



MINI RODINI SUSTAINABILITY REPORT 2019

mini rodini

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1 Ceo & sustainability manager comments

It all started with Cassandra Rhodin in 2006. She just had her first child and decided to start her own childrenswear brand. She wanted to make clothes without compromising on design or her own personal values when it comes to sustainability and social justice, because this did not exist. That's when Mini Rodini was born. To this day, sustainability is at the core of everything Mini Rodini does, from design, production and logistics to marketing and internal policies.



It is truly inspiring to see how our work to protect the people and planet attracts dedicated and passionate talent to our company. Every member of our team has stated sustainability as one of the reasons as to why they chose to work at Mini Rodini. We see this as a huge accomplishment, and a necessity in order for us to keep pushing the boundaries and continue to minimize the negative impact our products have on our people and planet. It is a big challenge, but we can think of a million reasons for why we should continue to take on this challenge, and not a single reason for why we should not.

In 2019 we opened up a new store in Notting Hill, London, with a part of the store dedicated to our Treasures concept. Our Treasures concept takes care of and amends our old time favourite products, to create new value and be resold to customers. We are super excited to have a physical presence in London and that our customers seem to greatly appreciate the Treasures concept. Even though the Treasures part of our London store is relatively small, we are pleased to see that

the sales are outperforming our expectations. (Read more about Treasures on page 10 in the report).

Our products are designed to live a long life, and we can see that they are being used by multiple generations which makes us very happy and proud. This is something our loyal customers have been contributing to since the very beginning - making sure our products gets passed on to someone else once their child has out-grown them. No matter which second-hand marketplace you go to, you will always find thousands of Mini Rodini products in good condition up for sales. This makes us very excited, and the Treasures concept was created to keep this tradition going - to extend the life of our treasures.

We also continued to implement our living wage project in Turkey and India, and in 2019, 51% of all our garments were produced in factories where we pay a 99,5% living wage contribution. This is super exciting for us, and our project

is by many seen as a pioneering initiative within the textile industry.

In 2019 we also began a collaboration with the technology based traceability company TrusTrace. Our ambition is to be transparent and be able to share each and every step of our entire production chain with our consumers, from raw materials to finished product. It is a very comprehensive and exciting project that we hope to launch in 2021.

We are so happy that you want to learn more about how we at Mini Rodini work to care for our people and planet. Please feel free to email us on csr@minirodini.se.

Håkan Ström
CEO

2 Brand story

Mini Rodini is a Swedish childrenswear brand that was founded in 2006 by illustrator Cassandra Rhodin as a tribute to all children, their imagination and sense that anything is possible.

Mini Rodini is recognized for its one of a kind prints, outstanding quality and dedication to doing right by the planet as well as the people making their products. The unique prints are original artworks by Cassandra Rhodin, inspired by everything from wildlife to pop culture, as well as the fantasy and free spirit of children.

The brand's pioneering ethical spirit is the soul of the company that originates from founder and Creative Director Cassandra Rhodin. Her personal dedication to sustainability, dislike of grownups stereotyping kids and beliefs in fair working conditions for all steeps through all aspects of the company.

Today Mini Rodini is an adored childrenswear brand producing collections consisting of outerwear, accessories, charity collections, collaborations with well-known brands, and everything in between. They're seen as leaders in the sustainable fashion industry with one of the most sustainable product ranges on the market – made up of 99.5 % sustainable materials.



CASSANDRA RHODIN IN HER HOME ATELIER.

3 2019 Highlights



FAIR WEAR FOUNDATION'S
THIRD BRAND PERFORMANCE
CHECK ONCE AGAIN GRADED
US AS "LEADERS"

100%

OF ALL COTTON AND
WOOL WAS ORGANIC

(just like last year, and the year before that)

99,5%

of all products in volume were made better,
meaning they contained at least 78%
sustainable materials.



We routinely designed and produced even
more upcycling collections, instead of as
one-off projects.

OUR DENIM SUPPLIER

WORKS WITH SOME OF THE
MOST SUSTAINABLE DENIM
MACHINERY IN THE WORLD.



Feels so right

We started using the environmentally
friendly fibre TENCEL™ Lyocell in our
basic range instead of organic cotton.



WE PARTNERED WITH THE WILDWOOD
FOUNDATION AND THEIR ANTI-POACHING
AKASHINGA PROJECT AND DONATED 20%
OF OUR SALES FROM OUR 4 ELEPHANTS
COLLECTION TO THEM

51%

WE CONTINUED IMPLEMENTING OUR LIVING
WAGE PROJECT IN TURKEY AND INDIA, AND
IN 2019 51% OF ALL OUR GARMENTS WERE
PRODUCED IN FACTORIES WHERE WE PAY A
LIVING WAGE CONTRIBUTION.

LEVEL 4

We received the highest "Level 4
Leading" rank for our use of preferred
organic cotton and recycled polyester
in Textile Exchange's 2019 Material
Change Insight Report.



WITH THE TECH COMPANY
TRUSTRACE, WE WERE ABLE TO
TRACE 38% OF OUR LOWER TIER
SUPPLY CHAIN, GIVING US INSIGHT
INTO THE ENVIRONMENTAL AND
SOCIAL CONDITIONS THAT TAKE
PLACE FURTHER DOWN THE CHAIN.

BETTER PRODUCTS

ARE MADE IN A MINIMUM
OF 78% OF THE
SUSTAINABLE MATERIALS;
ORGANIC, RECYCLED,
UPCYCLED AND MODAL
'LYOCELL.

CONVENTIONAL
PRODUCTS



BETTER PRODUCTS

4. THE WORLD OF MINI RODINI

4 The world of Mini Rodini

SUPPLIERS AND FACTORIES

Turkey	36%, 4 suppliers, 10 factories
India	11%, 1 supplier, 1 factory
China	34%, 5 suppliers, 13 factories
Lithuania	13%, 2 suppliers, 2 factories
Portugal	6%, 1 supplier, 2 factories

MINI RODINI STORES AND OFFICES

- Sweden, Stockholm
- Head office
 - Warehouse
 - 4 Mini Rodini stores
 - 1 Mini Rodini shop-in-shop
- Sweden, Gothenburg
- 1 Mini Rodini store
 - 2 Mini Rodini shop-in-shops

- Sweden, Malmö
- 1 Mini Rodini store
- United Kingdom, London
- 1 Mini Rodini store
 - 1 Mini Rodini sales office

415 RETAILERS WORLDWIDE

- | | | | | |
|--------------------|----------------|----------------------|-------------------|--------------------|
| Babyshop Sthlm AB | United States | Lithuania | Spain | Kyrgyzstan |
| Korea | Germany | Cyprus | Portugal | Maldives |
| China Distributor | Denmark | United Arab Emirates | Slovenia | Mauritius |
| Russia Distributor | Austria | Greece | Czech Republic | Mexico |
| China | Switzerland | Estonia | Norway | Qatar |
| United Kingdom | Indonesia | Iceland | Slovakia | Russian Federation |
| Sweden | Babyshop store | Singapore | Axstores AB | Thailand |
| Japan | Belgium | Taiwan | Babyshop Norway | Turkey |
| Finland | Canada | New Zealand | Babyshop Sthlm AB | Ukraine |
| Australia | Poland | Israel | Chile | Bahrain |
| Italy | Lebanon | Bulgaria | India | |
| France | Latvia | Romania | Kazakhstan | |
| Netherlands | Ireland | Saudi Arabia | Kuwait | |

4 The world of Mini Rodini

AT MINI RODINI, WE DEFINE SUSTAINABILITY AS

- An act that does not take anything away from nature or from people....
- But ensures they are protected and sustained into the future.

1.

SUSTAINABILITY IS IMPORTANT FOR MINI RODINI BECAUSE

- We see it as an obligation.
- It was a core value from the start.
- We believe we can ignite change.

2.

MINI RODINI'S SUSTAINABILITY WORK IS UNIQUE BECAUSE WE

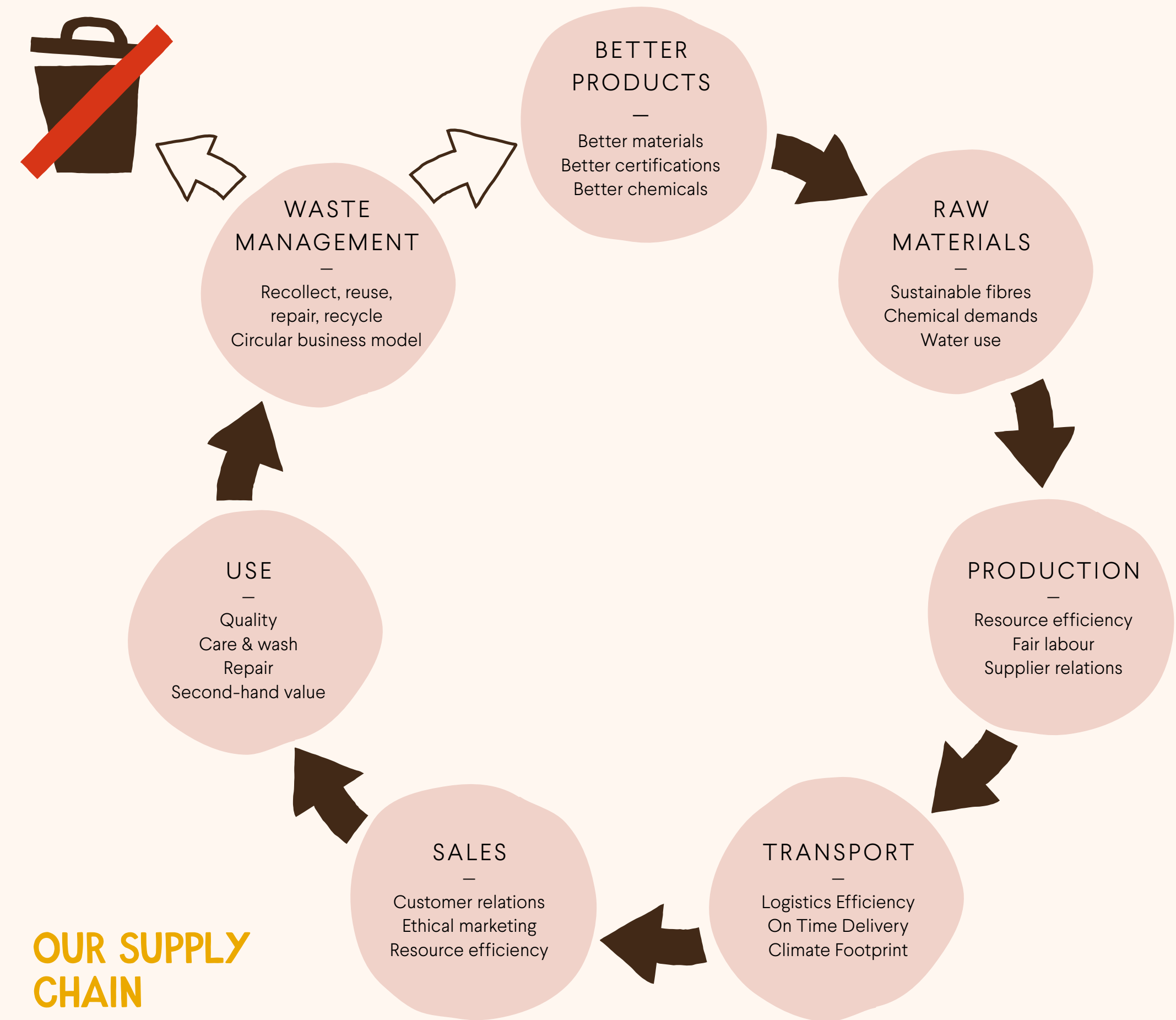
- Are young and small but already a responsible company.
- Have a broad assortment, yet most is sustainable.
- Have our own strict rules on what “sustainable” means.
- Do upcycling on routine.
- Source sustainably and focus on living wages.
- Focus on designing kids clothes with outstanding quality that can live on for generations.

3.

4 The world of Mini Rodini



OUR SUSTAINABILITY DIMENSIONS



OUR SUPPLY CHAIN

5. BETTER PRODUCTS

5 Better products

Lets face it, producing new products will always have a negative impact on our planet, even if the product is considered sustainable. We are still taking resources from our Mother Earth and transforming, transporting and consuming them.

"Why do it then?" one might ask. Because we can do it sustainably better than most other brands on the market. We design more durable products, with more sustainable materials, made in fairer and more environmentally friendly factories with less harmful chemicals. Making sure our products have as little impact as possible on the planet compared to conventionally produced products on the market.

We want to be the better option and hopefully ignite change and have other brands and consumers become more aware and follow our lead. We believe the power of change lies with brands and consumers, and that we must be the driving force when it comes to producing and consuming in a responsible way.



5 Better products

Our goal is to make quality clothes that last and that kids can enjoy without compromising environmental and social aspects of production. Clothes that don't hold back on kids play, but that offers them warmth when building snowmen, protection when playing outdoors in the pouring rain and the chance to be themselves and grow into whoever they wish to become.

