

# RICE A/S Social Accountability Report for the UN Global Compact 1<sup>st</sup> of April 2022

As managing director of RICE A/S I hereby confirm our continued support to the Global Compact. Our management manual is based on the principles of SA8000, and in addition to this we find the Global Compact a valuable tool in our social responsibility as well as environmental work.

Odense, March 2022



*Philippe Gueniau*  
*Managing Director*  
*RICE A/S*

**WE SUPPORT**



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# “People Care – We Care”

## Company Facts

Founded: 1998

Headquarters in Denmark: 22 employees

European sales offices: 12 employees

Sourcing office Thailand: 6 employees

Sourcing office China: 1 employee

RICETERIA: 2 fulltime, 7 part-time employees



## Management Tools

RICE A/S supports the Global Compact and uses it as a guideline for doing business responsibly. The objective of the UN initiative, Global Compact, is to promote good business behavior, and the management tool is centered on the areas of Human Rights, Labor, Environment and Anti-corruption.

Back in 2001, RICE decided to formalize the different initiatives within social accountability in an overall management tool. We decided to use the standard SA8000 – the international standardized code of conduct for improving working conditions around the world. The spirit of this standard is close to our core business values.

Furthermore, there is an audit system connected to the tool just as the system is based on human as well as labor rights.

Since 2006 RICE has committed to apply to the Global Compact principles as a management tool, and as it will appear in the principles, SA8000 and Global Compact are to some extent quite close.

In 2002 we obtained the SA8000 certification as the first Scandinavian company, and we have used it as both a checklist as well as a way of dealing with the developmental process of our suppliers ever since.

## The Central Areas:

- Child Labor
- Forced or Compulsory Labor
- Health & Safety
- Freedom of Association  
& Right to Collective Bargaining
- Discrimination
- Disciplinary Practices
- Working Hours
- Remuneration
- Anti Corruption
- Management Systems

# “People Care – We Care”

## From SA8000 to RICE Code of Conduct

RICE A/S has participated in the work of corporate social responsibility (CSR) for more than 20 years. Since its very beginning, this strong commitment in the ethical and social field has been a major element in differentiating the company.

Our system has been successfully SA8000 certified by Bureau Veritas from 2002-2018. From 1<sup>st</sup> of January 2019 the RICE Code of Conduct is replacing the SA8000 standard system.

Our ambition with RICE Code of Conduct is to introduce our commitment and policy towards important worldwide topics. We believe that it is possible to do business with a heart and be global responsible, which is our true believing and Code of Conduct.

RICE Code of Conduct is still following the guidelines of the SA8000 standard, as well as national legislation and other international instruments. The central areas of SA8000 are still of great importance to our daily work with our Code of Conduct.

Our RICE Code of Conduct gives us the opportunity to involve ourselves in other worldwide topics, among here our focus on product reusability and durability, and the global climate debate.

We wish to pursue the economic development of RICE, through our customers' satisfaction, with the greatest respect for persons and with a desire to protect the environment.



