# MINI RODINI SUSTAINABILITY REPORT 2020



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## Ceo and sustainability crew comments

# 2020 was nobody's best year ever

All of a sudden, things got very real and everyone had to rethink everything. From how we communicate with each other, to what's really important in life. For us as a company it made it even more evident how dependent we are on each other and that the fight for sustainability and equality is truly worth taking. Even when this thing is over, the world will never be quite the same. And that's a good thing.

2020 was no doubt a very different and challenging year for all of us at Mini Rodini, as well as for our suppliers, retailers, customers and other stakeholders. The COVID-19 outbreak affected all corners of our professional and personal lives and in many ways changed the way we think and work. Our priority during the pandemic has been to stay strong as a company and ensure our suppliers are given all the support we could give them.

We do not shy away from the fact that some of our producing countries are heavily dependent on textile exports and that the people working in our supply chains often lack a strong social network that protects them during crises. Apart from the extra support Mini Rodini provides to hundreds of workers through our Living Wages project, we have during this pandemic committed to our orders and done everything in our power to ensure our suppliers can keep on operating. We have had to do things a bit differently, for example hold off on social audits due to restrictions and

instead increase communication with our suppliers via video and not too seldom doing so with a smile on their face. Every calls. Although this will bring forth a back-log of audits for co-worker has their own story for why they chose to work when the pandemic is over, we are confident our standards at Mini, and all these stories relate in one way or another to remain intact and that we will come out of this crises in strong sustainability and the person's conviction that we need partnerships with our suppliers. to take better care of our planet.

The pandemic has also affected our employees in our With such devoted and courageous co-workers and with such resilient and committed suppliers, we have no doubt head office, stores and warehouses. We have had to change how and where we work whilst ensuring our co-workers and we will get out on the other side of this pandemic with our business stays healthy. For example, our head office and store sustainability commitments intact. We will in the years ahead employees were partly furloughed during a period. Although keep pushing our definition of sustainability, as we have we as well as our suppliers had to prioritise more pressing always done. We have a big challenge ahead of us, but we will never give up. Because we cannot think of one single reason issues during this time, we have never compromised on our values and commitment towards sustainability. for why we should not act sustainably, but a million reasons for why we should.

Mini Rodinis employees have continued to show dedication and passion towards our values through this year. It is truly inspiring to see how our talented co-workers have stayed strong, found innovative solutions to really tricky challenges,



Year 2020 was not all doom and gloom, far from it. We released some really fantastic collections, one of which in partnership with Universal Studios for our E.T. Phone Mini

Rodini collection. This was a very exciting project, one that is particularly close to the heart for all of us who remember watching the movie over and over back in the day.

We think it's fantastic that you are interested in sustainability and want to read more about how we at Mini Rodini work to care for our mother earth. If you have any questions, please feel free to email us on csr@minirodini.se.

Håkan Ström Songul Can Elin Lindén

## 2 Brand Story

It all started back in 2006 when Cassandra Rhodin had just had her first child. She then realised there were no childrenswear brands on the market that stayed true to her personal values on sustainability and social justice, without compromising on the design. 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.

Mini Rodini is recognised 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 are seen as leaders in the sustainable fashion industry with one of the most sustainable product ranges on the market.

CASSANDRA RHODIN IN HER HOME ATELIER.



#### 3 2020 Highlights



of all products in volume were sustainably better products.



QGANIC TETA GOTS

WE AS A COMPANY BECAME **ACCREDITED MEMBERS OF GOTS.** AS OF BEFORE WE ALWAYS **PRODUCED GOTS PRODUCTS BUT NOW WE ARE OURSELVES ALSO GOTS CERTIFIED.** 



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

We routinely designed and produced even more upcycling products.

OUR SWIMWEAR WAS MADE FROM INNOVATIVE ECONYL® **REGENERATED NYLON, MADE** FROM RECYCLED NYLON WASTE, LIKE DISCARDED FISHING NETS FROM OUR OCEAN.



Feels so right

We increased the number of garments produced in the sustainable fibre TENCEL<sup>™</sup> Lyocell by 13%.



WE PARTNERED WITH THE DONATED 20 % OF OUR SALES FROM OUR SAVE THE GALGO COLLECTION TO THEM.



WE CONTINUED OUR LIVING WAGE PROJECT IN TURKEY AND INDIA, AND IN 2020 42% OF ALL OUR GARMENTS WERE **PRODUCED IN FACTORIES WHERE WE** PAY A LIVING WAGE CONTRIBUTION.

**1000%** OF OUR POLYESTER WAS RECYCLED. (JUST LIKE LAST YEAR, AND THE YEAR BEFORE THAT(.

WITH THE TECH COMPANY TRUSTRACE WE WERE ABLE TO TRACE 56 % OF OUR LOWER TIER SUPPLY CHAIN, GIVING US INSIGHT INTO THE ENVIRONMENTAL AND SOCIAL CONDITIONS THAT TAKE PLACE FURTHER DOWN THE CHAIN.

# BETTER PRODUCTS

Better products are made with a minimum of 78 % sustainable materials - organic, recycled, upcycled, MODAL<sup>®</sup> and TENCEL<sup>™</sup> Lyocell.











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# 4. THE WORLD OF MINI RODINI

# 4 The world of Mini Rodini

# SUPPLIERS AND FACTORIES

Turkey	43 %, 4 suppliers, 10 factories

- India 6 %, 1 supplier, 1 factory
- China 14 %, 4 suppliers, 8 factories
- Lithuania 7%, 2 suppliers, 2 factories
- Portugal 30 %, 1 supplier, 3 factories

# MINI RODINI STORES AND OFFICES

Sweden, Stockholm

- Head office
- Warehouse
- 4 Mini Rodini stores

## Sweden, Malmö

• 1 Mini Rodini store

United Kingdom, London

• 1 Mini Rodini store

# 327 RETAILERS WORLDWIDE

Australia Austria Bahrain Belgium Bulgaria Canada Canada Chile China Chi Germany Greece Iceland India Indonesia Ireland Israel Italy Japan Kazakhstan Korea Kuwait Kyrgyzstan Latvia Lebanon Lithuania Maldives Mauritius Mexico Netherlands New Zealand Norway Poland Portugal Qatar Romania Russia Distributor Russian Federation Saudi Arabia Singapore Slovakia Slovenia Spain Sweden Switzerland Taiwan Thailand Turkey Ukraine United Arab Emirates United Kingdom United States



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.

# SUSTAINABILITY IS IMPORTANT FOR MINI RODINI BECAUSE

- WE SEE IT AS AN OBLIGATION.
- IT WAS A CORE VALUE FROM THE START, AND ALWAYS WILL BE.
- WE BELIEVE WE CAN IGNITE CHANGE.

# MINI RODINIS SUSTAINABILITY WORK IS UNIQUE BECAUSE WE

- HAVE A BROAD ASSORTMENT, YET MOST IS SUSTAINABLE.
- ARE YOUNG AND SMALL BUT ALREADY A RESPONSIBLE COMPANY.
- HAVE OUR OWN STRICT RULES ON WHAT (SUSTAINABLE(MEANS.
- SOURCE SUSTAINABLY AND FOCUS ON LIVING WAGES.



