



**OUTLAND**  
DENIM

**OUTLAND DENIM  
2020**

**SUSTAINABILITY REPORT**

**1 July 2019 - 30 June 2020**

Photo by Carin Garland Photography





DENIM  
FOR FREEDOM.

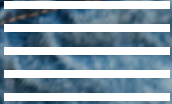


Photo by Carin Garland Photography

# TABLE OF CONTENTS

4

A LETTER FROM THE FOUNDER

6

WE ARE ABOUT

7

OUR IMPACT

7

OUR MISSION

8

SUSTAINABILITY HIGHLIGHTS

10

SUSTAINABILITY GOALS

12

OUR ORIGINS

14

AWARDS AND CERTIFICATIONS

15

OUR POINT OF DIFFERENCE

16

INTRODUCING THE MAEKA STANDARD™

18

OUR CULTURE

19

OUR EMPLOYEES

20

ENVIRONMENTAL SUSTAINABILITY

22

OUR TECHNOLOGY

24

WATER WISE

25

LESS ENERGY

26

ZERO HARMFUL CHEMICALS

27

WASTE AND REPURPOSING

28

DYED RESPONSIBLY

29

CHARITY PARTNERSHIPS

30

AMY FORMER

31

THE HARRIET BLACK

32

DESIGN

36

RAW MATERIALS

37

PRIMARY RAW MATERIALS  
AND COMPONENTS

40

SUPPLIERS

40

TIER 1 MANUFACTURING

42

TIER 2 MATERIAL PRODUCTION

44

TIER 3 PRIMARY RAW MATERIAL  
PROCESSING

44

TIER 4 PRIMARY RAW MATERIAL  
EXTRACTION

44

TIER 5 PRIMARY RAW MATERIAL  
FEEDSTOCK

46

TRACEABILITY SCORING

47

OUTLAND DENIM'S ETHICAL TRADING POLICY

48

SOCIAL IMPACT

49

MODERN SLAVERY STATEMENT

50

INTRODUCING THE OUTLAND  
DENIM MEDICAL CLINIC

52

OUR FOUR PILLARS

53

OPPORTUNITY

54

LIVING WAGES

54

CROSS-TRAINING

55

EDUCATION

56

OUR PROGRAMS

60

STAFF STORIES

62

CAMBODIAN STAFF SURVEYS

64

OUR INFLUENCE

68

PARTNERSHIPS

69

MEDIA AND EVENTS

70

OUR RESPONSE TO COVID-19

71

OUTLAND DENIM FIRST TIER  
COVID-19 RESPONSE TIMELINE

72

SUPPORTING OUR SUPPLY CHAIN  
DURING COVID-19

74

OUR PIVOT

76

ECONOMIC SUSTAINABILITY

77

OUR INVESTOR COMMUNITY

78

AT A GLANCE

79

ACCOUNTABILITY

82

STATEMENT OF CONTINUAL IMPROVEMENT



## OUR COMMITMENT: UN SDGS



Photo by Annika Damon

To our Stakeholders,

I am pleased to confirm that Outland Denim reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

Outland Denim seeks to pursue zero exploitation in every aspect of its business.

To be accountable to this mission we have aligned as a signatory to the UN Global Compact Network's Ten Principles.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

## A LETTER FROM OUR FOUNDER

This benchmark sustainability report from Outland Denim comes as a result of the tireless efforts of our team to set a high standard of performance for the fashion industry, within our own operations, and as individuals personally. They are to be commended on the results.

Our Social and Environmental Impact Manager, Leisl Lancaster, and our Marketing Communications Coordinator, Athina Cattle, are deserving of particular recognition here for the considerable work they have put into writing this report.

Though Outland Denim was born of a singular desire to do something to eradicate human trafficking, the company has always been about community; the sharing of skills; shared purpose and passion; and the desire to make a positive impact on the world. It has been my job as CEO to ensure that our team has a channel to do their best work, and are encouraged to make improvements where they see fit.

COVID-19 has posed particular challenges for our brand and our company, as it has for the entire fashion industry, but what this time in history has shown me is that you cannot underestimate the desire of people to contribute to positive change despite their circumstances; that, in fact, if given the impetus, people want to actively make good from a bad situation.

This was proved to us through the timing of our Equity Crowd Funding Campaign, which raised AUD\$1.32 million from small investors

at a time when many would have been tempted to hide dollar bills under their bed mattresses, and also through the incredible increase in our online sales, which shows that you trust us to deliver as a brand.

While it might seem illogical to discuss sales and finance in a sustainability report, it's my belief that economics can't be separated from sustainability; that business needs to put its money where its mouth is, and that's what we strive to do at Outland Denim.

The repercussions of COVID-19 for people working across the fashion value chain have too often been devastating. Our ongoing commitment is to ensure that we represent and speak for the most vulnerable while making continual improvements to our business to ensure equity for all.

This extends to our stewardship of natural resources. We are acutely aware that the depletion of our shared natural capital has a disproportionate impact on vulnerable communities that have less capacity to cope with the changes wrought by climate change and industry malpractice.

Our first sustainability report represents a welcome chance to stop and reset a new agenda for our company and our brand going forward. I hope you enjoy the read, and, as always, we welcome your feedback.

**JAMES BARTLE**  
Founding CEO



## WE ARE ABOUT

Photo by Amy Higg Photography

- + SOCIAL, ENVIRONMENTAL AND ECONOMIC JUSTICE;
- + CREATING OPPORTUNITIES FOR PEOPLE IN NEED;
- + TAKING RESPONSIBILITY FOR ENVIRONMENTAL IMPACT;
- + ACTIVELY WORKING TOWARD THE ELIMINATION OF SLAVERY;
- + FORGING PATHWAYS TOWARD REGENERATIVE AND CIRCULAR FASHION;
- + AMPLIFYING THE VOICES OF THE VULNERABLE;
- + CHALLENGING THE FASHION INDUSTRY STATUS QUO.



## OUR MISSION

TO SET THE HIGHEST STANDARD OF SOCIAL, ENVIRONMENTAL AND ECONOMIC SUSTAINABILITY WITHIN THE FASHION INDUSTRY BY WAY OF OUR PRODUCT, POLICIES, PRACTICES AND PARTNERSHIPS TO FOSTER A FUTURE THAT IS EXPLOITATION FREE AND PROMOTES FREEDOM, JUSTICE AND EQUITY.

### #ZEROEXPLOITATION

Outland Denim seeks to pursue “zero exploitation” in every aspect of its business to assure customers that their jeans are untainted by slavery, poor labour standards or environmentally harmful materials and techniques.

### #MADEONPURPOSE

Each one of our garments is made with the intention to fulfil our social and environmental commitment to create positive change.

### #THEPEOPLESBRAND

We are a humanitarian brand led by a social mission to correct injustice with the desire to positively impact all our stakeholders, from customers to investors, staff and our suppliers, to media and the fashion industry at large.



# 2020 SUSTAINABILITY HIGHLIGHTS



Moving to 100% leather-free designs.



85% of formerly at-risk Cambodian staff at reduced exploitation risk level after 6 months of employment at Outland Denim.



Announcement of Maeka, a chance to further our impact within the fashion industry by manufacturing for other brands.



Up to 86% less water, 57% less energy, and 83% less chemicals used in our Wash and Finishing facility.



93% natural raw materials used in the past 12 months.



250kg of biodegradable cassava bags replaced plastic poly bags for international transport of garments.



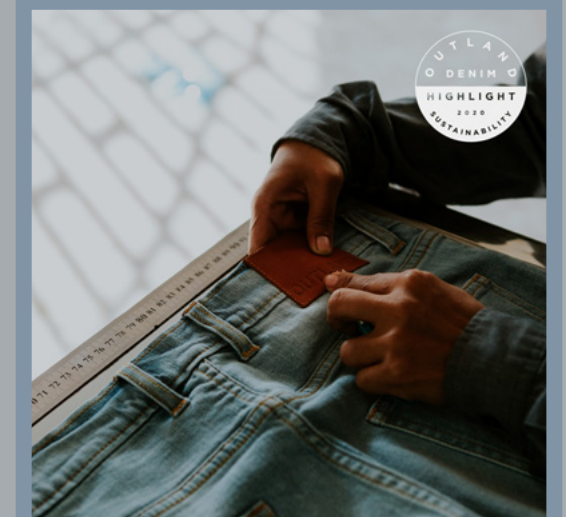
Launch of Outland Denim onsite Health Clinic & Education Centre.



94% direct supply chain traceability that has also met strict social and environmental criteria.



Launch of the most sustainable vintage-wash denim on the market.



750 people, including staff and household members, impacted by stable employment at Outland Denim.



# SUSTAINABILITY GOALS

YOU'LL NOTICE THE ICONS BELOW THROUGHOUT THIS REPORT IN REFERENCE  
TO OUR SOCIAL, ENVIRONMENTAL, AND ECONOMIC GOALS.



**GOOD**

A goal that we commit to achieve in the next 12 months.



**BETTER**

A goal we hope to achieve in the next 2 years should resource allow.



**BEST**

An overarching, long-term goal that we strive to achieve in 5 years.



Indicates an innovation or research project currently in progress  
in partnership with a government body, university, or institution.







## OUR ORIGINS

**IN 2008 OUTLAND DENIM FOUNDER JAMES BARTLE WENT TO THE CINEMA WITH HIS WIFE TO SEE *TAKEN*, A FICTIONAL FILM INSPIRED BY THE VERY REAL USD\$150 BILLION ILLICIT TRADE OF HUMAN BEINGS. IT WAS HIS FIRST INTRODUCTION TO THE WORLD OF HUMAN TRAFFICKING AND HE WAS DRIVEN TO LEARN MORE.**

James later had the opportunity to travel to Asia with an anti-trafficking group and saw first hand what it was like on the ground, and how human traffickers prey on vulnerable young girls.

James learnt that once a girl has been rescued and integrated into her family or community, a sustainable career path is vital for securing her future. Outland Denim was designed to create that sustainable career path.

It was from here that the foundations for Outland Denim were laid as an avenue for training, employment and career progression for women who have experienced, or are at risk of experiencing, sex trafficking.

We first welcomed a small group of five aspiring seamstresses who had been recommended to us by a non-government organisation (NGO) with frontline operations in Cambodia. These women needed work in a safe space owing to their experiences of exploitation.

The formative manufacturing process adopted by Outland Denim would allow these young women to operate from home, in their respective remote villages, with pedal press sewing machines and hot-coal irons.

Nearly a decade later, Outland Denim operates two centralised, stand-alone, sustainable production and wash facilities in Cambodia, and we have opened our doors to welcome staff from varying backgrounds of vulnerability. With them, we have been able to create a product of a premium standard worn and loved by people the world over.

Today we are proud to have cultivated a unique business model that proves that the fashion industry can be the solution to some of the world's most pressing social and environmental issues.

This Sustainability Report represents our best efforts to continue to do the hard work required of the world's foremost humanitarian and truly sustainable denim brand.





Photo by Carin Garland Photography



Still by Jeremiah Overman

## AWARDS AND CERTIFICATIONS



good on you



- The first Australian denim brand to become a B Corporation and second globally
- Thomson Reuters Foundation Stop Slavery Award Winner SME 2020
- Rated A+ on the Baptist World Aid Ethical Fashion Report 2018 and 2019
- Listed as Rivet 50 member 2019
- Members of the UN Global Compact Initiative
- Associate Partner of the Global Fashion Agenda, 2019
- MR Magazine Sustainability Leader Award 2019
- One of the first brands to earn the Eco-Age brandmark
- Rated “great” on the Good On You app
- Named one of 10 Sustainable Fashion Leaders by Common Objective, 2019
- Recipient of 2019 Anti-Slavery Australia Freedom Award
- B Lab 2019 Best for the World Honoree in the area of Community
- 2019 Global SDG Award winner (No Poverty, and Decent Work and Economic Growth categories)

## OUR POINT OF DIFFERENCE

Our garments are made in our very own production and finishing facilities, which allows us a degree of operational agility, security and traceability above those brands who outsource their manufacturing.

The ownership of our “first tier” manufacturing operations in Cambodia, in addition to our head office in Australia, also puts Outland Denim in a unique place to manage its environmental, social, cultural and economic impact.

This vertical integration gives us greater control over our product, our supply chain stewardship, our brand image and ultimately our impact.



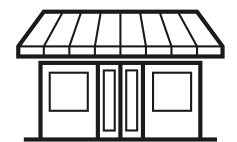
**CUT'N SEW FACILITY**  
Kampong Cham, Cambodia

In 2019 we expanded our Cut and Sew facility into a new, 1297m<sup>2</sup> space. Currently 73 staff work in this beautiful new facility, cutting, sewing and fastening hardware to your Outland Denim jeans.



**FINISHING FACILITY**  
Phnom Penh, Cambodia

Our first Wash and Finishing facility opened in 2019, equipped with state-of-the-art water and energy reducing technology. This is where designs come to life and finishing touches are made.



**HEAD OFFICE**  
Queensland, Australia

While Outland Denim wearers reside in locations from Tokyo to Los Angeles and everywhere in between, the Gold Coast Hinterland remains the home base of our global operations.





# THE NEW STANDARD IN FASHION.

Photo by Amy Higg Photography

## INTRODUCING THE MAEKA STANDARD™

**THROUGH ALMOST 10 YEARS OF RESEARCH, IMPLEMENTATION AND REFINEMENT, WE HAVE WORKED TO DEVELOP THE HIGHEST STANDARD OF SOCIAL AND ENVIRONMENTAL SUSTAINABILITY IN OUR PRODUCTION.**



Photo by Karen Walker

The Goldie jacket and Sage jean from the Outland Denim x Karen Walker collection. Karen Walker is the first to begin working with MAEKA, with product already in development.

The Maeka Standard™ certification represents the high expectation of sustainability that we expect from ourselves as a manufacturer and as a brand. It encompasses the policy, results and goals that you will read in this report.

We look forward to offering the confidence assured by the Maeka Standard™ to other brands as we begin our foray into ethical and sustainable manufacturing in earnest.

In producing garments for other labels, we aim to alleviate unnecessary doubling up of intellectual capital and infrastructure with their associated costs while making the segue into sustainable manufacturing a more streamlined process for brands desiring to make this transition.

When you see the Maeka Standard™ stamp on a garment, you can have confidence that your clothes were made in the best way possible for you, the planet, and for humanity.







