



IVY OAK

SUSTAINABILITY REPORT

Q4 2021

INTRODUCTION ⁰³

I REVIEW HIGHLIGHTS ⁰⁴

II FOOTPRINT ⁰⁶

III CUSTOMERS & COMMUNITY ⁰⁷

IV CIRCULAR ECONOMY ⁰⁹

V REPORTING & BENCHMARKING ¹¹

VI OUTLOOK ¹³

WE ARE NOT JUST ANOTHER LABEL.

We take a holistic approach to sustainability. Together as a team, we launched a 360 Framework to become the most sustainable company we can be. In our quarterly Sustainability Report we keep you updated on where we stand, what we are aiming for and what our challenges are.

In our Q4 Sustainability Report we want to update you on our latest activities and give an overview of our 2021 achievements. Enjoy reading!

OUR 2021 REVIEW

HIGHLIGHTS



ECO MATERIALS

- 58 % of styles in the A/W 21 collection were made from eco-friendlier materials*
- 81% of styles in the S/S 22 collection were made from eco-friendlier materials*
- 100% of viscose styles stem from Green Shirt Producers
- First use of recycled cashmere, recycled cotton & recycled polyamide
- First use of Refibra Yarn



PACKAGING

- Switched invoice envelope to Blue Angel recycled paper
- Replaced additional parcel size by lighter envelope
- 1 paper hangtag less per product
- Removed sticker from polybag



FOOTPRINT

- 81% of overseas transport done by rail in S/S 21 & A/W 21 seasons, significantly reducing CO2-emissions
- Only climate-friendly parcel delivery in Berlin since April 2021 by Liefergrün
- CO2-neutral parcel delivery & online shop via offsets by Klimakollekte
- CO2-neutral sea-freight via offsets by Forto & Planetly
- Environmental impact of 80 styles measured and successful results achieved



CIRCULARITY

- Member of the Working Group Circular Economy
- 3D – Technologies tested
- Two Circular Design Workshop for Product, Design & Buying Teams conducted



REPORTING & BENCHMARKING

- Scored 3 out of 4 Corporate Fiber & Materials Benchmark (CFMB)
- Higg Brand and Retail Module (BRM) reporting & analysis conducted
- Risk analysis conducted & roadmap developed for the Partnership for Sustainable Textiles



TRACEABILITY

- 100% tier 1 factories mapped**
- 100% tier 2 fabric suppliers mapped**
- 60% tier 3 yarn suppliers mapped**
- 34% tier 4 fibre suppliers mapped**
- 100% of viscose fibre producers mapped**

* Eco-friendlier fabrics are defined as class A & B in our [fabric framework](#)

** For A/W 21 and S/S 22 season



'We want to minimize our environmental footprint in order to fight climate change and protect water, forest and land resources.'

II FOOTPRINT

TARGETS & ACTIONS

- Set up footprinting tool, quantitative targets and a roadmap
- Significantly reduce our greenhouse gas (GHG) and water footprint by 2025
- Create radical transparency to engage our community and drive change together

We constantly try to improve our design, sourcing and material choices to lower our impact on the environment. We have for example, increased the styles made of eco-friendlier materials to 81% in the last collection compared to 58% in the previous season.* However, we still want to advance further and gain a more detailed understanding about our impact. That's why we're now diving even deeper into our supply chains and the corresponding data.

We want to know precisely what environmental footprint the production of our garments has and where the largest impact occurs. We want to better understand where we stand with our current sourcing strategy and where the levers are to further reduce our impact. This will help us to steer our sustainable sourcing strategies even more in the right direction, and to engage even further with our manufacturers to create even more transparency for our customers. In order to better measure our impact, we partnered with an industry expert to measure more than 80 styles and thus 160 SKUs from our seasonless, A/W21 and S/S22 seasons. The goal is to understand our supply chains by calculating CO2 emissions, water and land usage of each assessed style. We will now use these first impact results as a starting point to develop an impact

reduction strategy. Over the next month's our customers will find detailed information about the impact of individual styles on the product pages.

