ZULU & ZEPHYR

SUSTAINABILITY GUIDE - SPRING COLLECTION 2023



their mother's Australian fashion era in the 1970's. The design brief was to evoke nostalgia with vintage prints and a focus on texture. As the success of the brand has grown, so too has the social responsibility which has led to the shift of our internal processes and priorities for the better.

In 2023 Zulu & Zephyr is committed to being the best brand it can be for our team, our extended workers, associated suppliers and our customers.

It is our utmost goal to achieve prosperity for all those associated with Zulu & Zephyr. We commit to providing our wider team with opportunities to succeed and have a positive impact. Our collective priority

contribute to the protection of our planet through lower impact clothing production.

After 10 years as one of Australia's most loved lifestyle brands, Zulu & Zephyr is focused on moving forward with sustainability at the helm. We recognise that we are not perfect but we commit to navigating the complexities of this multifaceted industry with a considered and conscious approach. Celebrating our acheivements to date, whilst highlighting the areas that need improvement so we can can understand and move forward doing the best that we can for the people and the

Join us as we make an impact and help you make one too.

2012	Zulu & Zephyr launches.	ZULU & ZEPHYR
2018	Established our sustainable packaging initiative.  Design & Production Team visit to manufacturing partners in China to establish our social responsibility policy.	
2019	Launch of 'Ethos' as well as 'We Care' sharing our mission with the ZZ community.  Development of our classic ribbed lycra in Econyl for a sustainable relaunch of our Signature swim & MINI collection's.	ECONYL
2020	Use of Global Organic Textile Standard (GOTS) Organic Cotton.  Partnering with Worn For Good to explore the circular fashion model 1% for the Planet, pledging 1% of sales on all our Signature collections to protect the natural environment.	CONTRACTER AND ASSOCIATION OF THE ASSOCIATION O
2021	Earth Day Contribution - 100% of profits made. Use of REPREVE® recycled nylon within our mainline swim. Use of European Flax Certified Linen within mainline. Plastic Neutral certification.	R E P <b>®</b> E V E
2024	Every garment to hold at least one environmental credential in order to be regenerative to our environment.  Launch take-back program and become apart of the circular economy.  Carbon Neutral certification.	carbon neutral



# ECO KEY



### ECONYL®

Our Signature collection as well as our Mini ribbed swimwear re-launched using ECONYL® in 2020.



### REPREVE®

REPREVE® performance fibre made from recycled materials comprises 90.2% of our mainline swim offering. All swimwear is also lined with REPREVE®.



### GLOBAL ORGANIC TEXTILE STANDARD (GOTS) COTTON

Choosing certified organic ensures we are aligned with the three pillars of sustainability; environmental, social and economic. Global Organic Textile Standard Cotton makes up 39.07% of our RTW offering.



### BETTER COTTON INITIATIVE (BCI)

The Better Cotton Initiative (BCI) is the largest cotton sustainability program in the world. 8.19% of our RTW offering uses BCI cotton.



### RECYCLED FIBRES

Global Recycled Standard certified recycled fibres are used throughout the collection, fetaured in swimwear, denim and knitwear. Comprising 9.8% of our swimwear offering and 10.2% of our RTW.



### OEKO-TEX® 100 STANDARD

All metal hardware used on swimwear and denim are made from zinc alloy and are produced in line with Oeko-Tex® 100
Standard which ensures that no harmful substances are present.



### EUROPEAN FLAX®

Offered in our RTW line, European Flax® certification ensures the flax plant is grown without the use of pesticides or fertiliser, using just rainwater for irragation. Comprising 16.6% of our RTW offering.



### ETHICAL MANUFACTURING

To uphold the values and conventions of the International Labour Organisation (ILO) we request that suppliers conduct third-party social compliance audits such as SEDEX or BSCI. We have seven suppliers that have so far completed this requirement, comprising 87.3% of all styles.



### RESPONSIBLE WOOL STANDARD

The Responsibe Wool Standard (RWS) is a voluntary standard that addresses the welfare of sheep and the land they graze on. RWS ensures that the wool comes from farms that have a progressive approach to managing their land, practice holistic respect for animal welfare of the sheep and respect the Five Freedons of animal welfare.



### **OUR PROGRESS**

As we progress further into our sustainability journey as a company, we have sought to expand our reporting to enhance our company's transparency. We aim to report even more comprehensively by comparing collections season to season. Providing details and reasonings behind each individual fabric decision within our collection.

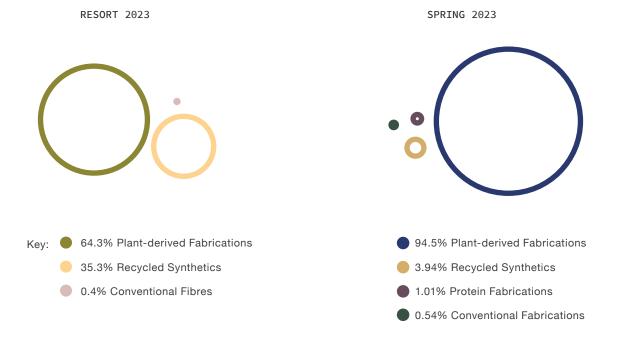
### OUR PROGRESS / FIBRE ACCREDITATON

93.6% of the fibres used within our Spring 2023 collection hold a certification. An increase of 12.3% between Resort 2023 and Spring 2023. This increase helps Zulu & Zephyr move closer to one of our long-term sustainability goals – 100% fabrications used within each collection to hold certification by 2024. Supply chains are complex, so we're extremely proud of this massive 12.3% increase within a collection, and believe we are on track to reach our goal to show full traceability within our collections.



