluate how the exit will affect



the supplier and the factory workers. Through our Supplier Exit Policy we then take appropriate action. In order 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.

8.2 FAIR WEAR MEMBERSHIP

Mini Rodini has been a member of Fair Wear Foundation since 2016. Being a member of Fair Wear Foundation (FWF) means that we take responsibility in supporting the suppliers we work with so they can maintain a good labour standard. If we find that a supplier has trouble living up to these standards, we create joint plans together with the suppliers in order to support them to improve. This way we can develop and support our suppliers which will lead to stronger and more transparent partnerships, and eventually a more sustainable industry. As FWF members we are accountable to share the improvement plans and their progress, through the annual brand performance check (BPC).

Our partnership with FWF has also supported us in one of our living wage projects in Turkiÿe that we share together with four other FWF member brands. Read more about our living wage projects in section 8.5 - Living Wage Programs.

In the beginning of 2023 we underwent our 7th BPC by FWF, where we are evaluated on how well Mini Rodini has met FWF's requirements and implemented the Code of Labour Practices. This Involved several interviews and document controls. Due to a lack of resources in our sustainability team, an update to the FWF system, and the short time period between our previous BPC in 2022 and the one in 2023, we were not able uphold the standard we have set for ourselves during the year. This led to us not being able to follow-up and work with improvements of our suppliers, which resulted in us getting "Need Improvement" as our brand status in the latest BPC.



This is the first time we at Mini Rodini have received this result, which prompted us to expand our sustainability team to make sure that we have the resources required to uphold our standard in the future. We are dedicated to improving our performance within these areas and believe that our 2023 BPC results reflect the standard we have set for ourselves. You can read more about FWF and our BPC here <u>here</u>

8.3 HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE

During 2023 we revised our RBC policy and are now happy to publish a Human Rights and Environmental policy (HREDD) in the beginning of 2024. The HREDD policy is based on the OECD Due Diligence framework and was developed with the support of our membership in the Fair Wear Foundation. Through this policy we have adapted a risk based due diligence process to handle potential issues in our supply chain connected to human rights and environmental impact.

Below is a summary of our HREDD process, you can read more about what we did within social sustainability and through our FWF membership in our annual social report <u>here</u>



- 1. <u>Human Right Due Diligence policy:</u> Mini Rodini's Human rights and environmental due diligence policy (HREDD) sets a framework for how we conduct our business and is a complement to the policies that we have within our company.
- 2. <u>Identify risk of harm:</u> We identify risks to breaches of human rights on factory and country level through our risk process and Fair Wear foundation's risk identification tools.
- **3.** <u>Cease, prevent and mitigate harm:</u> If harm or risk of harm to workers is detected we investigate the issue to determine the best way to cease, prevent or mitigate the harm it might cause workers.
- 4. <u>Track:</u>

We regularly follow up on the progress of our suppliers and track their development through the FWF system. Through Fair Wear Foundation's annual brand performance check we can validate our process and track our progress as a brand.

5. <u>Report and communicate:</u>

We believe in transparency and accountability. To keep customers and stakeholders informed about updates and outcomes of our programs we provide regular updates through our website, sustainability report, social report and BPC.

6. <u>Remediation:</u>

When we receive complaints from the Fair Wear Foundation helpline, through audits or through other channels, we investigate and develop a plan for resolving issues with the supplier.

8.4 COUNTRY AND FACTORY RISKS AND MITIGATIONS

CHINA:

China is an important production country for Mini Rodini, due to their technical skills and variety of materials. In 2023 we produced 27 % of our FOB in China which is very similar to the volume produced in 2022 (26 %). We have five suppliers with eleven factories in China and three supporting subsuppliers for printing and embroidery. Our production in China takes place in Guangdong, Fujian, Jiangsu and Anhui and we produce outerwear, jersey, woven and accessories products with these suppliers. Through our country risk assessment, supported by the tools and systems of FWF, we consider China to be a high risk country and have identified the following risks as especially pressing in China: Living wages, excessive overtime, forced labour and freedom of association.

All direct suppliers we work with in China must be audited at least every 3rd year and in 2023 we collected five external audits from our suppliers. Through the audits we identified issues with overtime, social insurance and health and safety. While many of the issues were resolved during the year, some are still in progress or require further actions to be sufficiently handled and closed. We will monitor the progress of these CAPs during 2024.