In 2019, 99,5% of our products were made of sustainable materials, such as for example GOTS certified organic cotton, GRS certified recycled polyester, TENCEL™ Lyocell, and certified organic wool. We classify all of these products as better products and are committed to reaching the goal of having 100% sustainably better products by 2021. We are working hard to find new developments in materials that offer the best quality while having the lowest impact on the environment.

We are recognized for our creative design and unique prints that are not just pleasing for the eye, but fun for kids to wear. However, our dedication to always use sustainably better materials comes first. We purposely choose not to use materials or dyeing techniques, for example, that are harmful to the environment, even though it would make our clothes look better. We also consciously choose not to customize the prints on our garments which reduces garment waste.

Fabrics and materials are very complex. Sometimes the construction of a button doesn't agree with the fabric, or the print on a dress refuses to stick. Because of this, we have a large team at our head office that specializes on this and that works through potential problems in order to provide the best quality products to our consumers. Our designers, pattern makers and product developers analyze all products

each and every step of the production, from initial design to when it hits our warehouse.

On top of the work we do at our head office, we further work closely with our suppliers who also work hard to ensure the highest quality and product safety. Lastly, we have independent quality controllers stationed in each production country who make inspections on our products. However, even with all of these controls in place, problems can still arise and in 2019 we launched our new Mini Rodini Quality Guide which will help us and our suppliers to work towards better quality standards and consistency between all products.

Another part of reducing the negative impact our business has on the environment includes taking care of the leftover fabrics from our productions. We produce upcycling collections on routine, so instead of burning these leftover fabric scraps we give them new life. Further, our largest supplier also makes use of all the scraps that are left over from production by selling their scraps to companies that shred them in order to make fillings for products such as pillows. They also send some of the scraps to textile students who use them for patchwork lessons.

IN 2019,
99,5%
OF OUR PRODUCTS WERE
MADE OF SUSTAINABLE
MATERIALS...BY 2021, OUR
GOAL IS TO REACH 100%.

5.1 Better materials

We have our own strict policy on what we consider as a sustainably better material.

The definition of sustainability has endless shades of green, and it's not easy to know what brands mean when they say they have an "organic range" or a "super caring range" or whatever buzzwords are in at the moment.

Often, brand's self-made requirements for defining what makes their range sustainable are not very tough. Sometimes all that is required is that 30–50 % of the garment's composition is considered sustainable. The rest may be conventionally produced cotton, or non-recycled polyester. But that's not good enough for our planet.

At Mini Rodini, we have a number of materials that we flat out ban from our business, like non-recycled polyester and leather. This alone takes us far along the journey of only using materials that have minimal impact on the planet.

On top of this, the definition we use for ourselves and our customers in describing whether a product is sustainable or not is based on a 78 % threshold. This means that at least 78 % of the garment has to be made from more sustainable materials. Although our threshold is set at 78 %, almost all of our products contain between 95–100 % sustainable materials and thus exceed our set limit.



5.1 Better materials

In the 2019 Material Change Insight Report we received the highest "Level 4 Leading" rank for our use of preferred organic cotton and recycled polyester. Through participating in this report we can see how we compare to other brands in using sustainable materials, and it's great to see that we are in the same league as some of the world's most inspiring and prominent sustainable brands.



ORGANIC
Organic materials include, for example, organic cotton and organic wool, and all of the cotton and wool in Mini Rodini products is organic. Pesticides and genetically modified seeds are not used in organic cotton cultivation. Harmful chemicals are restricted in the processing of organic cotton and wool.

RECYCLED
We use recycled fibres in our polyester products. As always, 100% of our polyester was recycled in 2019 and the fabrics were certified with the most stringent global standard, Global Recycle Standard (GRS).

REGENERATED
We use ECONYL® regenerated nylon in our swimwear. Regenerated fibres differ from recycled fibres in that the yarn being processed

undergoes a chemical transformation. This process ensures that the quality is not lost but in fact remains the same. We use ECONYL® regenerated nylon yarn coming from nylon waste such as fishing nets, old carpets destined for landfills or fabric scraps from mills.

UPCYCLED
We use leftover waste materials from previous productions to create new products with new life and new value. This process creates a lesser impact on natural resources, both from reusing what would otherwise have gone to waste, and by not having to source new materials for future collections.

MODAL®
Modal® is a more environmentally friendly version of viscose. It is derived from sustainably forested wood, mainly beech trees, and the chemicals

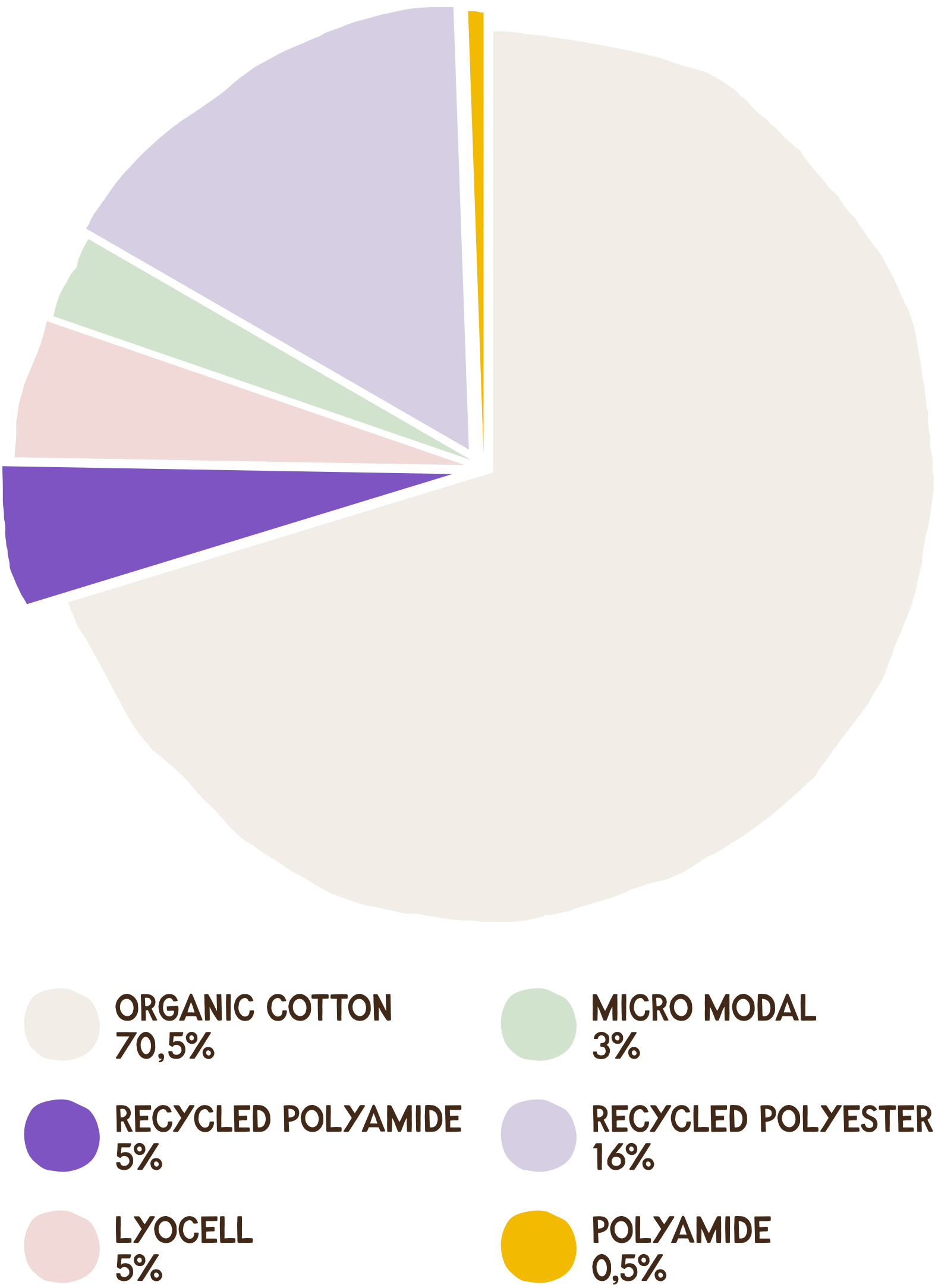
used are reused and recycled. Modal® also requires very little energy when being produced, in comparison to organic cotton that requires large amounts of water and creates a high amount of greenhouse gases.

LYOCELL
Lyocell is also a more environmentally friendly version of viscose. It is derived from forested wood, and an overall majority of our Lyocell is sourced from sustainable forestry. The chemicals used are reused and recycled in a unique closed loop system. Lyocell requires very little water and land area, in comparison to organic cotton that requires large amounts of water and large pieces of land. Most of our Lyocell is made by the Austrian producer Lenzing and is called TENCEL™ Lyocell . They have state of the art machinery that holds the highest environmental standards.



MATERIALS WE SAY NO TO
We also have a responsibility to opt out materials that are considered non-sustainable. These are materials like, for example, conventional cotton, non-recycled polyester, and rayon.

PERCENTAGE OF STYLES MADE FROM EACH MATERIAL



5.1 Better materials

PROTECTING OUR ANIMALS

There are many risks involved when extracting fibres from our animal kingdom. These risks include the animal's welfare that may not always be secured and the chemicals used in treatment that can seriously harm the animal, the workers who handle them and the environment. That is why we have chosen not to use the following animal fibres in our products:

❌ LEATHER
 ❌ EXOTIC SKINS
 ❌ SUEDE
 ❌ FUR
 ❌ DOWN
 ❌ FEATHERS
 ❌ ANGORA WOOL
 ❌ CONVENTIONAL WOOL



OUR EXPLORER ACCESSORIES

As mentioned, the definition we use for ourselves and our customers when describing whether a product is sustainable or not, is based on a 78% threshold*. Meaning that at least 78% of the garment needs to be made from more sustainable materials. However, our Explorer accessories range does not meet this threshold. The crux for this product is the outer shell fabric, which is a non-recycled polyamide and therefore it's not meeting our 78% threshold. We are aware of this and from 2020 onwards we will no longer work with this non-recycled polyamide, and instead use a durable recycled polyester in our whole Explorer range.

Despite this range not meeting our 78% threshold, they are still by far the most sustainable heavy-duty winter outerwear accessories for children on the market today. The two different linings and all the paddings used are recycled, all the material components are certified to Oeko-Tex® 100 Standard and the waterproof impregnation BIONIC-FINISH ECO® is a more environmentally friendly alternative that is free from fluorocarbons, formaldehyde and paraffin.



* This threshold used to be set at 80%. However, our environmentally friendly nylon swimwear fabric must unfortunately also contain 22% conventional elastane to make the fabric stretchy. As we didn't want to exclude this product from our classification, we lowered our threshold by 2%.

5.2 Better certifications

For us, it is not enough for our suppliers to just say something is organic or recycled. We need proof to ensure our products really are sustainable. This is something all consumers should be aware of, we should always ask for proof that a product is sustainable. So how do we know? Certifications.

There are loads of certifications out there, and we have chosen to only go by the most extensive ones on the market. The textile supply chain is a complex beast with many different streams. A single cotton tank top can go from cotton picking, to ginning, spinning and knitting, and into factories for sewing before it is labelled, packaged and shipped to our warehouse. It is a long process, and then we haven't even looked at the thread used or if we should have any prints or buttons on the garment.

Certifications help us ensure what actually went into our product, and if it was made in a sustainable way.



5.2 Better certifications



GOTS – THE GLOBAL ORGANIC TEXTILE STANDARD
This is one of the strictest global standards for organic materials, and it certifies a product from raw material to finished product. Fibres are sent to laboratories to verify no pesticides or genetically modified seeds went into the agriculture, and that no hazardous chemicals were involved in the production.



OCS – ORGANIC CONTENT STANDARD
GOTS requires 70–95% organic fibres in the composition of a product. Where we mix the organic fibres with for example Modal® or TENCEL™ Lyocell, we use OCS to assure there is organic content in the fabric.



TENCEL-LYOCELL
TENCEL™ Lyocell is made by the Austrian company Lenzing. Most of Mini Rodini’s wood based Lyocell fibre is certified Lenzing TENCEL™ Lyocell. Apart from always sourcing wood from FSC certified sustainable forestry, Lenzing uses state of the art machinery that holds the highest environmental standards.



GRS – GLOBAL RECYCLING STANDARD
Like GOTS, GRS traces the product from raw material to finished product, and includes criteria on banning hazardous chemicals. It is the strictest standard for recycled materials on the market.



FSC – FOREST STEWARDSHIP COUNCIL
All of our materials derived from wood are FSC certified. This means the materials come from un-threatened and responsible forested woods and plantations.



OEKO-TEX® STANDARD 100
Oeko-Tex ® Standard 100 is an additional control we use to ensure that our materials do not harm nature, worker or user. In addition to our own even stricter chemical management system, these independent chemical tests give us an extra assurance that our products are free from harmful chemicals.