### OUR PROGRESS / RTW

Our RTW collection for Spring 23 has seen increase in plant-derived fabrications and a decrease in recycled synthetic fabrication's. As part of the design intention for the season we wanted to ensure our collection was trans-seasonal. Plant-derived fabrications regulate the body temperature and are a universal fabric. As we shift away from the use of synthetic fabrication's this Spring collection, we see the introduction of certified protein base fabrications within key knitwear styles in the collection. We also saw an increase in conventional fabrication by 0.14% to ensure longevity and durability of our knitwear garments. We are activly seeking alternatives to replace synthetics within our collections and look forward to showing our progresses.



### **SWIMWEAR**

Our swimwear offering for Spring 23 will be our second consecutive fully traceable and certified collection, from factory, to fabrics, and trims.

The collection is comprised of 88.5% REPREVE yarns and 11.5% Global Recycled Standard (GRS). With 100% of our swimwear offering produced in BCSI Audited factories, upholding the highest ethical manufacturing standards.

Textured fabrications synonymous with Zulu & Zephyr are featured throughout the collection in regenerative fibres - smooth rib, towelling, cord towelling, and brushed lycra that all hold certification to ensure the highest standard of environmental stewardship and traceability.







### 100% OF OUR SWIM COLLECTION IS COMPRISED OF RECYCLED YARNS

Predominatly our mainline swimwear uses REPREVE®, one of the world's highest-quality recycled performance yarns.

24.6% of Spring 23 is comprised of REPREVE® Polyester a yarn manufactured from post-consumer plastic bottles, diverting millions of plastic bottles from landfill and water streams around the world

63.9% of Spring 23 is comprised of REPREVE® Nylon created from pre-consumer waste, which is created during the manufacturing process. For example, fabric scraps or yarn waste from weaving mills and spinning factories.

Our specalised textured eco toweling which makes up the remaining 11.5% of Fall is comprised of recycled nylon.

Both fibres are certified by the Global Recycled Standard (GRS) as well as Oeko-Tex Standard 100. GRS certification ensures the highest level of integrity, tracing recycled content while Oeko-Tex Standard 100 certification ensures health and safety for people and planet, verifying the fibre and dyes used do not contain harmful substances. Swimwear made from recycled fibre helps to reduce the use of raw materials while diverting plastic and pollution from landfill.

## SWIMWEAR FABRIC FOCUS

### ECONYL®

### IN STORE NOW — SIGNATURE & MINI COLLECTIONS

Our entire Signature swim and our Mini swim collections re-launched using <u>ECONYL®</u> in 2020. Featuring the classic ribbed lycra synonymous with Zulu & Zephyr, exclusively developed in premium, regenerated nylon.

Made from ECONYL® Rib outer and lined in premium weight ECONYL® lining. ECONYL® represents 100% of our fabric usage for Signature & Mini swim collections.

ECONYL® is made through a revolutionary process of recovering fishing nets and other nylon waste from oceans and landfills that then gets regenerated into its original, pure nylon form. Using a recycled material reduces waste and pollution in the environment but also cuts down the need for raw materials & crude oil used in the production of nylon.

The positive impacts of using ECONYL® are not just limited to the revolutionary process of waste regeneration but also the impact of removing the raw material from our oceans through the partnership with <a href="Healthy Seas">Healthy Seas</a>. Ghost fishing nets are an environmental catastrophe but Healthy Seas volunteers' are responsible for recovering discarded

nets from our oceans that would otherwise cause injury and death to marine animals. It is this environmental stewardship that has awarded ECONYL® the EU Ecolabel for environmental excellence. EU Ecolabel products and services meet high environmental standards throughout their life-cycle and promote the circular economy.

ECONYL® is certified by the Oeko-Tex® 100 Standard that ensures that no harmful substances are used in the production and dye process. Materials or products that hold Standard 100 Oeko-tex certification are tested to be free of over 100 harmful substances.

### OUR IMPACT

Since our launch in 2020, we have saved 1'125'354.75 MegaJoule/ year of gross energy requirements. That's the equivalent of powering 10 Australian homes for 4.5 years as well as 125,861.75 kgCO2eq/ year which is the equivalent emissions from 27 cars (average passenger vehicle emits 4.6metric tonne CO2/year). While also supporting marine protection through ECONYL®'s partnership with Healthy Seas.

### OUR SUSTAINABILITY / SWIMWEAR FABRIC FOCUS

### REPREVE® SPRING 2023 COLLECTION

REPREVE® is one of the world's highest-quality recycled performance yarns. As a brand we have chosen to use REPREVE® as it is fully certified and traceable through a GLOBAL RECYCLE STANDARD (GRS) certification and STANDARD 100 OEKO-TEX.

GSR ensures the highest level of integrity, tracing recycled content, while STANDARD 100 OEKO-TEX® certification ensures health and saftey for peopleand the planet. Our current swimwear collection is comprised of two different types of REPREVE® yarn; REPREVE® Polyester and REPREVE® Nylon.

REPREVE® Polyester yarn is manufactured from post-consumer plastic bottles. 37.2 % of our current swimwear is made from REPREVE® Polyester diverting 47,606 post-consumer plastic bottles from landfill and our precious oceans around the world.

REPREVE® Nylon is created from pre-consumer waste, which is created during the manufacturing process, like fabric scraps or yarn waste from weaving mills and spinning factories. 53% of our current mainline swim offering uses REPREVE® Nylon diverting 857.5 Kgs of pre-consumer waste from landfill.

Although we acknowledge that synthetic fibres are not biodegradable or easily recycled once blended with other fibres, they are a neccesary component of swimwear. So for us, swapping to recycled is the better choice. We are committed to support the textile manufacturing industry as they develop new and innovative methods of recycling mixed fibre textiles to keep all synthetic fibres in the circular system.

Using REPREVE yarns in our beautiful swimwear, reduces the use of raw materials while diverting plastic bottles and pollution from landfill. This also offset's the use of petroleum, emitting fewer greenhouse gasses and conserving water and energy in the process.