TÜRKIYE:

Türkiye has been a key production country for Mini Rodini since the start of our company. In 2023 we had 64 % of FOB in Türkiye, which is a significant increase from the previous year when we produced 54 % of FOB in Türkiye. In 2023 we worked with seven suppliers, having eleven factories, located in Izmir and in the Istanbul region including nine sub-suppliers for embroidery and printing. In Türkiye we produce jersey, woven, heavy knit, swimwear, and socks. Through our country risk assessment, supported by the tools and systems of FWF, we consider Türkiye to be a high risk country and have identified the following risks as especially pressing in Türkiye: Living wages, excessive overtime and risks of discrimination for exploitation of migrant workers from Syria.

All direct suppliers we work with in Türkiye must be audited at least every 3rd year and in 2023 we carried out three audits in three factories in Türkiye, as well as collected two external audits and CAP reports. The audits showed findings of issues connected to living wages, overtime, young workers and health and safety. Many of the issues have been resolved during the year, however some are still in progress or require further actions to be sufficiently handled and closed. We will monitor the progress of these CAPs during 2024.

PORTUGAL:

Portugal has been known for high skilled and high-quality textile production for decades. Mini Rodini has produced clothes in Portugal since 2017. In 2023 we worked with one supplier having three factories in Portugal, which stands for 9 % of our FOB. As Portugal is a country with a robust and well-functioning labour law system, we believe the human right risks to be less likely to occur in Portugal, especially risks of high severity, compared to China and Türkiye, however we still see risks for the following issues: Living wages and discrimination, especially for migrant workers. During 2023 we collected one external audit in Portugal which concluded that no CAPs were needed.

For more information about our social sustainability work in 2023, read our social report <u>here</u>





8.5 LIVING WAGE PROGRAM

Having a living wage is a human right that should be granted to all workers. However many workers, especially in the textile industry, are paid wages that don't cover the needs of workers and their families. Workers not paid a living wage will need to work excessive overtime or agree to extreme production quotas in order to extend their income, which is harmful to both their physical and mental health. Ensuring that all workers have a living wage is one of the most essential issues for the textile industry, and something that all textile brands must work towards.

A living wage should cover the needs of a person and their family, such as food, housing, clothes, healthcare, education, and the ability to set aside some savings. A minimum wage is set by the government and determines the minimum wage that an employer must pay their workers. Unfortunately, the minimum wage of a country often doesn't meet the living wage standard, and doesn't cover a person's basic needs. We believe that all workers should have the right to a living wage and that we have a responsibility to promote higher wages in our supply chain, which is why we started working with living wages already in 2014. Mini Rodini has a clear living wage policy which is also reflected in our CoC that all suppliers must sign. We are always clear in communication to suppliers that the price negotiations cannot include the labour cost and that it should be strictly focused on adjustments that can be done to quality and design when discussing the price.

In our living wage projects we have wanted to take a very direct approach to this issue and work directly with our suppliers to pay our share of living wages. We work with trade unions and worker representatives, to make sure that this wage increase reaches all workers.

In 2023, 53% of Mini Rodini's production in Türkiye were made in factories where we are running living wage projects and where workers are paid an additional wage contribution.

As of 2023 we have two running living wage projects, one of which is in a jersey factory in Turkiÿe that we have a long term relationship with. In 2018 we introduced a living wage project where we, together with the supplier and worker representatives, agreed on an additional bonus that would contribute to living wages for the workers.

The other project is in a woven garment factory in Turkiÿe which we carry out together with three other FWF brands and during 2023 we were happy to welcome one more FWF brand to this collaboration. Each brand contributes a specific amount which bridges the gap to a living wage, that is calculated through the FWF Fair Price app. The amount each brand contributes is based on how much capacity of the factory their production stands for.

Due to the high inflation in Türkiye in 2023, the cost of living has drastically increased during the year. To keep up with these rising costs we had to assess and adjust the living wage contribution we provide to these suppliers several times over the year.

8.6 TRACEABILITY

In the garment supply chain Mini Rodini works with several manufacturing suppliers that assemble the garments. These suppliers buy fabric and trims from their suppliers, who in turn buy yarn from spinning mills, and so on, down to the very source of the raw fiber production in fields and farms. These different levels of suppliers and sub-suppliers, are referred to as tiers.

Usually a garment company is only in contact with the tier 1 suppliers, the ones assembling the garments. This practice however, means that you don't have insight into the working conditions or practices in the factories where the textiles and fibers are produced. For us at Mini Rodini it's essential to have proper insight into how our clothes have been produced, from fiber to ready garment. Only then can we take responsibility that our standards regarding human rights and environmental impact are followed each step of the way.