SUSTAINABILITY REPORT 2020

## The world of Mini Rodini 4

# **OUR SUSTAINABILITY DIMENSIONS**

## SOCIAL JUSTICE

Responsible sourcing Fair Wear Foundation Living wages

## BETTER PRODUCTS

Better materials Better certifications Better chemicals

# AT HOME

Responsible organisation Ethical values Ecological footprint



# 4 The world of Mini Rodini





SUSTAINABILITY REPORT 2020

# 5. BETTER PRODUCTS

## 5 Better products

# Mini Rodini is far from perfect

Producing new products is never going to be fully sustainable. This is something we at Mini Rodini are well aware of. It involves extracting resources, production, transportation and consumption. Along this supply chain there will be use of land, chemicals and energy, and there will be waste. Our ambition is to minimise the impact as much as possible and recycle and reuse to the furthest extent possible.

In our supply chain we work with fibres that are organic, recycled or stem from sustainable man-made processes. We have extremely rigid chemical requirements and have started an extensive project to map all the energy usage within our whole chain, from cotton picking to consumer buys. We amend, repair and remake products in order to keep them in circulation for longer. The products we produce are as durable and long-lasting as we can make them, and they are made in fairer factories.

With all this in mind, we are proud to be one of the most sustainable childrenswear brands on the market today. However, we do not let our pride fall into complacency. We will keep pushing the boundaries for what we define as sustainable and seek to inspire other brands and consumers to become more aware and follow our lead.



#### 5 Better products

# We are getting there

Mini Rodin's ambition has always been to make high quality, long lasting clothes that kids can enjoy, without compromising on environmental and social aspects of production. We want to make clothes that children can thrive in and that encourages kids to explore all corners of the world around them, on any day of the year.

In 2020, 99,2 % of our products were sustainably better products (read more about how we define better products below). Ever since our brand was founded in 2006w we have year on year taken steps towards having more and more sustainable materials in our product ranges. We have had to make some tough decisions, such as changing suppliers to ensure all our cotton producing factories are GOTS certified. We have had to discontinue making sunglasses when we could not find a producer who could make them from recycled materials. And we have replaced the non-recycled polyamide fabric in our Explorer range with a GRS certified recycled polyester.

Our commitment towards sustainable production has made us more creative in how we design and make our products. Although we are a designer brand that places high value in aesthetics, we don't cut corners or do things the easy way. Our unique prints are always made in the most environmentally friendly way possible and in order to reduce waste we never customize our prints during cutting.

Our sustainably better produced products are also durable and safe. We have a large team of experts in our head office as well as multiple suppliers who ensures this. Our designers, pattern makers, product developers, quality controllers together with our suppliers work hard to develop and produce products that will last through many winters and summers, to be handed down to siblings or re-sold to others.

Another part of reducing the negative impact our business has on the environment includes taking care of the leftover fabrics from our productions. We regularly use these fabrics in our upcycling collections. Further, our largest supplier also makes use of all the scraps that are left over from production by selling the scraps to companies that then shred them in order to make fillings for products such as pillows.

# IN 2020,

# **OF OUR PRODUCTS** WERE SUSTAINABLY **BETTER PRODUCTS**

## 5.1 Defining better products

# Better is better than worse

We recognise how difficult it is for consumers to make informed decisions on how to buy sustainably. Many brands on the market will tag their clothes with "green" or "caring", without explaining what that actually means.

Often, brands' self-made requirements for defining what makes their range sustainable are not very tough. Sometimes all that is required is that 30 % of the garment's composition is made of sustainable materials. The rest may be conventionally produced cotton, or non-recycled polyester. Although that is better than nothing, we still don't think it is 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.

The definition we use for ourselves and our customers in describing whether a product is a better product is based on a 78 % threshold. This means that at least 78 % of the product has to be made from better materials. Although our threshold is set at 78 %, almost all of our products contain between 95-100 % better materials and thus exceed our set limit. There were two fabrics that we produced in 2020 that did not fully meet our sustainability criteria, rendering the products using these fabrics unsustainable. These were a jersey and lace fabric, and a PU rainwear fabric. Although the cotton part of the lace fabric was GOTS certified, the synthetic part was not possible to source in recycled material. And although the PU rainwear is made up of mainly recycled polyester, the PU coating is not from a sustainable source.

Unfortunately, it has not been possible for us to find any alternative to the PU coating that is sustainable as well as having the characteristic repellent properties. Although we do not classify this rain jacket as a sustainable product, it is nonetheless among the most sustainable PU products on the market due to its high content of recycled polyester.



# 5.1 Better materials

Mini Rodini has a rigorous policy on what materials we consider to be sustainably better.



ORGANIC NATURAL FIBRES Organic materials include, for example, organic cotton and organic wool. Pesticides and genetically modified seeds are not used in organic cotton cultivation, and harmful chemicals are restricted in the processing of organic cotton and wool. As always, 100 % of our cotton and wool was organic in 2020 and the products were certified with the most stringent global standard, Global Organic Textile Standard (GOTS).

#### RECYCLED SYNTHETICS

We use recycled fibres in our polyester products. As always, 100 % of our polyester was recycled in 2020 and most of 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 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 collections to create new products with new life and new value. This process creates a lesser impact on the environment, both by reusing what would otherwise have gone to waste, and by not having to produce new materials for future collections.

#### MODAL®

Modal<sup>®</sup> is a more environmentally friendly version of viscose. It is derived from sustainably forested wood, mainly beech trees, and the chemicals used in production are reused and recycled. Modal<sup>®</sup> 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 in production 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 branded TENCEL<sup>™</sup> Lyocell. They have state of the art machinery that holds the highest environmental standards.

#### MATERIALS WE DON'T USE



Besides using more better materials, we also have a responsibility to opt out materials that are consider

materials that are considered non-sustainable. Materials we choose not

to use are, for example, conventional cotton, non-recycled polyester, and conventional viscose.

## PERCENTAGE OF PIECES MADE FROM EACH MATERIAL



## Better materials 5.1

### **PROTECTING OUR ANIMALS**

There are many risks involved when extracting fibres from our animal kingdom. The welfare of the animals may not always be secured, and the chemicals used in the treatment can be dangerous for the animal, the environment and the workers who handle them. That is why we have chosen not to use the following animal fibres in our products:

**Ø LEATHER Ø EXOTIC SKINS Ø** SUEDE **Ø** FUR **Ø DOWN Ø FEATHERS Ø ANGORA WOOL O CONVENTIONAL** WOOL **O CONVENTIONAL** SILK



# 5.2 Better certifications

Saying is one thing. Proving is another. Certifications are our way of knowing that a wool jumper really is organic, or a polyester jacket really is recycled.

There are loads of certifications out there, and we have chosen to only go by the most extensive ones on the market.