5.3 Better chemicals

Chemicals are both a blessing and a curse. Take water as an example, a building block without which there would be no life. However, chemicals also hold the power to destroy life. For that reason, Mini Rodini works very hard with chemical management to ensure our products are the safest on the market. To ensure the workers who produce our products are not exposed any harm. To ensure that our natural environment is preserved from toxins. Last but definitely not least, to ensure that our end consumer, our children, are protected from harmful chemicals.

At Mini Rodini we have adopted a number of measures to minimise the risk of any harmful chemicals entering our products. We have created an extremely robust Restricted Substances List (RSL), which is updated twice a year and signed after each update by all of our suppliers. In our social audit controls, we check that our factories are maintaining a good chemical management procedure. As an extra safety measure, we conduct random chemical tests for each season, to ensure our RSL is upheld.

Chemical safety is one of Mini Rodini's highest priorities. As we work with children's clothes, it is paramount that our products are safe and free from toxins. It is also of great importance as harmful chemicals can have an extremely damaging effect on our planet. Some chemicals never degrade in nature so once made, they will never go away. Other chemicals cause devastating effects on our natural environment and animal kingdom, which is unacceptable. Lastly, chemicals can be very harmful for those who are handling them. We are very committed to the welfare of all of the people who work in our supply chain, and hence ban all chemicals that can have a negative effect on their wellbeing.

As stated above, chemicals are tricky little things. While some are harmless, others are toxic, and some are only harmful if they reach a certain limit value. Chemicals can also be very elusive. Meaning that even if a factory does not use a certain chemical when producing our products, they might still use it when producing other products for other customers. The chemical may then unintentionally find its way into our products, unless the factory follows a very good chemical management procedure. That is why we have all our suppliers sign our RSL list that is updated twice a year and do social audit controls and random chemical tests to make sure that our factories are maintaining a good chemical procedure.

OUR CHEMICAL MANAGEMENT

DESIGN

Rather than having our design decisions dictating which chemicals we use, we do it the other way around. The types of chemicals we allow dictate how we design our products. For Mini Rodini, chemical safety goes before all other decisions.

RESTRICTED SUBSTANCE LIST - RSL

We have restrictions on all chemicals related to our product assortment. It is based on the European legislation REACH but goes further and includes stricter requirements. Our RSL is updated twice a year, and signed after each update by all of our suppliers.

HEALTH AND SAFETY IN FACTORIES

Our factories are monitored by social audits, whereby auditors go into our factories to evaluate the welfare of all workers. Chemical safety is evaluated in these visits, to ensure workers are trained in how to handle chemicals and to ensure their work does not pose any harm to their wellbeing.

RECIPES

When we introduce a new fabric or finish to our collections, we ask for the recipes of the chemical formulas and mixes. These recipes become part of a standardised safety data sheet, used to instruct employees in production on how to handle the chemicals safely and informing them on what influence the chemicals have on the environment and human health.

COMPETENCE TESTING LABORATORIES

The laboratories performing our random chemical tests must first pass our competence test. This competence test ensures us the laboratories are of high quality and follow the relevant international standards, as well as our own requirements on methods and equipment.

LABORATORY TESTING

Each season we arrange chemical tests by third party laboratories. When deciding which products and materials are to be tested, we perform a risk assessment. The risk assessment evaluates legally prohibited substances, currently observed high-risk substances in the industry, order volume, variety of styles, material composition, fabric function, supplier relation, production country context, etc.

In 2019, we performed random chemical tests on 16% of our main production order volume.

LOCAL LAWS

In our supplier agreements, we require our suppliers to not only follow our RSL and REACH, but also their own local chemical laws (if applicable) that exist within their production country.



EDUCATION AND SURVEILLANCE

Mini Rodini is a member of the Chemical Group at Swerea, a network where approximately 140 brands in a similar industry to us learn about new relevant chemical laws, current risks in the industry and more sustainable substitutions of substances and processes. The Chemical Group offers support and guidance and gives us great connections to other businesses that may be experiencing the same challenges as us in regards to chemical safety.



FLUOROCARBONS AND BIONIC-FINISH ECO®

Since 2014, we have required all our water-resistant outerwear to have the eco-friendlier impregnation BIONIC-FINISH ECO®, free from fluorocarbons, formaldehyde and paraffin. These are persistent chemicals that do not disappear from the face of the earth after having been created, and they cause harm to both people and planet.

5.4 Treasures Store

2019 was our second year to run the very successful store Mini Rodini Treasures. This concept store serves as a type of museum for old time favourite Mini Rodini treasures and offers repairs on returns and damaged products. All with the aim to keep our products circulating for longer and longer, and to give more kids the chance to play in the garments we produce.

The idea is simple – to minimize waste and to ensure the love and care for our products is not dictated by their newness, but lives on for generations to come. Through the years, our founder Cassandra has put aside some of her favourite prints and this concept has proven that the design carries a timeless quality and style that can be appreciated many years after they were first released. It proves that new is not always better.

Huge amounts of love and care are put into every single Mini Rodini garment. From the design and development stage, to the factories' sampling and re-sampling, the choice of fabric qualities and prints, the production by the sewing workers across the world, to final shipment and delivery into our stores. The Treasures store aims to honour this process and ensure that all products are cared for. This will ensure that our samples that were never produced (maybe because we chose to go for a different colour or replace a zipper for buttons) is still awarded the value it deserves and can be offered for sale to our customers.

Most of the products in the Treasures store come from our warehouse in the south of Stockholm and are not fit for sale due to stains or dirt from production or from time spent displayed in our stores. The Treasures store has access to the laundry room of the residential building where it is situated, and therefore we can wash the garments and give them back their value.

Garments are also repaired in the Treasures store. Garments needing mending will mostly be damaged by small holes which we will sew together or patch up, or seams that have come undone and need to be re-sewn. In 2019 we repaired and sold 979 products, which was around 20 products per week. This is our current peak repair capacity in the store.

In 2019, our Treasures repair team also managed to save 33 rain jackets that in 2018 were delivered faulty to our Swedish warehouse from our Chinese rainwear factory. The buttons on the jackets had not been sewed on properly, which resulted in the garments not meeting our high waterproof

standards. Our highly skilled Treasures repair team managed to replace the buttons without damaging the water repellent fabric, and this meant that the garments could be sold and used instead of being discarded.

The response from our customers towards our Treasures store has been very positive. Many have been pleased that

you can find old treasured prints and that we have created a business model that includes a circular mindset. As a company, we are also extremely pleased by how well the shop and repair workshop is working out. We hope to inspire our customers to repair more, waste less and value all things that have been taken from the earth's resources and made into a fantastic product through people's hard work and skill.



mini rodini
TREASURES

5.5 Better products, Goals

Status of our 2019 improvement plans in better products:

2019 GOALS	STATUS DECEMBER 2019	COMMENTS
Be innovative with new materials and recycled cotton yarns.	Not accomplished.	We are still trying to source recycled cotton yarns, however it is difficult to find the right quality that meets our standards.
Replace cotton with Lyocell in our Basic range.	Accomplished.	From our Autumn/Winter 2019 collection, our Basic range is made from TENCEL™ Lyocell.
Create a new Upcycling plan for 2019 with realistic but ambitious targets and new routines.	Accomplished.	
Start to repair garments in our Treasures store.	Accomplished.	

Our goals in better products onward:

2020 GOALS	2026 GOALS
Extended use of TENCEL™ Lyocell and starting to replace all cotton.	100% of all products are made with sustainable materials.
Mini Rodini GOTS certified as a Brand.	Introduce new dyeing methods to reduce water and chemicals use.
Upcycling collections are integrated into our production time plan.	We design with LCA in mind and all products are 100% recyclable.
Source new swimwear nylon fabric that has a lower percentage of conventional Elastane.	Our business model is circular with a re-collect/repair/reuse/remake/recycle system on routine.

6.

SOCIAL JUSTICE

6 Social justice

For us, social justice means making sure the people who make our products are treated with nothing but fairness and respect. We greatly appreciate the time and effort that each worker puts into making our products, and for this we owe them our time and consideration.

Almost all our garments have been held by several pairs of hands, and thoroughly inspected by multiple sets of eyes. This makes the textile industry one of the most labour-intensive industries on the planet. Mini Rodini as a brand has a huge responsibility to ensure social justice is real for all people involved in making our products. Because without the dedicated, skilled and professional people that are making our products, which in turn make our brand, we would be nothing more than an empty store.

Key achievements on social justice in 2019

- We were again graded “Leaders” in Fair Wear Foundation’s (FWF) Brand Performance Check, with an even higher score compared to 2018.
- We took our partnership with the Swedish/Indian IT start-up TrusTrace to the next level, by starting to map the majority of our lower tier supply chain.
- We have employed a new team member who is stationed in Turkey, to help oversee our Turkish factories.
- 51% of our products were made in factories where we are running a LW project and pay workers an additional wage contribution



6.1 Code of conduct

Our code of conduct is a set of principles concerning labour rights that all of our suppliers must sign and comply with. The principles are based on the fundamental conventions by the International Labour Organisation (ILO), the UN Universal Declaration of Human Rights and the Code of Labour Practices by Fair Wear Foundation.

THE MINI RODINI CODE OF CONDUCT IS AS FOLLOWS:

- **EMPLOYMENT IS FREELY CHOSEN**
- **NO DISCRIMINATION IN EMPLOYMENT**
- **NO EXPLOITATION OF CHILD LABOUR**
- **FREEDOM OF ASSOCIATION THE RIGHT TO COLLECTIVE BARGAINING**
- **PAYMENT OF A LIVING WAGE**
- **NO EXCESSIVE WORKING HOURS**
- **SAFE AND HEALTHY WORKING CONDITIONS**
- **LEGALLY—BINDING EMPLOYMENT RELATIONSHIP**
- **ENVIRONMENTAL IMPACT OBLIGATIONS**
- **NATIONAL AND INTERNATIONAL LEGAL OBLIGATIONS**

But a code of conduct is just empty words if it is not actively and thoroughly followed up on. This is why we adopt a strict social compliance program, and together with other brands work to improve the working conditions in the textile industry.

6.2 Fair Wear Foundation

2019 was our third full year of being member of the Fair Wear Foundation (FWF). FWF is a multi-stakeholder initiative with the mission to improve labour conditions in production countries around the world. It is considered to be the most robust independent standard for third party auditing available in the marketplace, and adopts a unique, holistic and long-term approach to improving workers' rights.

In order to join FWF, brands must make a commitment to make continuous improvements to labour conditions in the factories they source from. They must set aside monetary and human resources to this cause, and show improvement year on year. FWF helps us in this work by offering expert advice, performing third party audits and offering training to factory managers and factory workers alike, on areas such as worker empowerment and labour rights.

One of the things that makes the FWF system unique, is that we are held accountable for the claims we make. This means that a brand cannot talk the talk without walking the walk. We keep in close contact with FWF throughout the year, and once a year they visit our office and review how well we maintained the FWF Code of Labour Practices in our production locations. This verification is called the annual FWF Brand Performance Check (BPC). For example, they will check our feedback from social audits, how often we visit our factories, and what progress we are making in our living wage project. Our customers, stakeholders and the wider public can follow the progress we make through FWF's BPC report, which grants legitimacy to the work we do.

We experienced our third BPC in March 2019. By FWF coming to our Head Office and interviewing key persons in our different teams, FWF evaluated how well we

had been working with labour rights issues during 2018, and so our next BPC in 2020 will be looking at the work we have done in 2019.

The BPC for 2018, which involved numerous interviews and document controls, evaluated how well Mini Rodini had met the FWF requirements and implemented the Code of Labour Practices in its supply chain. Member companies are rated as "needs improvement", "good", or "leader". For year 2017 we received our first ranking as leader and for 2018 we kept our leader position with an even higher score of 79%.

FWF were pleased we implemented a social monitoring program for 91% of our supply base. Most importantly, FWF praised us for extending our Living Wage project in 2018, to such an extent that they named us a "frontrunner" in the industry on living wages. FWF were also pleased that we had placed such high focus on training suppliers during 2018. For 2019, FWF advised us to adopt a more strategic approach to pricing, and they also wished for us to look deeper at the root causes that lie behind issues that come up in our social audits.

The BPC for 2018 also resulted in a workplan for 2019, which set the way for the various tasks we would undertake throughout the year to come. This plan included amongst others an ambition to become better at preventing last minute changes

to styles, arranging for a consultancy to offer help and auditing in four Chinese factories, and offering a peer-to-peer HR training for the factory management in one of our Indian factories. We hope that, with the learnings and direction gained from these workplans, we will be well equipped to secure labour rights within our supply chain.

[Read more](#)



6.4 Production locations

In 2019 we managed to move towards a more consolidated supply chain. Our ultimate aim is to have stable and long working relationships with our suppliers and factories so that we can safeguard labour rights whilst also ensuring the highest quality products with timely deliveries.

In 2019, we worked with 13 suppliers, compared to 14 suppliers in 2018. Out of the 13 suppliers, we worked with 26 manufacturing factories compared to 29 in 2018, who performed the cutting, sewing, trimming and quality control of our products. In total, we ended our relationship with two suppliers in 2019 and started relationships with one other supplier. We brought on board in total two new factories whilst ceasing the relationship with five.