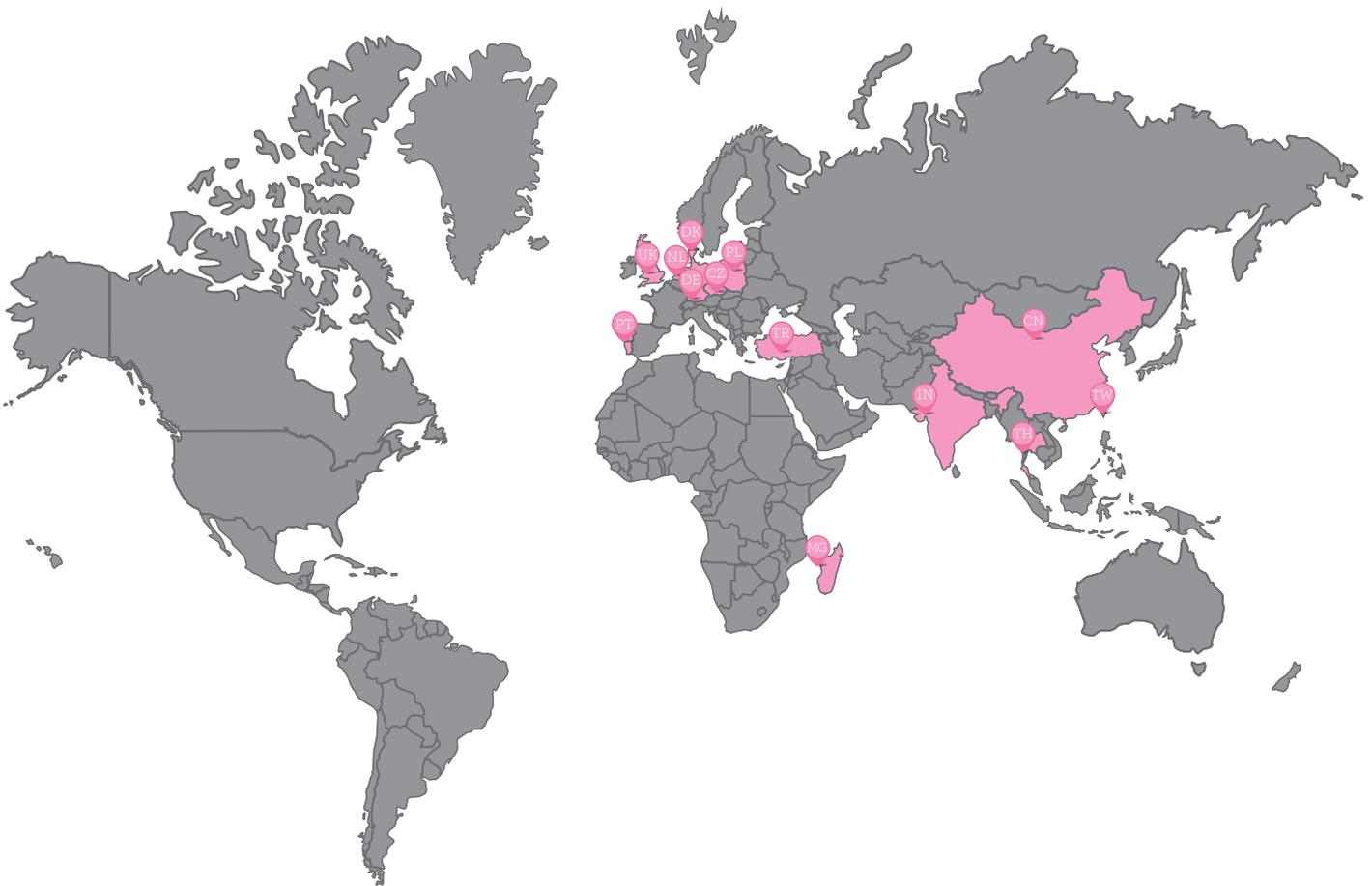
# Suppliers

The nature of our business is to launch two major and two minor collections each year. When developing these collections we are working with a substantial number of permanent suppliers with whom we engage in a long lasting cooperation.

Additional to this we have seasonal suppliers or one-time suppliers who contribute only in the current collection.

To ensure a strong cooperation, we have established our own sourcing office in Thailand. The sourcing office is staffed with RICE employees, which enables us to be very close

connected to our suppliers. The aim is to continuously work on building a socially responsible business all over the world. The fully operational sourcing office has the responsibility of coordinating with our suppliers, the sampling and handling of purchased orders, the follow-up on production, quality control processes, shipping and finally but not least the audit in connection with social compliance.



## Audit Process - Suppliers

The audit process with our suppliers is of great importance to us. When we choose new suppliers, we make sure that they uphold ethical standards. Where improvements are needed, we engage in cooperations with the supplier and use RICE Code of Conduct as a tool in the developmental process.

We start by taking a commitment from the new supplier in relation to the RICE Code of Conduct. The managing director of the supplier must sign this commitment, which relates to SA8000 as well as environmental protection and other sustainable issues.

Once the production is initiated, and the first order is completed from the supplier, we have our own staff visiting the supplier in order to make the quality control of products.

The audit is conducted at least every second year in order to maintain the obligations of the factory. We audit all suppliers covering minimum 75% of our yearly turnover. We always strive to make the audit process the most efficient, and therefore our audits are carried out by our own staff.