Whilst we are setting out on the journey to further reduce our impact from the production, we continue

with our commitment to compensate the CO2 emission from our package deliveries and returns as well as the operations of our online shop via Klimakollekte. Since August, we are also offsetting all GHG emissions created by our sea freight directly via our logistic partner Forto in collaboration with Planetly.

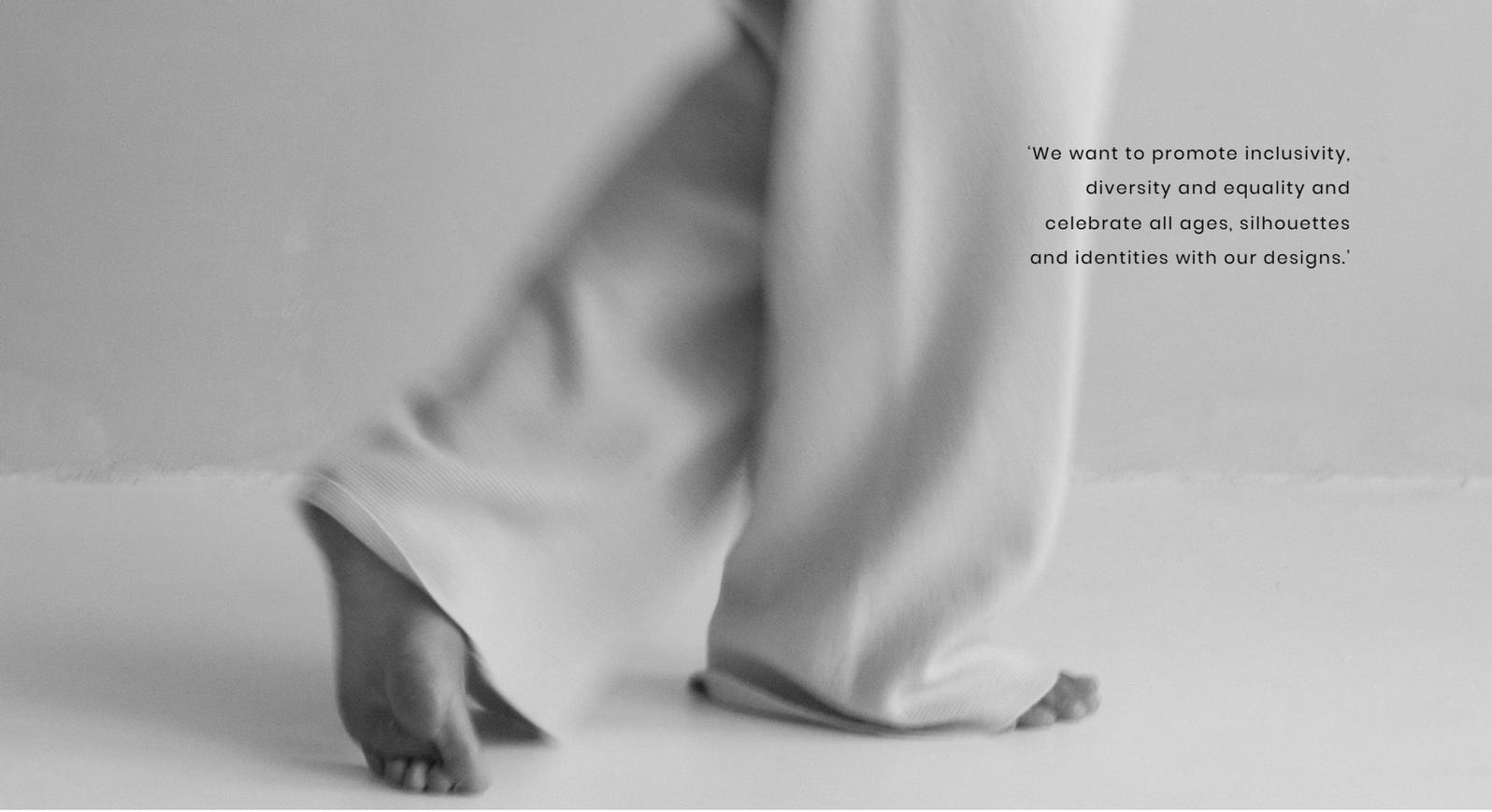
* Eco-friendlier fabrics are defined as class A & B in our fabric framework