Ending a supplier relationship is not something we do lightly. It is far better to try and work through issues together with a supplier, rather than to leave them. Leaving will not help the workers in the factory, and will cultivate the ever fluctuating business culture within the textile industry. A culture where orders get dropped and picked up aimlessly, and workers are left with an unstable and insecure job market.

Issues in social justice, quality, deliveries and the like can often be solved through mutual dialogue. However, often means not always, and sometimes we are unfortunately left in a situation where we must terminate a supplier contract. In this situation, we try to communicate our decision to the supplier as clearly and early as possible, so that they understand our decision and have time to re-plan their production schedule so as to ensure workers are not left without work.

In 2019 we started working with one new supplier. This was a Chinese supplier based in northern China, and they started to produce our rainwear products in two of their factories. Together with Mini Rodini’s main outerwear buyer and pattern maker, Mini Rodini’s sustainability manager visited the supplier and factories in 2018 and approved the factories before orders were placed.

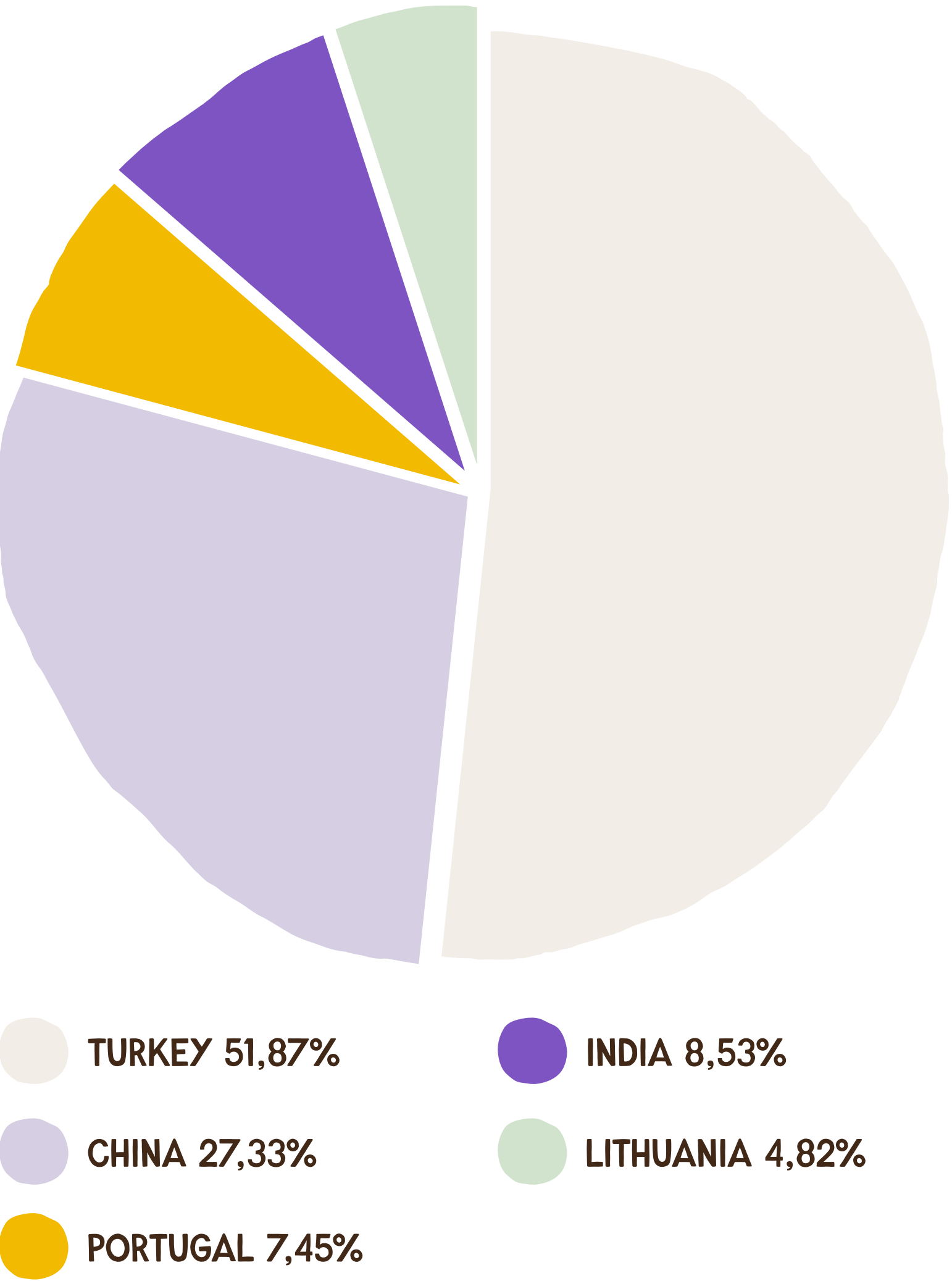
In 2019, we stopped working with our two Home suppliers. The relationships ended due to a business decision to place our Home collection on pause.

Three of our suppliers changed their supply base in 2019. One of our Chinese suppliers consolidated their production in order to remove one of their factories from their supply base. Our only Portuguese supplier made a similar business decision that same year. Our largest supplier, our jersey supplier based in Turkey, also consolidated their production in 2019. From before, this supplier had been contracting with seven factories for our Mini Rodini production. In 2019, we ceased the relationship with one of these factories, as this factory no longer wanted to produce jersey products. The six remaining factories were later consolidated into one and the same building, which was also in the same building as the supplier’s head office.

The country where we have the largest volume of production is still Turkey, and this is where most of our jersey is made. We have stable business relationships with our Lithuanian and Portuguese suppliers, and they have become important players to our business, much due to their high labour standards and shorter lead times with lower environmental impact from the transport. India is still where we choose to produce all of our woven items. China remains heavy on the heavy-duty stuff, together with lighter outerwear and accessories.

Going into 2020, we do not foresee many changes in our supply base.

PRODUCTION PER COUNTRY 2019



3 Social justice, Supplier relationship and assortment planning

In 2019, 67% of our production was made in factories that we have worked with for five years or more, and we aim to increase this number in the years to come. However, as we are a relatively new company that has experienced a dramatic increase in sales in some categories, we appreciate this will take a bit of time. Having steady supplier relations is important for many reasons. It gives us a better insight into the working conditions as we can see what improvements have come from our initiatives, such as training and a hotline phone number. It gives the factory more incentives in making improvements for workers, as they will see how their cooperation in social justice strengthens our trust in their company. It will also improve quality, as the workers and management will be used to working with us and our designs, and it helps with the logistics as we will have well-established ways of working with deliveries.

An important factor in maintaining a low number of suppliers, is to create an assortment plan with a minimal amount of niche products. Certain products, such as a specific accessory, will often be made in a specialised factory that only produces this type of product. As it is a niche product, this will in turn mean we place few orders in the factory. Placing few orders of a low selling product will mean we have very little leverage in the factory in question. For this reason, we work towards including a minimal amount of niche items in our assortment plan. In 2019, over 43% of our total order

value came from factories where Mini Rodini has leveraged above 10%, meaning our orders stand for more than 10% of their total capacity. This is quite a good number for such a small brand within the textile industry, and in the future, we intend to increase the number of factories where we have a stable business relationship with high leverage.

We start planning for coming seasons more than 2 years before the products will hit our stores. This is when we decide on which factories to use and we start working on samples. Some of our factories are managed through an intermediary, a supplier, and other factories we work with directly. Sometimes we will work with suppliers due to language barriers, as not all factory managers speak English. And sometimes we will use them due to the difficulty in us sourcing factories with the right competency and of the right size. But even when we do use suppliers, we are actively involved with the main partner, which is the factory. We visit our factories regularly and will always have meetings with the factory managements to discuss worker welfare and social responsibility.



6.5 Responsible sourcing

Along with our rapid growth and need to place larger orders to factories, we have sourced new suppliers through a robust due diligence process. We will only work with factories who treat their workers fairly, and this is why our selection process is so important.

Our sourcing process begins in conjunction with our bi-annual supplier evaluation meetings. These meetings are attended by the whole production team, consisting of 10 people including the Sustainability Manager. Suppliers are evaluated based on their performance in sustainability, communication, quality and delivery. Alongside this, suppliers are also asked to evaluate our performance in areas such as communication, late changes and payments. This exercise fosters a mutually beneficial relationship between us and our suppliers, whereby we are partners working towards the same goals. At the end of the evaluation process, we try to reward our higher performing suppliers by increasing orders.

It may happen that at the end of the evaluation process we find a need to replace a supplier due to underperformance in certain areas, such as quality or sustainability. This is always a last resort for us since changing a supplier puts worker's job security in jeopardy. We will only go down this route after having tried to improve the business relationship and given ample warnings to the underperforming supplier. The need to find a new supplier may also arise if our orders increase to such an extent that our current suppliers do not hold the capacity to produce our products. In either of these two cases, the Sustainability Manager heads out to search for a new supplier.

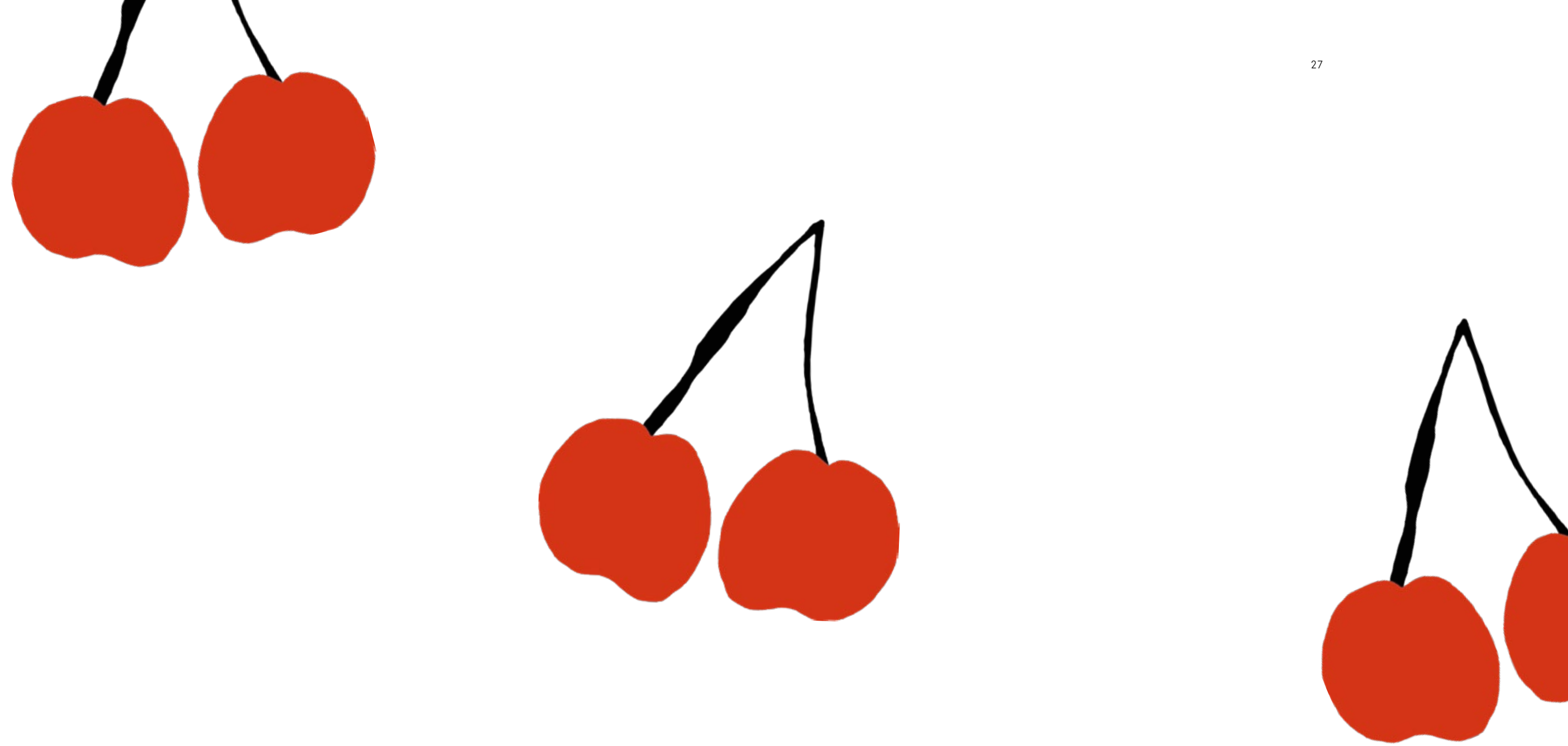
The first step in finding a new supplier is for the Sustainability Manager to use a checklist, checking a potential new suppliers' own environmental and social commitments. These commitments can involve projects on wind or solar energy, or sponsorships to local schools. If the factory has had any social audits in recent years (such as a SA8000 audit) then this will be reviewed as well. We try to find new suppliers who already have environmental and social considerations embedded in their business. This often means that they are open to and enthusiastic about our strict social requirements, and have already come a long way in this work themselves. In this checklist exercise, the Sustainability Manager also looks at the socio-political context in the area, using research materials such as the FWF Country Risk Studies, the FWF wage ladders as well as sources such as the UN Guiding Principles on Business and Human Rights.