We have developed standard tools for our auditors to use during the audits. With a standard form the results are more reliable, and it is easier for the RICE headquarter to streamline the results from the audits around the world.

When our auditor finds topics not meeting the expectations in accordance to the RICE Code of Conduct, we issue a non-conformity report. During the next visit we will then follow up to control that the non-conformity has been solved.

## Special Audit in India July 2021

In July 2021 our external auditing company visited our suppliers in India. This was an important visit, as it shows our visibility on production areas, which are geographically placed far away from our HQ in Denmark. Further we indicate to our suppliers, that taking a social responsibility is of great importance for RICE A/S.



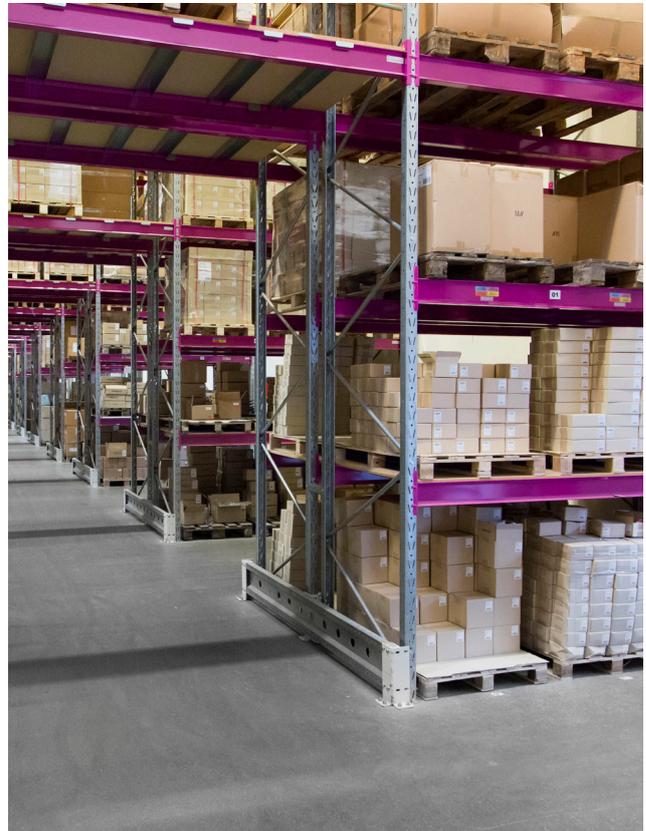
## Audit Process - Denmark

In order to make sure that we comply with our own standards we made an agreement with the external auditing company Acta Verba.

Acta Verba Certification carries out an audit of RICE once a year according to the RICE Code of Conduct. The auditor goes through the following program:

- Opening meeting
- Walk around in the premises
- Review of records
- Control of suppliers
- Internal monitoring
- Outside communication
- Management review
- Closing meeting

During the audit the auditor will check our audit reports from the factory visits as well. These reports will also contain a description of fields where there are room for improvement.



## Working Environment at the Headquarters

The working environment in our Danish headquarters is controlled by the APV - workplace assessment. The assessment is updated at least every three years with inputs from the staff. At RICE we are aware of the importance of good working conditions among our employees. We are continuously rearranging the workstations in order to ensure efficient dialogue as well as peace to work.

Our employees at the headquarters have the opportunity to join a fitness program once a week during working hours. Furthermore, they are able to book a personal massage from a licensed massage therapist, giving them the opportunity to relief tensions related to office work. Employees at Bangkok office are invited to join a yoga class weekly.

We believe that taking good care of our employees is an investment, which both pleases the individual employee and at the same time prevents physical problems and keep absence of employees due to illness at a low level.

We have a health and safety committee to take care of any possible issues that might be brought up by the staff. The staff select among themselves a representative and likewise there is an appointed management representative in this group. A mail box has been installed for anonymous enquiries. Once a year we conduct a fire drill for all employees, just as all employees must attend a mandatory guided safety tour. Finally, a headquarters worker representative has been selected by the employees.

