



MINI RODINI — SUSTAINABILITY REPORT '14

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This report of 2014 is the first sustainability report of Mini Rodini. It covers the key performances of the environmental and social responsibility in the financial- and calendar year of 2014. The content is built from internal prioritized criteria, as well as from the Mini Rodini interested parties such as employees, owners, suppliers, partners, authorities and customers, among others. The format of guidelines in the GRI standard for sustainability reporting has been used to furthest extent possible based on current material and resources available. All facts and data are collected from internal systems, suppliers and partners. Read more about GRI - Global Reporting Index, www.globalreporting.org.

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CEO COMMENTS

When we started, Mini Rodini, we wanted to change the world and to make clothes that made kids and adults happy and where it did not matter if you are a boy or girl. We wanted to take responsibility to leave a better world for our children. A contact with us should contribute to something positive if you so are a customer or sew our clothes.

It is easy to be pessimistic when you hear about how we humans take of nature's resources and cheap labor worldwide. Fish are dying in our oceans and children work full time but still can not feed themselves. It is not right and something we must do act about .

Therefore, I am extremely pleased to announce this our first sustainability report! For me it is the proof that things we do and the decisions we make based on our believes that we must do what we can in all positions to drive change and a better world. It is more difficult to produce sustainable but the extra work and effort we put into gives results. We have more recycled materials, organic cotton and higher wages to workers in our factories than most companies in the industry. The work has just begun and it will unfortunately never end but if we all together are taking one step at a time each day and start to realize that natural resources are not forever I believe the change will come.

I am proud of what we have done so far and we have actually changed the world a little.

Jon Sandin

Mini Rodini is a Swedish children's wear brand that was founded in 2006 by illustrator Cassandra Rhodin as a tribute to all children, their imagination and sense that everything is possible. Mini Rodini takes children seriously with playfulness, meaning it is important that children have clothes that match their own personality, mood and creativity. Mini Rodini's vision has always been to make it both easy and exciting for parents to buy better products for their kids in regards to the design as well as environmental and ethical aspects of the production. And while the playful and humorous aesthetics may speak directly to the children, the quality of the product is equally important. A Mini Rodini garment is not only fun to wear or just look at, but is also produced in a way that is kinder to the environment and the people behind it.

When Mini Rodini first started in 2006, the aim was to add something new and something better to a market that was already rapidly growing. Since then Mini Rodini has been, and still is, a fast growing company. What started with cotton leggings and tees in the now iconic robot print has grown to large collections consisting of outerwear, organic denim, accessories and everything in between. And as the collections keep growing, so is the sustainable range.

At Mini Rodini, we want what we do to matter. We take our ethical and sustainable commitment very seriously and it will always be the most important factor in Mini Rodini's growth. It's not just about getting better at what we do, but wanting the very best and a better world. This commitment affects decision-making at all levels in our organisation, as it is an on-going process that demands an innovative approach to our whole business long-term.

MINI RODINI — SUSTAINABILITY REPORT '14 2014 IN HIGHLIGHTS

88% of all products were designed in sustainable materials (2013: 74%).

543 out of the total 553 cotton styles were designed in organic cotton, only 10 in conventional cotton.

First Fairtrade certified cotton garments were released. 16% of all styles were made with this Fairtrade certified cotton.

Our first collection with 100% of the products designed in sustainable materials were our precollection to spring-14 season.

New concept of more eco-friendly and organic denim collection was released.

New water resistance impregnation, Bionic Finish Eco was implemented free from fluorocarbons, formaldehyde and paraffin.

10 social audits were made, representing 54% of the production volume.

New store concept was released using durable and sustainable materials produced locally, non-toxic paint and low-impact lighting.

Joined living wages project in India assuring living wages are paid.

Policy for internal purchases was made, a guide for all Mini Rodini employees to always choose the most eco-friendly and fair alternatives when buying anything for the company.

First CSR-conference made for all Mini Rodini employees with internal as well as external speakers.