A social audit is a term used for a type of qualitative inspection, made by trained third-party social auditors. These auditors inspect the working conditions in factories, and look at things such as pay, working hours and Health and Safety.

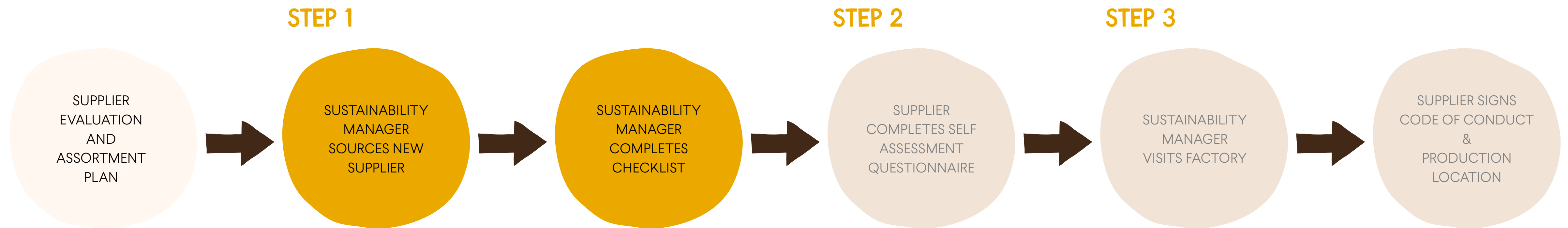
Step two is to ask the new supplier to fill in the FWF self-assessment questionnaire. Only after these two steps have been taken the responsible buyer can check the more business-related areas such as prices and lead-times. If the buyer is confident

the supplier will be able to produce our products, the Sustainability Manager and buyer will go on to step three – visiting the new supplier. They will check the factory and ask the supplier to sign our code of conduct, as well as ask them to fill in our Production Location Check, where all of the lower tier suppliers are listed. The buyer will be able to place an order after step three has been accomplished.

When an order is placed, the factory is enrolled in our social monitoring program. The FWF posters are hung on their walls, informing workers about their labour rights and providing them with a hot-line telephone number that they can call if they feel their rights have been breached. If the factory is in a country classed as “high-risk” (for Mini Rodini in 2019 this included China, India and Turkey) and they already had a social audit in place (such as a SA8000), we will compare the audit to the FWF Social Audit quality-check. Here we will assess whether we accept the audit or not. If accepted, we will work on a Corrective Action Plan (CAP) to address any of the remaining open issues. If the factory did not have an acceptable social audit already in place, or if we assessed that there was a need for a new audit (perhaps the social audit was old, or had many issues and we needed to see if they had been rectified), we will commission a FWF audit to take place in the factory.



6.5 Responsible sourcing



If the factory is in a “low risk country” (for Mini Rodini in 2019, this included Portugal and Lithuania), FWF does not require us to perform a social audit as these countries have robust governmental protections and institutions that safeguard labour rights. However, issues can still arise even inside of Europe, and for this reason, and because these two countries produce a high volume of products for us, we plan to organise audits in the factories within the next two years.

The Sustainability manager together with other people from the production team, such as buyers and pattern makers, visit our factories on a regular basis. This is to build close ties with the factory management, follow up on CAPs, use the FWF Health and Safety check to review if any further issues have arisen in the factory since the last audit, and check that the FWF poster is posted clearly and correctly for all workers to see.

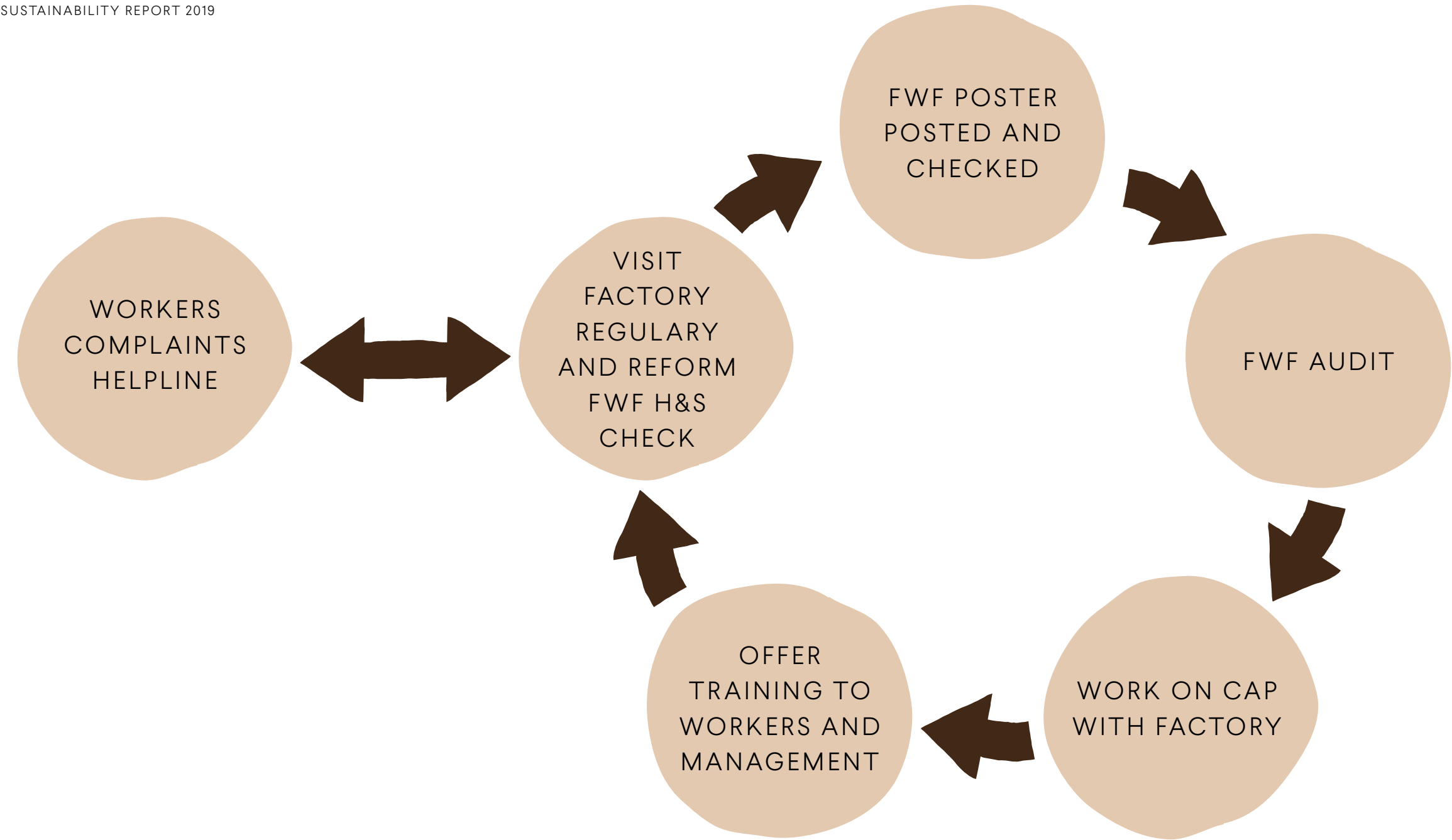
6.6 Audits and remediation

We are a small player with a loud voice. This means that we are still a relatively small brand that doesn't (as of yet) take up much of a factory's production capacity, but we work hard to ensure our code of labour practices are upheld in the factories we source from.

Like most other brands, we do not own our factories. Instead we find suppliers and factories around the world who are passionate about high quality and sustainable production, and together we develop Mini Rodini's products. We have been engaged in social auditing since 2013 where we have monitored the working conditions in our partnering factories. We have learnt a lot about where our responsibility lies in securing worker's rights, and we are committed to learn more and see further improvements in the years to come.



6.6 Audits and remediation



Please see next page for information on some specific audit results and how factory managements and Mini Rodini have throughout the year worked on CAPs to address and rectify the issues.

We commissioned three FWF audits in 2019 compared to one in 2018. In 2019 we continued two labour-rights consultancy projects in two Chinese factories. These projects were initiated in late 2018 and in 2019 the consultant made four more visits to each factory. Apart from the audits that Mini Rodini and FWF commissioned, some of our factories organised third party social audits themselves during 2019. In total, eleven of the factories we work with were visited by external third-party auditors in 2019.

Out of our total order value in 2019, 88% of the factories we work with were audited, either by FWF or another third-party audit methodology (as sometimes a factory already has an audit available, which we will then accept if it meets the FWF audit requirements). Out of the 12% non-audited factories by order value, 4% of these were located in high risk countries (China). The remaining 8% were in the low risk countries Lithuania and Portugal.

Apart from social auditing, we have during 2019 increased our presence in our Turkish factories by having a Mini Rodini employee stationed in Istanbul. The title for this new colleague is Country Coordinator for Turkey & Global CSR & Quality Manager. This has substantially increased the visits we make to our Turkish factories, which has allowed us to gain a better insight into the daily operations within these factories. Our Turkish factories are now visited on a bi-weekly basis.

Our social audits are announced, which means the factory management will know when the social auditor is coming for their inspection. Some brands prefer to work with unannounced audits as they believe this will lead to more findings of breaches to labour rights. We however wish to create a mutually beneficial working relationship with our factories that builds on trust and cooperation. For this reason, we believe announced audits are the way forward.

In choosing which factories to audit in a given year, we perform a risk assessment, looking at order volume, country

risks and the factory’s strategic positioning. Once we receive the audit report, we work on a CAP together with the factory management. The CAP details all of the issues detected in the audit, and how they can be rectified, with time frames, and is followed up by visits, emails and skype calls until all issues have been picked apart. Some of our factories come through an agent, and in these cases the agent is also involved in the CAP. And some of our factories are shared by other FWF brands – in these cases we work with the other brands on following up on the CAP. For our Turkish factories, we were able to improve our CAP follow up during 2019, as our new colleague in Turkey could visit the factories often to discuss root causes and improvement plans.

The most common issues we find in social audits are concerning overtime, wages and compensation, and health & safety. We acknowledge the responsibility we as a company bare in reducing working hours in factories. We have received feedback from suppliers, explaining how our last-minute changes in design have led to a tighter production

schedule for them – in result leading to workers having to work overtime. In 2019 we decreased the amount of last-minute changes made by our pattern makers and design team on samples. Fewer changes creates a more stable work environment in the factories and reduces the risk for overtime.

Other common issues in audits were that compensation (such as annual leave) and social insurances were not paid properly, and that wage and hour records were not kept properly. Another common issue is that factories do not pay a living wage. We are working hard to see a change in the industry in this regard, read more about how Mini Rodini tackles the issue of living wages further down. Lastly, issues concerning health and safety are very common – such as fire extinguishers not being hung up properly or workers not wearing protective equipment such as masks.

6.6 Audits and remediation

SWIMWEAR FACTORY, TURKEY
4% OF MINI RODINI PRODUCTION
Visited numerous times during 2019 by Country Coordinator for Turkey & Global CSR & Quality Manager.
This factory had an FWF audit in August 2019. During the rest of 2019 and into 2020 we have been working on the CAP. Mini Rodini has an employee stationed in Turkey who visited the factory many times during 2019 to discuss corrective actions and improvement plans.

EXAMPLES OF AUDIT FINDINGS AND CAP REMEDIATION

Audit finding: Living wages were not being paid.
CAP: The issue with living wages is as mentioned extremely common in the industry and is something we are working to address through our Living Wages program. Mini Rodini plans to review its Living Wages program in 2020 and together with FWF evaluate how more factories could receive a fair wage.

Audit finding: FWF Code of Labour Practices was not posted in the factory.
CAP: The factory used to have FWF Code of Labour Practices posted in the factory. However, the posters were taken down when the walls were repainted, and they were not put back up afterwards. After the audit finding, the factory reposted the Code in the factory.

Audit finding: Factory did not store correct documentation on juvenile and migrant workers.
CAP: Factory management did not have procedures in place to collect and store required documentation for temporary juvenile and migrant workers. Mini Rodini is still working with the factory management to improve on this finding.

Audit finding: Overtime wages were not recorded correctly and were not included in payslips in accordance with national legislation.
CAP: Following this finding, the factory management has committed to improve their processes for documenting overtime wages and provide improved payslips for workers. During 2020, Mini Rodini will follow the progress made.

Audit finding: Firefighting equipment such as firehoses were blocked, as were some aisles in the factory.
CAP: The factory corrected this finding and sent photos to verify improvement. The management has also been asked to implement new routines to ensure aisles and fire safety equipment is kept unblocked in the future.