Photo by Sophie Baker Photography

# OUR CULTURE

## INTEGRITY

សេចក្តីសុចរិត

## HONESTY

ភាពស្មោះត្រង់

## HONOUR

កិត្តិយស

## GENEROSITY

សប្បុរសធម៌

## EXCELLENCE

ភាពល្អឥតខ្ចោះ

### UNPAID INTERNSHIP AND VOLUNTEER WORK POLICY

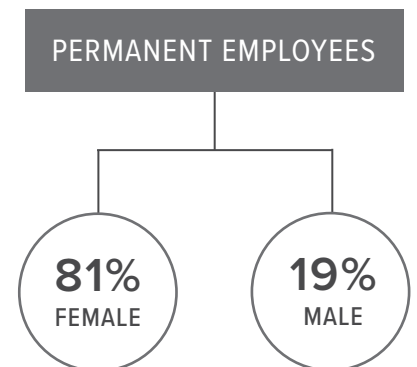
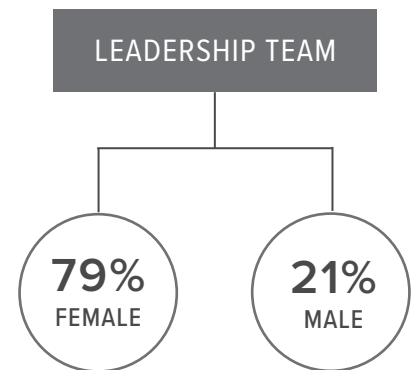
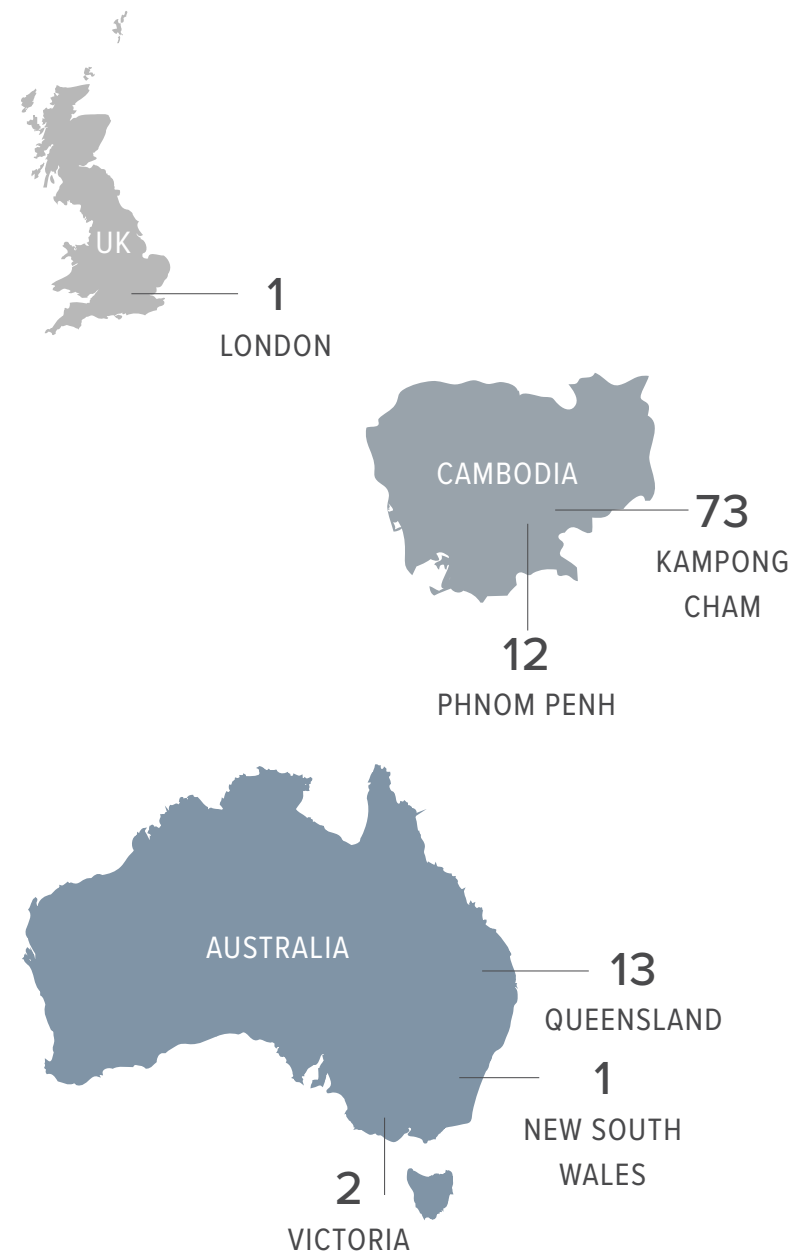
Outland Denim is privileged to attract and welcome a small group of internship and volunteer team members each year.

We are grateful for the opportunity to provide a glimpse into the world of sustainable fashion for young people who are interested in pursuing a career in the field, while contributing to the unique Outland Denim story. Driven by an ethos of Zero Exploitation, our

unpaid internship and volunteer work policy is guided by the advice and requirements of the Fair Work Ombudsman, Queensland.

### WORKPLACE FLEXIBILITY

We support a healthy work-life balance and encourage flexible, autonomous working arrangements with our Administrative and Managerial staff to suit their lifestyle, family, and location.







# ENVIRONMENTAL SUSTAINABILITY

## CLEANING UP THE DIRTY SIDE OF DENIM.

Our aim is to use our brand to revolutionise the way jean manufacturing is undertaken; to partner with and lead our industry to reduce our collective environmental impact; and to use Outland Denim as a case study in reducing and, in time, eradicating the negative environmental impact of the fashion industry.

We are researching and developing projects with partners globally to break ground on reducing the environmental impact of manufacturing and consumption.

Our own facilities use new technology to substantially reduce water, energy, and chemical consumption and outputs. Our strict supply chain criteria ensures each of our raw material suppliers shares in our values and demonstrates leadership in sustainability.

While we still have a way to go, our aim is to create a manufacturing eco-system and product lifecycle that turns our current environmental impact into one that leaves the planet in a better place.

According to the Organisation for Economic Co-operation and Development (OECD), there are links between the exploitation of people, and ‘ecocide’ (i.e. the “destruction of the natural environment, especially when deliberate”). Climate change acts to exacerbate inequalities, insofar as vulnerabilities to climate change coupled with global economic forces are more likely to send people into poverty. In this way, sustainability is more than just environmental. Sustainability is social, environmental, and economic.

DENIM IS A MAJOR CONTRIBUTOR TO ENVIRONMENTAL DEGRADATION.

**“CURRENTLY, FIVE BILLION PAIRS OF JEANS ARE PRODUCED EVERY YEAR. TO PRODUCE THESE, ABOUT 420 MILLION M<sup>3</sup> OF WATER AND 900,000 TONS OF CHEMICALS ARE USED AND OVER 2 MILLION PEOPLE ARE EXPOSED TO TECHNIQUES THAT ARE DETRIMENTAL TO THEIR HEALTH.”<sup>1</sup>**

**CARMEN SILLA**  
Director of Marketing and Communication at Jeanologia

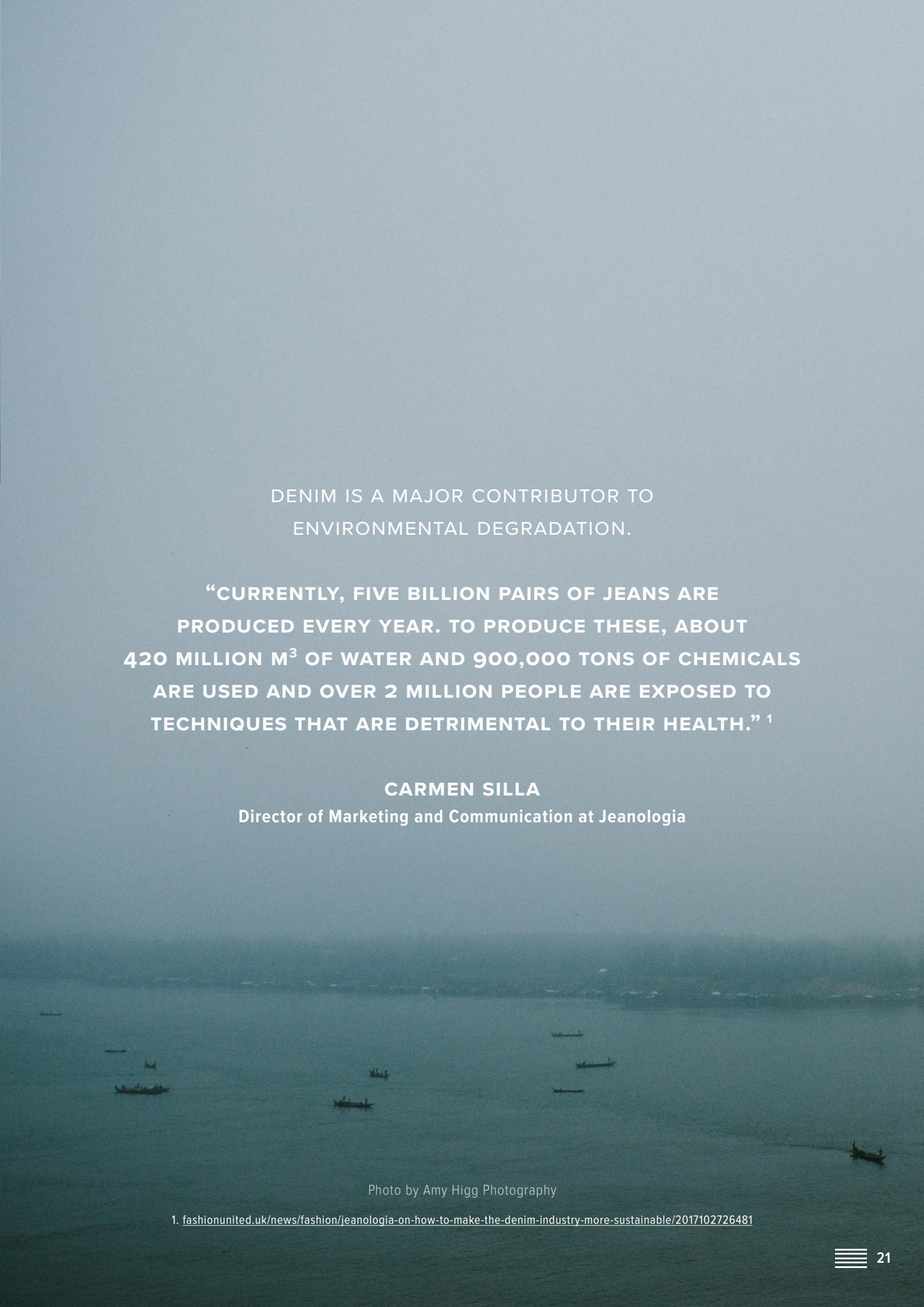


Photo by Amy Higg Photography

1. [fashionunited.uk/news/fashion/jeanologia-on-how-to-make-the-denim-industry-more-sustainable/2017102726481](https://fashionunited.uk/news/fashion/jeanologia-on-how-to-make-the-denim-industry-more-sustainable/2017102726481)



# OUR TECHNOLOGY

OUR PRODUCTION STYLE, COMBINED WITH STATE-OF-THE-ART FINISHING TECHNIQUES, RESULTS IN PREMIUM, FINISHED PRODUCTS WITH LESS ENVIRONMENTAL IMPACT.



Photo by Amy Lawrence



Our state-of-the-art Wash and Finishing Facility is already using market-leading water, power and chemical reducing methods in the processing of our jeans, but we continue to invest into and develop processes to further improve our environmental bottom line.

## MADE WITH E-FLOW

THE LEADING TECHNIQUE FOR TRANSFERRING WASH RECIPES TO OUR JEANS.



95% less water\*



40% less energy\*



90% less chemicals\*

\*compared to traditional techniques.

## MADE WITH LASER



THE MOST ENVIRONMENTALLY FRIENDLY WAY TO CREATE CHARACTER ON OUR JEANS.

## MADE WITH OZONE

THE GREENEST OXIDISING AGENT AVAILABLE.



65% less water\*



20% less energy\*



80% less chemicals\*

\*compared to traditional techniques.



# WATER WISE

The fashion industry is the second largest consumer of the world’s water supply.<sup>2</sup>

But in using Laser, Ozone, and E-Flow technology, we are able to create denim garments with significantly less water than conventional methods.

Depending on the requirements of each design, each denim wash will require a different level of water use. Our design and textile experts work together to bring designs to life with less reliance on water use.

MADE WITH

UP TO 86%  
LESS WATER

in the Wash and Finishing process when compared to conventional methods.

Our <b>highest impact</b> denim wash uses	Our <b>lowest impact</b> denim wash requires
<b>58.7% LESS WATER*</b>	<b>86.11% LESS WATER*</b>

\*during the wash and finishing process.

# LESS ENERGY

The fashion industry is responsible for 10% of the world’s carbon emissions<sup>3</sup> and approximately 8% of global greenhouse gas emissions are generated by the apparel and footwear industries.<sup>4</sup>

Using Laser, Ozone, and E-Flow technology, we are able to create denim garments with significantly less energy usage than conventional methods. As of 2019, we have also integrated solar energy into our Production facilities.

Depending on the requirements of each design, each denim wash will need a different level of energy use. Our design and textile experts work together to bring designs to life with less reliance on energy.

MADE WITH

UP TO 57%  
LESS ENERGY

in the Wash and Finishing process when compared to conventional methods.

Our <b>highest impact</b> denim wash uses	Our <b>lowest impact</b> denim wash requires
<b>35% LESS ENERGY*</b>	<b>35% LESS ENERGY*</b>

\*during the wash and finishing process.



- Develop on-going water management program for Finishing Facility;
- Provide water and safe sanitation education to Outland Denim staff and surrounding communities.



- 100% recycled water to be used in Wash and Finishing Facility. Implement a closed loop water filtration system;
- Track the environmental impact of every garment through the Wash and Finishing process by using 3<sup>rd</sup> party Environmental Impact Management scores;
- Be subject to a case-study evaluating the effects of water recycling on water and plastic pollution in the garment sector.



- Remove 100% of irrigated cotton in the production of our garments;
- Investment in this area will help achieve the Royal Government of Cambodia National Action Plan goal of ensuring every Cambodian has access to water, sanitation and hygiene by 2025.