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THE MINI RODINI WORLD

Retailers

480 retailers worldwide

AUSTRIA AUSTRALIA AZERBAIJAN BAHRAIN BELGIUM CANADA CHINA CZECH REPUBLIC DENMARK ESTONIA FINLAND FRANCE GERMANY GREECE HONG KONG ICELAND IRELAND ISRAEL ITALY JAPAN KAZAKSTAN KOREA, REPUBLIC OF KUWAIT LATVIA LUXEMBOURG MALAYSIA MEXICO NETHERLANDS NEW ZEALAND NORWAY POLAND PORTUGAL RUSSIAN FEDERATION SINGAPORE SOUTH AFRICA SPAIN SWEDEN SWITZERLAND TAIWAN TURKEY UAE UNITED KINGDOM UNITED STATES

Stockholm HEAD OFFICE

WAREHOUSE 3 INDEPEDENT SHOPS

Gothenburg 1 INDEPEDENT SHOP

> Turkey 1 SUPPLIER

> > India 4 SUPPLIERS 0

0

0

China

14 SUPPLIERS

Thailand 1 SUPPLIER



THE MINI RODINI PRODUCTION

Producing textile products will always have impact on nature. The challenge is to minimize or prevent them and eliminate the negative ones. Our aim and key focus is to make each and every product and production meaningful. Addressing a circular life cycle perspective from buying policies, production and in the end the waste and recycling management. By always keeping up to date with the new technologies and more eco-friendly and fair business choices, we try to do the very best out of all we do.

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ENVIRONMENTAL RESPONSIBILITY

DESIGN & BUYING

In this phase our designer and buyers together decide what qualities to use and with which supplier to put the product. A supplier, who performed extra good quality and sustainability the previous season, is naturally rewarded with more products and/or order volume the coming season.

Focus points

- Unisex design applies to all designs and patterns. We do not split the collections into boys/girls.
- always top prioritized.
 - Child's comfort and safety is always given high concern and control. • Versatility and functionality is important for
 - users to mix and match creatively and individually
 - as good and long lasting as possible.



2014, production was made in the four countries Turkey, India, China and Thailand at 20 different suppliers in total. Due to fast growth of sales, new suppliers with new expertise and larger capacity have been needed. According to our schedule, a new supplier search needs to start approximately 6 months before design period, meaning about 1 year before (store) release - making a proactive and structured follow-up and planning system of key importance. Our sales continue to grow strong, and so is the search for new suppliers and sustainable production control - resulting in a more eco-friendly and fair footprint long term.

The product types per production country are selected according to what the country's best-established competence and strongest business is locally. Closeness geographically to raw material production is also considered and optimised, for minimizing the environmental impact of transports. Another priority in

our sourcing method is that the production country should have its own local chemical law, making it easier and fairer to handle a safe chemical use together with the supplier. Social welfare system per country is by all means also considered, and keeping our production to as few countries as possible means controlling and developing this in close relationship with the supplier more efficient and progressing.

- Equality and diversity are highly valued and
- Quality is key focus to make every product

- Trends are not followed, we go our own way
- Print design placements are not fitted to pattern, to optimise fabric consumption and minimize its waste.
- Sustainable materials are always prioritized. Nearly 90% of our products are made with sustainable materials - getting closer and closer to 100%.
- Certifications and standards per product and material must always be carefully analysed and chosen. Assuring our production is safe, healthy and fair.





UNISEX DESIGN AP ALL DESIGNS AND SPLIT THE COLLECTIONS PATTERNS. WE DO INTO BOYS/GIRLS



PRINT DESIGN PLACEMENTS ARE NOT FITTED TO PATTERN, TO OPTIMISE FABRIC CONSUMPTION AND MINIMIZE ITS WASTE.

Having nearly 90% of our products in sustainable materials today clearly makes us a front-runner among our competitors, whom has up to around 20%.

2015 MAIN GOALS IN PRODUCTION

- Find shell fabric in recycled material for our heavier winter outerwear, to this date
- the only synthetic main material despite sunglasses that is conventional.
- Start making plastic bags for garments
- biodegradable to.
- Update our quality manual and increase amount of our seasonal quality tests as much as possible.

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WHAT WE MEAN WITH SUSTAINABLE MĀTĒRIALS

ORGANIC MATERIALS

Organic cotton, organic wool and organic linen.

In conventional production, chemicals like pesticides and synthetic fertilizers are used, harming both health and nature. In organic production, only safe chemicals are allowed.

MODAL[®] AND TENCEL[®] MATERIALS

Modal[®] and Tencel[®] are sustainable alternatives to conventional viscose.

With viscose demanding large amount of water and harsh chemicals.

Modal[®] and Tencel[®] are cellulose fibres from mostly the beech or eucalyptus trees. They are saving more of both water and land compared to cotton. Forests are often certified by FSC (Forest Stewardship Council), and chemicals are reused and recycled in a close-loop system.

RECYCLED MATERIALS

Recycled polyester, recycled polyamide and recycled cotton.

In virgin material production, one must always take from earth's natural resources, many often threatened and limited. Recycled materials save on this as well as energy and water among others.

UP-CYCLED MATERIALS

In conventional material production, one must always create a new virgin material indeed demanding new terrain, new resources, new chemicals, new water, new electricity, new labour, new transport, new waste and on and on.