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## Better certifications 5.2







## GOTS – 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<sup>®</sup> or TENCEL<sup>™</sup> Lyocell, we use OCS to assure there is certified organic content in the fabric.

## GRS – GLOBAL RECYCLING STANDARD

Like GOTS, GRS traces the product from raw material to finish, 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.

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

OEKO-TEX® STANDARD 100 Oeko-Tex <sup>®</sup> 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 and kids are not a great mix

Chemical safety is one of Mini Rodini's highest priorities. As our end users are children, it is of the utmost importance that our products are safe and free from toxins.

This is also important because 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 have devastating effects on our natural environment and the animals who live there.

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.

For these reasons, Mini Rodini works very hard with chemical management to ensure our products are the safest on the market. 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), a list which details all of the chemicals that we ban and at which detection levels. This list is updated once 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. All of our GOTS and GRS certified products are continuously tested for chemicals. As an extra safety measure, we conduct random chemical tests each season, to ensure our RSL is upheld.

# OUR CHEMICAL MANAGEMENT

#### DESIGN

Rather than having our design decisions dictate which chemicals to 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**

Our Restricted Substances List (RSL) lists our restrictions on chemicals related to our whole product assortment. They are based on the European legislation REACH but goes further and includes stricter requirements. Our RSL is updated once a year, and is signed after each update by all of our suppliers.

#### 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 for example order volume, variety of styles, material composition, fabric function, supplier relation and production country.

In 2020, we performed random chemical tests on 22 % of our production order volume.

#### HEALTH AND SAFETY IN FACTORIES

Our factories are monitored by social audits, whereby auditors go into the factories we source from 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.



#### EDUCATION AND SURVEILLANCE

Mini Rodini is a member of the Swedish Chemical Group at RISE, a network where approximately 140 consumer goods brands learn about new relevant chemical laws, current risks in the industry and more sustainable substitutions for 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 regard to chemical safety.



FLUOROCARBONS AND BIONIC-FINISH ECO® We require 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.





#### GOTS membership 5.3

# It's a club we wish was less exclusive

Conventional cotton is pretty nasty. The use of water, pesticides, and land in conventional cotton production are three reasons for why organic cotton is the only way forward.

On average, one kilogram of cotton fabric requires 10,000 litres of water. That means that 2500 litres of water goes into one single cotton shirt, and 8000 litres of water goes into one pair of jeans. Cotton farming uses more pesticides than any other agricultural crop. The farming of cotton uses 2.5 % of the world's cultivated land and yet it uses 16 % of the world's pesticides, more than any other major crop. For this reason, cotton has been named the world's 'dirtiest' agricultural commodity.

The use of water and insecticides has an adverse effect on the planet, ruining waterways, soil and air quality, and affecting surrounding ecosystems. It also has a great impact on the people who manage the pesticides, with up to 3 % of cotton growers suffering from acute pesticide poisoning, with at least 1 million people requiring hospitalisation each year.

Further, over half of all cotton produced in the world is made from genetically modified (GMO) seeds, which is harmful

we are globally amongst a small group of brands that only both to the environment and to farmers. It is harmful to the use organic cotton in their products, together with brands environment as it puts a cap on biodiversity. It can be harmful to farmers, as many farmers in mainly India have for decades such as Patagonia and Nudie Jeans. been persuaded to buy GMO seeds from multinational corporations. These seeds are not allowed to be saved for The cotton we at Mini Rodini use in our products is next seasons' cultivation, and the farmer must buy new seeds certified with the most stringent certification on the year on year. This system can easily lead to a debt situation.



Organic cotton can use up to 91 % less water than conventional cotton. Further, almost all organic cotton crops are rainfed, so farmers do not need to use local water sources to irrigate their land. Organic cotton bans all use of pesticides and does not use genetically modified seeds, meaning the soil stays fertile for future generations. This has a massive effect on both people and planet.

In 2020, we took our dedication to traceability and transparency one step further and became GOTS certified Conventional cotton stands for just under 99 % ourselves. This means that the last step in our cotton products' supply chain, that of our warehouse and head office, is also certified with GOTS. With this certification in place, we can now place the GOTS logo on our products. The GOTS logo on a product ensures that it is of the highest quality and was produced using ethical and sustainable methods every step of the production.

of all cotton production in the world, however the uptake is thankfully rising. Mini Rodini has exclusively been using 100 % organic cotton since 2015. Since 2017, The Textile Exchange Market Report has included us in their 100 % club for organic cotton (as well as recycled polyester and man-made cellulosic fibres). This means that

market, Global Textile Organic Standard (GOTS). We have been working with GOTS for around a decade. Products that are GOTS certified have been thoroughly tested and found to meet their organic standards through all stages of the production process-from raw material, to fabric mill, to factory, to warehouse, to retail location. Independent inspectors visit all sites that are involved in the making of our organic cotton products on an annual basis, to ensure all processes meet the GOTS criteria.

**DID YOU KNOW?( ALL OF OUR COTTON PRODUCTS ARE** MARKED WITH A GOTS CODE. BY ENTERING THIS CODE **ON THE GOTS** WEBSITE YOU CAN SEE WHICH GOTS **CERTIFIED FACTORY** PRODUCED THE **PRODUCT.** 

# For some it's old clothes. To us it's treasure<mark>s.</mark>

Our Treasures store in central Stockholm is for those who wish to take a stroll down memory lane and for our worn-out products that need some TLC. Through the years, our founder Cassandra has put aside some of her favourite prints. That these prints are still as desirable today as they were when first released is testament that the design carries a timeless quality. It proves that new is not always better.

Treasures serves as a type of museum for old time favourite Mini Rodini treasures and offers repairs for returned and damaged products. In this concept store, customers can also purchase garment samples that for one reason or another were never included in previous collections. The purpose of the store is to keep our products circulating for longer and longer, to reduce waste, and to give more kids the chance to play in the clothes that we produce.

Huge amounts of love and care are put into every single Mini Rodini garment. From the design and development stage, 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 warehouse. The Treasures concept aims to honour this process and ensure that all products are cared for.

Most of the products in the Treasures store come from our warehouse and are not fit for sale due to stains or dirt from production or from time spent on display in our stores. The Treasures store gives these products a good wash before placing them on display. The store also offers garment samples that were never produced in bulk production, perhaps because we chose to go for a different colour or replaced a zipper for buttons. Our Treasures concept gives these samples the value they deserve.

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 2020 the Treasures store remade and sold 688 garments.

Through Treasures, we have created a business model that includes a circular mindset. As a company, we are 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 skill and hard work.



## 5.5 Better products, goals

# Setting goals is great. Achieving them is what matters

Status of our 2020 improvement plans in better products:





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# 6. SOCIAL JUSTICE

## 6 Social justice

# Clothes are important. People are vital.

For Mini Rodini, social justice means fairness and respect. These values are intertwined into everything that we do, especially when it comes to the people making our products.

Almost all our garments have been held by several pairs of hands, and thoroughly inspected by multiple sets of eyes. This is common practice in the textile industry, which is 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, we would be nothing more than an empty store.