- Increase use of solar energy in Cambodian Production Facility;
- Conduct a Life Cycle Assessment (LCA) measuring the impact of Outland Denim’s Carbon Footprint.



- Increase use of clean energy in all manufacturing facilities;
- Track the environmental impact of every garment through the Wash and Finishing process by using 3<sup>rd</sup> party Environmental Impact Management scores;
- Create a product that is 100% carbon neutral;
- All domestic and international logistics to be carbon neutral.



- Become carbon + ;
- Achieve Net Zero Greenhouse Gas Emissions by 2030;
- All Outland Denim washes to measure in the ‘Low Impact’ category by using 3<sup>rd</sup> party Environmental Impact Management scores.

2. [www.ellenmacarthurfoundation.org/assets/downloads/A-New-Textiles-Economy\\_Full-Report\\_Updated\\_1-12-17.pdf](http://www.ellenmacarthurfoundation.org/assets/downloads/A-New-Textiles-Economy_Full-Report_Updated_1-12-17.pdf)

3. [www.ellenmacarthurfoundation.org/assets/downloads/A-New-Textiles-Economy\\_Full-Report\\_Updated\\_1-12-17.pdf](http://www.ellenmacarthurfoundation.org/assets/downloads/A-New-Textiles-Economy_Full-Report_Updated_1-12-17.pdf)

4. [www.businessoffashion.com/articles/professional/responsible-fashion-business-sustainability-planet-future](http://www.businessoffashion.com/articles/professional/responsible-fashion-business-sustainability-planet-future)



# ZERO HARMFUL CHEMICALS

Every Outland Denim garment is made with Zero Harmful Chemicals; better for you, the environment, and our team.

The use of harmful substances in textile production has negative effects on farmers, factory workers, and the surrounding environment.

Using Laser, Ozone, and E-Flow technology, we are able to create denim garments with significantly less chemical usage than conventional methods.

Depending on the requirements of each design, each denim wash will require a different level of chemical use. Our design and textile experts work together to bring designs to life with less reliance on chemicals over any kind, even those that are safe.

We exclusively use chemicals that meet at least one of the certifications to the right, while following a strict adherence to the ZDHC Manufacturing Restricted Substance List (MRSL).

MADE WITH

UP TO 83%  
LESS CHEMICALS

in the Wash and Finishing process when compared to conventional methods.

Our **highest impact** denim wash uses

**44%  
LESS  
CHEMICALS\***

Our **lowest impact** denim wash requires

**68%  
LESS  
CHEMICALS\***

\*during the wash and finishing process.

- Green-screen
- Bluesign
- Standard 100 by OEKO-TEX ®

# WASTE AND REPURPOSING

100% OF EXCESS TEXTILE WASTE FROM OUTLAND DENIM’S PRODUCTION FACILITY IS DIRECTED TOWARDS TEXTILE RECYCLING RESEARCH, NOT-FOR-PROFIT SOCIAL ENTERPRISES AND NGOS FOR TRAINING AND AWARENESS PROJECTS.

Waste is a key issue facing the globe right now. With growing populations, increased consumption and unsustainable resources, the issue of waste needs to be addressed.

Over 70% of clothing textiles end up in landfill or incinerated. (Ellen MacArthur Foundation)

With an overabundance of textile waste being generated by the industry, textile manufacturing has a lot to answer for. Finding sustainable solutions to textile recycling will allow for a greater utilization of raw material energy inputs, while reducing secondary pollution and landfill masses.

In the last 12 months:




- 120 reusable water bottles were provided to staff to replace plastic bottles;




- 250kg of biodegradable cassava bags replaced plastic poly bags in international transport;
- Use of 35% recycled polyester in pocket linings;
- Over 93% of range uses natural raw materials.

Outland Denim prioritises partnering with suppliers who have water and waste management processes in place. Currently, 80% of Outland Denim’s second tier direct suppliers implement waste management systems.



Outland Denim is currently researching waste management systems that will go beyond safely removing waste from landfill to have a positive environmental impact for the broader community.

- 
  - All material suppliers to hold Standard 100 by OEKO-TEX ® certification;
  - Proceed testing chemicals through the ZDHC Manufacturing Restricted Substance List gateway.
- 
  - Track the environmental impact of every garment through the Wash and Finishing process by using 3<sup>rd</sup> party Environmental Impact Management scores;
  - Prioritise use of Bluesign certified chemicals.
- 
  - Research new sustainable and safe chemical options to get all Outland Denim wash and finishing processes to measure in the ‘Low Impact’ category using 3<sup>rd</sup> party Environmental Impact Management scores.

- 
  - Finalise environmental testing and continue diverting Outland Denim textile waste to research and development programs;
  - 100% of direct suppliers waste management systems signoff.
- 
  - 100% of all post-industrial waste materials to be diverted from entering landfill within two years.
- 
  - Find a solution to textile waste in landfill, that can be utilised by Outland Denim as well as other brands;
  - Create carbon offsets as a by-product of products sold;
  - Create waste management system that leaves planet and people in a better position;
  - Establish plastic free facilities;
  - Implement post-consumer recycling or second-hand program.



# DYED RESPONSIBLY

WE PRIORITISE THE USE OF NATURAL INDIGO DYES DERIVED FROM A PLANT SPECIES CALLED INDIGOFERA.

Use of natural vegetable dyes means that workers are not exposed to toxic chemicals and the likelihood or severity of water pollution is reduced, leading to an overall increase in the sustainability of our jeans.

It is thought that 20% of industrial water pollution globally is attributable to the dyeing and treatment of textiles.<sup>5</sup>

Where available, we use “Saveblue” dyes, which have been found by Cukurova University to save 87.5% of water in the dyeing process compared to conventional methods.

The use of toxic synthetic indigo dye poses a major threat to environmental and human health in and near manufacturing facilities.

Where vegetable dyes are not available, we ensure any dyes are certified organic or have been tested for harmful chemicals.



We are collaborating with research partners and industry leaders to further minimise our water, chemical and power usage at the mill level. This includes the dyeing and processing of denim. Our desire is to see further reduced impact that is scalable, technology driven and available to other brands.

# CHARITY PARTNERSHIPS

IN THE LAST 12 MONTHS,

**OUTLAND DENIM HAS DONATED \$244,000 WORTH OF PRODUCT**

**TO THREAD TOGETHER TO DELIVER NEW, GOOD QUALITY DENIM TO PEOPLE IN THE AUSTRALIAN COMMUNITY WHO ARE DOING IT TOUGH.**

Photo by Ivana Martyn-Zyznikow



- Continue research program into black dye alternatives that use organic or plant-based dyes;
- Increase use of water-saving, “Saveblue” dyes in range.



- Implement findings of research program into black dye alternatives that use organic or plant-based dyes into 100% of Outland Denim’s black denim range.



- Collaborate across the fashion industry to make research into black dye alternatives available and usable for other brands manufacturing denim.



- Continue partnership with Thread Together to support local community members with dignified new garment choices.



- Establish similar partnership programs in each of Outland Denim’s major regions of distribution, including the United States, United Kingdom, and Canada.



- Partner with Thread Together and other charity partners to mobilise Outland Denim employees to support the delivery of jeans to clients.

5. [www.wri.org/blog/2017/07/apparel-industrys-environmental-impact-6-graphics](http://www.wri.org/blog/2017/07/apparel-industrys-environmental-impact-6-graphics)



# AMY FORMER

THE WORLD’S MOST SUSTAINABLE VINTAGE-WASH DENIM ON THE MARKET

This year we introduced the Amy Former jean, the most sustainable vintage-wash denim jean on the market today. A combination of natural fibres including organic cotton, recycled cotton, and lyocell makes up Amy’s rigid denim. The fabric’s open-style weave results in a beautiful, rich colour contrast, and allows our wash recipe to react to the fabric faster, and a short wash process means less environmental impact. Made up of all-natural fibres (without polyester and elastane), choosing the Amy jean will ensure significantly less micro-plastics are released into our waterways when laundered.

## IN THE WASH AND FINISHING PROCESS WE UTILISED:

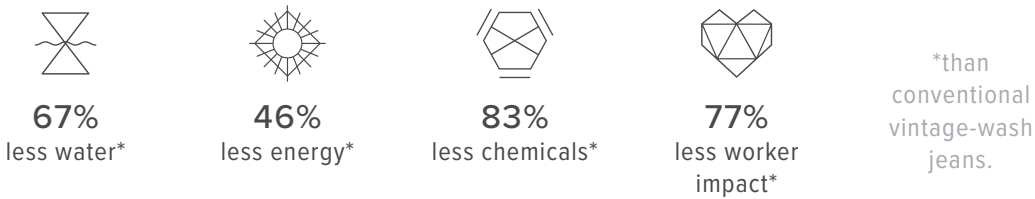


Photo by Ivana Martyn-Zyznikow



# THE HARRIET BLACK

OUR BEST SELLER

The much loved Harriet Black jean is our best selling style. It is also one of our lowest impact jeans environmentally, in the finishing process.

When it comes to our classic black denim jeans, less is more. We barely touch our black denim jeans making this wash low impact and better for the environment.

## IN THE WASH AND FINISHING PROCESS WE UTILISED:



Photo by Carin Garland Photography





# DESIGN



Photo by Carin Garland Photography



Photo by Carin Garland Photography

**“SUSTAINABILITY IS A KEY LENS FOR OUR DESIGN TEAM. FROM RAW MATERIALS TO OUR CLASSICAL APPROACH TO DESIGN, WE AIM TO PRODUCE THE MOST SUSTAINABLE GARMENTS WE CAN. AS WE ARE CONSTANTLY RESEARCHING NEW TECHNOLOGIES, OUR STANDARDS ARE ALSO EVOLVING AND IMPROVING. WE STRIVE TO REMAIN AGILE AND OPEN TO EMBRACING NEW AND BETTER METHODS, TO ENSURE THAT OUR PRODUCTS ARE BEING ELEVATED TO THE HIGHEST LEVELS OF SUSTAINABILITY AND DESIGN.”**

**MATT TRAYNOR**  
Brand Manager





# DESIGN

## **OUR DESIGN LENS STARTS WITH SUSTAINABILITY.**

For us, this means we are looking at the full lifecycle of our products, from our raw materials to our production and handling, and deciding what will make a well-rounded impact across our key sustainability measurement points: social, environmental and economic.

We are committed to producing in a way that minimizes our negative impact on power usage, water consumption and chemical usage while maximising our potential to make a positive impact through the world's most progressive social empowerment agenda for a fashion brand.

## **TRANSITIONING FROM TWO FULL SEASONAL COLLECTIONS PER YEAR TO SIX SMALL, CAPSULE COLLECTIONS PER YEAR.**

In the next 12 months, instead of seasonal collections, we will produce bi-monthly capsule collections and expand into new garment categories. These products will be available directly to the consumer as well as to Outland Denim's wholesale clients.

The shift will support retailers by offering a shorter lead time from design to delivery, minimise the risks associated with long lead forecasting, minimise dead stock and overstock (inventory that does not sell or cannot be sold), and offer newness to consumers with a considered approach.

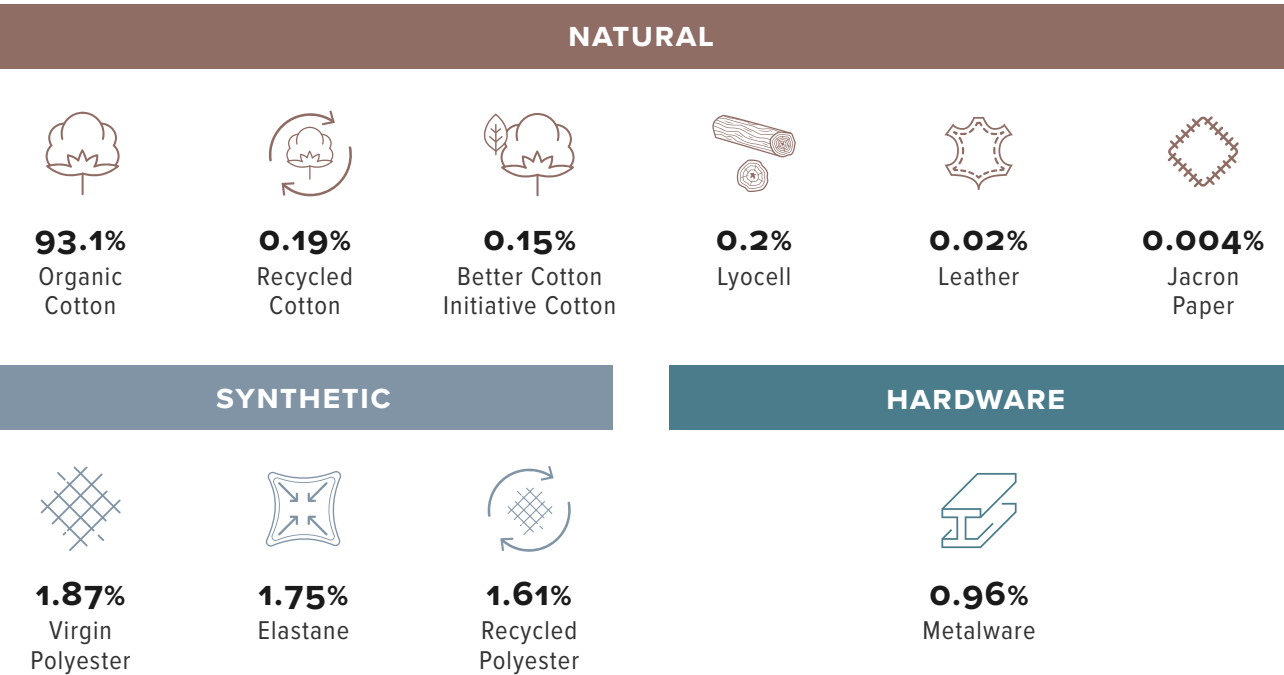




# RAW MATERIALS

OVER 93% NATURAL RAW MATERIALS

MATERIAL CONSUMPTION BY WEIGHT:



Sustainability starts with thoughtful design and the considered selection of the most sustainable raw materials possible. We aim to minimise impact on the environment by sourcing the most sustainable materials available on the market today, while investing in research to discover even better materials for tomorrow.

At Outland Denim, we prioritise the use of natural fibres or biodegradable materials that have low-impact production methods. While we have not been able to eliminate the use of virgin polyester completely from our manufacturing owing to a number of factors, we are currently investigating polyester alternatives.

