

## RAINS

### Statement on Forced Labor, Child Labor, Human Trafficking and Modern Slavery Fiscal Year 2024

This statement is made pursuant to:

#### *International guidelines and Legal obligations:*

- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises/ OECD's Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector.
- The International Labour Organization (ILO) Conventions specially but not limited to:  
Forced Labour Convention no. 29, Abolition of Forced Labour Convention no. 105 and Worst Forms of Child Labour Convention no. 182.
- United Nations Convention on the Rights of the Child.
- Children's Rights and Business Principles, developed by UNICEF, UN Global Compact and Save the Children.
- The International Labour Organisation (ILO) Minimum Age Convention no. 138 and Worst Forms of Child Labour Convention no. 182.

#### *National laws obligations:*

- United Kingdom Modern Slavery Act (2015) (in force)
- US Uyghur Forced Labour Prevention Act (UFLPA) (in force)
- The California Transparency in Supply Chains Act (in force)
- Australian Federal Modern Slavery Act 2018 & New South Wales Modern Slavery Act 2018 (in force)
- The Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act

This statement outlines Rains' global business practices to identify, prevent, and mitigate risks related to forced labour within our operations and supply chains.

In this statement, "forced labor" includes modern slavery, child labour, prison labor, indentured labor, bonded labor, human trafficking, or other similar conduct.

## ORGANIZATIONAL STRUCTURES AND SUPPLY CHAINS

Rains is a multinational corporation originating in the Danish private limited company RAINS ApS with subsidiaries worldwide.

Our product sales channels can be grouped into the following:

## Retail stores

When operating within the European Union, Rains engages partners for the operation of Rains Retail Stores. Said partners must be committed to our strict standards of sustainability and human rights, product excellence and compliance with local laws.

When operating outside of the European Union, Rains Retail Stores are operated and owned by the Rains corporation to ensure that our stores live up to the high EU-standards on working conditions.

## Digital platforms

The corporate websites and subsites as well as digital platforms are likewise integral sales elements in Rains organizational structure. All are owned by Rains ApS.

## Third parties

Independent distributors and agents, together with wholesale customers and Rains' own B2B business structure, represent a third revenue stream within the company.

Rains is committed to forming long-term supplier relationships with suppliers that are committed to our standards of human rights, product excellence and compliance with local laws. To ensure this and in the interest of supply-chain transparency, Rains' supply chain is limited to one supplier which is originated in China. Any sub-supplier must be pre-approved by Rains and are subject to audits.

All business partners are subject to Rains Code of Conduct.

## **ADDRESSING FORCED LABOUR IN RAINS**

Rains is committed to ensure decent working conditions throughout our organization and at our suppliers' workplaces. Consequently, RAINS Code of Conduct contains strict requirements and high standards for workplaces within Rains and at our supplier.

RAINS Code of Conduct contains minimum standards that we expect from all our business partners, including our supplier. RAINS Code of Conduct contains a zero tolerance for Forced Labour and sets high standards for Employment conditions, Discrimination and harassment, Freedom of association, Working hours and leave, Wages and benefits and Occupational health and safety.

We aim for greater transparency within the supply chain to better identify and address any signs of forced labor or human trafficking and to ensure safe working conditions in accordance with RAINS Code of Conduct. Particularly as Rains is aware of potential risks in relation to our supply chain being present in China. Consequently, Rains conducts yearly supplier audits at our supplier's work premises (both announced and unannounced). Audits are performed by the independent auditor Amfori BSCI.

Further, RAINS Code of Conduct sets out an obligation of our suppliers to ensure that their sub-suppliers are compliant with Rains' standards and requirements; making RAINS Code of Conduct applicable throughout the entire supply chain.

RAINS Code of Conduct is updated on an ongoing basis, most recently in 2024, and is signed by the company CEO and Chairman.

## **ADRESSING CHILD LABOUR IN RAINS**

Child labour remains a significant challenge in the global supply chains of the textile industry. Although it is uncommon to find child labour directly in manufacturing facilities, the risk of child labour may increase further along the earlier stages of the supply chain.

Children engaged in such labour are often deprived of their fundamental rights, education, and a safe environment, perpetuating cycles of poverty and inequality. Rains has zero tolerance for child labour which is communicated in Rains Code of Conduct.

Rains recognise the risk of child labour in our supply chain considering that our supplier is located in China and is committed to ensure that our supplier do not engage in child labour.