WINTER HAT AND GLOVES FACTORIES, CHINA
1,5% OF MINI RODINI PRODUCTION
Visited by our production team in December 2018.
These two smaller production units had consultancy evaluations performed in 2018 and 2019, by the sustainability consultancy firm Re-Assurance. In 2019, Re-Assurance visited each factory four times to advise the factory managements in how they could go about improvements to mainly worker welfare and Health and Safety.

EXAMPLES OF ASSESSMENT FINDINGS AND CAP REMEDIATION

Evaluation: Fire safety is not managed according to local law.
Discussion: The factory managements were not aware of the local law requirements. Re-Assurance helped the factories during 2019 to improve fire facilities such as evacuation maps, fire exits and exit lights. Workers were also trained on fire safety and one worker was provided the opportunity to train as a first aider at the local Red Cross office. Some points still remain open, such as organising a fire drill.

Evaluation: Workers did not have signed contracts.
Discussion: Re-Assurance helped the factories in 2019 to implement HR systems, such as keeping labour contracts and accurate time records. All workers were given contracts to sign in 2019.

Evaluation: Factory pays some workers after an order rather than monthly and focuses on larger lump payments before Chinese New Year.
Discussion: Some workers prefer to receive lump sums. The production units worked with Re-Assurance during 2019 to see if they could at least pay the minimum wage each month, and the remaining wages in larger sums throughout the year (and particularly before Chinese New Year). Re-Assurance worked with the factories throughout the year to help them calculate monthly wages and keep correct records. This project will continue into 2020.

CERTIFICATIONS

Some of the certifications our suppliers use are SA-8000, BSCI and SMETA. Like FWF, these are other types of independent monitoring systems, reviewing labour conditions in the factories and cotton fields we partner with. 88% of our total production comes from suppliers working with these four certifications. We regard these reporting methods as complimentary to our own stricter social monitoring system.



JERSEY FACTORY, TURKEY
13,5% OF MINI RODINI PRODUCTION
Visited numerous times during 2019 by Country Coordinator for Turkey & Global CSR & Quality Manager.
These three jersey factories had a combined FWF audit on 9th November 2019 and since then we have been working through the CAPs.

EXAMPLES OF AUDIT FINDINGS AND CAP REMEDIATION

Audit finding: Management has not actively informed workers about the FWF Code of Labour Practices and/or relevant national or local legislation.
CAP: The factory management had provided training to all workers about FWF Code of Labour Practices, however this had been some years ago before many of the current workers had started to work in the factory. The management planned to provide an updated training in 2020.

Audit finding: The main emergency exit door in the ground floor was opening inwards.
CAP: The factory management changed the main emergency exit so that the door would open outwards.

Audit finding: HR procedures needed improvement. For example, documents of resignation were not kept, and workers' contracts had not been updated with the new factory address.
CAP: The factory management updated and improved their HR policies in 2020.

KNITTED FACTORY, TURKEY
3% OF MINI RODINI PRODUCTION
Visited numerous times during 2019 by Country Coordinator for Turkey & Global CSR & Quality Manager.
This factory had an FWF audit on 29th May 2019 and since then we have been working through the CAPs.

EXAMPLES OF AUDIT FINDINGS AND CAP REMEDIATION

Audit finding: There were no female worker representatives in the factory, despite the fact that women made up nearly 40% of the workforce. Further, one of the two worker representatives was a supervisor.
CAP: The factory organised a new election for worker representatives where one male and one female representative was elected. No representative was a line supervisor.

Audit finding: Overtime working hours exceeded the legal limit and also that of the FWF code of Labour Practices.
CAP: The factory studied the root causes for what had brought about the excessive overtime working hours. Their conclusion was that the overtime takes place during the summer, which is peak season when most of the factory's orders come in. This is also the time when most workers wish to be on vacation, due to summer holidays. As a result, fewer workers work when the factory has most orders. To rectify this issue, the factory management hired some temporary workers for the summer peak season. This solved part of the problem, however, more still needs to be done to bring down the overtime.

Audit finding: The factory did not keep records of occupational accidents.
CAP: The factory management has now created a log for occupational accidents.

6.7 Complaints

In 2019, we did not receive any complaints from workers via the FWF telephone hotline. This hotline is quite a unique way for us to reach out to workers and try to give them a medium to make their voices heard. The worker helpline service is a significant reason for why we wanted to become members of FWF. By calling the number that is posted on the FWF poster in our factories, or posted on the FWF Worker Information Cards that are handed out to workers, workers can speak to a FWF complaints officer and raise their complaint. This is then handled by FWF who investigates the issue and tries to find a solution to the problem. The complaint can either be handled anonymously, or not, depending on the workers' wishes. FWF logs the complaint on the FWF member e-portal for the relevant brands to see, and we work through the issue together with FWF. What we can do from the brand's side, is mainly to mediate between FWF and the factory management. We need the management to know we have an interest in them reaching a solution that is good for everyone and that ensures the worker's voice is respected. It can happen that a complaint is raised in a factory that produces to several FWF member brands, and in these cases the brands can come together to put pressure on the factory management to reach a desired positive outcome. When a complaint is resolved, it is reported to the public on the FWF's website.

We welcome the use of this hotline as it shows we are doing our job in keeping workers informed about their rights. This information is given to them through the posters and information cards as mentioned, as well as from FWF training with workers. Apart from the FWF's complaint mechanism, social audits also inspect whether factories have effective grievance procedures in place, and this is something that Mini Rodini also looks at during our visits.

Please see below for more information about the complaints raised in 2018 and that were still being resolved during 2019 by the Mini Rodini sustainability manager together with FWF, the factory management and the worker in question.

HEAVY-DUTY OUTERWEAR FACTORY, CHINA
10% OF MINI RODINI PRODUCTION
Visited by our Sustainability Manger and production team in May and December 2018.

COMPLAINT 14 NOVEMBER 2018:
The husband of a finishing worker filed a complaint to FWF. He said that working hours were too long and sometimes workers worked consecutively for an entire month without a day off. He also said that workers did not receive premiums for working overtime, as they should according to national law.

ACTION:
The Mini Rodini sustainability manager visited the factory in 2018, three weeks after the complaint was raised, to discuss the complaint with the factory management. It emerged that the factory management did not have sufficient skills in planning production, to ensure that workers would not work excessive overtime and to ensure workers had one day off per week. The factory management also needed to implement a new payment system which would ensure workers were paid premiums for their overtime hours worked, as advised by national legislation. During 2019, the factory management adopted a few measures to rectify this issue. They bought a time records machine and used a excel sheet provided by FWF to accurately monitor working hours and overtime hours for piece rate workers. From understanding

the hours worked, they could then calculate what the workers' overtime wages should be according to national legislation, with the intention to compensate if the piece rate wages did not add up to the legal overtime wages.

TRAININGS
Social audits and complaints raised through the telephone hotline only give us a snapshot of what issues might be present in a factory, and they do not help us in solving underlying issues. This is why trainings are so important. The purpose of trainings is to get to the root cause of issues, and ensuring they do not arise again. By workers knowing their rights and that FWF and Mini Rodini has their back if anything goes wrong, we hope issues will be reduced in the future. Training sessions can also be offered to management, so they can become more aware of how their behaviour has an affect on workers. After issues have been raised through a social audit or complaint, and the factory has undergone relevant training to address the issue, it is time to verify that things have in fact gotten better through a verification audit.

In 2019, we did not commission any FWF trainings. We had planned to arrange an HR training in one of our Indian factories. However, as this factory was going through a relocation, these plans were postponed. We did however arrange for the consultancy company Re-Assurance to provide training and capacity building to two of our Chinese factories. The consultancy visited the factories four times each during 2019 and helped the factory managements create better processes and procedures in order to secure our Mini Rodini code of conduct.



6.8 Living wages

Living wages is a term often used in politics and social debates, but not everyone understands exactly what it means. Simply put, it is the estimated wage that is required for a person to live a healthy and prosperous life.



”A LIVING WAGE SHOULD COVER BASIC NEEDS SUCH AS FOOD, HOUSING, CLOTHES, HEALTHCARE, EDUCATION, AND THE ABILITY TO MAKE SOME SAVINGS.”

A living wage is not the same as a national minimum wage. A national minimum wage is a wage that a government sets and by law obliges employers to keep as their lowest baseline wage to their workers. Most countries in the world have been implementing their own minimum wage system since the early and mid-nineteen hundreds. However, although the amounts have increased for the past 100 years, they have not increased in line with the different countrie’s inflation. Hence, even though most counties have a set minimum wage, this will not actually cover what a person needs for living a healthy life; i.e. a living wage.

For example, in China research studies show that the national

minimum wage is around 50% lower than the estimated living wage. The reason why the different studies have such different values, is because China is a very big country with different living costs depending on where you live; in the city of Shanghai or in the country side in Shaanxi. Also, many people will have different ideas of what needs to be covered in the living wage estimate. This will much depend on their living situation; if they are married without children, if they are a single parent, or if they are young and single. For this reason, we don’t have an exact number of what a living wage is in a specific region or for a specific person, but we do know that it is higher than the legal minimum wage in the countries we source from.

6.8 Living wages

This is why Mini Rodini has implemented a Living Wage project, where we research living wage estimates in the factories we source from and work out a system to fill in the gaps. The extra money we send comes from our own pocket. We do not increase the prices of our products for this, meaning it does not transfer onto our end consumer. It is taken as an additional mark-up for each piece that is produced. This is because we think the price is ours to pay, in ensuring the people who make our products are able to go home after a shift and afford all the necessities they need to live a comfortable life.

We first got involved in a living wage project in 2014 in India through the initiative from another FWF member brand. We no longer work with this factory, but we initiated our own living wages system in another Indian factory in 2016. This is a factory that we have had a long-standing relationship with, and it employs around 1000 workers. Even though we only take up 4% of their production capacity, we pay all workers an additional premium on their normal wages during the time they produce our products. The funds go into a Mini Rodini fund, which is managed by a democratically elected worker committee. External third-party accountants verify the accounts each year to ensure the money goes to the workers according to their payment policy.

In 2017 and 2018, we extended our living wage project to six more factories in Turkey. This was the first time in Turkey that a foreign brand set aside a budget from its profits in order to provide workers with a living wage bonus. In 2019, 122 workers benefitted from our wage system in these factories.

A worker survey was conducted in our Turkish living wage factories. Some information on what workers used their extra earnings on, as well as some quotes from workers can be found to the right.

25% of the workers used this wage to cover family costs such as children's educational costs and children's healthcare expenses.

26% of the workers used this wage to cover costs of social activities such as visits to the cinema and restaurant dinners.

8% of the workers used this wage to cover housing costs, such as bills, rent and food.

In Autumn 2017, 18% of our products were made in two factories where we had a living wages project, and by Autumn 2018 it was 38% of our products, produced in a total of 8 factories. In 2019 this increased again, and 51% of the Mini Rodini products produced were made in factories where we are running a Living Wage project and where workers are paid an additional wage contribution.

As part of our mission towards reaching living wages in all the factories we produce in, we are members of the FWF Living Wages Incubator. This is a forum for European companies who already work with or want to work more with living wages. We meet to share knowledge and experiences and work out ways to overcome challenges so that our different projects can be advanced even further. In 2019 we have been in discussion with FWF on how we can roll out our living wage projects to more factories in a sustainable and systematic manner. These discussions are ongoing, but vital for us, in order to ensure a fair and ethical supply chain.



“I saved this money and went on vacation in Bodrum. Now I'm saving for this fee for marriage costs. Thanks.”

— Musa Ö

“With this project my kid had a chance to get private English lessons. I would like to express my gratitude to everyone to Mini Rodini in particular who contributed to this project.”

— Fatma P

“We couldn't go to the cinema before, but thanks to this support, I'm going to the cinema with my family.”

— Yasemin T

6.9 Tracing our supply chain

Human rights abuses and exploitation of workers is more common further down the supply chain – in the producing units where fabrics are made, threads are spun and cotton is grown. Mini Rodini is dedicated to gaining closer ties with our whole supply chain, and through that getting a clear picture of the working conditions for all those who helped make our products. How do we do this? TrusTrace.

As a part of Mini Rodini's sustainability vision to trace 100% of our products by the end of 2020, we partnered with a Swedish/Indian IT start-up company called TrusTrace in 2018. This will enable us to discover more about our supply chain and eventually assist us in taking a step further towards making not just our brand, but the whole industry, more transparent and sustainable. This partnership continued in 2019, and by using their technology we were able to start mapping all of the factories that are involved in our production, not just where the final sewing happens.

In August 2019, we began tracing our supply chains for 212 styles. This amounted to 38% of our styles that year. We started out just knowing about the garment manufacturer for these styles, and after 5 months, we were able to trace each style all the way down to its fiber supplier. Not only were we successful in discovering who the suppliers at each tier were, we were also able to collect and validate the compliance certificates for the facilities manufacturing the raw materials for the styles.

By using TrusTrace, we have further initiated the process of collecting and calculating the environmental footprint values for each of the traced styles and aim to be able to assess our products and supply based on their environmental impact.