THE MATERIALS WE BOYCOTT

Due to animal welfare and also chemical risks for both health and nature we avoid using any of the following, until they are in our opinion proven to do better.

LEATHER

- EXOTIC SKINS
- SUEDE
- FUR
- DOWN
- FEATHERS
- ANGORA WOOL
- SHEEP WOOL WITH MULESING
- CONVENTIONAL SILK

SAFETY PINS

cancelled on all our products. To minimize child safety risk and our metal production impact on the environment

Up-cycling means using waste materials from previous production batches to create new products with new purpose and new value.

From SS14 collection onward, safety pins were

LABELLING AND PACKAGING MATERIALS

Apart from the main materials, its companions labels, hangtags, store bags, web shop bags and gift boxes were the year of 2014 all in recycled materials and/or Oeko-Tex 100® and FSC (Forest Stewardship Council) certification. Plastic bags in stores and web shop were also 100% biodegradable.

SUSTAINABLE MATERIALS COMPOSITION

Every product we count into the sustainable range has a composition of an absolute average itself of 80-90% sustainable fibres.

Exceptions in 2014

The heavy-duty winter outerwear had an average of 17,5% recycled materials, but with each component of the product with a certified chemical control and also an alternative ecofriendly waterproof impregnation.

7 designs of the outerwear were in a shell fabric of 65% recycled material and rest conventional, but with a lining in 100% recycled material.

Having the largest range of sustainable products on the market compared to close competitors is very good. But this is a continuous work that needs an open-minded approach to new inventions and modern working ways in the industry long-term.

MINI RODINI — SUSTAINABILITY REPORT '14 CERTIFICATIONS

In 2014, a certification guide was made for all buyers. Stating more clearly our top prioritized ones to use, what they mean and include and how to ask for them. One among many important tools to keep everyone involved and engaged in and a part of our sustainable progresses. Firstly choosing sustainable materials instead of conventional in the design phase is key. To have our sustainable materials and processes confirmed, we work with several certifications and standards with below being the prioritised ones.

GOTS - GLOBAL ORGANIC TEXTILE STANDARD

Most strict global standard for organic materials. Certifies the products' path from farming to finished product, including chemical restrictions as well as social and animals' rights criteria. 2014, an approximate of 60-70% of the Mini Rodini products designed were produced according to GOTS, with 2015 coming to increase slightly.

OCS - ORGANIC CONTENT STANDARD

GOTS rules demand 70-95% organic fibres in the composition of a product. Where we mix the organic fibres with f ex Modal® to have a silkier drape, we can use OCS to have proof that there is organic content inside. And also, Modal[®] is already an eco-friendly material to, with actually many benefits over organic cotton.

GRS - GLOBAL RECYCLE STANDARD

Like GOTS, GRS also certifies the product from raw material production to finishing, including chemical- and social criteria, and is therefor our preferable standard for recycled materials. In 2014, we had some fabrics certified to GRS, and in 2015 we will release some accessory products GRS certified from start to finish.

OEKO-TEX® STANDARD 100

While step 1 is always choosing sustainable materials instead of conventional, Oeko-Tex [®] Standard 100 is an additional control that

our materials are healthy for nature, maker and user. We use this standard as an extra safety of independent chemical testing, next to our already created and existing. The products in 2014 with this certification is manly the swimwear and outerwear that we have prioritized in risk management, and in 2015, the goal is to increase as much as possible with each supplier.

FSC - FOREST STEWARDSHIP COUNCIL

To make sure our materials from wood and forests are from un-threatened and responsible forestry, we use FSC. Materials we used in 2014 with FSC certification were the paper for hangtags, brochures and gift boxes, something we will certainly continue with in 2015.

FAIRTRADE

Spring 2014 we released our first garments with Fairtrade certified cotton, an important safety for us that the stage furthest back in the production chain has good social conditions to.

2015 MAIN GOALS IN CERTIFICATIONS Increase products designed in sustainable materials from 88% to 95%. Increase volume of fabrics and products with GRS certification. Increase volume of fabrics with Oeko-Tex ® Standard 100 certification



WaterAid

In 2014, Mini Rodini joined the WaterAid challenge #ILoveToa with a print design on a toilet. A vote to the competition gave 10 SEK to WaterAids work for global safe and clean water. The campaign aimed to increase the awareness that 2,5 billion people worldwide don't have a toilet - a sanitary issue creating great health risks and problems.



Mini Rodini is a member of the Swedish Society for Nature Conservation (SSNC). A "charitable organisation spreading knowledge, charting environmental threats, proposes solutions and influence politicians and authorities".