### OUR TMPACT

By using REPREVE® recycled materials in our Resort 23 collection we diverted around 1.4 tons of waste from landfills. Saved enough water to provide 7 people their typical daily drinking water for a each which equals 4,052.17Lts of water. Improved air quality by avoiding 1,653kgs of CO2 emission or 4 barrels of oil.

### GLOBAL RECYCLED STANDARD (GRS) POLYESTER / NYLON SPRING 23 COLLECTION

RECYCLED POLYESTER AND NYLON fibre's used to craft our textured towelling, and dense crinkle fabric's are certified by Global Recycle Standard (GRS) to verify the authenticity and origin of recycled content. Standard 100 Oeko-tex certification ensures that no harmful substances are used in the entire fabric and garment production

Polyester and Nylon still play a role in producing strong resilient yarns for specialty fabrics such as swimwear and knitwear. By using recycled polyester and nylon we are lessening our dependence on non-renewable fossil fuels, reducing our emissions and keeping plastic waste out of landfills and oceans. Plus, by using recycled polyester and nylon, we can promote new recycling streams for polyester and nylon clothing that is no longer wearable. 2.6 % of our current swimwear collection is using Recycled Polyester and 4.3% is using Recycled Nylon.

## RTW FABRIC FOCUS

Our RTW offering for Fall 23 is comprised of 93.6% accredited fibres such as GOTS Certified Organic Cotton, GRS Certified Recycled Cotton, GRS Certified Recycled Polyester, EUROPEAN FLAX® and Better Cotton Initiative (BCI) Cotton.

Overall, our RTW collection boasts 94.5% plant-derived fabrications that are naturally biodegradable with zero synthetic content. The majority of these fabrications hold certifications to ensure they meet international best practice.

While the other 5.5% of Fall's RTW offering contain synthetic fibres, the majority of our synthetic use is certified recycled. Excitingly only 0.52% of our entire RTW offering contain some virgin synthetic fibre included for stretch & support in fitted knitwear.

As we work towards best practice and full transparency, it is a high priority to support certified, traceable raw materials and organisations that improve social, environmental and economic outcomes.











### 54.8% GOTS CERTIFIED ORGANIC COTTON

Choosing GOTS certified organic cotton ensures we are aligned with the three pillars of sustainability; environmental, social and economic. Feautured in our exclusive woven fabrications developed with artisan weavers in India as well as enzyme washed jersey.

### 16.1% OTHER NATURAL FIBRES

Other natural fibres include ramie, and cotton. Although these fibres do not hold certification they are plant-derived, naturally biodegrabale fibres. Ramie is considered a promising "ecological" fibre for use in textiles.

### 10.1% EUROPEAN FLAX®

European Flax® certification ensures the flax plant has been grown without the use of fertilisers or pesticides, using just rainwater and requiring no additional irrigation. These practices have a regenerative effect on the land, maintaining soil fertility allowing the natural capture and storage of CO2 from the atmosphere.

### 9.0% BETTER COTTON INTIATIVE (BCI)

The Better Cotton Initiative (BCI) exists to make global cotton production better for the people who produce it, better for the environment and better for the sector. As we work towards best practice and full transparency, it is a high priority to support certified, traceable raw materials and organisations that improve social, environmental and economic outcomes such as Better Cotton Initiative (BCI).

### 3.9% GRS CERTIFIED RECYCLED POLYESTER AND NYLON

We only use synthetic fibres in styles that require stretch and support such as fitted knitwear. Recycled polyester and nylon have been incorporated as a substitute for virgin polyester to retain shape and fit within some knitwear products.

### 3% CERTIFIED ORGANIC LINEN

We use certified Organic Linen with out RTW offering. Although linen is a natural fibre conventional manufacturing processes of the fibre admits hardful chemicals into the environment. Using certified organic linen redcue the amount of toxic substances such as pesticides and synthetic dyes into the soil and water ways around the world.

### 1.45% GRS CERTIFIED RECYCLED COTTON

Replacing our conventional cotton use with recycled cotton is a crucial step towards a circular economy, allowing us to reduce our reliance on new materials while diverting textile waste from landfill. Certfied by the Global Recycled Standard (GRS) which verifies the recycled content of the fibre.

### 0.95% RESPONSIBLE WOOL STANDARD CERTIFIED FIBRES

We use Responsible Wool Standard Certified yarns through knitwear to ensure the welfare of the sheep and the land they graze on are protected. RWS ensures that the wool comes from farms that have a progressive approach to managing their land, practice holistic respect for animal welfare of the sheep and respect the Five Freedons of animal welfare.

### OTHER CONVENTIONAL FIBRES

0.5% of styles in our RTW offering contain some virgin synthetic fibre. Conventional fibres such as nylon and elastane are used to retain the shape of our knitwear. Whilst conventional and not perfect, we are substituting for recycled options whereever possible.

### GOTS CERTIFIED ORGANIC COTTON IN STORE NOW

Choosing GOTS certified organic cotton ensures we are aligned with the three pillars of sustainability; environmental, social and economic. So often we find that positive environmental impacts create better opportunities for people, socially and economically and organic agriculture is a great example.

Organic cotton is a more sustainable choice for a myriad of reasons. While conventional cotton is grown using pesticides and chemicals which degrade the soil, reducing the fertility of the land, organic agriculture has a positive, restorative effect. Through chemical-free farming practices, growers can enrich the land creating healthy, carbon-rich soils which require less water and mainly relies on rainwater. Pesticide runoff and the contamination associated with it, is avoided. Crop rotation encourages biodiversity and natural pest control which benefits surrounding flora and fauna. The social and economic benefits are also clear, organic cotton farmers are not reliant on costly pesticides, they can yield healthy crops with less water and their communities, often in developing nations, are safe from water and food contamination.

The Global Organic Textile Standard (GOTS) is a far-reaching certification which ensures best practice from seed to final product. The standard sets requirements concerning worker rights and social conditions as outlined by the International Labour Organisation (ILO) and includes, but is not limited to fair remuneration and assessment of a living wage. GOTS certification also ensures better practices for fibre processing and dyeing, enforcing the use of GOTS approved colourants and auxiliaries and fabric mills must demonstrate environment management, including wastewater treatment.