RESULTS

CO2-neutral
parcel delivery &
online shop

CO2-neutral
sea-freight

160 SKU
environmental impact
measured



'We want to promote inclusivity, diversity and equality and celebrate all ages, silhouettes and identities with our designs.'

III CUSTOMERS & COMMUNITY

TARGETS & ACTIONS

- 100% of our communication conveys our vision and values
- Actively advocate healthy body images, diversity and inclusion

With our designs we want to celebrate every individual, age & shape. Ever since IVY OAK was founded, our collections have been designed with our community in mind. The majority of our styles come in sizes 32-46. We are very happy that our styles are now also showcased on models with different body shapes. The first photos are now online on our product pages. This is an amazing

next step to achieve our aspiration to promote inclusivity, diversity and equality – always, everywhere. Even though it sounds rather simple to accomplish, it is still challenging to receive pre-production samples in different sizes for a pre-collection launch shooting as well as to fulfil all photo requirements from our wholesale customers. We started to shoot already launched styles that we have available in all sizes in our warehouse. In the future we are now working on including different sizes directly in the collection shoot and presenting them at the launch of the collection.

RESULTS

First product photos
with models of different
body shapes

CHALLENGES & TO DOS

INCLUSIVE SIZING

We want to be a strong advocate for diversity in fashion. It is important for us to offer a wide range of sizes so that our customers feel comfortable and confident, guaranteed to find the perfect outfit for any occasion. Of course, our current size range from 32 to 46 does not reflect the shape of all bodies. We are working on extending our size range to become even more size-inclusive. Stay tuned, but let it already be said: we are currently working on getting more pattern expertise on Petite, Tall and Curve. Our pattern makers are currently developing new patterns and we are gradually getting to grips with the subject. As it is young company it is challenging to have a wide variety of sizes in stock so we are preparing this next step with great diligence and care.

COMMUNICATION

We want our customers to gain a better insight into our sustainability practices. They should be able to easily understand how our values are reflected in the garments they are purchasing. We are currently working on a new communication concept to make this information more accessible and relevant for all our customers and stakeholders. Our aim is to be as transparent as possible, while making it easy to get to the information that suits for different interest groups.

You have a recommendation for us or a question? Let us know at hello@ivy oak.com. We would be happy to hear from you.



'We want to move away from a linear, throw-away model towards creating fashion that lasts longer, designing out waste and promoting a mindset of reuse, repair and recycle.'

IV CIRCULAR ECONOMY

TARGETS & ACTIONS

- Consider circular economy principles in product design with a focus on longevity & quality
- Set up roadmap & train all employees on circular economy thinking

We believe that circularity in fashion is crucial for the future of our planet. As a member of the Partnership for Sustainable Textiles we are participating in the "Circular Economy" working group. It is a great opportunity for us to exchange experiences with other brands, learn from experts and develop joint projects that can foster circularity. In the past months the working group focused on circular design followed by a workshop facilitated by a team of circularity experts from Circular.Fashion. The workshop brought together IVY OAK team members from

Design, Product, Buying, Quality and CSR to jointly collect ideas for a bridal dress based on circular design strategies that allows us to prolong the lifecycle of a wedding dress. This was an important learning experience to establish circular design mindset in our product team. This journey continues and we are very eager to implement circular design methods in our designs more and more and bring our first circular style to the shop.