## 6.1 Code of conduct

# We break rules, but keep the code.

Our code of conduct is a set of principles concerning labour rights that all of our suppliers must sign and adhere to. 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 AND 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

To give these words meaning, we have adopted a strict social compliance program. Together with our suppliers, factories and other brands we work hard to improve the working conditions in the textile industry.



## 6.2 Fair Wear Foundation

# More power to the workforce

Mini Rodini has been members of Fair Wear since 2016. Fair Wear is a multi-stakeholder initiative with the mission to improve labour conditions in the worlds' garment supply chain. They are considered to administer 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.



When joining FW, brands must make a commitment to make continuous improvements to the labour conditions in the factories they source from. They must dedicate time and money to this cause and show improvements year on year. FW offers expert advice, performs third party audits and offers training to factory managers and factory workers alike, on areas such as worker empowerment and health and safety.

One of the things that makes the FW membership 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 are in close contact with FW throughout the year, and once a year they visit our office and review how well we maintained the FW Code of Labour Practices in our production locations. This verification is called the annual FW 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 have made over the years through these reports.

In Autumn 2020, FW performed their fourth BPC on us. By FW reviewing documents and interviewing key persons in our different teams, FW evaluated how well we had been working with labour rights issues during 2019, and so our next BPC in 2021 will be looking at the work we have done in 2020. The BPC for 2019, which involved numerous interviews and document controls, evaluated how well Mini Rodini had met FW's requirements and implemented the Code of Labour Practices in our supply chain. Member companies are rated as "needs improvement", "good", or "leader". The BPC of 2019 graded us as Good.

FW were very pleased we implemented a social monitoring program for 94% of our supply base. They were further pleased we increased the number of factories we have worked with for more than 5 years, going from 41% in 2018 to 70% in 2019. This shows that we are committed to our suppliers and factories, and prioritise long-term, stable business relationships. Our Living Wage project, that pays contributions to hundreds of workers in our supply chain, was evaluated by FW and they recognised the benefits that the project has brought forth.

For 2020, FW advised we adopt a more systematic approach towards prices and wages, as well as towards analysing root causes in our CAP follow-ups. They also suggested we encourage our suppliers to communicate, so that they can amongst themselves learn from each other on common issues such as overtime.





# FOR MORE INFORMATION ON OUR BPC RESULT, CLICK HERE(





#### 6.3 Supplier relationship and assortment planning

# Suppliers of team spirit

The COVID-19 pandemic has unfortunately had a devastating effect on the textile industry and the workers working therein, with orders being quickly dropped leaving many without work and their livelihood. However, we did not budge on our commitment towards our suppliers and the workers working in their factories.

The main reason for why we could get through the worst of the pandemic together with our suppliers, is that we have a very close working relationship with them. During the year we stayed in continuous contact with all of our suppliers and worked through issues that arose due to the COVID-19, to ensure we could all stay on track. We helped each other through concerns of payment and lead times so that we could all keep sending our employees their pay checks and keep production going.

Our close working relationship with our suppliers is down to the fact that we have for many years strived towards longlasting supplier relations. In 2020, 64% of our order value went to factories that we had worked with for more than 5 years.

Working together for a long time makes the relationship strong, resilient and caring. It also gives a factory better incentive to implement improvements we suggest to worker welfare, as they are confident we will keep working with them into the future. Further, long lasting relationships gives us better insight into how a suggested improvement, such as a training module or Health and Safety measure, has had a positive effect on social justice.

To get to this point where our supplier relations are long-

lasting, we are at first very picky with who we start working Apart from working towards long-lasting with. We only wish to work with suppliers who share our values relationships with suppliers and factories on social justice and environmental causes. We also recognise that share our values and commitments, we also strive towards having a consolidated the responsibility that comes with us starting production in a factory, as the factory with its factory workers will become supply chain with few suppliers and dependent on our business. To this end we have a very factories. This makes it easier to monitor stringent on-boarding process that guides us towards engaging our supply chain, and it means we have in suppliers and factories that are in it for the long run.

Further, ending a supplier relationship is not something we do light heartedly. As we see it, it is far better to try to work through issues together with a supplier, rather than abandoning the partnership and jumping ship. The textile industry is rampant with orders being dropped and moved, and this creates a volatile job market for garment workers. We don't want to be a part of this problem, and therefore we try to resolve issues such as social justice, quality and deliveries through mutual dialogue with the supplier. However, this does not always work out, and we are sometimes left in a situation where we must crease a relationship. In this case, we first evaluate how an exit would affect the supplier and factory workers, and through our Exiting Policy we take appropriate action. We communicate our decision to the supplier clearly and timely, so that they understand our decision and have time to re-plan their production schedule.



higher leverage with our partners. We can limit the number of factories we use by limiting the amount of niche products we include in our assortment. This is because niche products, such as backpacks, are made in specific factories that only produce backpacks. Backpacks being niche products for us, means our orders are low and we have very little leverage in our backpack factory.

In 2020, 58% 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 are not a big fan of fast fashion. On the contrary, we like to take things slow. We work on our collections for about one year before they are released, which gives us, our suppliers and factories a fair bit of



time to work out production plans and sampling. Our factories' own production capacity is built into our production plan, so that we have a fair and correct idea of how much order volume we can place in each unit.

Having a good internal production planning is essential to support our factories in establishing good working conditions. Short lead times and late order changes are among the main reasons for extensive overtime, many shortterm seasonal work contracts and poor Health and Safety.

For those who read this report, it may be confusing how we both refer to supplier and factory. We will try to explain here as best we can what the difference is. Some of the factories that produce our products are direct partnerships, and we work with them directly. Other factories are managed through an intermediary, called a supplier. Sometimes we will work with suppliers due to language barriers, as not all factory managers speak English. And sometimes we will use suppliers 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.



## 6.4 Production locations

# A stable stable of suppliers

In 2020, we worked with 13 suppliers, which was the same as in 2019. Out of the 13 suppliers, we worked with 24 manufacturing factories compared to 26 in 2019, who performed the cutting, sewing, trimming and quality control of our products. In total, we ended our relationship with two suppliers in 2020 and started relationships with two new suppliers. We brought on board in total three new factories whilst ceasing the relationship with four.

The two new suppliers we started working with in 2020 are both situated in Izmir, Turkey. One supplier has a woven factory, and we chose to work with them as our current woven factory in India has a hard time accommodating our relatively small orders. The second suppler has a jersey factory, and we chose to work with them because our main jersey supplier is instead receiving too big orders from us relative to their size of business. Our main jersey supplier received more than 40% of our whole production volume in 2019 which was unsustainable for both them and for us.

Our Chinese accessory supplier moved our backpack production to a new factory. Here again, the reason was because our orders were relatively small for the previous backpack factory's business, and so we moved the production to a smaller factory that felt better placed to take our orders. Because the original backpack factory was not heavily dependent on our orders (we were around 0,2% of their business), we could exit the factory responsibly.