Polyester production for textiles released about 706 billion kg (1.5 trillion pounds) of greenhouse gases in 2015, the equivalent of 185 coal-fired power plants' annual emissions.<sup>6</sup>

According to McKinsey & Company, 20-35% of all microplastic flows into the ocean are attributed by fashion.

6. [wri.org/blog/2017/07/apparel-industrys-environmental-impact-6-graphics](https://www.wri.org/blog/2017/07/apparel-industrys-environmental-impact-6-graphics)

## PRIMARY RAW MATERIALS AND COMPONENTS

### ORGANIC COTTON

Outland Denim has selected certified organic cotton as its primary fibre in the production of its products. 100% of the denim we choose to work with contains organic or recycled cotton.

We came to our decision to use organic cotton after utilising external researchers to generate unbiased assessments of the impacts for various cotton alternatives.

Our multi-criteria analysis (MCA) was undertaken when we were first sourcing our preferred denim supplier. The MCA looked into BT-cotton, organic and Fairtrade. It assessed how well each alternative fulfils the various objectives of Outland Denim.

The criteria researched for each cotton alternative included:

- Water Pollution
- Water Use
- Soil Quality
- Physical Health
- Mental Health
- Gender Equality
- Community Benefits
- Income to farmers
- Costs to Outland Denim

After considering the final scores in combination with all of Outland Denim's objectives, it was decided that out of the alternatives assessed, organic cotton was the most suitable for Outland Denim.

Our conclusion took into account the significantly superior performance of organic cotton in regard to its economic and environmental aspects, as well as its promising social impact.

The selection of organic cotton means zero use of agrochemicals. Long term use of agrochemicals can dramatically reduce soil health and severely affect workers' health.

Elimination of chemicals and GMOs in organic agriculture benefits the health and safety of farmers and communities, contributing to the UN Sustainable Development Goals of Good Health and Well-being (SDG3), Clean Water and Sanitation (SDG6), Decent Work and Economic Growth (SDG8), Sustainable Cities and Communities (SDG11), Responsible Consumption and Production (SDG12), Climate Action (SDG13), and Life on Land (SDG15).

To understand the full environmental and social impact of Outland Denim's organic cotton, and how it contributes to the SDGs, we are working hard to derive more first-hand knowledge at the farm level. This includes understanding the farmers' knowledge, capacity, competence, access to resources, working capital, levels of innovation and other supports.

We will continue researching and learning to broaden our understanding as new and more sustainable solutions become available.







Photo by Sabine Bannard



Still by Annika Damon



Photo by @samjamphoto\_

## METALWARE

Outland Denim aims to further reduce its environmental footprint through increasing its use of buttons, burrs and rivets crafted with more sustainable colours and finishing processes. Outland Denim has begun using a range of sustainable metal colours made without any electroplating processes. By eliminating the electroplating process, the sustainable metal colours use less water and less chemical substances as well as saving electricity usage and thermal energy. No harmful substances are used due to removing any galvanic process during production. The sustainable metal colours provide a solution that will confidently minimize Outland Denim's environmental footprint.

Outland Denim has begun introducing Natulon Zip Tape into its products, as it is made from recycled materials, such as PET bottles and other post-consumer materials using the latest material recycling technologies.

## LEATHER

Packer Leather is a fifth-generation, family owned leather producer in Queensland, Australia. The Queensland Government has awarded Packer for their clean processes and environmental stewardship. Packer Leather received Gold, the highest rating available, by the Leather Working Group for their sustainable environmental business practises. Adhering to European restricted substance lists, recycling 40% of water used, utilising solar and significantly reducing the consumption of natural gas and release of CO<sub>2</sub>, Packer were the natural choice for Outland Denim patches.

## JACRON PAPER

Of the brand patches used by Outland Denim in the past 12 months, 19.81% were made of jacron paper, which we had been researching and trialing prior to inclusion in our production. Animal rights are something close to the heart of many Outland Denim customers, so we wanted to be able to cater to their values while choosing a supplier that could also live up to our high expectations when it comes to quality.

Made from raw cellulose, jacron offers excellent dimensional stability. Frameless Asia, our suppliers of jacron paper patches, utilize the HIGG index to measure their sustainability practices and have implemented water recycling and waste reduction initiatives within its facilities. As a Bluesign system partner they are required to meet a high level of safety for both people and the environment, to use resources responsibly and to continuously improve their environmental performance. Their jacron patches are OEKO-TEX® Standard 100 certified to ensure they are tested for harmful substances. Frameless Asia employees enjoy a fair wage.



**We are currently working with denim mills deeply invested in the development of fabrics that can replace the plastic content (i.e. polyester) in denim with bio-available solutions. Currently, these eco-friendly fabrics are at a development stage that require significant improvement in order to prove high performance and a long life-cycle.**

## THREAD

Outland Denim has begun changing its thread over from a core spun poly cotton thread to EcoVerde, a 100% recycled premium polyester core spun thread. Waste plastic is collected from various industrial and post-consumer sources. Used plastic (PET) bottles are a significant proportion. These are collected, sorted, cleaned, ground into flakes and then melted down and extruded into the fibre and filaments from which EcoVerde sewing threads are made. Because it consists entirely of recycled plastic fibres, EcoVerde has a significantly lower carbon footprint than virgin fibres.

## VIRGIN AND RECYCLED POLYESTER

At Outland Denim, we have chosen to utilise both recycled and virgin polyester in our garments. Currently we believe that virgin polyester performs to a higher standard and also slows the release of microplastics into waterways, as opposed to recycled polyester. Creating longevity and high

performance in our denim is a crucial part of sustainability. In other components of our products such as our pocket bags, we are utilising a recycled polyester which helps add to the strength and durability through our laundering process and onwards into the products life cycle.

Polyester is a component of our raw materials that we will continue to reduce our reliance on as adequate and more sustainable alternatives become accessible. We are actively looking for and researching with mills for solutions in this space. Though polyester is utilised to strengthen fabrics, and therefore, increases the life of the garment, it has negative environmental impacts (such as releasing microplastics as well as its end of lifecycle lack of degradability). We are actively looking for a solution that will allow our products to both perform to the highest standards while also avoiding a negative environmental impact.



- Make 100% of the Outland Denim range leather-free;
- Further use of natural cellulose fibres and therefore reduced use of polyester;
- Expanding range and products for increased employment opportunities and job creation;
- Test durability by way of laundry test.



- Decrease environmental impact of using stretch fabrics while maintaining and improving product durability;
- Expand product repair opportunities;
- Change the interlining of jean waistbands to an option crafted using recycled polyester fibres.

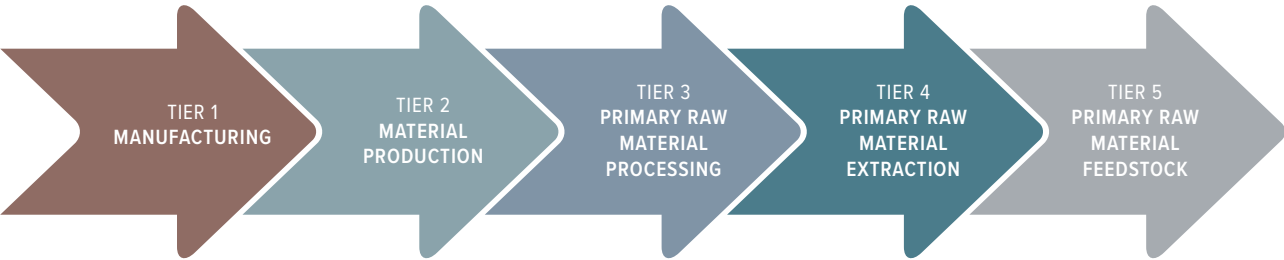


- Remove the environmental impact of using stretch fabrics in the post-consumer phase.





# SUPPLIERS



Outland Denim’s supply chain tiers have been assessed based on Traceability Scoring criteria. Outland Denim requires each supplier, in each tier of the supply chain to meet or exceed a minimum of 75% of the criteria, to be considered ‘Traceable’. Please see *Traceability Scoring* for more information, page 46.

**TIER 1: MANUFACTURING**  
**100% ACHIEVED TRACEABILITY\***

Outland Denim Cut and Sew Facility  
LOCATION: CAMBODIA

Outland Denim Wash and Finishing Facility  
LOCATION: CAMBODIA

\* % of the supply chain tier that has met or exceeded the minimum requirement in order to be defined as Traceable.





TIER 2: MATERIAL PRODUCTION  
100% ACHIEVED TRACEABILITY\*

BUTTONS AND RIVETS

Sourced from: Timay and Tempo

LOCATION: Turkey

- Zero Harmful Chemicals
- Standard 100 by OEKO-TEX® certified

DENIM

Sourced from: Bossa Denim

LOCATION: Turkey

- Leaders in sustainability
- Zero harmful chemicals
- Organic cotton
- Water wise

JACRON PATCH

Sourced from: Frameless Asia

LOCATION: China

- Vegan
- Water/waste recycling and reduction initiatives
- Fair wages for employees
- Bluesign systems partner

LEATHER BRAND PATCH

Sourced from: Packer Leather

LOCATION: Australia

- Australian Business
- Award winning environmental practices
- Vegetable tanned

POCKET LINING

Sourced from: Beijing Kailong Yisheng Textile

LOCATION: China

- 35% recycled materials
- 100% wastewater recovered
- Renewable energy
- Better Cotton Initiative (BCI) Cotton

THREAD

Sourced from: Coats

LOCATION: Vietnam

- ZDHC Initiative
- ISO 14001 'Environmental Management Systems' certified
- Zero harmful chemicals
- Fair wages for employees
- Plastic and water recycling processes
- Community driven approach

ZIPPERS

Sourced from: YKK

LOCATION: Vietnam

- Part of the Zero Discharge of Hazardous Chemicals Initiative (ZDHC)
- Zero harmful chemicals
- Holistic support for workers

LABELS

Sourced from: QLM Labels

LOCATION: Cambodia

- ISO9001:2015 Quality Management System certification
- Local Cambodian supplier
- Prioritises the well-being and up-skilling of staff

Sourced from: CJ Labels

LOCATION: Cambodia

- Use environmentally friendly water-based inks on labels
- Transparent in raw materials
- Standard 100 by OEKO-TEX® certified
- Forest Stewardship Council members

PACKAGING SUPPLIERS - MINOR SUPPLIERS

TOTE BAGS

Sourced from: Fabric Offcuts

LOCATION: Cambodia

- Made by our entry-level seamstresses
- Crafted from locally sourced remnant fabric

CUSTOMER PACKAGING

Sourced from: Austcor | PrintTogether | NovaPress

LOCATION: Australia

- Designed for re-use in the event of return or exchange
- Compostable and recyclable

TRANSIT PACKAGING BAGS

Sourced from: Cleanbodia

LOCATION: Cambodia

- Cassava root starch
- Bioplastic certified
- EN 13432 biodegradable bags
- Made from biologically renewable sources

TRANSIT PACKAGING BOXES

Sourced from: ES Packaging

LOCATION: Cambodia

- Closed-loop recycling system
- Forest Stewardship Council certified
- Raw Materials chemicals all tested



\* % of the supply chain tier that has met or exceeded the minimum requirement in order to be defined as Traceable.



**TIER 3: PRIMARY RAW MATERIAL PROCESSING**  
**100% ACHIEVED TRACEABILITY\***

**ORGANIC COTTON AGENCY & PROCESSING**

**COTTON AGENCY #1**

Agrona  
**LOCATION:** Turkey  
• Global Organic Textile Standard (GOTS) certified  
• 100% disclosure of organic cotton farm locations

**COTTON AGENCY #2**

Akasya  
**LOCATION:** Turkey  
• Global Organic Textile Standard certified  
• 3 x independent auditors - Control Union (Organic EU),  
ISO 9001 and Joint Health and Safety Unit

**COTTON GIN AND BALING PLANT #1**

Sökpam Pamuklu San Tic Ltd Şt  
**LOCATION:** Turkey  
• Global Organic Textile Standard (GOTS) certified

**COTTON GIN & BALING PLANT #2**

Ertemur Tarim  
**LOCATION:** Turkey  
• Global Organic Textile Standard (GOTS) certified

**TIER 4: PRIMARY RAW MATERIAL EXTRACTION**  
**60% ACHIEVED TRACEABILITY\***

*To achieve 100% Traceability for Tier 4, Outland Denim is working to have knowledge of the exact locations for all of the organic cotton farms in our supply chain.*

**COTTON FARMS**

**COTTON FARM**

Agrona  
**LOCATION:** Turkey  
• 29 x organic cotton farmer's names and locations provided  
• Inspected by certification body Control Union - Organic EU  
• No GMO seed allowed  
• No artificial fertilizer  
• No pesticides

**COTTON FARM**

Akasya  
**LOCATION:** Turkey  
• 12 main locations of organic cotton farms provided (approximately 170 farmers)  
• Inspected by certification body Control Union - Organic EU  
• No GMO seed allowed  
• No artificial fertilizer  
• No pesticides

**TIER 5: PRIMARY RAW MATERIAL FEEDSTOCK**  
**100% ACHIEVED TRACEABILITY\***

**ORGANIC COTTON SEEDS**

**COTTON SEED SUPPLIER #1**

Agrona  
Gokkusagi  
**LOCATION:** Turkey

**COTTON SEED SUPPLIER #2**

Akasya  
ProGen Seed Inc.  
**LOCATION:** Turkey

\* % of the Primary Raw Material supply chain tier that has met or exceeded the minimum requirement in order to be defined as Traceable.





TRACEABILITY SCORING

Outland Denim has developed a Traceability Score for its supply chain tiers based on the methodology that the supplier of origin for each raw material must score a minimum of 75% of the total available score. This score is generated through each supplier’s transparency in providing and exceeding the following criteria:

- Raw material breakdown;
- Country of origin of raw materials;
- Business name and location;
- Externally assessed social standard/certification;
- Externally assessed environmental standard/certification.

SUSTAINABILITY AND ETHICS CRITERIA

94% of the direct supply chain has met Outland Denim’s Sustainability and Ethics Criteria.

Outland Denim has developed an internal Sustainability and Ethics Criteria through which to filter its direct Major Suppliers (2<sup>nd</sup> tier).