We strive to reduce our textile waste as much as possible. Through the course of the design process, prototypes and samples of garments are created to find the right fit and design for the garment. Prototyping and sampling is a long and wasteful process that requires brands to make multiple samples of each style. However, it is important

as sampling allows us to test the garment and find the right fit and feel. For some of our styles, we have now worked with a 3D technology for the first time to confirm the fit, design and price. Our pattern makers are exploring a 3D pattern making tool that help to validate ideas and patterns and a few of our manufacturers started using a 3D virtual technology for the development. We see here a potential to reduce fabric waste and want to continue testing the technology in order to produce less samples in future and thereby using less resources in the process.

For our samples we regularly organize sample give-ways among our team and a yearly sample sale for our customers. Beginning of December, we had a fabulous 3-day sample sale in Berlin, where many of our samples and retired collections found a home and got an after-season life. Besides our sample sale, we started a new collaboration with an organisation in Berlin that sells textile materials for creative upcycling projects. This way, the fabrics of our prototypes and samples will be reused instead of becoming waste.

RESULTS

2 Workshops on circular design for our team

Material saved through 3D Technologies

Samples & prototypes distributed for further use



'We want to move away from a linear, throw-away model towards creating fashion that lasts longer, designing out waste and promoting a mindset of reuse, repair and recycle.'

V REPORTING & BENCHMARKING

TARGETS & ACTIONS

- Create true and long-term social, environmental and financial value via our roadmap
- Complete and regularly update materiality matrix and risk analysis

Since 2020, we are a proud member of the multi-stakeholder initiative [Partnership for Sustainable Textiles](#), working together with other brands on systemic change in the fashion industry. As part of our membership, we also committed to work individually on improvements in our supply chain. Every two years, members are obliged to report on efforts, assess risks and set goals. This gave us the opportunity to conduct a systematic and formalised risk analysis in line with international frameworks such as the UN Principles for Business and Human Rights, the

OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector and the ILO Labour Standards. Along 11 sector risks we identified social, environmental and compliance risks in our supply chain. Based on the analysis, we defined targets and measures to mitigate those risks. Our risk assessment and appropriateness of our roadmap has been reviewed in-person by the Partnership for Sustainable Textiles in a one-day assessment meeting. After a successful review, we are happy that our [risk assessment and roadmap](#) is now transparently published on the website of the Partnership for Sustainable Textiles. It is an important step for us to create transparency and accountability. Our aspiration is to be a front runner in terms of transparency to lead the change.

RESULTS

Risk Analysis
conducted

Roadmap
defined

Review process
successfully completed

CHALLENGES & TO DOS

ROADMAP

Our To-Do now is clear. During the next two years we will work on the goals we have set in the roadmap to keep our promise to be authentically transparent, and to take responsibility.



'We want to truly understand, be thoughtful in our choices and do everything with intention. For us, a holistic approach means that we consider the impact of every practice in our business and value chain and that we treat all of our stakeholders as partners.'

VI OUTLOOK

After great accomplishments in 2021, especially when looking at the usage of lower impact materials in the collection, we still don't feel it's time to rest. We have already new projects in the pipeline and fresh ideas in our mind to move closer towards our goals set out in our 360° Framework. Here are some of the areas we want to focus on in 2022.

BETTER MATERIALS

We want to explore more on eco-friendlier dyeing processes and sustainable trims.

TRACEABILITY & TRANSPARENCY

Transparency is a guiding principle for us on our 360° journey. We will continue the mapping of our supply chains to understand our impacts and to create transparency for our customers. We will make all information more accessible to our customers and employees and are revising our internal and external communication channel. From 2022 onwards we will change the cycle for the CSR report to bi-annually and revise the format a bit to improve visibility and reach our community even better.

FOOTPRINT

We will develop an environmental footprint reduction strategy based on our impact measurement.

COOPERATION

We will keep seeking innovative partners and join initiatives to advance on our sustainability journey.

VALUE CREATION

We want to continue to support organisations working on social causes close to our heart.

CIRCULARITY

We will define a circularity roadmap and set-up project teams to integrate different circularity strategies in our business.