## **DUE DILLIGENCE PROCESSES, RISK ASSESSMENT AND MONITORING**

Rains recognizes its responsibilities and abilities to support positive change. Consequently, RAINS Code of Conduct sets out requirements internally and for all business partners, to develop, implement, and maintain a due diligence procedure in order to detect, prevent or mitigate adverse human rights or labor rights impacts.

Rains offers ongoing support to our business partners to enable them in meeting our standards and requirements. This way, Rains actively seeks to ensure compliance with national and international legislation and standards on all levels in the supply chain.

To further ensure compliance with RAINS Code of Conduct, Rains conducts ongoing audits of our supplier and all their physical locations. Audits are performed through Amfori BSCI, an external social independent auditor. Amfori compiles a report from its physical inspection of work premises, covering subjects such as working conditions, working hours, type of employees, wages and benefits, and occupational health. During the audit, Amfori BSCI also conducts interviews with randomly selected workers.

Reports from Amfori include possible areas of improvement between Rains and its suppliers, and this, together with Rains' ongoing data collection and collaboration with suppliers, enables Rains to conduct a risk assessment of its suppliers.

## **REMEDATION AND EFFECTIVENESS**

RAINS Code of Conduct aims to drive concerted change and development throughout the supply chain by identifying areas of improvement, and ascertaining how Rains can support such efforts in its partnerships.

Reports from Amfori include possible areas of improvement between Rains and its suppliers. These are used as key indicators for success in the following audits.

RAINS Code of Conduct contains specific sanctions in the event of a supplier's unwillingness or inability to live up to Rains standards and requirements.

If child labour is detected at our partners' facilities, Rains require that our partner develops, participates in, and contribute to policies and programs that provide for transitional arrangements, making sure the child remains in quality education until no longer a child according to the International Labour Organisation (ILO) Minimum Age Convention no. 138 and Worst Forms of Child Labour Convention no. 182.

Any detection of our partners uses or support of any form of slavery, forced, and/or bonded labour will result in a termination of the business relationship.

## **TRAINING ON FORCED LABOUR AND TRAFFICKING**

Rains is aware that our ability to influence our suppliers is partly dependent on Rains setting an example and partly on creating the right incentives for our suppliers.

Rains aims to lead by example and wish to further promote compliance internally. To do so, Rains plans to introduce training on enhanced understanding and compliance with RAINS Code of Conduct to employees with responsibility for supply chain management. The aim being to fully integrate our compliance requirements in our sourcing and purchasing decisions.

We also believe that this will enhance our ability to provide continuous support to our suppliers.

## **REPORTING ENTITIES AND DECLARATIONS**

This statement covers Rains fiscal year 1<sup>st</sup> January 2024 to 31<sup>st</sup> December 2024.

RAINS ApS is required to submit a report pursuant to United Kingdom Modern Slavery Act (2015), the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act and the Australian Federal Modern Slavery Act 2018 & New South Wales Modern Slavery Act 2018.

This statement was approved by the Board of Directors and signed by the Chairman, Daniel Brix Hesselager



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Daniel Brix Hesselager, Chairman

Further, RAINS INTERNATIONAL LTD, a subsidiary of RAINS ApS, required to submit a report pursuant to United Kingdom Modern Slavery Act (2015). This statement was approved by the Board of Directors and signed by the

director of RAINS INTERNATIONAL LTD, Daniel Brix Hesselager.

*Daniel Brix*

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Daniel Brix Hesselager, Director

Lastly, RAINS CANADA SALES INC. (RAINS Canada), a subsidiary of RAINS ApS, is required to submit a report pursuant to the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act. RAINS Canada distributes and sells RAINS products in Canada. RAINS Canada has approximately 2 employees engaged in wholesale, retail sales and working at distribution centers. RAINS Canada's supply chains are largely the same as for RAINS ApS as a whole and principally managed as part of RAINS' global sourcing and manufacturing process. Accordingly, the policies and procedures described earlier in this statement apply on a global basis unless otherwise indicated, including to RAINS Canada. We do not believe there are modern slavery risks unique to RAINS Canada. RAINS Canada does not own or control any other entities.

This report was approved by the Board of Directors of RAINS Canada on March 11, 2025.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind RAINS Canada.

  
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Jan Stig Andersen, CEO