While we acknowledge that organic cotton is not faultless, for example conventional cotton has been proven to yield more fibres due to the genetic modification of the seed. We do believe that GOTS certified organic cotton is a more sustainable choice that promotes better social and environmental outcomes, improving the prosperity and health of the people that grow, pick and process the fibre as well as for the end consumer.





OUR IMPACT

Since we begun using GOTS organic cotton in July 2020, we can estimate a saving of 44,060,804 litres of water compared with using conventional cotton.

This is based on data from the Textile Exchange's 2014 Life-Cycle Assessment of organic cotton which has calculated water usage during the life cycle of a cotton t-shirt. A t-shirt made from conventional cotton uses approximately 8206 litres of water compared with water usage of 704 litres for the same t-shirt made from cotton grown and processed organically, a saving of 7502 litres.



OUR SUSTAINABILITY / RTW FABRIC FOCUS

### EUROPEAN FLAX® IN STORE NOW — RIO SPRING 22 COLLECTION

Linen has been a long-time staple of Zulu & Zephyr Ready to Wear collections, a natural and sustainable fibre made from the Flax plant. Beloved for its natural creases, softness and durability.

Linen is typically grown without the use of pesticides and fertiliser as naturally the flax plant requires less than other crops. Although this is not always the case so as we strive for traceability we have sourced European Flax® Linen which first launched online in November 2021 for our Fall 22 collection.

Certified as being of the highest quality linen, its quality and strength is thanks to a unique combination of growing conditions and climate therefore European Flax® cannot be grown anywhere else. With its origins traceable to the wide coastal band of Western Europe stretching from the South of Normandy in Northern France through Belgium and the Netherlands.

Using European Flax® gives us visibility on the raw material so as we work towards full transparency of our supply chain this is really important, we can trust the raw material origins and that

environmental standards are met.

European Flax® certification ensures the flax plant has been grown without the use of fertilisers or pesticides, using just rainwater and requiring no additional irrigation. These practices have a regenerative effect on the land, maintaining soil fertility allowing the natural capture and storage of CO2 from the atmosphere. Fibre extraction which is also known as scutching is 100% mechanical meaning zero chemicals are used in the process.

Much like the Global Organic Textile Standard (GOTS), European Flax® certification ensures best practices for all workers involved from seed to finished product, in compliance with the International Labour Organisation (ILO) standards that promote social justice and internationally recognised human and labor rights.



### OUR SUSTAINABILITY / RTW FABRIC FOCUS

### RECYCLED COTTON IN STORE NOW — RIO SPRING 22 COLLECTION

Recycled cotton certfied by the Global Recycled Standard (GRS) reduces our usage of conventional cotton and ensures we can dramatically reduce our reliance on the water and land resources needed for cotton crops. While increasing our use of recycled fibres also promotes a circular economy, using materials that already exist in the system reducing waste and pollution.

Due to the process of shredding cotton scraps to be re-spun into new fabric, recycled fibres are often blended with virgin fibres to increase strength and durability. Our denim offering maintains the feel and wear of ZZ denim while being a durable and sustainable product with a composition of 50% recycled cotton 50% cotton.

We exclsuively use recycled cotton that meets the <u>Global Recycled Standard (GRS)</u> that covers the recycled element of a fabric or yarn, validating its compliance to international standards of textile recycling. This is an essential element of using recycled fibres, maintaining accountability and transparency is key and an ongoing commitment for Zulu & Zephyr.

### RECYCLED POLYESTER IN STORE NOW — RIO SPRING 22 COLLECTION

Recycled polyester or rPET certfied by Global Recycled Standard (GRS) has been selected as a substitute for virgin synthetic fibre that is necessary to provide stretch & support to fitted knitwear. Although we acknowledge that synthetic fibres are not biodegradable whether in recycled or conventional form, they are a neccesary component of some knitwear so for us, recycled is the better choice. While we also pledge to support the textile manufacturing industry to find new and innovative methods of recycling mixed fibre textiles to reduce waste and keep all sythetic fibres in the circular system.

OUR SUSTAINABILITY / RTW FABRIC FOCUS

### HEMP

### IN STORE NOW

We choose to use Hemp for its environmentally friendly properties as well as its durability and drape. Often used as a blend with linen or GOTS certified organic cotton as it adds durability and softens with every wear. Our Hemp fabric blended with GOTS cotton holds the <a href="Organic 100 Content Standard">Organic 100 Content Standard</a> awarded to blended fabrics to verify the organically grown content.

Hemp from the Cannabis sativa plant is naturally pest resistant so requires a very limited application of pesticide or fertiliser, growing quickly using very little water.

It is estimated to use 50% less water than cotton to grow. Hemp also has regenerative properties so its growth contributes to restoring the soil not causing degradation. The soil is replenished with nutrients from the leaves that drop while the plant matures.

Hemp is a more sustainable choice and currently represents 10% of our 'other natural fibres' in our RTW offering for Resort 22.

### BETTER COTTON INITIATIVE (BCI) COTTON IN STORE NOW — RIO SPRING 22 COLLECTION

The Better Cotton Initiative (BCI) is the largest cotton sustainability program in the world, it exists to make global cotton production better for the people who produce it, better for the environment and better for the sector. It is an international working group that uses income generated by members to tackle issues of forced labour and decent work conditions that often plague the regions in which cotton is grown.

BCI's overall mission is to improve cotton farming practices - socially, environmentally and economically. With a focus on better cotton farming practices such as crop rotation, water stewardship, soil health and biodiversity. In turn improving the outcome for people, reducing pollution and protecting livelihoods while improving work conditions with better economic outcomes.

Explore Better Cotton.