MINI RODINI — SUSTAINABILITY REPORT '14 CHEMICALS

Chemicals are needed to make all our products and the challenge is to eliminate the harmful and illegal ones. We have strong engagements in this area and are learning and improving more and more each season. It starts with favouring the sustainable low-impact materials and certifications, a part of the security of minimizing the negative impact. In almost all processes and locations that a product goes through from raw material to transport there are some kind of chemicals, with the dyeing, printing and finishing phase of fabrics most often having the highest risk. However, one must also look at the whole lifecycle perspective of a products' life and how it is also affecting health and nature after sales during use, care and waste.



We have a chemical restriction list stricter than law and to assure each supplier follows this; third party chemical tests are made regularly. Our membership in the network Chemical Group at Swerea is helping us together with the other brand members always keeping up-to-date with latest news in the industry and staying proactive.

> Another task we orked with in 2014 was science project to ind alternative ways to fluorocarbons and

mapping the lifecycle aspect of it. This will help us to benchmark the Bionic Finish Eco to other alternatives found and evaluate the rate it gets. In 2014, we changed all our water resistant impregnations to Bionic Finish Eco, a very important step that we have been aiming for a long time. This to eliminate the active use of fluorocarbons as they brake down very slowly and are easily spread to nature, wildlife and human bodies worldwide. The fluorocarbons are found to give several health problems like reproduction. We have had limitations of fluorocarbons in our restriction list a long time but asking all suppliers to use the independent



Learning from nature

Bionic Finish Eco instead eliminates at least our/the intentional use of them. The technique is 100% fluorine-free and biodegradable as well as free from formaldehyde and paraffin.

2015 MAIN GOALS IN CHEMICALS

- Double the number of chemical tests.
- Re-evaluate the system for competence testing the laboratories.

ININI RODINI — SUSTAINABILITY REPORT '14 LOGISTICS AND TRANSPORTS

Mini Rodini is a global brand in regards to where the goods are manufactured and where the selling points are located. Transports and logistics make up for a large part of the total impact we as a company make on the environment.

Mini Rodini will need to take a total grip on transports and logistics as the business is growing. Until a logistic function is installed, responsible for the complete chain, the company policy on transport is based on simple and efficient key rules to keep the emissions at the lowest possible level. A policy well aligned with focus on being the most sustainable clothing brand available on the market.

We use transportation in many different ways and by all departments. In this first Mini Rodini sustainability report, we focus on only incoming goods, as this is where we have the most reliable data. Other areas will be mentioned lightly as they are still subject to measuring in the future.

COURIER FREIGHT

Working with developments, it is necessary to send swatches, samples, trims and some original papers in between the head office and suppliers. To keep this at a minimum, suppliers are asked to collect many things in the same parcel and send as few as possible. Whenever possible, approvals are made by photos that are sent digitally.

INCOMING GOODS

Nearly all styles produced 2014 were made from materials originating from the production country itself, excluding trims. Only the Modal® fabric for our Turkish production that was made in Austria had to be transported a larger distance.

When packing goods, the number of pieces per carton is optimized. All styles are sent folded and never hanging. When moist

absorbents are needed, they are carefully selected with strict regulations concerning chemicals such as biocides. They are also kept at minimum use, depending on the product. Goods from several suppliers are coordinated to fill the full space of each container. All the packing materials are reused as the cartons from incoming goods are also used for outgoing costumer shipments and to our own stores. The plastic is recycled.

By focusing on a functional timeline regarding design and selling in periods, it is possible to plan for using only sea freight from China/India and truck from Turkey. As production lead times are often longer when choosing sustainable and Fairtrade certified materials, on many styles we chose to estimate and pre-book materials to be able to keep freight mode intact rather than facing air shipments.

On rare occasions we are however forced to use airfreight to keep costumers satisfaction at a maximum and loss of sales to a minimum. This change is carefully considered from case to case, and is usually related to last minute unforeseen production problems that must be solved prior to shipment.

Some styles are added at a late stage and depending on needed release date or handover to client, airfreight may be the only option for execution of such an order.

2014 we successfully made a direct shipment of one full container from a supplier in China to our distributor in Korea, hence saving on costs, emissions and time. This was a first trial and we will look at similar solutions where possible in the future.

OTHER TRANSPORTS

2014 charts to the right concern only incoming transportation of produced goods. Furthermore, the information comes only from one department. What must also be considered are the many outgoing shipments of costumer orders, the internal shipments between our units, courier use as well as transportation of staff, both during business trips and getting to and from work.