Outland Denim chooses to work with suppliers that score a minimum of 80% based on meeting and exceeding the following Sustainability and Ethics Criteria:

- Agree and adhere to Outland Denim’s Ethical Trading Policy;
- Exact name and address of supplier is provided and publically available;
- Evidence of employee wages to ensure legal requirements are met (at minimum);
- Adheres to a recognised Manufacturing / Restricted Substance List (MRSL and/or RSL);
- Provided raw material/ingredients list of the material;
- Visited by Outland Denim personnel, has provided audit results to Outland Denim, or has been assessed by an internationally recognised external certification body.



Photo by Amy Higg Photography

OUTLAND DENIM’S ETHICAL TRADING POLICY

Outland Denim’s Ethical Trading Policy for all parties contributing to the supply chain is firmly established on respect for human and labour rights. It has been set upon the foundations of The Ethical Trading Initiative Base Code, and, in turn, the International Labour Organization’s Four Fundamental Principles and Rights at Work. Outland Denim requires all supply chain partners to meet or exceed the standard outlined in its Ethical Trading Policy.



Criteria for adherence with this policy requires that the supplier company upholds freedom of association and collective bargaining, and the elimination of forced labour (including employee protection around recruitment fees), child labour and employment discrimination.

THE OUTLAND DENIM ETHICAL TRADING POLICY COVERS THESE CATEGORIES:

- |   |   |
|---|---|
| 1. No Forced Labour   | 8. Working Hours Are Not Excessive              |
| 2. No Child Labour  | 9. Regular Employment                           |
| 3. No Discrimination  | 10. Traceability of Suppliers and Raw Materials |
| 4. Respect for Freedom of Association & Collective Bargaining | 11. Health and Safety of Products               |
| 5. No Harsh or Inhumane Treatment                             | 12. Environmental & Community Awareness         |
| 6. Safe and Hygienic Working Conditions                       | 13. Confidentiality of Information              |
| 7. Wages Are Paid   | 14. Legal Requirements                          |
|   | 15. Code Implementation                         |

Further to the above policy requirements, Outland Denim has supported suppliers as necessary by providing resources and examples of ways to create and/or strengthen their child labour remediation plans.

Outland Denim has provided information and explained concepts such as living wages and the importance of transparency to further educate our supply chain partners.

- 
  - Outland Social and Environmental Impact Manager or representative of Outland Denim to visit organic cotton farms to research social standards;
  - Support vulnerable worker populations down the supply chain with training in local language about human rights, modern slavery and anti-trafficking;
  - 100% of direct supply chain meet Outland Denim’s Sustainability and Ethics Criteria;
  - 100% Traceability\* achieved for every tier of our primary raw material supply chain.
- 
  - Support suppliers with free training, plans and programs to improve social conditions for all workers;
  - Assess further to current methods the use of fibres used for our raw materials, taking into account the environmental impact of each;
  - Traceability Scoring System and Sustainability and Ethics Criteria implemented for minor suppliers (ie. packaging).
- 
  - Work with suppliers and farmers in supporting improvements for water, pesticide and chemical and energy usage during production;
  - Monitoring farmers’ income to ascertain that fair cotton prices and wages are being paid;
  - Partner with experts to ensure a robust human rights due diligence program is in place throughout the supply chain, from farm to final product.





# SOCIAL IMPACT

## MODERN SLAVERY STATEMENT

Outland Denim was proud to provide recommendation to the creation of Australia's Modern Slavery Act 2018.

Outland Denim will continue to input into relevant government policy such as Australia's Modern Slavery Act and the Inquiry into Australia's Aid Program, as these align with our core mission to be part of combating modern slavery through a business model.

Outland Denim will submit a Modern Slavery Statement in 2021. Although we are not legally obligated to do so, we wish to fully support the Government's actions in creating this legislation and encourage other SMEs to consider also submitting.





Photo by Amy Higg Photography

**“IT IS AN INCREDIBLE PRIVILEGE TO BE PART OF PIONEERING A BRAND AND BUSINESS MODEL THAT HOLDS PEOPLE, PLANET AND PURPOSE AT ITS CORE. WE BELIEVE THIS IS WHAT TRUE SUSTAINABILITY HAS TO LOOK LIKE, IN ORDER FOR BUSINESS TO BECOME THE FORCE FOR GOOD THAT OUR WORLD NEEDS.”**

**LEISL LANCASTER**  
Social and Environmental Impact Manager

## INTRODUCING THE OUTLAND DENIM MEDICAL CLINIC

The year 2019 saw the establishment of our first on-site medical clinic to provide health support and care. The facility is equipped with introductory resources on topics such as: high blood pressure; diabetes; depression; cervical cancer; scabies; nutrition; colds; malaria; nutrition for children; diarrhea; and menstrual health.

The Outland Denim clinic has a Health Hotline that all employees are welcome to use for health support or advice. They can access this hotline anonymously if they wish to do so.

The Outland Denim Medical Clinic is supported by the Australian Government and Outland Denim.

We would like to express our thanks for funding support, which contributes to our goal of providing high-quality health care, education and support to Outland Denim employees, and in turn, to see their quality of personal, professional and family life improve.

**THIS HOLISTIC MODEL WILL DIRECTLY CONTRIBUTE TO REDUCING INSTANCES OF EXPLOITATION, WHILE DEMONSTRATING AN ECONOMICALLY BENEFICIAL MODEL FOR OTHER BUSINESSES TO REPLICATE.**



**Australian  
Aid**



- Welcome an on-site mental health support professional to the team;
- Collate health data to guide educational seminar topics and monitor overall impact of the clinic.

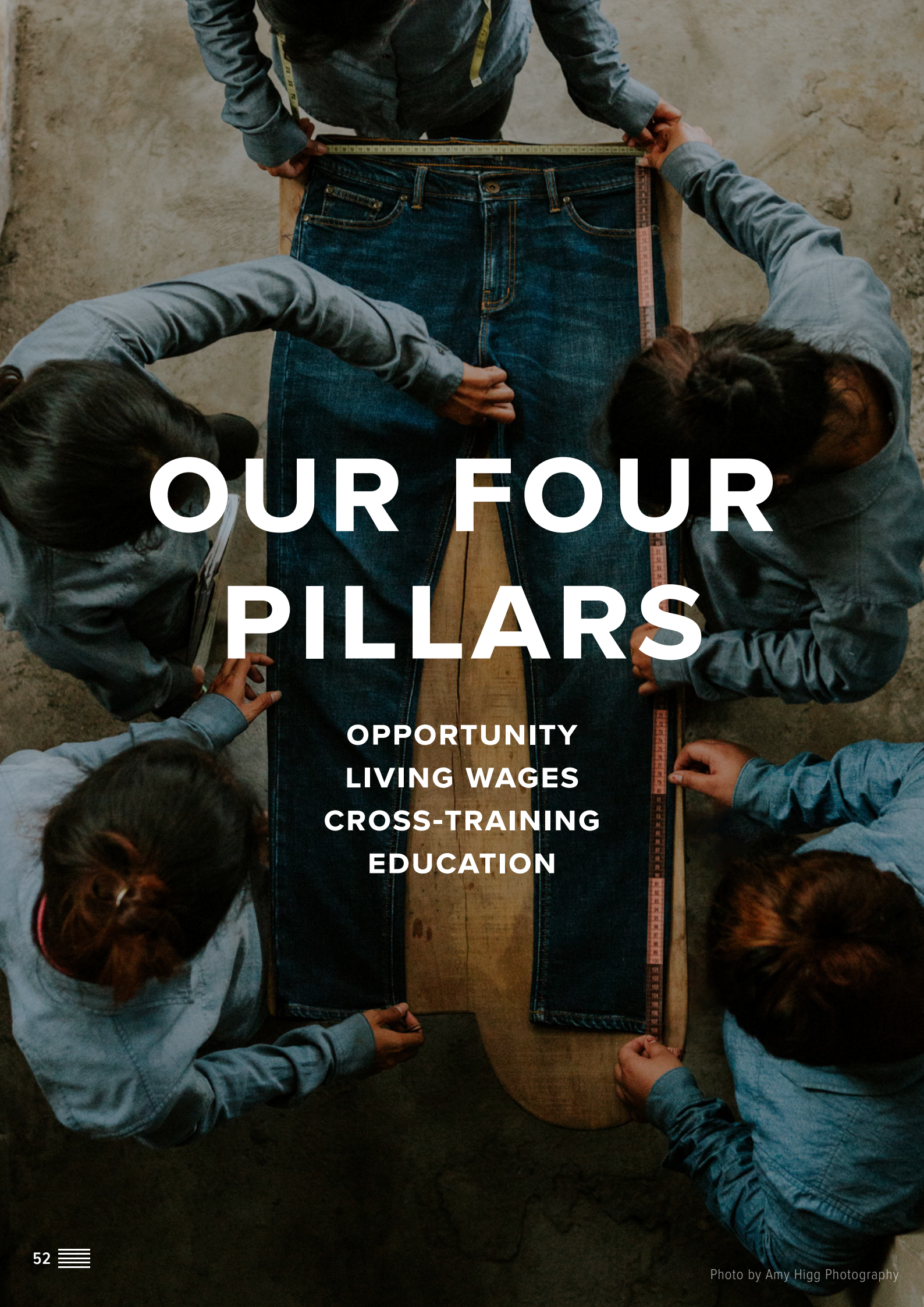


- Develop, facilitate and replicate a Mental Health program aimed at employees with low levels of literacy and education who have experienced exploitation prior to their employment with Outland Denim. Improve self-care, mental health and, therefore, workplace productivity and satisfaction;
- Contribute to a reduction in preventable disease and illness in workforce and workforce households.



- Open Outland Denim Health Clinic for the benefit of the wider local community.





# OUR FOUR PILLARS

OPPORTUNITY  
LIVING WAGES  
CROSS-TRAINING  
EDUCATION

## OPPORTUNITY

Providing employment opportunities to those who are vulnerable and those who may not receive the opportunity to work otherwise.

Approximately 14.5% of Outland Denim's full-time Cut and Sew Facility employees have come from NGO partners working with people who have come out of human trafficking and other forms of exploitation.

However, approximately 76% of employees have come from exploitative situations or from a position of vulnerability to being exploited. The level of vulnerability to exploitation is assessed considering the employee's previous situation.

### Risk factors for vulnerability may include:

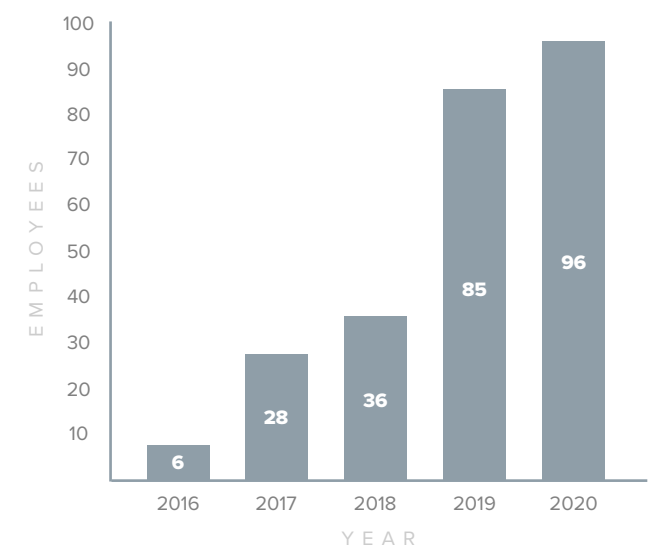
- Feeling fearful in their previous place of work due to safety standards, intimidation, harassment, or lack of basic rights under the international labour laws;
- Limited or unregulated options for work due to lack of education;
- Receiving less than a minimum wage;
- Experience of trafficking or forced labour;
- Sole income earner for dependents with limited safety nets;
- Long-term unemployment;
- Significant debt;
- Member of a people group experiencing severe marginalisation or discrimination;
- Severe physical or learning disability.

**85% OF STAFF (FORMERLY AT RISK) REPORT A REDUCED LEVEL OF RISK TO EXPLOITATION AFTER 6 MONTHS OF EMPLOYMENT AT OUTLAND DENIM.**

We interview each staff member when they commence work with Outland Denim, and again after six months of employment. Staff who had come from situations causing vulnerability to exploitation are informally assessed as to whether employment with Outland Denim has been part of changing their level of vulnerability.

**FROM 2016 TO 2020, WE HAVE BEEN ABLE TO IMPACT 750 PEOPLE, STAFF AND HOUSEHOLD MEMBERS AND DEPENDANTS, WHO BENEFIT FROM STABLE EMPLOYMENT WITH OUTLAND DENIM AND LIVING WAGES.**

CAMBODIAN STAFF NUMBERS  
2016 - 2020



\*As of 1 January 2020



# LIVING WAGES

## 100% OF OUR STAFF HAVE THE OPPORTUNITY TO ENJOY A LIVING WAGE.

All Outland Denim Cambodia staff receive training in financial management and budgeting. 17% of staff report their debt has reduced thanks to the financial management education with Outland Denim.

1 in 6 people are employed by the fashion industry, however less than 2% enjoy a living wage.<sup>7</sup> 35% - 40% of garment workers are not paid a minimum wage.<sup>8</sup>

Our wage methodology is guided by:

- The Anker Method
  - Food
  - Housing
  - Other essential needs (transport, health care, education, savings)
- Consultation with long-term Cambodian based frontline rescue agencies, NGOs and social businesses;
- Average number of Outland Denim staff household members and income earners;
- Seniority and experience;

- Cost of living data from employee and local surveys and online research (trading economics).

On average in 2019, the Outland Denim Cambodia staff member lives in a household with:

- **5.1 family members**
- **2.2 income earners**

## CROSS-TRAINING

Unlike a standard garment factory, our seamstresses are trained in every element of the jean-making process. Over a period of approximately two years our trainee staff enrol in a program of cross-training and upskilling to gain a deep knowledge in the areas of cutting, finishing, and sewing. With demonstrated proficiency, our seamstresses are given the opportunity to progress their careers to managerial roles.



# EDUCATION

## OVER 105 HOURS OF EDUCATION AND TRAINING PROGRAMS IN THE LAST 12 MONTHS.

As part of our holistic approach to staff care, our staff receive education as part of their employment in areas that will support their personal growth as well as their families and communities. Topics include health, human trafficking awareness, English, financial management, self defence and more. The education and training at Outland Denim was unfortunately disrupted between 23<sup>rd</sup> March and 30<sup>th</sup> June 2020 due to COVID-19.