## FINISHES, TRIMS & PACKAGING

### ARTISAN PARTNERS

We value the skills and processes of our artisanal weavers in India, developing our exclusive woven prints and stripes in our ready to wear collections. Often made up of women or marginalised groups, we are proud to support and advance artisan products in turn offering better economic and social outcomes.

### DYES

At Zulu & Zephyr we value the responsible use of dyes and chemicals and we are committed to promoting this throughout our supply chain. We ask that all suppliers ensure they are using high quality dyestuffs that meet stringent quality and ecological specifications and comply with Oeko-Tex® 100 Standard or similar test procedures. It is important to us that our products are gentle on the your skin while being safe and ecologically beneficial.

### HARDWARE

All metal hardware used on swimwear and denim are made from zinc alloy and are produced in line with <u>Oeko-Tex® 100 Standard</u> which ensures that no harmful substances are present in the end product.

We use paper-based jacron patches on all our denim. Rather than using the industry-standard leather jacron, our denim has vegan friendly patches.

### BUTTONS

Zulu & Zephyr branded buttons are also produced in line with Oeko-Tex® 100 Standard. In February 2022, we rolled out the use of corozo buttons which are a biodegradable material made from nut of a tropical palm. Natural, corozo buttons will be featured in their natural colour or responsibly dyed to match the outer garment.

### LABELLING

Our woven sew-in labels are made from 100% recycled polyester. Reducing our use of virgin materials instead using existing materials that would otherwise create waste and pollution. Swing tickets are made from paper <u>certified by FSC sustainable forestry</u> with string made from recycled paper

The liners in our swimwear are produced from wood pulp (especially formulated to contain a high percentage of renewable materials) and the backing is white glassine paper (100% recyclable and 100% biodegradable).

### GARMENT BAGS

We use biodegradable garment bags to transport our goods, these bags hold both the TUV OK Compost Home and Industrial certifications that validate their compostability. TUV OK Compost Industrial criteria guarantees biodegradation in line with the EN 13432: 2000 standard which outlines that a product must biodegrade by at least 90% into CO2 within 6 months and has no more than 1% additives which must be harmless (non-toxic & no negative effects on plant growth).



## PRINT IN FOCUS

Exclusive prints are a Zulu & Zephyr signature, evolving every collection whilst staying true to the aesthetic of the brand. Each print is hand drawn or painted with a subtle nod to vintage inspiration. Prints are always exclusive to the brand collection.



Our goal is that all those associated with the supply and manufacture of Zulu & Zephyr goods achieve prosperity in line with the values and conventions of the <a href="International Labour Organisation">International Labour Organisation</a> (ILO) that sets out to ensure that economic development is not undertaken for its own sake, but to improve the lives of human beings.

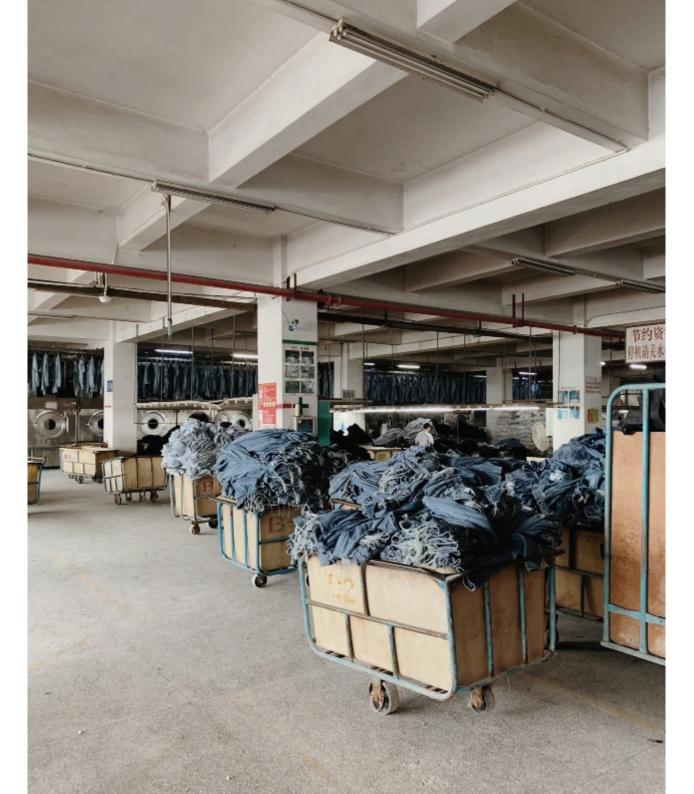
We seek to engage and support our wider team with opportunities to succeed and have a positive impact. Through the implementation of our Supplier Code of Conduct as well as the additional social compliance auditing program we stipulate that all workers must be treated fairly, paid a living wage and be provided a safe and healthy work environment.

### FACTORY VISITS

Over the years we have developed and supported our suppliers in Indonesia, China & India through the positive growth of our business. We have developed close, long term working relationships, visiting our apparel supplier in Indonesia often.

In 2019 we visited our manufacturing partners in China to strengthen these ties and our commitment to responsible sourcing and manufacturing practices.

Over the past two years with international travel restrictions we have maintained a strong level of communication with our suppliers. Even through challenging times we maintain open communication through the implementation of our Supplier Code of Conduct, regular audit procedure while working towards our ongoing improvements. As international traveling restrictions begin to lift around the world, we look forward to getting back into our factories to build on our strong relationship's and conduct regular audits.



### SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct outlines the minimum level of labour standards that are met by Zulu & Zephyr and all suppliers and manufacturing partners associated with Zulu & Zephyr.

The principles stipulated in the SCOC are in accordance with the Ethical Trading Initiative's Base Code which is founded on the conventions of the International Labour Organisation (ILO) as an internationally recognised code of labour practice. We are committed to building strong supplier relationships on the basis of compliance with this code of conduct which thus it is a requirement that the code is acknowledged in writing by all suppliers.