The two suppliers we ceased working with in 2020 were outerwear and denim suppliers. The outerwear supplier, based in China, had only produced a trial production for us. Here again, our orders were a bit too small for the factories and their fabric mills to handle, and the lead times turned out to be far longer than first promised. As we had no regular production in the supplier's two factories and as we were a small player for their business, we could exit the supplier's two factories responsibly. We placed our orders with our denim supplier on hold in 2020 plainly because we did not include any denim products in our 2020 range. Here again we were less than 4% of the factory's total order volume, and hence our pause was made responsibly.

Turkey is where most of our products are produced, and this is where most of our jersey is made. We have stable business relationships with our Lithuanian and Portuguese suppliers and can rely on shorter lead times with lower environmental impact for their orders due to shorter transport. In 2020 we continued to mainly produce our woven products in India, and China remained our go-to for outerwear and accessories.

Into 2021, we do not foresee too many changes in our supply base.

# **PRODUCTION PER COUNTRY 2020**

**TURKEY 43%** CHINA 14% INDIA 6% PORTUGAL 30% LITHUANIA 7%

#### 6.5 Responsible sourcing

# A source of pride

The best way to ensure the workers who make our products are treated fairly, is to only work with factory managements who treat their workers fairly. This is why our selection process is so important. Our stringent due diligence process guides us when sourcing new factories, so that we find likeminded partners to work with from the outset.



In the past, we would look into sourcing new factories during our bi-annual supplier evaluation meetings. During these meetings we would evaluate our suppliers and discuss any new product types that we would like to introduce in coming seasons. If we found any supplier to be unfit to continue to work with, or of we decided we needed to find a new factory that could make a new type of product, the Sustainability manager would source for new factories.

We may deem a supplier unfit to work with due to them underperforming on social issues such as worker welfare, or on business issues such as deliveries, quality or capacity. Ceasing a supplier relationship is always a last resort for us since changing a supplier puts workers' job security in jeopardy. We only go down this route after having tried to improve the business relationship and given ample warnings to the underperforming supplier.

Our supplier evaluation process was not followed in full during 2020. This is mainly due to time restraints, as all Mini Rodini co-workers were partly furloughed during 2020. It is also due to the fact that the supplier evaluation template needed updating, and this work will continue into 2021. It is hoped the new supplier evaluation scoring will better reflect the performance of our suppliers and take more areas into consideration. If and when we need to find a new supplier, step one is for the Sustainability Manager to use a checklist that reviews a new potential supplier's 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. During the checklist exercise and if the potential production will take place in a new production country, the Sustainability Manager also looks at the socio-political context in the area. This analysis uses research materials such as the FW Country Risk Studies, the FW wage ladders as well as sources such as the UN Guiding Principles on Business and Human Rights.

\*\*\*A social audit is a 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.\*\*\* During step two the Sustainability manager asks the new supplier to fill in the FW self-assessment questionnaire. Only after these two steps have been taken can our buyers check the more business-related areas such as prices and lead

## 6.5 Responsible sourcing

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 which is visiting the new factory. They will check the factory and ask the supplier to sign our Purchase Master Agreement and Quality Manual, as well as ask them to fill in our Production Location Check, where all of the lower tier suppliers are listed. The buyer will only be able to place an order after step three has been completed.

When an order is placed, the factory is enrolled in our social monitoring program. FW posters are hung on the factory walls that inform workers about their labour rights and provides a hot-line number that they can call if ever their rights have not been respected.

If the factory is in a country classed as "high risk" (China, India and Turkey were high risk countries where we produced in 2020) and they already had a social audit in place (such as a SA8000), we will compare their audit to the FW Social Audit quality-check. In this comparison we will assess whether we can 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 concluded that they needed a new audit (if for example their social audit had expired or it had many issues that still needed to be addressed), we will commission a FW audit to take place in the factory. If on the other hand the factory is in a "low risk" country (Portugal and Lithuania were low risk countries where we produced in 2020), FW does not require us to perform a social audit as these countries have robust governmental institutions that safeguard labour rights. Our Lithuanian factories are audited nonetheless, and we plan to organise a social audit in our Portuguese factories in the upcoming years.

Normally, we visit all factories that produce for Mini Rodini on regular bases. The year 2020 was anything but normal and due to the pandemic, we had to drastically change how we do things. We were not able to visit any of our factories in China, India, Lithuania or Portugal, but instead kept in close contact with our suppliers on video calls. Although we were not able to physically meet with our suppliers and inspect their factories, all of those frequent video calls did in a sense give us a better understanding into the day-to-day operations in the factories.

As we have an employee based in Istanbul, we were able to keep visiting our Turkish factories in 2020. This employee, who is responsible for quality and sustainability, visited all our Turkish factories on a regular basis. Through her visits, she could keep working on continuous improvements to workers' rights together with the factory managements.







6.6 Audits and remediation

# We trust but verify

We, like almost all brands in our industry, do not own or operate any factories. We have to rely on our amazing suppliers and factories around the world to develop Mini Rodini collections. It is so important that we choose partners who share our passion for creating high quality and sustainable products and it is together with them that we work to improve workers' rights year on year.







## 6.6 Audits and remediation

## WORKERS COMPLAINTS HELPLINE

We commissioned one FW audit in 2020 compared to three in 2019. FW performed a verification audit on their own accord in one of our factories, and we commissioned two non-FW audits in 2020 (one of these was due to the COVID-19 restrictions a desk-top audit). We continued two labour-rights consultancy projects in two Chinese accessory factories. These projects were initiated in late 2018 and in 2020 the consultant made two more visits to each factory. Apart from the audits that Mini Rodini and FW commissioned, some of our factories organised third party social audits themselves during 2020. In total, eight of the factories we work with were visited by external third-party auditors in 2020.

Out of our total order value in 2020, 81% of the factories we work with had an accepted audit, performed either by FW or another third-party audit methodology. Out of the 19% non-audited factories by order value, 14% out of these 19% were located in high-risk countries (China and Turkey). The remaining 86% were in the low risk country Portugal.

All the social audits that we conduct are what's known as announced, as opposed to unannounced, meaning the factory management are aware when the social auditor will conduct the inspection. It is common for some brands to only accept unannounced audits in the belief that they can catch more failures in this way. We on the other hand choose to work only with factories we trust, and therefore want to build on that trusting relationship by not subjecting them to unannounced audits.

In choosing which factories to audit in a given year, we perform a risk assessment, looking at for example order volume and country risks. Once the audit has taken place and we receive the report, we work on a Corrective Action



Plan (CAP) together with the factory management. A CAP details all of the issues detected in an audit, and how they can be rectified. The CAP includes time frames, and is followed up by visits, emails and skype calls until all issues have been addressed. Some of the factories we work with come through an intermediary supplier, and in these cases the supplier is also involved in the CAP progress. Further, some of our factories are shared by other FW brands – in these cases we work with the other brands on following up on the CAP.