We also encourage our leadership team in Cambodia to undertake various training and development opportunities whenever possible.

Due to COVID-19, we regretfully needed to pause education programs while our facilities were closed, meaning education hours were reduced by approximately 30% in the past 12 months when compared to the 2019 calendar year.

Outland Denim strongly believes that education is a crucial part of the holistic approach required to combat modern slavery and the further exploitation of people.

In Outland Denim's situation, as is often the case in the garment industry in South East Asia, low levels of education have resulted in staff having limited knowledge in the crucial area of health, as well as many other important areas.

To give context around the need for Outland Denim's workshops, of our Cut and Sew Facility staff approximately **42%** have not gone past a Primary (Grade 6) level of education and approximately **17%** of staff have not gone past a 4<sup>th</sup> Grade level of education.

## 88% OF OUTLAND DENIM CAMBODIAN EMPLOYEES HAVE SHARED KNOWLEDGE FROM THEIR TRAINING WORKSHOPS WITH OTHERS IN THEIR FAMILIES AND COMMUNITIES.



- Acquire evidence that all second tier suppliers remunerate their staff with a fair wage;
- Continue to influence industry and advocate for better wages throughout the supply chain.



- Outland Social and Environmental Impact Manager (with a social auditing expert) to visit supplier facilities to ensure social compliance and that Corrective Action Plan (CAPs) are being followed;
- Expand on Living Wage Methodology and research for each location and tier in Outland Denim's supply chain.



- All suppliers in each tier to remunerate their staff with a fair wage, adequate to ensure a decent standard of living;
- Establish retirement fund for Outland Denim Cambodia staff.

7. Fashionopolis: The Price of Fast Fashion & The Future of Clothes

8. [commonobjective.co/uploads/?file=28-Poverty-a42.pdf](https://commonobjective.co/uploads/?file=28-Poverty-a42.pdf)



## OUR PROGRAMS

### Health

Sickness is a common cause for families falling into debt bondage in Cambodia. Debt increases vulnerability to trafficking and other modern slavery situations. On an economic level, sick leave affects the productivity and therefore, profitability of business.

Outland Denim's health program has been designed with guidance from health professionals including a qualified Australian Nurse and an American Physician's Assistant, both working in the local community.

Their guidance and expertise combined with management insights from on-the-ground experience, staff surveys, and research into common local health issues, inform our health programs which over the last 18 months primarily focused on:

#### General Health

- First Aid
- Ergonomics
- Safety in the workplace
- COVID-19 prevention

#### Women's Health

- Sexually transmitted diseases
- Cervical cancer
- Hep B
- HIV
- Menstrual health

The World Bank<sup>9</sup> has commented that health and education both remain important challenges and development priorities for Cambodia. WHO also states that cervical cancer is the leading cause of cancer mortality among women in Cambodia. An estimated 1500 women are newly diagnosed with cervical cancer and at least 900 women die of the disease each year.<sup>10</sup>

With such a diverse range of backgrounds, Outland Denim ensures all education on health, and in particular sexual health, is approached sensitively and with cultural awareness.

#### Human Trafficking Awareness

By teaching employees about human trafficking and developing their understanding of the signs, we raise awareness of, and therefore reduce trafficking in, their families and communities.

Outland Denim partners with anti-trafficking experts to provide these education workshops to our employees. Employees are given direct access to a hotline for professional support, should they require services in investigation and retrieving back victims of trafficking.

**100% OF OUTLAND DENIM EMPLOYEES RECEIVED EDUCATION AT OUTLAND DENIM ON IDENTIFYING AND REPORTING HUMAN TRAFFICKING.**



**FROM THIS TRAINING, WE'VE SEEN INVESTIGATIONS INTO TRAFFICKING CASES STARTED, THAT HAVE RESULTED IN RELATIVES AND FRIENDS OF OUTLAND DENIM EMPLOYEES BEING LOCATED.**

#### Financial Management

Debt increases vulnerability to trafficking and other modern slavery situations. Run by a qualified Cambodian finance professional, employees are educated on important aspects on financial management including:

- Saving, budgeting and wise spending;
- Financial planning (children's education, housing, etc.);
- Investing;
- Discussing finances with family;
- Responsible borrowing, debt and interest rates;
- Using a local bank account, and the benefits of using a bank account.

**17% OF STAFF REPORT THEIR DEBT HAS REDUCED THANKS TO THE EDUCATION FROM OUTLAND DENIM.**

#### English Program

Our unique English program focuses on speaking and listening skills to ensure that employees with low education levels can still benefit and participate.

Additionally, to increase employability and give opportunities for practice on a daily basis, our programs include industry specific terms. Leadership team members are notified on words and topics from the English classes, to practise the new words with employees. English language posters with pictures are positioned around the Cut and Sew Facility to naturally incorporate and encourage learning in the workplace.

9. [www.worldbank.org/en/country/cambodia/overview](http://www.worldbank.org/en/country/cambodia/overview)

10. [www.wpro.who.int/cambodia/topics/cancer/en/](http://www.wpro.who.int/cambodia/topics/cancer/en/)



### Self Defence

Our annual self defence program is run by a USA Special Forces team. This program is designed to increase staff confidence in self defence techniques, increase self-confidence, and equip staff members with the skills to defend themselves.

**IN OUR 2019 TRAINING, 87.5% OF STAFF SAID THIS WORKSHOP INCREASED THEIR CONFIDENCE ABOUT WHAT TO DO IN A DANGEROUS SITUATION.**

### Safety

Our safety program educates on various topics such as chemical management, workplace safety and traffic safety.

### Labour Law for Management

This includes education surrounding Cambodian Labour Law and the Legal requirements for employment contracts, working conditions in the garment sector, collective rights, labour dispute resolution and the Cambodia tax law.

### Trauma Informed Care for Management and Leadership Staff

It's important that our management and leadership team are equipped with the tools and knowledge they need to support staff members that have experienced trauma.

This workshop, run by International Justice Mission (IJM) assisted the management team in:

- understanding trauma;
- understanding the impact of trauma;
- understanding the four main areas of stress;
- and creating strategies for trauma-informed engagement.

### Culture Training - for foreign leadership

Working cross-culturally, Outland Denim's management staff bring a myriad of valuable skills to the table. To enhance their capacity for effectiveness in their roles, we conducted weekly culture training modules focusing on unpacking the complexities of cross-cultural work, while equipping team members with practical tools.



- Re-establish education and training programs post facilities closure due to COVID-19;
- Establish in-house library and education centre, also equipped with resources for children's education at home;
- Provide access to free cervical cancer screenings for all female employees.



- Deliver 150 hours/year of free education programs;
- Open current programs and education to wider local community.



- International certification or accreditation for training;
- Scholarships for staff to further education;
- Introduce additional educational topics such as small business, nutrition classes, agriculture, environmental impact and further leadership development.



**Thank you from Rom Chang.**  
"Before I worked at Outland Denim, my family and I had a lot of debt. It was difficult to plan for our future. Now, I am debt free! And I am able to sponsor my nephew to go to school. My strength comes from my children. I want them to have the opportunity to study and have a better life."  
#MadeOnPurpose #ZeroExploitation



# STAFF STORIES

**ROM CHANG\***

Rom Chang is a single mother and sole income earner, providing for herself, her two children, her mother and her grandmother. With a limited safety net, she and her family were entrenched in significant debt, a widespread problem in low-income countries such as Cambodia. Denied basic rights under international labour law, she left her former garment industry workplace to join Outland Denim. Today, Rom Chang is not only debt free but also sponsors her nephew to go to school.

**SAMPHY\***

Samphy, 26, was referred to Outland Denim by a frontline NGO working with women rescued from situations of sexual exploitation and human trafficking. She is now an Assistant Team Leader. She stopped going to school in Grade 7 because her family did not have money and her father had passed away, meaning she had to contribute to the family income. Since joining Outland Denim, she has financial security and more time to spend with her family.

**CHARAYA\***

Charaya stopped school in Grade 9 to start selling fruit with her sister. One of seven children, she started sewing at age 16 to contribute to the family income. She dreams of one day opening her own sewing shop utilising the technical skills she is learning at Outland Denim.

**MALY\***

Maly left school in Grade 8 to pursue work in a factory cutting patterns to support her parents. The 10<sup>th</sup> born out of 14 children, she is now able to support her own three children while sending money home to her ageing parents who are both in ill health. She is determined to figure out how to get the job done no matter how difficult.

**RACHANAY\***

Rachanay was left with the burden of caring for her younger siblings at 20 years of age when her mother died. She had dreamed of becoming a teacher before having to leave school in Grade 3. She wants to give her children the education that she could not have. If with the educational support of Outland Denim, she is able to read and to write, she would like to become a team leader.

*\*Names have been changed to protect the identity of the staff member. Outland Denim staff have consented to the use of their stories.*



Photo by Pip Cree

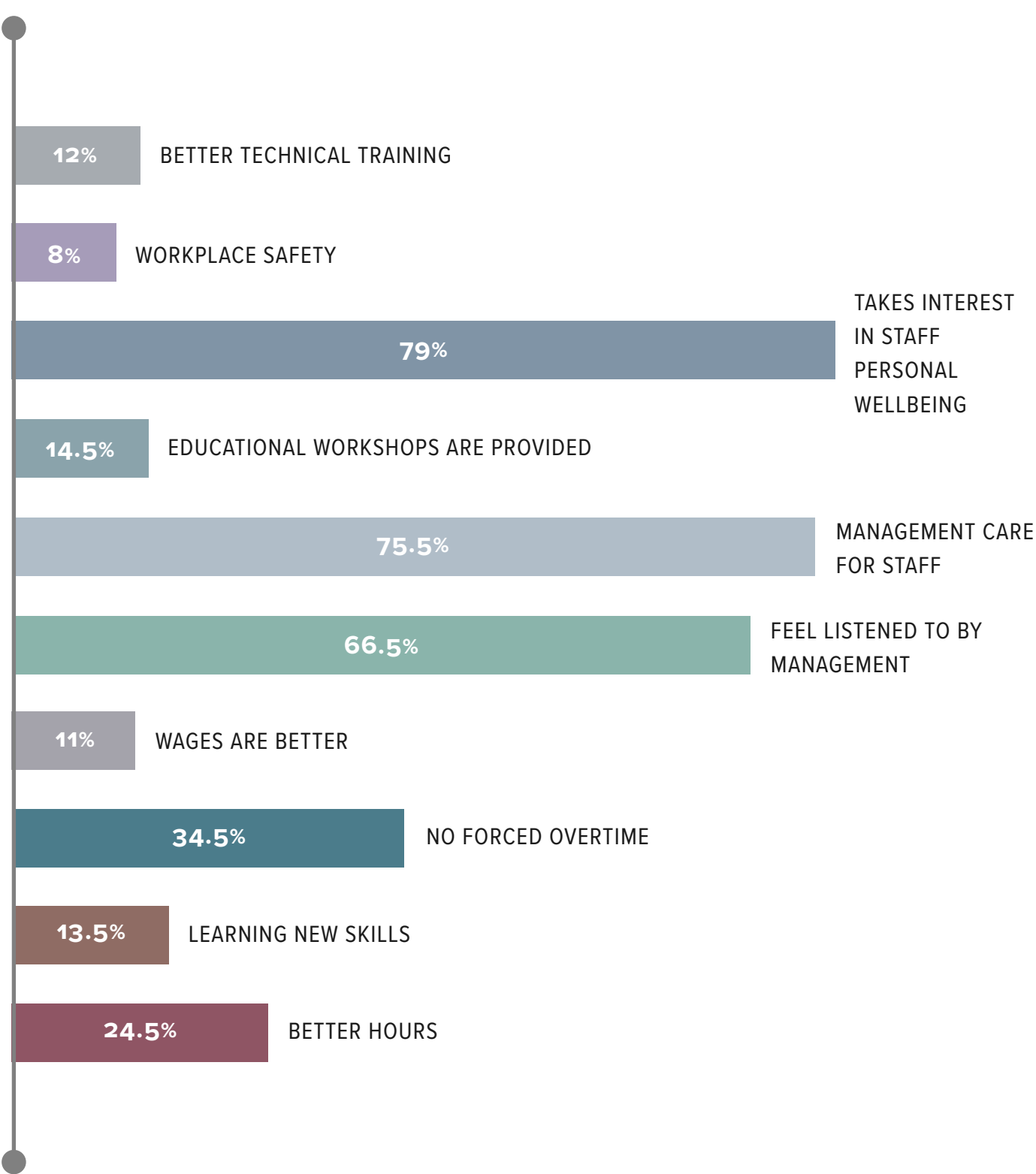
**“OUTLAND DENIM CREATED THE DENIM PROGRAM TO HELP THEIR STAFF IMPROVE THEIR SKILLS AND KNOWLEDGE. THEY ALWAYS GIVE ME OPPORTUNITIES TO LEARN AND IMPROVE MY UNIQUE SKILLS. WHEN I HAVE MADE A MISTAKE, THEY ALWAYS ENCOURAGE ME AND DO NOT PUT PRESSURE ON ME. THEY ARE VERY COMPASSIONATE GUYS.”**