Additional policies implemented at Mini Rodini to reduce our carbon footprint are for example that train is a more suitable option than airplane when going on a business trip if applicable. When receiving costumer claims at the warehouse, our clients are not asked to send their faulty merchandise back. All staff orders are shipped to our stores for pickup, together with the regular weekly shipment.

2015 MAIN GOALS IN TRANSPORTATIONS

- The aim must always be zero tolerance on
- air shipments for all production orders.
- To find a better and more inclusive way of measuring more units of the company as a whole.
- To work with our forwarders towards greener solutions of transportation or change to new ones.
- After implementing our new business system, ensure that reliable statistics are available.
- Check possibilities of direct shipment solutions supported by the system and no manually done.
- Move some of the production closer geographically to reduce the length of transports.



MINI RODINI — SUSTAINABILITY REPORT '14 SOCIAL RESPONSIBILITY

It is our obligation to make sure everyone involved in our products have safe employments and good working conditions. As most other clothing brands, Mini Rodini does not own any factory. When sourcing the suppliers, it is very important they have their own initiated social responsibility for their employees. For example benefits for their workers like free transport and health care and sponsorships to local charity organisations. To then build a strong long-term relationship is of great importance to gain trust and profit for both parties, making it possible to also take steps forward. We are still a fast growing company, demanding strict and efficient sourcing and control routines.

To control working conditions are good, we use third party auditors checking that our Code of Conduct that each supplier signs is followed. The certifications we work with having social criteria also make audits annually. Audits initiated by us are announced and followed up in close dialogue with the management to discuss eventual improvements needed. But the textile supply chain is long so a risk management is needed and mainly the most labour-intense process has been audited so far - the sewing phase. However, of course planning for more.

CHILDREN'S SAFETY

Taking children seriously and giving focus to their safety and comfort is a major priority. The product may never pose a risk to the user and it is always considered at each product development. This means for example assuring that buttons and applications are attached securely, strings not too long and all hoods on outerwear removable. Chemicals that can be allergenic or cause other health issues to the child are also avoided and controlled by routine through our chemical risk management system.

In 2014, we re-evaluated our existing routines for the follow-up and control of the

child safety regulations, making sure we give it the careful control it needs.

LIVING WAGES

The present situation of wages in the textile industry is still in need of improvement at many places, including some of the factories we work with. We think a salary needs be enough to cover the basic needs, live a decent life and also allow for some saving - meaning living wages should be paid.

As we don't own but share factories with other brands, mutual view and values are needed to implement these improvements with the factory management. This in an ongoing demanding work for everyone involved, but we made progress in 2014.

At a supplier in India, we joined a living wages payment system together with other brands to pay our share to the workers. 23% of our current ordered collection was made by this supplier. We have together with the supplier adapted the price quotation so that it now shows cost per each stage and not only final product, meaning we get an open view of where and how the add-up is needed and put. All people manufacturing products at this factory will get the mark-up to a living wage – not only the people working for us. Additionally, the electricity in the facilities of this supplier is also solely run by wind- and solar power and all products are certified to GOTS and Fairtrade cotton.

This implementation requires that not only we pay more for each piece we buy, but also other brands. Our intention is to keep this system for each order and long-term.

Another important safety is having the cotton Fairtrade certified where applicable. It is an extra check to make sure the working conditions furthest back in the supply chain

FAIRTRADE are fair, and assures that the cotton farmers get fair pay and also a premium to be able to implement social and environmental improvements locally.

2015 MAIN GOALS IN SOCIAL RESPONSIBILITY

 Implement living wage payment system w one more supplier.

Join social responsibility independent network.

As an extra safety we work with SA-8000 factory certification for social compliance at some suppliers in China and all of them in India.

THE MINI RODINI CODE OF CONDUCT HEADLINES

- Employment is freely chosen
- No discrimination in employment
- Child labour is not used
- Freedom of association as bargaining are respected
- Living wages are paid
- Hours of work are not excessive
- Working conditions are decent
- Environment and sustainability

ouct HEADLINES osen olovment

• Freedom of association and the right to collective

cessive lecent ability Mini Rodini is in an expanding phase, giving us power to continue our mission to do the very best out of all we do. We have come far but have many challenges ahead, yet, having the right and fair approach like we do will make things possible.

We will widen our communication to encourage people to question products' general value, origin and global impact. That our products and processes have a sustainable background and future, and why they are better than the non-sustainable.



Mini Rodini AB, Klippgatan 11, 116 35 Stockholm, Sweden, csr@minirodini.se Please also visit www.minirodini.com to follow our current movement and actions.