Health & safety concerns such as fire extinguishers not hung up properly and workers not wearing masks or other protective equipment are quite common issues that come up on our social audits. The other major issues that arise concern wages and overtime. This can include problems with records not being kept, workers doing too many overtime hours and also annual leave and social insurances not being paid properly. A final issue that is very important to us at Mini Rodini is that workers should be paid a living wage. Sadly, this is very uncommon in our industry and we are working hard to come up with solutions and bring forth higher compensation to factory workers. Read more about how Mini Rodini tackles the issue of living wages further down.

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.



## 6.6 Examples of our Cap Remediation Efforts In 2020

# We like to pop by

## HEAVY-DUTY OUTERWEAR FACTORY, CHINA 5% OF MINI RODINI PRODUCTION

This factory had an FW audit performed in June 2020. Due to the pandemic our CAP was delayed and is followed up during 2021. We will in the year to come be working through all issues that came up in this audit, and work to bring forth continuous improvements in the factory.

## LIGHTER OUTERWEAR FACTORY, CHINA 12% OF MINI RODINI PRODUCTION

This factory had an FW audit performed in July 2020. Due to the pandemic our CAP was delayed and is followed up during 2021. We will in the year to come be working through all issues that came up in this audit, and work to bring forth continuous improvements in the factory.

## JERSEY FACTORY, TURKEY

## 9% OF MINI RODINI PRODUCTION

Visited numerous times during 2020 by Country Coordinator for Turkey & Global CSR & Quality Manager. This factory had a social audit performed in August 2020. The audit was performed by a third-party auditor on behalf of Universal Studios who we partnered with for our E.T phone Mini Rodini collection. All findings were followed up by Universal.

## WINTER HAT AND GLOVES FACTORIES, CHINA 0,5% OF MINI RODINI PRODUCTION

The two smaller production units that produce our winter hats and gloves have been enrolled in a worker welfare program since 2018, by the sustainability consultancy firm Re-Assurance. In 2020, Re-Assurance visited each factory twice to advise the factory managements in how they could bring 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: Re-Assurance helped the factories during 2018 and 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: Payroll records were not kept in the factory. Discussion: Re-Assurance helped the factories in 2019 to implement HR systems, and in 2020 all records were kept appropriately.

Evaluation: Factory pays some workers after an order rather than monthly and focuses on larger lump payments before Chinese New Year.

Discussion: In 2020, all workers were paid on time.

### CERTIFICATIONS

Some of our suppliers are certified with SA-8000, BSCI or SMETA. Like FW, these are other types of independent monitoring systems that review labour conditions in the factories we partner with. Most of our total production comes from suppliers that work with these four certifications. We regard these reporting methods as complimentary to our own stricter social monitoring system.









# 6.7 Complaints

As a member of Fair Wear, we must ensure that all factories that we source from have FW posters hung clearly on their factory walls. These posters provide information about workers' rights in the local language as well as a hotline to call if they feel that their rights have been infringed.

This hotline provides a way for us and other FW brands to hear about issues directly from the workers in a way that is usually not possible. When a complaint is made, the worker is directed to a FW complaints officer and the worker has a choice to report anonymously if they wish.

Once a complaint has been logged, all brands who source from the relevant factory are notified. We then work together with FW to assess the complaint and carry out an investigation to hear all sides. When resolved, the complaint is then reported to the public on FW's website.

In 2020, we received two complaints from workers via the FW telephone hotline. We welcome the use of this hotline as it shows we are doing our job in keeping workers informed about their rights. Please see below for more information about the complaints raised in 2020 and what actions we took following the complaints.

## WOVEN FACTORY, INDIA 6% OF MINI RODINI PRODUCTION

Complaint 22 January 2020: The complainant got an electric shock while working on a power tailoring machine in the factory. She was admitted to the hospital and received treatment there. She was discharged after one day. After four months of recovery, she tried to return to the factory, however she still experienced pain from the shock and discovered she was not able to work. Although she was insured by the factory and was duly compensated, she felt the factory should compensate her further for her loss of earnings and inability to work.

Action: Mini Rodini set up a meeting between Fair Wear's representative and the factory management. They discussed the matter and later the representative mediated a meeting between the claimant and the factory management. From the meetings it was concluded that the factory does not bare any legal obligation to further compensate the claimant. However, if the claimant could obtain a certificate of disability from the hospital, they would consider providing the claimant with another job.

## WOVEN FACTORY, TURKEY

### 1,5% OF MINI RODINI PRODUCTION

Complaint 24 December 2020: The claimant said that some line supervisors pressured workers into working overtime in the evening. Overtime work must always be voluntary and placing pressure on workers to do overtime work is a breach of FW Code of Labour Practices.

Action: This factory was shared with other FW member brands and one of these brands took the lead in investigating this complaint. From meetings with the factory management, it became apparent that the management team did not place pressure on workers to do overtime work, however some of the line supervisors did. The problem seemed to lie in miscommunication between the management team and the line supervisors and it was decided that they all enrol in training on Communication. The factory should also enrol in a Social dialogue training. The training will take place in 2021.

### TRAININGS

Our real wish is to prevent problems arising in the first place. The hotline and audits are there to catch things when they do arrive, whereas our trainings get to the root of the problem and help to reduce complaints and issues. We do this by offerings training both to workers, teaching them their rights and letting them know that FW and Mini Rodini are there if things go wrong, and to management, to teach them to respect their workers' rights in doing their job.

Due to the pandemic restrictions, we did not commission any trainings in 2020. We did however arrange for the consultancy company Re-Assurance to provide training and capacity building in two of our Chinese factories. The consultancy visited each factory twice and helped the factory managements create better processes and procedures in order to secure our Mini Rodini code of conduct.



## 6.8 Living wages

# Making a living while making clothes

A term often used when discussing labour rights in the textile industry, is "a living wage", a wage that allows for a healthy and prosperous life. We, like many others share the conviction that people who work in factories making our clothes should receive a decent wage that can support them and their family. The wage should cover a person's own and family's needs such as food, housing, clothes, healthcare, education, and the ability to put away some savings.

A living wage is not the same thing as the minimum wage which is set by governments and is the bare minimum that employers must pay their workers. Even though most Countries have a minimum wage, this will often not ensure people earn enough to support a healthy life as the minimum wages have not risen enough to match rising living costs.

It is not easy to establish what a living wage is in a given country. This is because there are always different variations of living costs depending on where you live. As in all countries the costs of living are higher in the bigger cities than in rural areas. Also, many people will have different ideas of what needs to be covered in the living wage estimate and this will be heavily dependent on their living situation; if they are married with children, if they are a single parent, or if they are young and single. For this reason, we don't have an exact value of what a living wage is in a specific country, but we do know that the legal minimum wage levels in the countries we source from are too low to cover basic needs. The textile industry is extremely labour intensive, and most workers are women who work hard to support themselves and their families. However, the wages in factories are usually very low. In the countries we source from, workers often cannot pay for schooling, medicine or set aside savings even though they work over 40 hours every week. This needs to change and that is why we at Mini Rodini are introducing a living wage system into our supply chain.