This would mean that we, as well as our customers, will in the future be able to scan a garment's barcode and from this see what the product's footprint has been on the planet. All very exciting stuff and we look forward to sharing the progress made in the near future!



6.10 Social justice Goals

Status of our 2019 improvement plans in social justice:

Our social justice goals:

2019 GOALS	STATUS DECEMBER 2019	COMMENTS
Work out a scalable and realistic plan for achieving our 2021 living wages goals.	Accomplished in part.	Although a plan was not established in full, we came far in developing a framework for this goal.
Implement a mapping system that will give us information on our lower tier supply chain.	Accomplished.	
Work on consolidating our supply chain.	Accomplished in parts.	

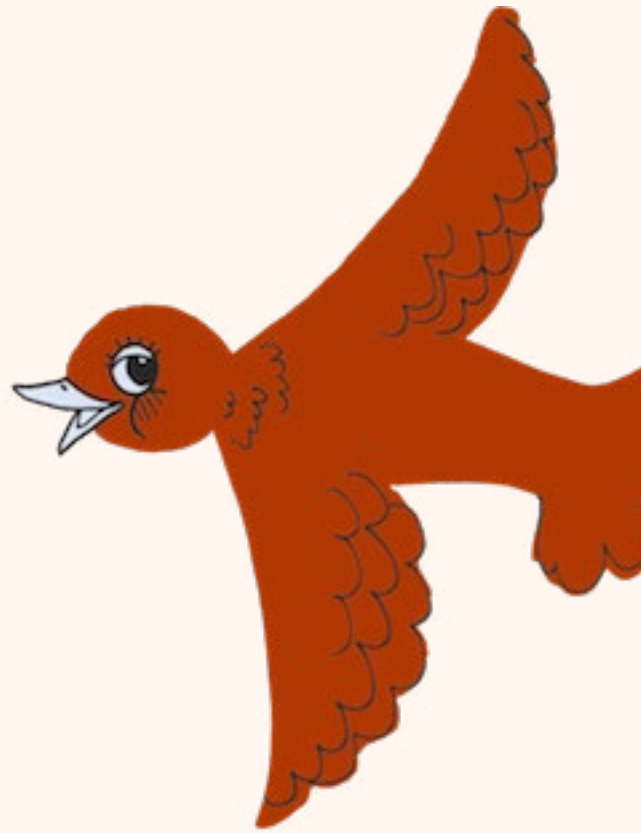
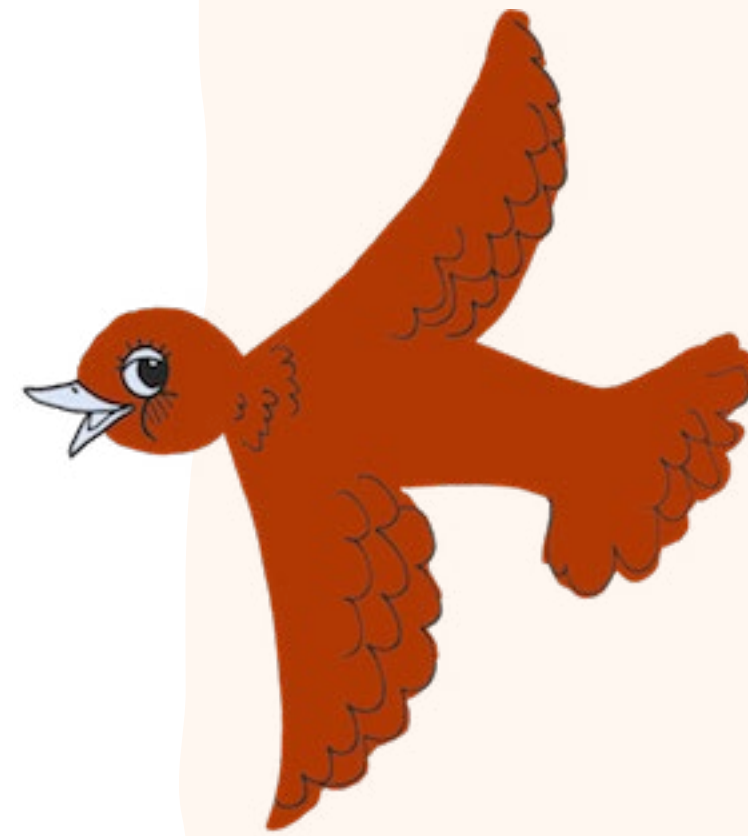
2020 GOALS	2026 GOALS
Continue living wage projects in all factories where living wages are not paid.	We pay our share of a living wage at all sewing suppliers we partner with.
100% traceability of all products down to fabric suppliers, and towards end-consumers.	We visit and monitor all production units involved in our production, down to fibre source.
Actively encourage all factories to have effective worker committees.	All factories have collective worker agreements which rule working hours and wages in all factories.

7.

MINI RODINI AT HOME

7 Mini Rodini at home

Our sustainability commitments do not stop there. It is essential that we extend the ethos of acting responsibly and with care to all corners of the business – at home, in our offices and in our warehouse and shops. This is equally as important and helps to protect people and planet.



7.1 Ethical values

THOUGHTFUL UNIQUE DESIGN

We do not divide our collections by gender. Quality, comfort, function and safety are always key words in our design and product development. We go our own way and do not follow trends.

ETHICAL MARKETING

We always keep our core values of equality and diversity in mind when we carefully choose which channels and in what ways our brand and our products are communicated.

INTERNAL PURCHASE POLICY

Every employee at Mini Rodini is to follow our internal purchasing guidelines on purchases made on Mini Rodini's accounts. It guides us on how we make our choices on food, travel, restaurants, cleaning products, interior design, gifts, etc.

SUSTAINABLE STORE CONCEPT

We make our store's interior as sustainable as possible. We use LED lights, and several of the materials used are sustainable, locally produced, Swan-marked and FSC certified. Some materials, like stone or metal, are used due to their durability and longevity.

WASTE SORTING

We recycle everything we can in all of our departments. That means paper, plastic, glass and metal as well as light bulbs and batteries.

CARRIER BAGS

In 2019, we replaced our plastic carrier bags to FSC certified paper bags in all of our stores.

RENEWABLE ELECTRICITY

Wherever possible, we use clean electricity from renewable sources like sun-, wind- and water-power in our own facilities.

COMMUNICATION

Through our website and social media channels, we keep the public informed about our Sustainability commitments and any news in related to this topic. We have launched a "Sustainability School" on our website aimed to help our visitors, children and adults alike, on how they can think differently and become more sustainable. On our website, readers can also read our Sustainability report, find further information about our FWF membership, and see our results from the annual FWF Brand Performance Check.

LOGISTICS

When it comes to moving our products from the factories to our warehouse in Sweden and retailers around the world, we always prioritise sea and truck freights. We avoid airfreight to the furthest possible extent and consolidate as many orders as possible in each shipment to reduce the number of shipments that are made. The reason for why airfreight is still sometimes used, is in general due to tight lead-times and last-minute corrections leading to a delay in the production. In order to get the products to our stores and retailers in the promised timeframes, airfreight is sadly sometimes the only option.



7.2 Environmental footprint

We increased our emissions from transport in 2019 as we grew as a company and shipped more. However, we decreased our CO2 per tonne of goods shipped by 41,2% compared to 2018, therefore although we increased the tonnes shipped by 82,6%, we increased our CO2 by only 7,4%.

This massive reduction in CO2/tonnes in 2019 is a result of consolidating shipments and from using far less airfreight. Also, trucks within Turkey and Europe are now categorised differently to better mirror their CO2 emissions, and this has resulted in a reduction in CO2 for the purposes of our calculations. Airfreight also decreased from our outbound shipments in 2019, much thanks to our new warehouse in the USA that uses trucks not air to reach our wholesalers and end customers.

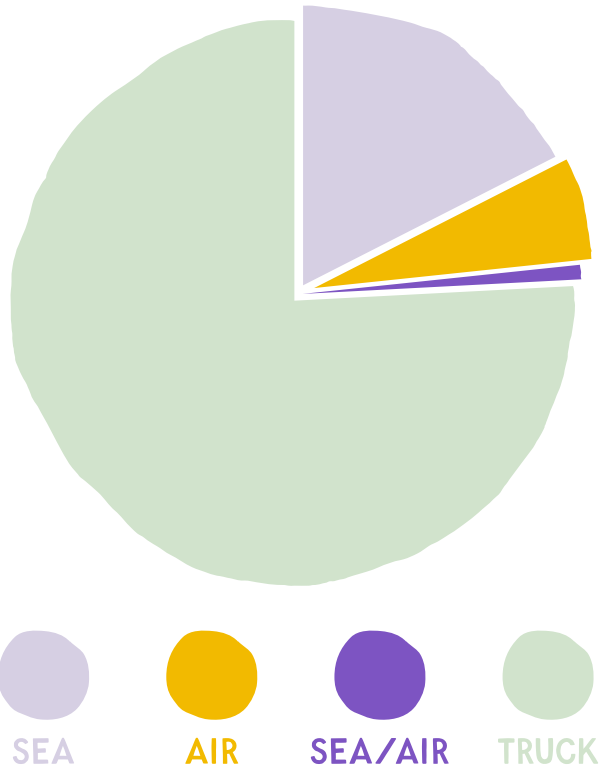
STICA

In 2019 Mini Rodini became members of STICA. STICA stands for Swedish Textile Initiative for Climate Action. It is operated by the Sustainable Fashion Academy (SFA), and they ensure the independence and credibility of the commitments made by the members.

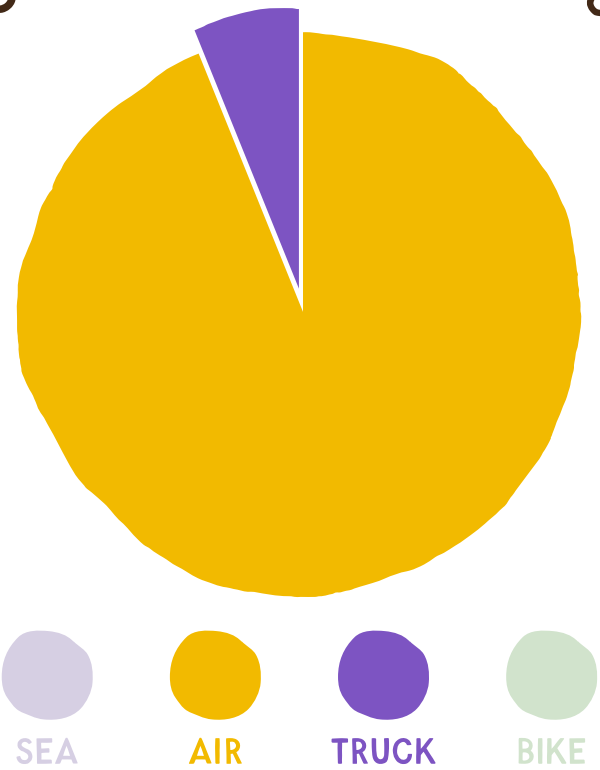
STICA is a network of Swedish apparel and textile brands that have come together to reduce their greenhouse gases in line with 1.5°C warming pathway, as outlined by the United Nations Framework on Climate Change and the Paris Agreement. The network will also go further, ensuring it exceeds this goal by becoming climate positive. Through action-learning and collaboration, the network established reporting structures in 2019, so that all by members could calculate their emissions to date. From there, the goal is for all members to establish their own science-based targets and plans for reducing their GHG emissions.