Mini Rodini's goal is to trace 100 % of our products, from raw material to finished garment. To achieve this goal we have been partnered with tech-company TrusTrace since 2017, helping us map out our lower tier supply chain.

In 2022 we traced all our products using TrusTrace's platform, where 48 % of the fabrics were traced down to raw material source, i.e. Tier 4. In addition to this we can collect data and calculate the environmental footprint of each of the traced products, in order to assess our products based on their environmental impact.







09. Climate impact

The textile industry is one of the most polluting industries in the world, being responsible for 10 % of all CO2 emissions according to a recent report from the European parliament.* As a clothing company we are responsible to make sure that our climate impact is kept as low as possible.

In 2023, for the third year in a row, we mapped out our climate impact in terms of CO2 emissions using the Greenhouse Gas (GHG) Protocol method, which is a global standard for how countries and companies measure emissions. This mapping enables us to identify the areas in our value chain where we have the most emissions and where we need to prioritize. According to this method, our emissions have been divided into three scopes;

- scope 1: direct emissions
- scope 2: the indirect emissions from producing purchased energy
- scope 3: all other indirect emissions.

Scope 1 and 2, covering emissions stemming from our office, stores and warehouses only makes up 0,31% of our total emissions. In scope 3 we have chosen to include the categories where our type of business typically has the highest impact which is purchased goods and services, transportation and distribution and business travel, encompassing 99,69% of our total emissions.



Footnote:

Scope 1 and 2 are based on actual data from our office, stores and warehouse. Scope 3 calculations are a mix of actual information and estimations. Actual reported data includes transportation, material usage per supplier and energy data from 85 % of our tier 1 suppliers. Estimations are made on energy data for tier 2-4. Material Impact Factors are from Kerings database.

^{* (}https://www.europarl.europa.eu/news/en/headlines/society/20201208STO93327/the-impact-of-textile-production-and-waste-on-the-environment-infographics).

SHARE OF EMISSIONS PER CATEGORY

As we have analyzed the result we see that our emissions primarily come from two areas: Purchased goods and services (70 %) and Transportation and distribution (26 %). As these are the areas where we have the highest emission, it is also where we will start to focus our efforts on how we can lower our climate impact as a company.

EMISSION PER CATEGORY FOR PURCHASED GOODS AND SERVICES

Purchased goods and services refers to the entire production of our garments and within this category we can see that the material and textile production, tier 2-4, stands for the vast majority (90 %) of our emissions according to calculations in this years report*. During the coming year we will investigate how we can work in order for us to lower the emissions stemming from our material production. The first step is for us to more granularly review our production process (within tier 2-4) to identify which processes and materials are having the highest emissions. From this analysis we can then start reviewing potential alternatives that we as a company could take, in order to lower our emissions further.





* Scope 3 calculations are a mix of actual information and estimations. Actual reported data includes transportation, material usage per supplier and energy data from 85 % of our tier 1 suppliers. Estimations are made on energy data for tier 2-4. Material Impact Factors are from Kerings database.

TRANSPORTATION AND DISTRIBUTION

Air freight makes up the biggest share of our transportation emissions with 89 % (22 % of our total emissions). As we are a global company we need to be responsible when it comes to selecting the means of transport for our goods. Our policy is, and always has been, not to use air freight for transportation of incoming goods, however outgoing sales and returns are still sent by air outside of northern Europe.

In 2023 we saw a significant decrease in inbound air shipments compared to the previous year (333 CO2e tons 2022, compared to 33 CO2e tons this year) as we have had a policy not to fly incoming goods, only doing this in exceptional cases. This decrease stems from us and our suppliers being better in keeping our order shipment dates. We believe that the high numbers of 2022 comes from the, then still present, impact of Covid-19.

We are currently reviewing our means of transportation to see how we potentially could have even less air freight going forward.





10. Circularity

10.1 UPCYCLING

"Unnecessary waste is one of the most provoking things for me, it's just stupid in all ways. So many companies are burning or throwing away fabrics and clothes, Mini Rodini have never done that and will never do it. If you make high quality garments and fabrics they will always have a home."