### BUSINESS SOCIAL COMPLIANCE INITIATIVE

The Business Social Compliance Initiative (BSCI) is an auditing program aimed at improving workplace conditions in accordance with human rights, ILO conventions and national labor law. The BSCI framework is based on 11 principles ranging from fair remuneration to no child labour. BSCI provides audit reports detailing 13 performance areas with an overall rating allowing a comprehensive means for follow-up and improvement. We gather yearly audit reports in order to ensure improvements are being made.

The BSCI is based on 11 principles which participants and their business partners commit to implementing within their supply chains in a step-by-step development approach.

We currently have seven out of eight suppliers that adhere to the BSCI auditing program. Five that have been able to supply their yearly follow-up reports on schedule in these unprecendented times.



### OUR SUSTAINABILITY / MANUFACTURING

### SEDEX MEMBERS ETHICAL TRADE AUDIT (SMETA)

SMETA is Sedex's social auditing methodology that enables the assessment of supplier and manufacturing sites to understand working conditions in the supply chain as well as responsible business practices and overall social compliance. SMETA monitors supplier's standards of labour, health and safety, environment and business ethics.

We have one supplier who are members of the SMETA program holding current Sedex audits.

### TIER 1 SUPPLIERS

Zulu & Zephyr value your interest in our manufacturing practices, we know how important it is that the people producing your clothes are paid fairly, treated respectfully and work in safe and supportive conditions. These are minimum standards met by all our tier 1 suppliers as outlined in our Supplier Code of Conduct (SCOC)

We work closely with our tier 1 suppliers, responsible for the direct supply of goods and services to Zulu & Zephyr. Often responsible for the cutting and sewing of our products, they are the last step in our manufacturing process. Tier 1 suppliers also represent direct suppliers of fabrics, trims and packaging.

### TIER 2 / TIER 3 SUPPLIERS

As part of our commitment to full transparency of our supply chain, we are in the process of tracing all of our tier 2 and tier 3 suppliers. Categorised as suppliers that indirectly supply goods and services to Zulu & Zephyr. They are responsible for the supply of fabrics and trims or raw materials direct to our tier 1 suppliers.

We look forward to sharing more information as we continue to trace our operations, striving for full accountability and transparency.

### ONGOING COMMITMENT

While we are proud of our achievements so far, we acknowledge there is a lot that needs to be done. At Zulu & Zephyr we are focused on having a positive impact for People, Planet and Prosperity and moving forward with sustainability as the foundation of our business. Thank you for your ongoing support as we reach these goals, we cannot wait to share more with you. If you require further information or would like to learn more, please do not hesitate to reach out to our team who encourage curiosity and would love to help.



### COMMITMENTS

At Zulu & Zephyr we have always been committed to supporting charitable causes, we take pride knowing our product also serves as a purpose for the greater good. As an ongoing commitment to giving back we have strengthened our partnerships in recent years, to highlight unheard voices and promote meaningful change.

### 1% FOR THE PLANET

Zulu & Zephyr has been a proud member of 1% for the Planet since 2020. We are part of a global network of more than 2000 business members, in over 60 countries, coming together to protect the future of our planet. With a donation commitment of 1% of gross yearly sales on all our Signature Collection of swimwear, denim and organic tees & shirts, our pledge is to support value-aligned environmental non profits with a focus on creating the greatest impact. Since we joined the 1% for the Planet movement in 2020 we have supported Seed Indigenous Youth Climate Network, Karrkad Kanjdji Trust as well as Thread Together and Worn for good.

We also support 1% for the Planet indirectly through the onboarding of new suppliers that have also pledged 1% of their sales towards environmental non-profits such as Grounded Packaging.

### OUR IMPACT

Our support of Karrkad Kanjdji Trust in 2021 meant a financial contribution of \$7,500 towards funding their program to help indigenous rangers care for their country, culture and communities,

Thread Together were able to deliver hundreds of new garments to people in need through our gift of new, unworn clothing.

Our contribution to Worn for Good has seen us provide a hot meal and a safe and comfortable place for a woman escaping domestic violence to stay for 35 nights. Provided transport to and from school for 35 weeks to children in remote areas of the country. Supply 35 confidence kits to people under going treatment for cancer thought Worn for Good's partnership with Look Good Feel Better.

By choosing to produce our recycled paper kraft mailers with Grounded Packaging who pledge 1% of their sales to <u>Seabin Project</u> we have removed over 480kg of plastic waste from the ocean.

We look forward to sharing the impact we have made in 2022.













Zulu & Zephyr is committed to improving the environmental impacts of our business through restorative and regenerative design that aligns with the principles of a circular economy. We are committed to going beyond industry standards, instead choosing materials and processes that have a regenerative impact, rather than causing degradation.

It is our intention that this environmental policy will outline our initiatives to date as well as those we are working towards.

While we are proud of our achievements so far, we acknowledge there is a lot that needs to be done. As we move forward with sustainability as the foundation of our business we look forward to sharing more of our impact.

### REGENERATIVE MATERIALS

We preference the use of regenerative fibres such as ECONYL®, REPREVE® and EUROPEAN FLAX® that either divert waste from landfill, reducing pollution or have a regenerative effect on land when grown.

### FABRICS

We are committed to using high quality fabrications, we look for independent certifications that validate environmental credentials such as Global Organic Textile Standard (GOTS) and Organic 100 Content Standard (OCS).

### SUSTAINABLE PACKAGING

Our use biodegradable garment bags to transport our goods from our suppliers. Our online orders are shipped in packaging that is either recyclable or compostable.

### PLASTIC NEUTRAL

Due to our sustainable packaging initiatives we have dramatically reduced our use of plastic and are currently in the process of gaining Plastic Neutral certification.

### 1% FOR THE PLANET

We are a proud member of 1% for the Planet, with a donation commitment of 1% of gross yearly sales on all our Signature Collection of swimwear, denim and organic tees & shirts. Our pledge is to support value-aligned environmental non profits with a focus on creating the greatest impact.