2017

INBOUND 2017 EMISSIONS
100,15 TON CO2

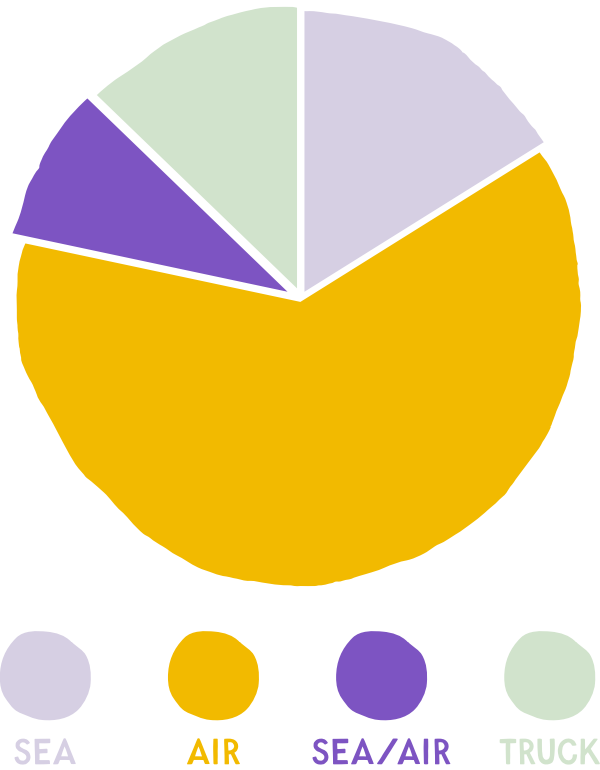


OUTBOUND 2017 EMISSIONS
145,04 TON CO2

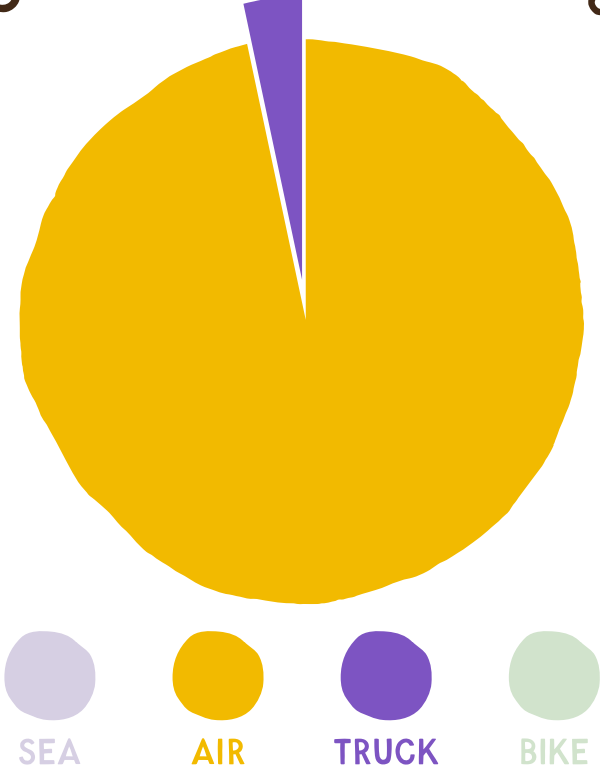


2018

INBOUND 2018 EMISSIONS
132,78 TON CO2

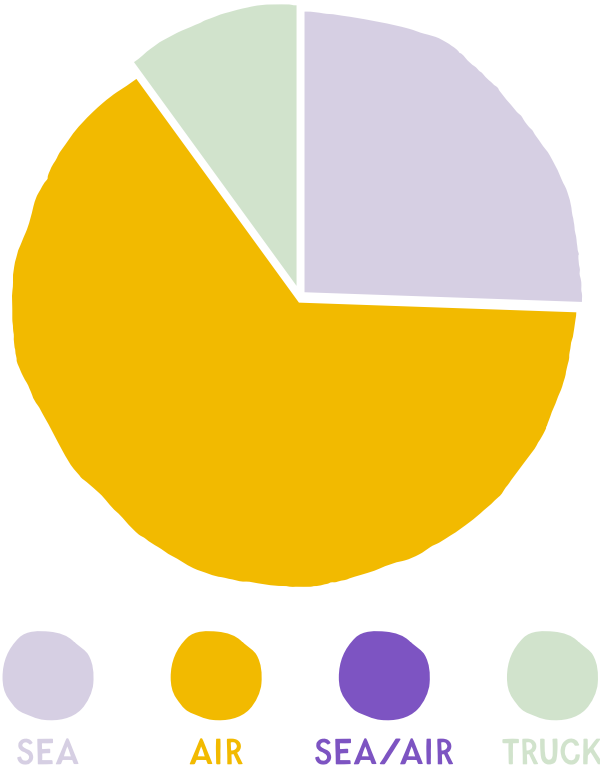


OUTBOUND 2018 EMISSIONS
153,20 TON CO2

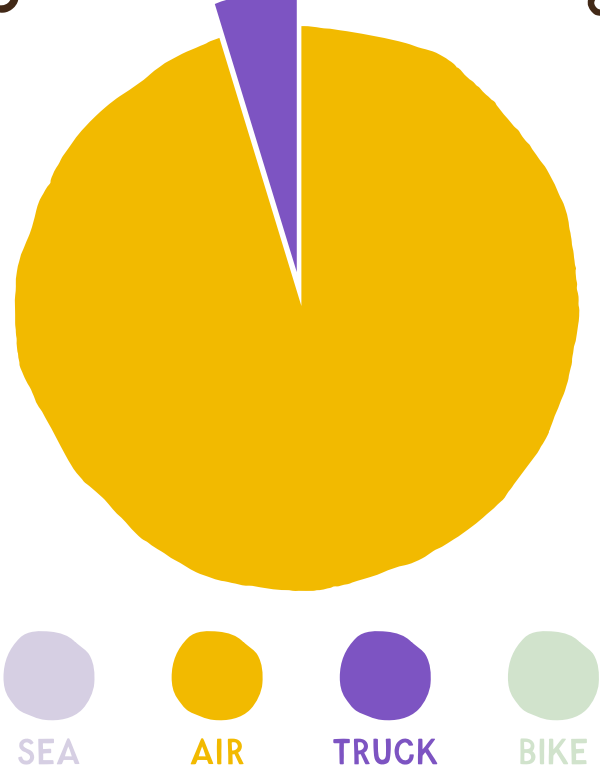


2019

INBOUND 2019 EMISSIONS
79,87 TON CO2



OUTBOUND 2019 EMISSIONS
227,21 TON CO2



7.3 Wildhood Foundation – Akashinga Project

In the autumn of 2019, we launched our mini collection “4 Elephants”. 20% of the proceeds from each garment sold was donated to the Wildhood Foundation in support of their Akashinga project. This project, based in Zimbabwe, educates female wildlife warriors – to protect the wildlife and the elephants in one of Africa’s most critical ecosystems. Poaching and illegal trade in ivory is the single largest threat to elephants today, killing on average one elephant every half hour.

Akashinga is Africa’s first armed, all-women, anti-poaching unit. The community-driven conservation model is open exclusively to unemployed mothers, abandoned wives, survivors of sexual and physical abuse, widows and orphans. Empowering them to make a living while protecting large networks of wilderness areas.

– These women are true heroes. When I was there, they arrested poachers carrying cyanide, to poison water holes or fruits in order to kill elephants. Akashinga means “the brave ones” and these women truly live up to the name, says Cassandra.

The female rangers work to protect one of Africa’s largest remaining elephant populations in the Lower Zambezi Valley, Zimbabwe. A critical area that has lost 40 percent of its elephants during the last 16 years, mainly to poaching.

– This project is amazing in so many ways. How it works with female empowerment, the community and wildlife conservation. Most of these women support their entire family with the salary from this job. So many people and animals now have better lives because of Akashinga. I’m proud that we are doing something to contribute, says Cassandra.



7.4 Packaging

We produce around 1 million products each year that are all individually packed in polybags - this creates a lot of waste! Previously, we used a biodegradable plastic for these bags as we believed that this would be better for the environment. However, in 2018 new reports indicated that biodegradable plastic can in fact be even more harmful to the environment compared to conventional plastic. This is because biodegradable plastic can release microplastics into nature, which harms plant and wildlife.

We started to look for alternative options. At first, we were hoping to skip plastic altogether and wrap each product in paper instead. The outdoor brand Patagonia had been doing some research on this and unfortunately concluded that paper was not fit to protect products that travelled long distances or over sea on ships. Since many of our products have to travel far before they reach our warehouse, and sometimes spend several weeks at sea, we realised that the paper packaging would not be able to protect our products from being damaged.

We then started to ask around for plastic suppliers in order to find a bag that contained the highest amount of recycled plastic. We were hoping to find a material made from 100% recycled plastic, but the quality was too dirty and had a very bad smell. What we did manage to find was a material made from 70% recycled plastic and 30% conventional plastic. All

of the plastic bags are certified recycled, and by the end of 2019 all of our suppliers apart from the ones in Turkey started using the new plastic bags. By the beginning of 2020, all Turkish suppliers will also be using the new recycled plastic bags.

The new recycled plastic bags are not closed with glue, which means the bags do not break when opened and are easy to reopen again and again. This makes it possible for the bags to be used for other purposes such as storing your gym trainers.

GUPPY FRIEND WASHING BAG

In 2019, we continued to work with the non-profit organisation STOP! MICROWASTE who makes the washing bag Guppy Friend. By using the bag when washing synthetic clothes, garments release far fewer microplastics and those that are released, stay within the bag and do not enter our waterways.



7.5 Mini Rodini at home, Goals

Status of our 2019 improvement plans in Mini Rodini at home:

2019 GOALS	STATUS DECEMBER 2019	COMMENTS
Set an external strategic sustainability statement platform.	Not accomplished.	This is ongoing in process and we will continue to work on this in 2020.
Create an action plan to start making carbon footprint analyses.	Accomplished in parts.	
Create a model for how we as a company will communicate details of our supply chain to the public.	Accomplished.	

Our goals for Mini Rodini at home onward:

2020 GOALS	2026 GOALS
We have replaced all our biodegradable polybags to recycled polyester bags.	We are a front-runner and market leader in sustainability efforts.
We routinely map our CO ₂ emissions from transport as well as business operations, and start climate compensating.	
Connect our sustainability work to the UN Development Goals 2030 (SDGs).	We are transparent about the suppliers we work with.

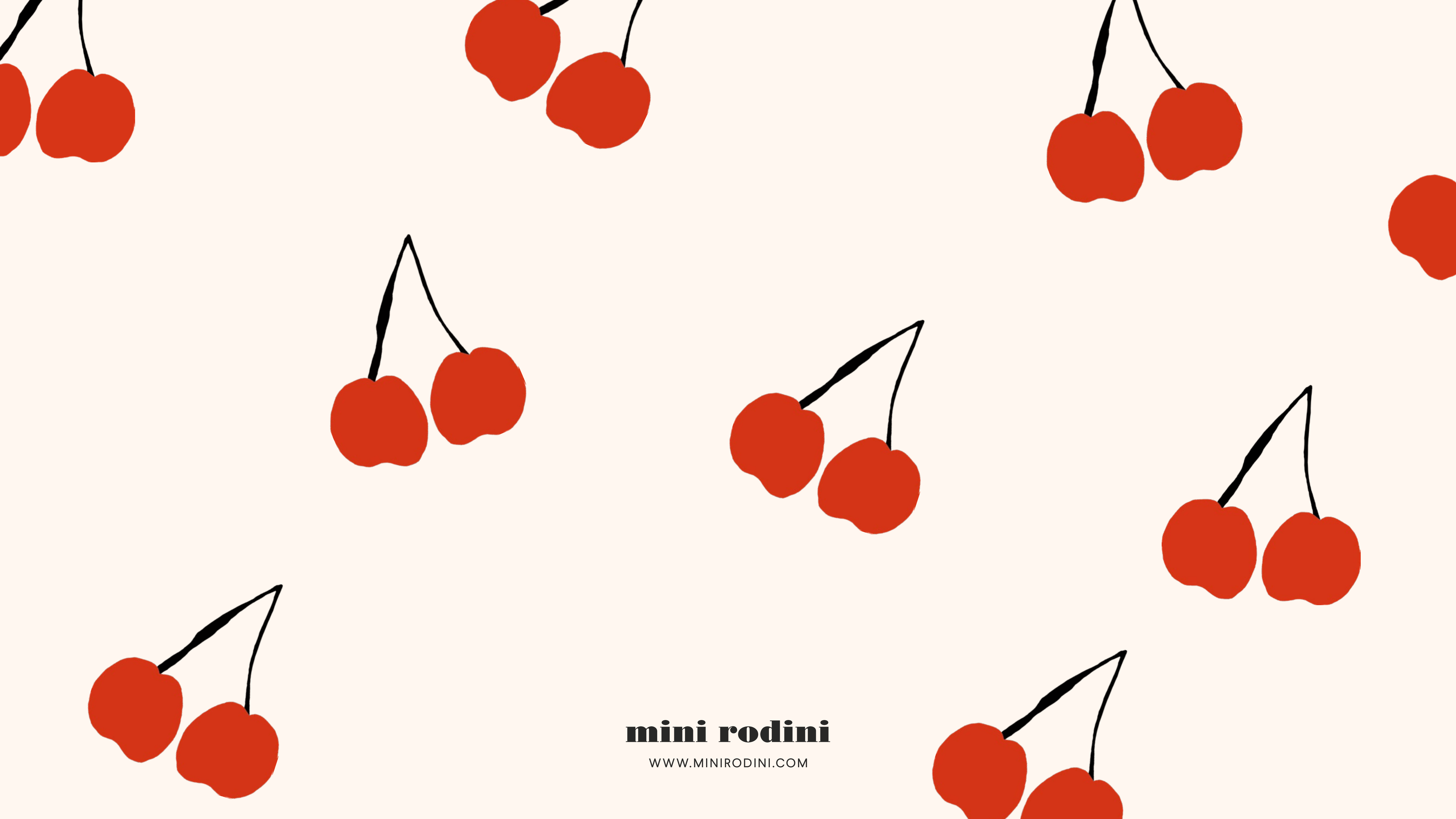


WHAT YOU BUY MATTERS

8 About the report

This is Mini Rodini's sixth sustainability report. It covers the key areas we have focused on in 2019 in terms of environmental and social responsibility. As much as possible, the report follows the GRI standard for sustainability reporting, based on the current material and resources available. All facts and data are collected from internal systems, suppliers and partners.

To read more about GRI – Global Reporting Index, visit www.globalreporting.org



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