**EVEN AFTER WORKING OVER** 40 HOURS EVERY WEEK, MANY TEXTILE WORKERS CANNOT PAY FOR BASIC NEEDS SUCH AS SCHOOLING OR HEALTH CARE.





# 6.8 5 questions about Mini Rodini's living wage system

## HOW DOES MINI RODINI & LIVING WAGE SYSTEM WORK?

Traditionally, a fashion brand will ask a factory to produce a product, and the two parties will negotiate a piece price for each garment. Workers' wages are not part of the discussion, instead it is up to the factory to pay the workers whatever wage they have agreed in their employment contract.

In our living wage projects, we have gone about things a bit differently. We first and foremost research living wage estimates in the regions that we source from. We then look at what the workers' wages are in the factory and analyse how this differs from our estimated living wage in the region. We take this difference and calculate what the additional cost would be for each garment. Then we pay this difference.

The extra money we send goes from our own pocket, and it is not transferred onto the end consumer as a price increase. 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 in order to live a comfortable life.

## HOW MANY OF THE FACTORIES THAT YOU SOURCE FROM HAVE THIS LIVING WAGE SYSTEM?

We pay extra remuneration in seven factories that we

work with. One of these factories is situated in Bangalore, India and produces woven garments. We first initiated a living wage system there in 2016. The factory employs around 500 workers and 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. Initially we paid all workers an extra sum twice a year, after our products had been made. However, the workers in the factory wished to change this system and set up a democratically elected Worker Committee that decides how the funds are used. The committee decided to purchase vouchers from the local supermarket after each season and to distribute these to the workers. The vouchers are bought in bulk, so they get a discounted rate, and hence get more value for their money.

The other six factories are situated in Izmir, Turkey and produce jersey garments. They are all connected through the same supplier, which is our largest supplier with a longstanding relationship. We first initiated a living wage system with this supplier in 2017. In 2020, 160 workers benefitted from our additional mark-ups on each garment piece. As these factories make such high volume of our production, we pay them an additional living wage benefit each month.

In 2020, 42% of Mini Rodini's products were made in factories where we are running a LW project and where workers are paid an additional wage contribution.

## HOW DO YOU ENSURE THE MONEY **ACTUALLY GOES TO THE WORKERS?**

We organise external third-party accountants and auditors to verify that the money we pay goes to the workers.

## **HOW DID THE COVID—19 PANDEMIC AFFECT YOUR LIVING WAGE PROJECT?**

Although things were shaken up during the pandemic in 2020, we continued to pay our living wage contributions. The only difference was that our Turkish factories' capacity was reduced for a few months and the workers were furloughed with benefits coming from the government. During these months when production was halted, the factory asked us to put our payments on hold.

## WHAT ARE YOUR FUTURE PLANS FOR THE LIVING WAGE SYSTEM THAT YOU HAVE STARTED TO ROLL OUT?

Our ambition is to pay living wages in all factories that produce our products. This is no easy task, but we are up for the challenge.

In 2020 we have been in discussion with FW on how we can roll out our living wage projects to more factories in a sustainable and systematic way. These discussions are ongoing, but vital for us, in order to ensure a fair and ethical supply chain.


#### 6.9 Tracing our supply chain

## From the field to the closet

Garment supply chains consists of many tiers. First tier includes any factories that we work with directly; they sew our products. In tier 2 we find our factories' suppliers, they produce the fabrics. Suppliers in Tier 3 make the yarn for the fabrics. Finally, in Tier 4 we find the farms where the fibre is extracted, for example where the cotton is grown, or the sheep are kept.

Human rights abuses and exploitation of workers are less common within the sewing factories, but these are the ones most often visited by international brands, and who have the funds, knowledge and dedication to secure good working conditions. In fact, abuses against workers' rights happen most often further down the chain, where the fabrics are made, threads are spun and cotton is grown. Mini Rodini is dedicated to gain closer ties to our entire supply chain, to get a clear picture of the working conditions for all those who helped make our products, and so we can work towards improvements if needed.

Mini Rodini's goal is to trace 100% of our products, from raw material to finishing of the garment. To achieve this, in 2018 we partnered with the Swedish/Indian IT start-up company

TrusTrace and began tracing our lower-tier supply chain. This project will not only assist our sustainability vision, it will also help to move the whole industry towards becoming more transparent and sustainable.

In 2020 we traced 56% of all our styles using TrusTrace's platform and 74% of these styles were traced down to the farms, i.e. Tier 4. Using TrusTrace, we also begun collecting data in order to calculate the environmental footprint of each of the traced styles with the 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.



## 6.10 Social justice goals

Status of our 2020 improvement plans in social justice:

### **2020 GOALS**

## STATUS DECEMBER 2020

Continue living wages projects in all factories where living wages are not paid.

100% traceability of all products down to fabric suppliers, and towards endconsumers.

Actively encourage all factories to have effective worker committees.

Ongoing.

Discussions have started with suppliers' worker committees to find the right format.

Partly accomplished.

Ongoing.



SUSTAINABILITY REPORT 2020

# 7. MINI RODINI AT HOME

7 Mini Rodini at home

## Starting with ourselves

For sustainability to be fully integrated into a business, first and foremost one's own house needs to be in order. Our sustainability commitments extend further than making better products and securing social justice for the people who work in our production. How we operate at home, in our offices, our warehouse and shops, is equally important.



## 7.1 Ethical values

#### THOUGHTFUL UNIQUE DESIGN

We don't divide our collections by gender. Quality, comfort, function and safety are the key words in our design and product development. We go our own way.

#### ETHICAL MARKETING

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

#### INTERNAL PURCHASE POLICY

We have internal purchasing guidelines for purchases made on Mini Rodini's accounts that all employees must follow. These help guide our choices on food, travel, restaurants, cleaning products, interior design, gifts, etc.

#### SUSTAINABLE STORE CONCEPT

Our stores' interiors are made to be as sustainable as they can be. Using LED lights, locally produced, Swan-marked and FSC certified sustainable materials wherever possible. Choosing materials such as metal and stone for their durability and longevity when appropriate.

#### WASTE SORTING

Every department recycles everything we can. That means paper, plastic, glass and metal as well as light bulbs and batteries.

#### CARRIER BAGS

We only use FSC certified paper bags in our stores.

#### RENEWABLE ELECTRICITY

We use clean electricity from renewable sources like sun-, wind- and water-power in our own facilities wherever available.

#### COMMUNICATION

We keep the public informed about our Sustainability commitments and any news regarding this through our website and social media channels. In the Sustainability section of our website, we have a "Sustainability School" to help our visitors, both children and adults, think differently and become more sustainable. Anyone can also read our latest Sustainability report, find further information about our FW membership, and see our results from the annual FW Brand Performance Check on our website.

#### GUPPY FRIEND WASHING BAG

We encourage our customer to use the Guppy Friend washing bag work made by the non-profit organisation STOP! MICROWASTE. 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.