### DYES AND PRINTS

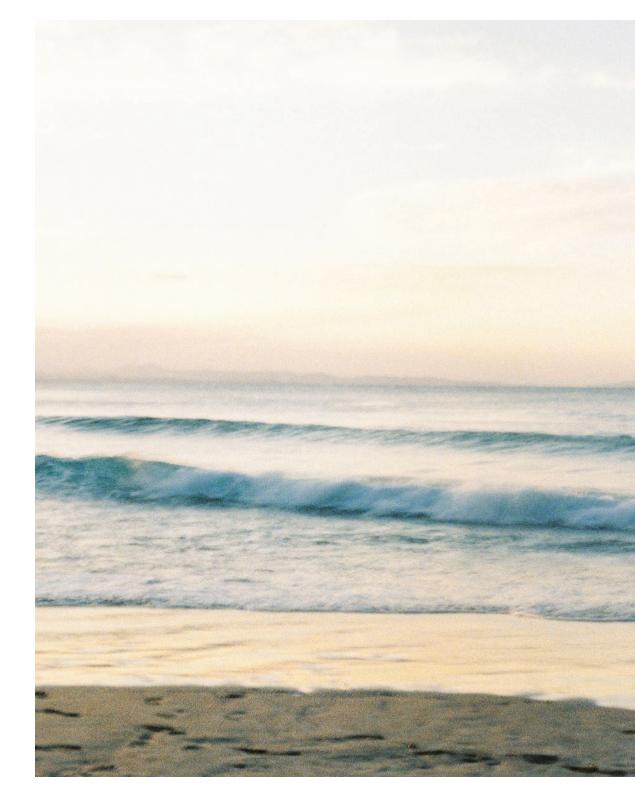
It is important to us that our products are gentle on the skin while being safe and ecologically beneficial. We ask that all suppliers ensure they are using high quality dyestuffs that meet stringent ecological specifications and comply with Oeko-Tex® 100 Standard.

### TRIMS

All our trim components meet the Oeko-Tex® 100 Standard while our labels are made from 100% recycled polyester.

### WATER & WASTE

We are committed to continuous improvement in this area, as we continue to trace our supply chain we aim to have full visibility of suppliers' water and waste policies and procedures.





## SUPPLIER CODE OF CONDUCT

### WORKING HOURS

The total hours worked in any seven day period, including overtime, must not exceed 60 hours unless exceptional circumstances comply and all of the following have been met.

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

Workers shall be provided with at least one day off in every seven day period or, where allowed by national law, two days off in every 14 day period.

Zulu & Zephyr strive to provide fair and achievable lead times and are always understanding of delays that are communicated ahead of time. We hope that this avoids excessive working hours or the need for sub-contractors however we encourage any feedback or concerns to be raised so we can work collaboratively on a solution.

All working hours need to be recorded in accurate detail. Regular

employment must be provided. To every extent possible, work performed must be on the basis of a recognised employment relationship established through national law and practice. The use of labour-only contracting, sub- contracting, or homeworking arrangements should be avoided where there is no real intent to impart skills or provide regular employment.

### **EMPLOYMENT**

Zulu & Zephyr does not tolerate forced or involuntary labour. Employment must be freely chosen, employees must have freedom of movement, free to leave their employee after reasonable notice.

Employees must not be forced to work in order to pay off debt. Workers are not required to lodge 'deposits' or any possessions including identity papers or identification documents.

All employees have the right to freedom of association and collective bargaining and without distinction are able to join or form trade unions of their choosing.

Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.

Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates the development of parallel means for independent and free association and bargaining.

### OUR SUSTAINABILITY / SUPPLIER CODE OF CONDUCT

### NO CHILD LABOUR

Zulu & Zephyr does not tolerate child labour in any area of its supply chain. All persons employed must be legally able to do so including being of legal working age.

It is the employer's responsibility to ensure the appropriate documentation is provided to check that all persons employed are of legal working age. All Zulu & Zephyr suppliers are required to accurately communicate to all parties aforementioned in the Scope section of this code and ensure compliance.

Companies shall participate in and contribute to policies and programmes which prevent the recruitment of child labour.

### MODERN SLAVERY STATEMENT

Zulu & Zephyr believe everyone, everywhere has the right to a life free from slavery therefore we do not condone Modern Slavery in any form. This includes the use of violence or coercion to recruit workers, forced or bonded labour, descent-based labour, child labour or any behaviour that undermines the freedoms or rights of a human being.

At Zulu & Zephyr we do not tolerate Modern Slavery, we exist to ensure all people connected to the business are properly paid and

work under pre-approved conditions. As per the requirements of this SCOC, all suppliers have acknowledged they do not condone or operate any form of Modern Slavery.

### INCLUSION

Zulu & Zephyr have a strong company commitment to diversity and inclusion as well as a core value that every person should be treated with respect, dignity and kindness at all times.

No person should be discriminated against for any reason. There must be no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

### AUDITS AND NON COMPLIANCE

We are committed to building strong supplier relationships on the basis of compliance with this code of conduct. In order to uphold the principles of this code, Zulu & Zephyr are committed to working on an ongoing basis to ensure compliance through open and honest communication and shared transparency.

Zulu & Zephyr encourage the submission of up-to-date social compliance audits conducted by globally recognised third party organisations.

Out of six manufacturing partners, currently three adhere to the Business Social Compliance Initiative (BSCI) framework; one is in the process of gaining SEDEX membership and we are working closely with the other two to gain equivalent compliance.

If any reasonable doubt is raised of non-compliance with this code, an immediate third party social compliance audit in line with internationally recognised framework will be mandatory. In the instance of ongoing breach of this code, a supplier's relationship with Zulu & Zephyr will be terminated.

### CONTINOUS IMPROVEMENT

At Zulu & Zephyr we acknowledge industry-wide complacency in the past has led to significant challenges to create systemic change however we are focused on moving forward implementing international best practice at all times and are willing to support to all those who strive for this shared goal. This document outlines the minimum level of standards but we expect suppliers to strive to exceed these standards and to continuously improve.