/Cassandra Rhodin, Founder & Creative Director

At Mini Rodini we aim to utilize all fabric bought in order to reduce waste. One way of doing so is our Mini Rodini Upcycling collections that we have been producing since 2013. Instead of throwing away or burning leftover fabrics (which unfortunately is commonplace in the textile industry) we create Mini Rodini Upcycling collections using leftover fabric pieces to make new garments. These collections are popular among our customers, who love the fact that we save on resources, while at the same time bringing back favorite prints. Since 2013 we have saved more than 18 tonnes of waste fabric in total. In 2023 we launched two Mini Rodini Upcycling collections, one in spring and one in autumn, transforming 1,8 tonnes of fabric leftovers into new garments.

10.2 MINI RODINI TREASURES

The Treasures concept was created by Cassandra Rhodin, Founder & Creative Director, in 2018 as a way to give our products a longer lifespan. Our clothes and prints are made to last and work season after season. With Mini Rodini Treasures, we reintroduce a few pieces and prints from previous collections for customers to rediscover. This is also a way to make sure that clothes that were not sold initially won't end up in landfill or be burned. Through the Treasures concept we also sell samples and repaired items.

The purpose of the concept is both to extend the life of our products while also taking a step towards our goal to minimize waste and become more circular. The fact that our older prints and products are still as desirable today as they were when first released is a testament to our design carrying a timeless quality.

Customers can buy Treasures at online pop-ups on minirodini.com as well as our stores in Stockholm and London where a devoted area is filled with samples, items from older collections and repairs. In 2023, 25 % of our retail store sales were Treasure products, including samples, 770 repaired garments and over 6,000 items saved from previous collections. In 2023 we had two Mini Rodini Treasures online launches, one in spring and one in autumn, where we re-released a selection of older products and prints.

10.3 MINI RODINI SECOND HAND

In 2023 Mini Rodini launched our new platform Mini Rodini second hand on our website. Mini Rodini Second Hand is provided to us by our partner reCRQL, giving customers a platform to buy and sell clothes customer to customer with built in payment and shipping solutions.

Mini Rodini second hand is one step in our journey towards becoming more circular in our business model and an important piece in how we lower our impact on the environment.

We know that Mini Rodini garments have long been sought after in second hand markets, and are therefore happy to be able to enable our customers to resell their Mini Rodini garments through our own channels. The Mini Rodini second hand platform was launched in late fall of 2023 and we will continue to track and promote it during 2024.



11. Partnerships

We wouldn't be able to uphold our high environmental and social standards if it wasn't for our partnerships. They provide us with tools, expert insight and support. Our partnerships also help us build strong networks and collaborations that can help us create a better textile industry.

FAIR WEAR FOUNDATION

Mini Rodini, member since 2016.

Fair Wear Foundation (FWF) is an independent multistakeholder organization that works with garment brands, garment workers and industry influencers to improve labour conditions in garment factories. Each member brand makes a commitment to uphold a certain standard and to work on improving working conditions and wages as they join.

RISE - KEMIKALIEGRUPPEN

Mini Rodini, member of RISE since 2013.

RISE or Kemikaliegruppen is a platform for chemical knowledge and insight in the textile industry. As members we get updates on chemical legislation and regulations, insight on how to best communicate about chemical requirements to our suppliers and support on how to best communicate with customers about chemicals.

TEXTILE EXCHANGE

Mini Rodini, members of Textile Exchange since 2021.

Textile Exchange is a global non-profit organization that is working towards a more sustainable textile industry. Textile exchange provides input, support and inspiration to brands, retailers, manufacturers, farmers, and others committed to climate action toward more purposeful production, all across the supply chain.

TEKO

Mini Rodini, members of TEKO since 2017.

TEKO (Sveriges Textil och Mode Företag) is a brand organization for textile and fashion brands who provide its members with industry insight, support and updates about coming legislations and innovations for the textile industry.

12. Mini Rodini own operations

12.1 CORPORATE SOCIAL SUSTAINABILITY

In 2023 Mini Rodini introduced a new whistleblowing service for our employees to be able to anonymously raise any concerns they have about the work environment. The service is provided by a third party that receives any complaints as well as support with investigations and potential remediation.

In 2023 Mini Rodini conducted our first employee survey to assess the general feeling of satisfaction of Mini Rodini as an employer. The survey will be conducted every other month during 2024 and improvement plans and activities based on the result will be set up accordingly.

12.2. EMPLOYEE TRAINING

All new employees at Mini Rodini get an introduction to sustainability including our code of conduct and other policies relevant to their line of work. For the release of every new collection all Mini Rodini staff are presented with relevant information about the collection including information about sustainability, certifications of the collection and information about the suppliers including living wage projects.