#### Logistics 7.2

When it comes to moving our products from the factories to our warehouse in Sweden, and retailers and customers around the world, we always prioritise sea and road freights. In 2020 we sent fewer shipments by boat, and the shipments we did came on slower boats with lower emissions. Compared to 2019 we used more truck shipments in 2020, this was mainly due to increased returns from e-commerce and due to us moving products to new outlet stores. However, the weight transported by truck was lower in 2020, mainly due to the fact that we moved all our stock to a new warehouse in Sweden in 2019.

We avoid airfreight to the furthest extent possible and consolidate as many orders as possible in each order to reduce the number of shipments that are made. In 2020 we did use airfreight more than usual, as e-commerce became a more popular way to shop due to the pandemic. We then used airfreight both when shipping to customers, and in returns. Although we did use airfreight more often, the shipments were all relatively small and so we actually shipped fewer tons by plane, helping us reduce our CO2 emissions.

#### IN TOTAL WE REDUCED OUR CO2 EMISSIONS BY 22% IN 2020.

#### STICA

As STICA members in 2020, we publicly reported on our emissions for the first time. 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 has established reporting structures so that all members can calculate their emissions year on year. From there, the goal is for all members to establish their own sciencebased targets and plans for reducing their GHG emissions.

In 2020 we reported on our emissions in Scope 1 and 2 from 2019. Scope 1 and 2 refers to The Greenhouse Gas Protocol and covers all direct and indirect emissions from our owned or controlled sources, such as stores and warehouse. Our data was reported in STICA's 2021 progress report which can be found online.









#### **INBOUND EMISSIONS 2018** 132,78 TON CO2

## **INBOUND EMISSIONS 2019** 79,87 TON CO2







AIR TRUCK BIKE

#### **OUTBOUND EMISSIONS 2019** 227,21 TON



## **INBOUND EMISSION 2020** 58,04 TON CO2



**OUTBOUND EMISSION 2020** 182,12 TON CO2











#### Save the Galgo 7.3

The Spanish dog Galgo is a breed that is often described as loyal, kind and affectionate. But because of the traditions in Spain, they are by some not seen as lovable pets, but as disposable objects. An estimated 50 000-100 000 Galgos are abandoned to the streets each year.

Galgos are widely used by hunters in the rural areas of Spain, both for hunting and hare coursing with betting. These hunters, known as Galgueros, over-breed the Galgos in search for a champion. One Galguero can own as many as 10-30 Galgos, and they dogs are often brought up in barbaric conditions. The Galgos that suffer the most are kept in captivity, they are malnourished and fed just enough to keep them alive. They are tortured and emotionally traumatised. When the dogs are trained, some owners will tie the dogs to the back of their car and have them run behind while they drive. If a dog falls down or gets injured, too bad.

When hunting season is over, or when the dogs are not living up to the Galguero's expectations, they are abandoned. Galgos have been found howling from the bottom of wells where they were purposely thrown in by their Galguero. Many have got caught in snare traps where and if stuck for too long have had to release themselves by eating their own leg.

In 2020 we produced a collection called Save the Galgo with the aim to help spread awareness about the thousands upon thousands of forgotten Spanish Galgos. 20 % of the price of each item sold is donated to Galgos del Sol, a non-profit dog shelter in Murcia, Spain.





## 7.3 Save the Galgo

Galgos del Sol is a non-profit dog shelter that rescues, rehabilitates and rehomes Galgos in need. They also educate the public - mostly children - about Galgos in efforts of changing their views on the breed. We sat down with Tina, founder of Galgos del Sol, and asked her some questions about their work and the Galgo situation in Spain.

#### WHAT DOES THE RESCUE PROCESS LOOK LIKE?

Usually someone calls us and gives us the location of an abandoned Galgo. We go about the rescue differently depending on how long the Galgo has been on the streets, every situation is unique. Normally we start by getting the dog into a routine. If the dog has already been in the streets for a few days it's usually easier to catch them. But if it's a new dog we need to spend some more time putting food down and getting them into a routine before we can catch it. This can take anything from three days up to months and months. Even years.

#### HOW MANY DOGS DO YOU TAKE IN EACH YEAR?

We take in about 350 Galgos per year, about 250-270 are rehomed. This year it's been harder to rehome because of Covid. We haven't been able to transport the dogs to their new homes.

#### WHEN IS PEAK TIME FOR ABANDONED DOGS?

There are abandoned dogs on the streets all year round. But the peak is definitely in February, that's the end of hunting season. That's when the Galgueros don't need the dogs anymore, and normally they get rid of all of them so they don't need to care for them until the next hunting season, which starts in October. They might keep a few, if they're good hunters. Summer is the peak time for mom and pups on the streets.

## HOW IS LIFE ON THE STREETS FOR THE ABANDONED GALGOS?

It's not a nice life. Most dogs find a way to survive, but eventually they will die of disease if they're not rescued. And that is the most horrendous death. It's a painful, miserable, long, slow death.

#### WHICH COUNTRIES DO YOU NORMALLY ADOPT THESE GALGOS TO?

America and the UK are our biggest adoption markets. But we also adopt to Belgium, Denmark, Spain and Sweden. We just started in Sweden, and we'd love to do more there. What happens to the Galgos who don't find a home? They come to live with me. I have about fifteen Galgos at my house right now. They're still up for adoption though, even if they live with me. We never give up on trying to find new loving homes for these Galgos.

#### WHAT ARE THE GALGOS LIKE AS PETS?

In the beginning they can be really frightened since they're traumatized and haven't really had any social interaction with humans. When they do come around though, they are really goofy, silly and loving. I call happy Galgos little clowns, because they truly are. They're calm, noble and truly amazing companions. They don't need as much exercise as people think they do, but they do like to activate their brains and enjoy running in a fenced area.





## 7.4 Mini Rodini at home, Goals

Status of our 2020 improvement plans in Mini Rodini at home:













## 7.5 Mini Rodini Sustainability Framework

## **CURRENT STATE**

## **BETTER PRODUCTS**(

- 99,2% BETTER PRODUCTS
- MINI RODINI IS GOTS CERTIFIED AS A BRAND
- WE FOLLOW THE HIGHEST RESTRICTIONS AMONG REACH AND GLOBAL CHEMICAL STANDARDS.

### SOCIAL IMPACT(

- SOCIAL MONITORING PROGRAM
- LIVING WAGES

## AT HOME(

- REPLACED BIODEGRABLE POLYBAGS WITH RECYCLED PE— POLYBAGS
- MAP CO2 EMISSIONS FROM TRANSPORT AND BUSINESS OPERATIONS
- CHARITY PROJECTS

MAP IDENTIF



#### **IDENTIFY DEVELOP MEASURE**

## **DESIRED STATE**





# WHAT YOU BUY MAKES A DIFFERENCE



## 8 About the report

This is Mini Rodini's seventh sustainability report. It covers the key areas we have focused on in 2020 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.

Mini Rodini AB Alsnögatan 7 111 63 Stockholm, Sweden 48