## ANIMAL WELFARE POLICY

Zulu & Zephyr recognises the importance of protecting the welfare of animals in the broader supply chain, it is our commitment to only use animal fibres that have not contributed to an animal's loss of life. We believe that all animals should be treated with respect and in a humane manner.

We strictly ban the use of the following animal materials; Fur, Leather (including exotic skins), Angora, Mohair, Cashmere, Silk, Bone, Horn or Shell.

Zulu & Zephyr will only use Wool or Alpaca, naturally biodegradable fibres generated from animal fleece, that hold certification to ensure it has been responsibly sourced in line with best international practice. Using animal fibres that can be traced to their origin, ensure we can address that the farms have a progressive approach to managing land and practice the Five Freedoms of animal welfare.

Zulu & Zephyr respect the Five Animal Freedoms act.

- 1.Freedom from hunger and thirst by ready access to fresh water and diet to maintain health and vigor.
- 2.Freedom from discomfort by providing an appropriate environment including shelter and a comfortable resting area.
- 3. Freedom from pain, injury, or disease by prevention or rapid diagnosis and treatment.
- 4.Freedom to express normal behaviour by providing sufficient space, proper facilities, and company of the animal's own kind.
- 5. Freedom from fear and distress by ensuring conditions and treatment which avoid mental suffering.





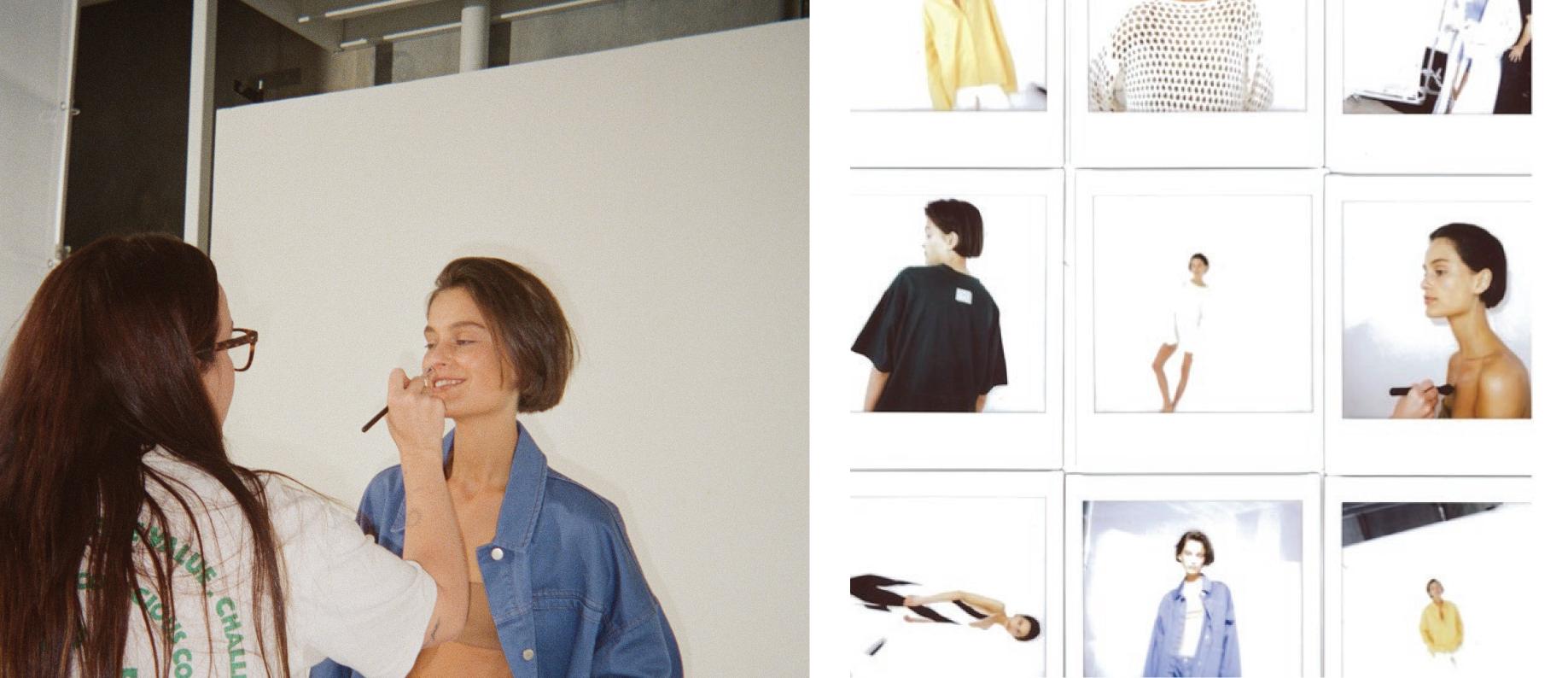
## **OUR STORE**

BYRON BAY

Welcome to our Australian Flagship store located in Byron Bay, NSW. <u>View our photogallery from our opening night</u>.

Guests experience and understand the Zulu & Zephyr world once stepping into our doors and viewing our collection in person. We hope to welcome you one day.

11 Banksia Drive, Byron Bay. Open from 10am Monday to Saturday.



### WE THANK YOU

Thank you for taking the time to preview our Sustainability Guide via our friends Del Rainbow.

We are proud to present our collections to our existing partners and excited to introduce our story to new friends around the world. As a small team, we thrive off evolution and growing as a brand - which is why we feel our story is more important than ever. What started as a Summer dream, inspired by our mothers photo albums from the 70's, has grown into something meaningful - extending beyond just clothing and fashion. We are committed to making change, to contributing to positive causes and to being the best brand we can be.

So thank you for allowing us the time and space to share more about Zulu & Zephyr and the lives we love.

Candice and Karla Rose Zulu & Zephyr