# RICE Code of Conduct

## RICE Code of Conduct Certification

Once a year the auditing company Acta Verba visits and perform audit at the headquarter of RICE A/S in Denmark. Every year in January the auditor will consider issuing a RICE Code of Conduct Re-certification. The Re-certification consists of two and a half days of audit at the head quarter.

											
<h2>RICE A/S</h2> <p>Havnegade 100E, 5000 Odense C, Denmark</p> <h3>Certificate of Audit and Conformity</h3> <p>Acta Verba declares that the management system of Rice A/S has been audited by Jean-Loïc Montaigne and found to be in accordance with the requirements of the RICE Code of Conduct (version 3).</p> <p>The certification will be reviewed once a year by the company Acta Verba.</p> <table><tr><td>Original cycle start date</td><td>01 January 2019</td></tr><tr><td>Expiry date of previous cycle</td><td>31 January 2019</td></tr><tr><td>Recertification Audit date</td><td>25 January 2020</td></tr><tr><td>Recertification cycle start date</td><td>01 February 2020</td></tr><tr><td>Recertification Audit date</td><td>23 March 2022</td></tr></table> <p>JL Montaigne</p>  <hr/> <p>Certification Authority</p>		Original cycle start date	01 January 2019	Expiry date of previous cycle	31 January 2019	Recertification Audit date	25 January 2020	Recertification cycle start date	01 February 2020	Recertification Audit date	23 March 2022
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# Communication

## Communication

Communicating about social responsibility is important for RICE, and we prioritize to communicate this on various channels - both online and offline. We use both our website, our social media channels, our newsletters and various print marketing material to talk about current CSR projects and the importance of taking action.

## Sustainability

RICE A/S has been focusing on our own sustainability program in the RICE Code of Conduct Standard, including our plastic vision, that aims to substantially decrease the amount of the packaging material used for RICE Products together with a vision of reusability and longevity in our products.

We have removed all single-use plastics from our collections and will keep focusing on developing of even more sustainable alternatives for future collections.



# CSR Collaborations

## RICE CSR Projects and Donations

At RICE we firmly believe that *No one can help everyone, but everyone can help someone!* Corporate Social Responsibility is a part of the RICE DNA, and working actively with CSR is a big part of our ethical values.



### DANISH RED CROSS

We believe that real change happens through education – and the importance of going to school is so immense. Real change in developing countries often goes hand in hand with the education level of women. So, sending girls to school is part of what we have dedicated this next project to.

In our SS22 collection we launched two six pack kids' melamine cups (Happy Fruit Prints & Happy Cars Prints). For every sold above-mentioned six pack we donate 1€ to Danish Red Cross. With your help we will be able to send at least 100 children to school for one year.

### LAKSHYA I

For 2019-2020, we have made a collaboration with the small - but special - Indian foundation, Lakshya, who is producing bags made from recycled newspaper and fabric.

Lakshya aims to help less fortunate children in India get a higher education and a better way of life. For the production of the bags, Lakshya furthermore employs marginalized village women helping them to a better way of life.

For every Lakshya bag sold, RICE donates 1,5 EUR to the Lakshya Foundation. These 1,5 EUR go directly to helping Indian children get a higher education.

### NEVER LOSE HOPE

We proudly support UNICEF's work in emergencies, and together we are making a difference for children at risk.

With this project, Never Lose Hope, we helped children in need. Every year UNICEF treats millions of children for severe acute malnutrition, helping them to survive and thrive. The Never Lose Hope collection consists of some of our favorite products, carefully selected to bring Everyday Magic into homes all over the world. For every Never Lose Hope product sold, together we donated EUR 1,5. These 1,5 EUR can provide 1800 L of clean water or provide 1 days ration of therapeutic food to a child in need.



### HOPE IS BRIGHT

We do business with a heart - With hope for a bright and better future...

Our wish is not only to support children in need – we want to provide them with hope for a bright and better future. For the second year in a row we proudly support UNICEF's work in emergencies, and together we are making a difference for children at risk. The Hope is Bright collection consists of some of our favorite products, carefully selected to bring Everyday Magic into homes all over the world.

For every Hope is Bright product sold, together we donate 1,5 EUR. – these 1,5 EUR can provide 1800 L of clean water or provide 1 days ration of therapeutic food to a child in need.