**THONG SITHY**  
**Operations Manager in Cambodia**



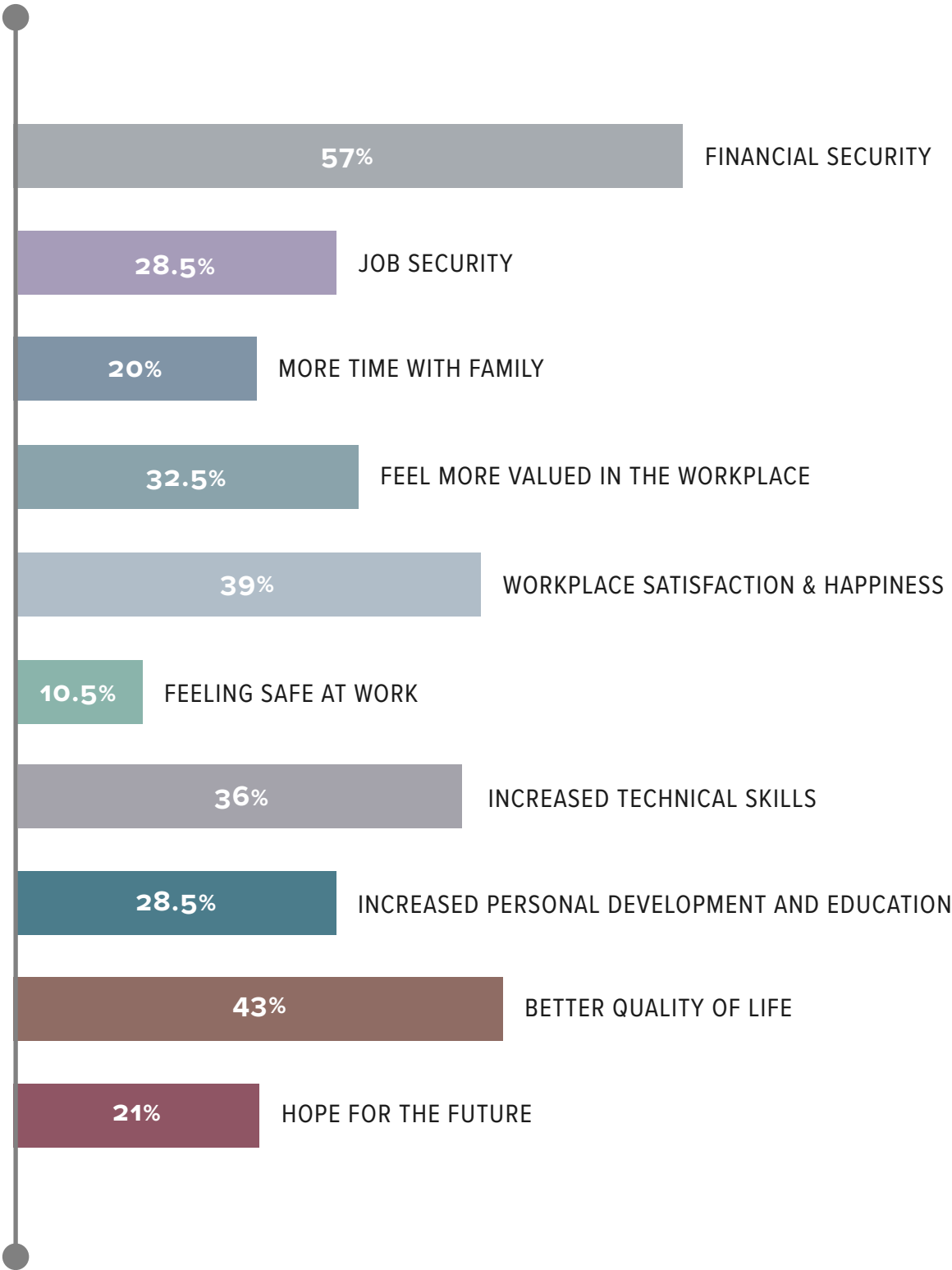
TOP 10 EMPLOYEE ANSWERS:

HOW IS OUTLAND DENIM DIFFERENT TO OTHER FACTORIES?



TOP 10 EMPLOYEE ANSWERS:

HOW HAS YOUR LIFE CHANGED SINCE WORKING WITH OUTLAND DENIM?







**“BRANDS HAVE AN ENORMOUS RESPONSIBILITY TO THE CONSUMER AND TO SOCIETY AT LARGE TO REFLECT BACK REALITY AND NOT DISTORT IT FOR PROFITABLE GAIN. AS A HUMANITARIAN “PEOPLE’S BRAND”, OUTLAND DENIM SHOULD PLAY ITS PART IN THE PROJECTION OF IMAGERY AND MESSAGING THAT IS EMPOWERING AND REPRESENTATIVE OF ALL PEOPLE, WITH REGARD TO BODY SHAPE, SIZE AND ETHNICITY.”**

**ERICA BARTLE**  
**Communications Director**

## OUR INFLUENCE

### MARKETING AND IMAGERY

Whether it is something we notice or not, marketing and imagery have an effect on the way we see the world and on how we define ‘beauty’ or ‘aspiration’. We recognise that as a brand projecting imagery and messaging to the world, that we have a role to play in this.

**OUR COMMITMENT TO YOU IS THAT WE WILL WORK TO DIVERSIFY OUR MARKETING, IMAGERY AND INFLUENCER NETWORK. THIS IS NOT A CAMPAIGN, NOR A TOKENISTIC GESTURE. WE TAKE OUR ROLE AS “THE PEOPLE’S BRAND” VERY SERIOUSLY, AND YOU WILL SEE LONG-TERM CONSISTENT CHANGE FROM US.**

### REFERENCING OUR WORKFORCE

It is fundamentally our duty to protect our production workforce and wider staff from unwarranted attention and misrepresentation, particularly that which may impinge on their character within the community.

We have a duty of care to not misrepresent our staff’s stories in any communications insofar as the economic or media imperative takes precedence over her future wellbeing and/or character standing.

We seek never to sensationalise, lionize, demonize or stigmatise subjects, to present the objective truth where possible, and to respect the country and laws therein.

Our media guidelines are designed to protect the privacy of our team, and are informed by the Department of Foreign Affairs (Australia), The Australia Council for International Development (ACID) and the Ethical Storytelling initiative.





Photo by Ivana Martyn-Zyznikow

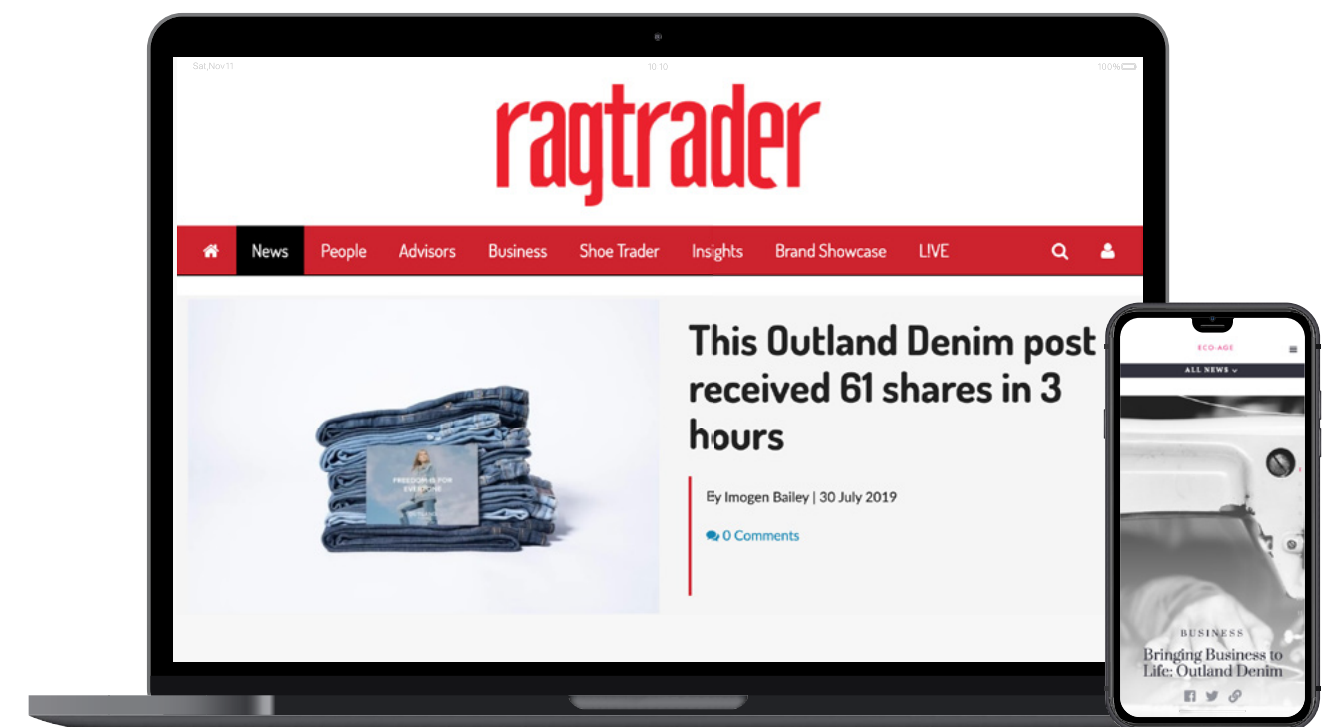
## UNITED NATIONS WORLD DAY AGAINST TRAFFICKING IN PERSONS

As a social enterprise, we have a responsibility to help educate consumers about social and environmental injustice.

Our largest annual social awareness campaign is July 30<sup>th</sup>, the World Day Against Trafficking in Persons.



Photo by Sarah Rafferty @iamsarahgrafferty



<< CLICK TO READ ARTICLES





**“PARTNERSHIPS PLAY AN ESSENTIAL ROLE IN THE OVERALL SUCCESS OF OUTLAND DENIM’S UNIQUE BUSINESS MODEL. IT IS THROUGH OUR RELATIONSHIPS WITH NGOS, GOVERNMENT AGENCIES, INDUSTRY BODIES, EDUCATIONAL INSTITUTIONS AND OTHER LIKE-MINDED BUSINESSES, THAT WE ARE ABLE TO DELIVER BEST PRACTICES IN THE INDUSTRY.”**

**SALLY TOWNSEND**  
Head of Advocacy and Alliances

## PARTNERSHIPS

### MEDIA AND EVENTS

Our presence in the media and participation in speaking engagements and events provide opportunities for us to educate and engage industry, government, consumers, media, and students in sustainable fashion and social injustice.

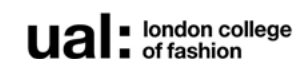
- IN THE PAST 12 MONTHS -



**54 events and speaking engagements**



**344 press mentions**



- Release dashboard to public providing live information on company social and environmental impact;
- Continue to provide education to consumers as to the part they play as an 'ethical' shopper;
- Continue to provide education to consumers and the industry on living wages;
- Continue to provide education to consumers on caring for denim;
- Diversify our marketing, imagery and influencer network.



- Provide education to consumers on certifications and what they mean;
- Calculate and make public the social and environmental impact of one Outland Denim garment.



- Our long-term goal is to demonstrate to the wider fashion industry and business in general that purpose-led business can be profitable while protecting the planet and humanity.



# OUR RESPONSE TO COVID-19

“RATHER THAN PULLING AWAY DURING A CRISIS, OUTLAND DENIM STRONGLY BELIEVES THAT BRANDS AND BUSINESSES NEED TO LEAN IN AND ENGAGE WITH AS MANY INDIVIDUALS CONNECTED TO THE CREATION OF ITS PRODUCTS AS POSSIBLE.”

**LEISL LANCASTER**  
Social and Environmental impact Manager

Photo by Amy Higg Photography

Although the outbreak of Novel Coronavirus COVID-19 has caused so much devastation and disruption across the world, we remain hopeful. We have all witnessed community minded moments of generosity and compassion.

Our thoughts are with those who continue to suffer the effects of COVID-19, and we want to acknowledge and thank all those who worked and continue to work tirelessly to slow the spread of the virus and those who are putting themselves in harm's way to care for those affected.

We are committed to ensuring the well-being of all workers within our operations and supply chain. We have implemented a three-pronged approach to our COVID-19 response, encapsulating:

- Our Australian headquarters;
- Our Cambodian operations; and
- The Cotton Farming communities that make up 3<sup>rd</sup> and 4<sup>th</sup> tier of our supply chain.

Australian staff were able to work from home during the COVID-19 outbreak and many of our Australian staff, including senior management, chose to salary sacrifice while self-isolating to help the company weather the immediate economic effects of a decline in wholesale orders, preferring that our Cambodian colleagues continue to be paid while on leave. Our Australian staff are beneficiaries of the Australian Government's generous JobKeeper scheme.

**“The commitment level and generosity of our Australian staff has been remarkable, but when you run a purpose-driven brand, you attract purpose-driven people who naturally will put the higher vision above their personal comfort levels.”**

**JAMES BARTLE**  
Outland Denim Founding CEO

## OUTLAND DENIM FIRST TIER COVID-19 RESPONSE TIMELINE

### EARLY MARCH

- Health training for all employees by on-site nurse;
- Sanitiser stations provided;
- Distribution of facemasks for staff;
- Educational posters placed in facilities;
- Temperature testing station at entry of facilities;
- Outland Denim management in Cambodia received COVID-19 training through Better Factories Cambodia (ILO) and the Garment Manufacturing Association of Cambodia (GMAC).

### 23-25 MARCH

- Temporary closure of Outland Denim Wash and Finish and Cut and Sew facilities;
- The temporary closures would also allow mothers to be able to care for children who were no longer able to attend school due to COVID-19 closures;
- Information around hygiene for children at home and the importance of isolating provided;
- Employees continued to receive financial support;
  - Resilience-building education provided in healthcare and financial literacy.

### 20 APRIL

- A small sampling team returns to work at Outland Denim.

### 2 MAY

- Several other key employees recommenced work to assist with finalising samples while observing social distancing and hygiene practises.

### 15 JUNE

- Majority of staff return to work at the Outland Denim Production and Finishing facilities.

### 15 JULY

- All employees in Cambodia receive COVID-19 impact payment to assist in the recovery of reduced income during temporary facility closure.



# SUPPORTING OUR SUPPLY CHAIN DURING COVID-19



As part of our wider COVID-19 response, we initiated a labour monitoring program, Sağ Salim (meaning ‘safe and sound’), in partnership with Sydney-based Precision Solutions Group (PSG) designed to reach the earliest stages of our supply chain: the suppliers of raw materials and cotton farmers.

The program actively seeks out instances of exploitation, slavery, and unsafe working conditions and puts methods in place to resolve them. The areas targeted in the pilot include, but are not limited to, organic cotton farms in Turkey from which Outland Denim’s cotton is sourced.

In the pilot stage, the program’s primary function was to act as a communications channel for information and resources relating to COVID-19. The program was able to distribute 80 COVID-19 prevention kits in cooperation with organisations working with asylum seekers and migrants.

Subsequent stages of the program utilize the communications channel established to open a grievance process where instances of exploitation can be reported and addressed.

**THIS WORLD FIRST PROGRAM OF ITS KIND, SAĞ SALIM, BRIDGES THE GAP BETWEEN EACH STAGE OF THE SUPPLY CHAIN.**

The cotton farming sector dominates employment within the fashion and textile industry, which is estimated to employ one in six to eight working people around the globe. This includes workers farming crops for raw materials, processing raw materials into yarn, dyeing/treating, cutting/sewing, finishing and logistics work, among others. The ILO estimates that the cotton farming sector alone employs 350 million people worldwide.