During 2023 Mini Rodini formed a separate sustainability department as well as hired a head of sustainability to elevate our work on sustainability even further. An outspoken requirement from Mini Rodini's board of directors is that the new department should deliver a new sustainability strategy as well as increase the internal awareness about sustainability



and to create an even closer relation to sustainability for each function. During the fall of 2023 workshops and information sessions were held with the majority of all departments to discuss how to increase our sustainability focus within the function, and how to set new sustainability goals. A goal has also been set for Mini Rodini to increase the information and transparency about sustainability externally, which has resulted in a communication plan for 2024.

12.3 MINI RODINI POLICIES

We have several policies at Mini Rodini that provide us with a framework for how we operate in our business, both internally and towards suppliers and partners.

EXTERNAL POLICIES:

- HREDD policy
- Code of Conduct
- Chemical policy (RSL)
- Transparency policy
- Subcontracting policy
- Forced labour statement
- Migrant worker policy
- Child labour policy
- Excessive overtime policy
- Abrasive blasting policy
- Living wage policy
- Animal welfare policy
- Internal sourcing policy (approval, monitoring, visiting, exit policy)
- Anti-bribery statement
- Fiber sourcing policy

- Anti-abusive behaviour and discrimination policy
- Employee handbook

INTERNAL POLICIES:

- Office policy
- Work environment policy
- No meat policy
- Office purchase policy
- Sustainable marketing policy
- Packaging material policy

13. Reporting and communication

13.1. COMMUNICATING SUSTAINABILITY

We at Mini Rodini believe in transparency towards internal staff, customers, and stakeholders on both the achievements and challenges we face in our sustainability work. We annually publish our sustainability report which includes information about the progress we have made to meet our ambitions and goals. We also annually publish a social report, according to the Fair Wear member requirements, to share the work that we and our suppliers have accomplished during the year, as well as the challenges we are still facing.

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

During the end of 2023 we started an update of our sustainability website, to share more information about the work that we do, which will be ready in 2024. In connection to this we have also set up a communication plan for 2024 to be able to spread awareness about our sustainability work and to keep interested parties continuously updated.



13.2. HOW WE REPORT

To make sure all customers and stakeholders can properly understand the information and numbers in this report we have listed the details of the definitions we use. Please note that some of these definitions are updated from previous years and hence the sustainability report for 2023 cannot be compared to previous years.

Products disclosed:

- All commercial products (garments, accessories, home textiles, hard goods) that were bought from suppliers, and that reached our warehouse, during the calendar year of 2023 (jan-dec).
- Products that were bought by us from third parties and sold through our channels.
- Products that are both sold by Mini Rodini, and that are distributed for free in marketing events (ex. notepads), are included, as we disclose all products intended for sale and can't take out the units used for marketing events.

Products excluded/not disclosed:

- Products that are not sold through Mini Rodini's channels but that are carrying the Mini Rodini logo, through licensing, are excluded.
- Non-commercial goods and marketing materials are excluded, as our scope only covers products intended for sale.

Material definition: Disclosed under "Material used". New definition from 2024.

• We account for all fibers that make up the materials that we use. If a material is made up of two fibers (ex. Elastane and cotton mix) both fibers are accounted for under the material disclosure.

- We disclose all textile materials of the product including lining and padding.
- The materials of trims are excluded from reporting for 2023 as we don't have the ability to receive all data on a level this granular. We hope to be able to include this in future reports.
- When we measure the weight of a garment, non-textile trims are included as they can't be removed from the garment.

Annual calculation: New definition from 2024.

- All commercial products (garments, accessories, home textiles, hard goods) that were bought, and that reached the warehouse, during the calendar year (jan-dec) are to be included. Until 2024, we accounted for the collections released in the year, not calendar year.
- All suppliers that delivered products that reached our warehouse, during the calendar year.
 - The size/leverage of the supplier will be defined by volume (pieces bought).
 - In the social section of the report this will be defined by FOB, and not volume.

Volume: Definition of how we account for volume of materials bought. This is the same calculation as previous years, except that we now include all fibers of the material, and all textile materials, which is new from 2024 onwards (see Material definition).

- Number of kilos bought of the materials. Calculated based on how many garments we bought multiplied with the weight of the material.
- Trims in non-textile materials will not be disclosed in the sustainability report for the time being.
- When we measure the weight of a garment, non-textile trims are included as they can't be removed from the garment.
- Upcycled collection: Calculate the fabrics used from the supplier for upcycling directly.



WWW.MINIRODINI.COM