### CUPS OF HOPE

RICE supports UNICEF's work in emergencies. Part of this effort involves providing clean water to children in crisis situations all over the world. The aim of Cups of Hope is to give hope to children in need.

For every Cups of Hope set sold, together we support UNICEF's work in emergencies with a donation of EUR 1,5. With EUR 1,5 UNICEF can provide 1800 L of clean water to children in need. Our collaboration with UNICEF in 2017 has been a huge success! In one year we have sold enough products to provide 66,000 children with clean water for an entire month. This equals to 9,9 million liters of clean water! We are so excited that this great collaboration will continue in 2018...



### DANISH HOSPITAL CLOWNS PROJECT

By designing a special cup and plate, RICE provides a financial contribution to the Danish Hospital Clowns. Their task is to make the hospitalization for kids a little easier to get through. Humor and close personal presence make room for happiness and allow the kids to be "just kids", in spite of being seriously ill. We also donated RICE play kits for 27 pediatric wards in Danish Hospitals.

### SAFE CHILDHOOD IN VIETNAM

We have helped sponsor an educational program that teaches children how to tackle and avoid explosives still remaining in the ground after the Vietnam War. The project was run by The Danish Refugee Council. Giving children in Vietnam a safe childhood was our way of celebrating the 25th. Anniversary of Convention on the Rights of the Child in 2014.

### SPOON FULL OF HOPE

RICE launched the gift idea, "Spoon Full of Hope" in cooperation with the Danish Refugee Council. Each spoon sold donated a cooking set to a family on the run in Darfur and Somalia.

# CSR Collaborations

## CUPS FULL OF HOPE

4 melamine drinking cups, specially designed by RICE for this project. Every time a pack of these cups was sold, a refugee family in Africa received a Water and Washing Kit.

## LITTLE BOX OF HOPE

In 2016 we supported the Red Cross and the work they do worldwide for the refugees across the globe. We strongly believe in the effort of improving the lives of people on the run, and the aim of the LITTLE BOX OF HOPE food kit was to give hope to the people in need. We wished that the LITTLE BOX OF HOPE would create awareness of the refugees and encourage people to take action.

For every food kit (6 funky foodboxes and 6 colorful spoons) sold, we donated 1,5 EUR to the Red Cross.



## SPOON FULL OF HOPE II

We redesigned the Spoon full of Hope and this time the sale of one spoon equaled 24 servings of soup. We sold 3752 spoons.

## SPOON FULL OF HOPE III

Our latest cooperation with the Danish Refugee Council was yet another spoon. With this spoon we helped provide clean water for 10 refugees in Africa for 28 days!

## SUSBIZ INDIA

During 2007 - 2009 RICE participated in the Susbiz project along with one of our suppliers in New Delhi, India.

The goal of the project was to develop and implement social and environmental initiatives in the supplier's company and share knowledge about the process.

## SEND ME TO SCHOOL

In 2008 the cyclone Nargis hit the south west part of Myanmar - leaving a trail of destruction in its wake.

By making a range of kids products we raised enough money to build a school so kids could get back in the classrooms - improving their future chances of education. The school also functions as a shelter for the entire community in case of natural disasters.

## DANISH RED CROSS PROJECT

As a Club 10 ambassador in 2009 Charlotte and RICE made an all-day event with über-banko, book cafe, hairdressing, palm reading, massage, concerts and delicious food stalls etc. The purpose was to raise as much money as possible for Danish Red Cross.

## JHEEL - JAIPUR

RICE entered a three year project, in cooperation with Danida to improve conditions for the workers in the factory. Now the conditions comply with SA8000 standards.

Environmental responsibility has also been of concern to the supplier and they have constructed a wastewater cleaning system reducing the environmental impact.

## LAKSHYA

Our cooperation with our supplier Lakshya, started out as a three years development project for street children. The goal was to build a production supporting an orphanage for street children. During the project RICE donated a monthly amount of financial support and placed orders regularly. The establishment of Lakshya secured an education for the New Delhi street children, as well as housing and the opportunity to remain in Lakshya as employees.

Experience the universe of RICE

[www.ricebyrice.com](http://www.ricebyrice.com)

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