**THE IMPACT OF THIS PROGRAM THUS FAR HAS BEEN POWERFUL. OUTLAND DENIM IS DEEPENING OUR UNDERSTANDING, BUILDING CONNECTION AND HEARING THE VOICES AND EXPERIENCES OF THE PEOPLE WORKING ON THE FARM LEVEL OF MANY FASHION SUPPLY CHAINS. WE LOOK FORWARD TO SHARING MORE ON THE RESULTS OF SAĞ SALIM IN AUGUST, 2020.**

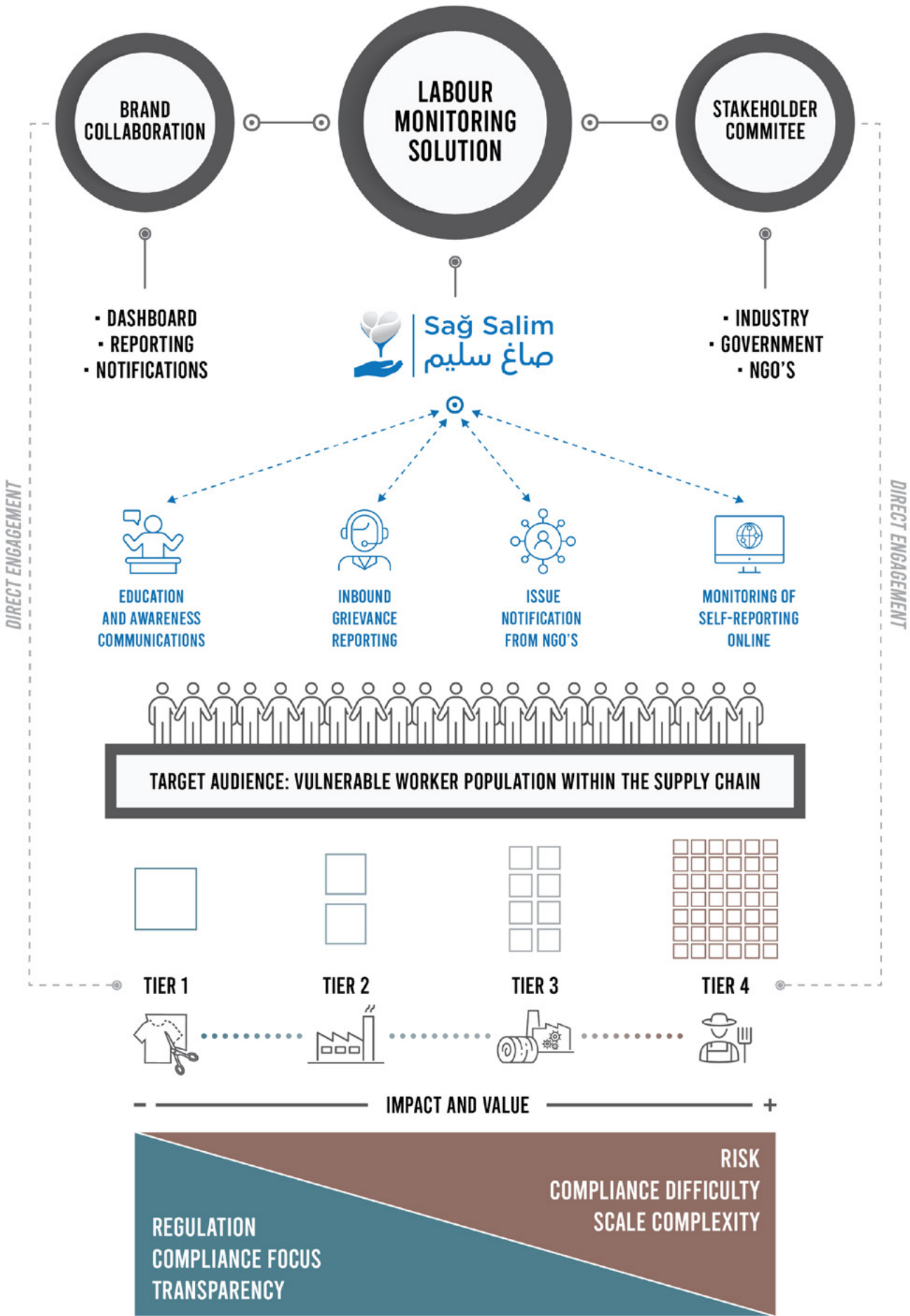






Photo by Ivana Martyn-Zyznikow

# OUR PIVOT

**“WE ARE NOT STRANGERS TO TURBULENT TIMES. OUTLAND DENIM LAUNCHED IN BRISBANE, AUSTRALIA, IN THE HOTTEST SUMMER OF THE PAST 100 YEARS OFFERING ONLY BLACK SKINNY JEANS, AND PEOPLE STILL PURCHASED. WE LAUNCHED OUR EQUITY CROWDFUNDING CAMPAIGN IN THE EARLY DAYS OF COVID-19, AND YET EOIS CONTINUE TO COME IN EVERY DAY BECAUSE NO MATTER THE TIMING, THIS IS A BUSINESS MODEL PEOPLE BELIEVE IN AND WANT TO BACK.”**

JAMES BARTLE  
Founding CEO

## **OPENING OUR MANUFACTURING FACILITIES TO OTHER BRANDS UNDER THE NAME ‘MAEKA’**

By offering the opportunity for other brands to produce using the socially, environmentally and economically sustainable facilities that we have established and become known for, we can stretch our impact and grow our business. Global fashion label Karen Walker is the first to begin working with MAEKA, with product already in development.

**“No company will get through the pandemic alone, and fashion players need to share data, strategies and insights on how to navigate the storm. Brands, suppliers, contractors and landlords should also find ways to share the burden.”**

(The Business of Fashion)

## **FOSTERING LOCAL PARTNERSHIPS**

To minimise the necessity for travel, we have fostered local partnerships to assist in company projects and management in Cambodia as well as further down our supply chain.

## **PRODUCTION OF CAPSULE COLLECTIONS**

Instead of seasonal collections, we will produce bi-monthly capsule collections and expand into new garment categories. These products will be available directly to the consumer as well as Outland Denim’s wholesale clients. The new model will allow Outland Denim to continue wholesale partnerships with stockists such as Nordstrom, David Jones, and Bloomingdales, despite the disruption COVID-19 has caused to the traditional fashion calendar. The shift will support retailers by offering a shorter lead time from design to delivery, minimise the risks associated with long lead forecasting, minimise dead stock, and offer newness to consumers with a considered approach.

The Outland Denim team in Australia has the unique ability to connect on a daily basis with the local leadership team in Cambodia, to schedule the production calendar and ensure realistic timeframes are calculated. We believe the capsule collections will result in a more consistent workflow, giving more structure to the working week of our employees and ultimately allowing more consistent training and education programs to be incorporated.





Photo by Ivana Martyn-Zyznikow

# ECONOMIC SUSTAINABILITY

**“STRONG, SUSTAINABLE ECONOMIC GROWTH IS CRUCIAL TO ACHIEVING OUR SOCIAL MISSION OF OFFERING TRAINING AND EMPLOYMENT OPPORTUNITIES TO PEOPLE WHO WOULD OTHERWISE FALL THROUGH THE GAPS IN THE GLOBAL MARKET ECONOMY. THIS HAS BECOME ONLY MORE APPARENT IN LIGHT OF COVID-19 WITH THE RESULTANT LIGHT SHED ON THE INADEQUACIES AND INJUSTICES OF THE FASHION INDUSTRY.”**

**JAMES BARTLE**  
Founding CEO



A breakdown of business performance is not something that you would typically expect from a sustainability report. However we believe that sustainability is social, environmental, and economic. Without a holistic approach we are simply placing band-aids on issues.

To be truly sustainable we need to protect people, protect the planet, and be economically viable to continue. And so in this section of the report, we share the challenges, opportunities, and achievements that contributed to our economic sustainability in the past 12 months.

## OUR INVESTOR COMMUNITY

For us, it's simple, the more we grow, the greater impact we can have.

In the past 12 months we saw an opportunity to have greater impact by expanding our facilities to manufacture for other brands.

To fund this expansion, we chose to Equity Crowdfund, which is similar to regular crowdfunding but results in contributors becoming investors in the business.

By choosing this path, we were able to offer an opportunity of ownership in Outland Denim at an accessible figure to the wider community who have supported us since day one.



**1,012** new  
Outland Denim  
investors



**63%**  
female  
investors



The majority of  
investors are  
40 or younger.



**92%** of investors  
Australian  
Residents



**83%** of investors named company's  
social justice values as primary reason  
for investing



# AT A GLANCE

- 199.47% increase in digital investment;
- Employment of Head of Digital at Outland Denim Australia;
- 18.90% increase in Sales and Marketing investment;
- Launch into two of the US top department stores, Nordstrom and Bloomingdales;
- Launch into David Jones Men's;
- The launch of 'MAEKA', our facilities made available for the production of garments for other brands;
- Completed debut brand collaboration with Karen Walker.

Photo by Ivana Martyn-Zyznikow

## ACCOUNTABILITY

With the support of these 3<sup>rd</sup> party organisations and initiatives, our practices are continuously measured, reported, and therefore improved.

### ELEVATE

ELEVATE is a code of conduct that outlines the relevant issues and expectations we have for our facility, including:

- Transparency & Business Integrity
- Management Systems;
- Hiring, Disciplinary & Termination;
- Child Labor;
- Forced Labor;
- Harassment or Abuse;
- Non-Discrimination;
- Freedom of Association & Grievance Mechanisms;
- Foreign Migrant Labor;
- Wages and Benefits;
- Hours of Work;
- Health & Safety;
- Environment;
- Sub-Contracting;
- and Homework.

The criteria and guidelines are maintained by ELEVATE and were developed based on local and national laws, International Labour Organization (ILO) conventions and benchmarked against industry protocols. ELEVATE assessments take place every two years by external auditors to assess our Cut and Sew Facility in Cambodia.

### ELLEN MACARTHUR JEANS REDESIGN PROJECT

The Jeans Redesign project shares new guidelines to tackle waste and pollution alongside the harmful practices associated with the current production of jeans. The project establishes the minimum requirements for durability, material health, recyclability, and traceability, as set out by over 40 denim experts.

The Jeans Redesign project will employ the principles of a circular economy to ensure positive impacts for the environment, society, and the health of those people working in its industry.

Over thirty leading brands, manufacturers, and fabric mills are using the Jeans Redesign guidelines to make jeans that will be available on the market by Autumn 2020.

Our commitment is to meet the Ellen MacArthur Jeans Redesign Project requirements by May 2021 for 75% of our range.

### ROOY

ROOY, developed by HATCHED, measures, manages and communicates our impact in real time in a dashboard that can be shared internally, with shareholders, and with customers.



- Increase revenue generated by digital/online sales to offset wholesale losses experienced as a result of COVID-19;
- Continue to nurture wholesale brand partnerships with retailers who align with our brand values and provide product accessibility at scale;
- Continue to improve our direct sales experience through more streamlined websites across all our regions;
- Expand our product range to ensure loyal customers are able to "shop Outland" for more of their wardrobe requirements without sacrificing dedication to sustainability;
- Capture market share from brands who have shown little real desire to remunerate their supply chain workers fairly or to genuinely invest into sustainability.



- Have a expand to have staff working full time in producing for other brands in Cambodia;
- Formalise holistic stockist support program;
- Offer investors better-than-average returns on investment.



- Provide manufacturing services to the world's largest brands;
- To help facilitate existing manufacturers to producing to the Maeka Standard™;
- For the Outland Denim brand to have market share in the premium denim space.



**ENVIRONMENTAL IMPACT  
MEASUREMENT (EIM)**

EIM scores measure the water, energy, chemical, and worker impact of our sustainable finishing processes in comparison to conventional processes.

**FLOOR AND FIELD**

This world-first human rights auditing technology operates 24/7 in the Outland Denim Cut and Sew Facility and the Wash Facility. The installation of cameras and sensors has provided instant insight and monitoring into areas and ways to improve safety measures, detailed data on environmental impact, and a new level of accountability to ensure employee rights are upheld.

Seven machines at the finishing factory are continuously being monitored for power usage, allowing us to more accurately measure our carbon footprint.

**Staff Privacy**

Privacy and security of our employees is paramount. Employees were notified of the installation of this system and the intended use of sensors, 2 weeks prior. The Floor and Field team do not use controversial methods such as facial recognition and they received advice from Australian lawyers, experienced working with devices in SE Asia.

Our partners at Floor and Field have experience with General Data Protection Regulation compliance, AI ethics, and security best practice, which allows Outland Denim to have regular discussions and receive expert advice on privacy and security topics.

**ETHICAL FASHION REPORT**

Outland Denim is one of only two brands to receive an A+ grade across all five criteria assessed as part of Baptist World Aid’s Ethical Fashion Report. The 2019 Ethical Fashion Report grades 130 companies representing 480 brands from A+ to F, based on the strength of their systems to mitigate against the risks of forced labour, child labour, exploitation, and harm to the environment in their supply chains.

**B CORPORATION**

Outland Denim is the first Australian Denim brand to become a certified B Corporation. Certified B Corporations meet the highest standards of overall social and environmental performance, transparency and accountability and aspire to use the power of business to solve social and environmental problems. Unlike traditional corporations, Certified B Corps are legally required to consider the impact of their decisions on all stakeholders.

**THE 2030 GLOBAL SUSTAINABLE  
DEVELOPMENT GOALS**

The Sustainable Development Goals (SDGs) were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. Outland Denim reports annually and publically on significant improvements made towards achieving each of the 17 SDGs.

In 2019, Outland Denim was awarded the inaugural Global SDG award in two categories, the first Goal 1 (No Poverty), and the second Goal 8 (Decent Working Conditions and Economic Growth).







# STATEMENT OF CONTINUAL IMPROVEMENT

In an effort to pursue “Zero Exploitation” in every aspect of business, Outland Denim recognises that it is not perfect. It is to be expected that we will fall short of the ideal. However, we are committed to making continual improvements and are always seeking to do better, to push forward, and plough new ground.

We hope to be an encouragement to the fashion industry by moving toward a more economic and ecologically sustainable business model with ethical practices that will benefit not only the environment but the very real lives of the many individuals and families that make up the communities most at risk of exploitation.

**DENIM FOR FREEDOM.**

