KS PROGRESS REPORT 2020

Hello Friends and Family,

Working on our Progress Report, reviewing the unprecedented year that 2020 was, has been very cathartic and actually very positive.

It was a year that placed challenges on the business unlike anything we've ever experienced before, and that we never expected to ever have to face, with locking down all our business sites, wearing masks in our offices and international freight grinding to a halt. Our community of staff, suppliers, customers and colleagues have all faced difficulties and stress individually and on a collective level.

But out of adversity, so many positives have arisen. We have discovered how brave and resilient we really are, how supporting each other strengthens us and what an amazing country and community we live in. Not only did we manage to survive 2020, but we found time and reward in pushing forward too- we have made progress!

There is so much in 2020 to feel proud of and these achievements belong to our entire community- thank you for all your support over the last year, and we look forward to navigating 2021 with you on our team.

Cheers,

Kate xx

OUR PHILOSOPHY & GUIDING PRINCIPLES

To produce beautiful, intelligent luxury for living in, creating modern yet timeless classics to love for a lifetime not a season.

- The true value of clothing is in its design, how it was made and how long it will last
- Design for a lifetime, not a season
- Buy less, buy well, support local businesses
- Reduce, reuse, repurpose, recycle
- Honest is more important than perfect



THE KS TEAM

Introducing our KS workroom team of patternmakers, machinists, marketers, accountants, production and much more, who work behind the scenes to bring our clothes to life.

WHAT WE'VE LEARNT FROM YOU

As the sustainability conversation is so big and at times overwhelming, as part of last year's Progress Report we asked our customers to complete a survey to make sure we prioritise what matters most to you. In this Progress Report, we'll identify the priorities you've given us and the steps we've taken to advance in these areas. Thank you for being part of our journey.

WHAT IS YOUR MOST IMPORTANT VALUE WHEN PURCHASING KS CLOTHING?

PROMISE OF LONGEVITY

WHERE SHOULD KS PRIORITISE THEIR ATTENTION?

CIRCULARITY

WHAT DO YOU CONSIDER AS OUR MOST IMPORTANT ACTION FOR THE FUTURE?

SUPPORT MADE IN NEW ZEALAND

YOUR MOST IMPORTANT VALUE: LONGEVITY

Designing timeless classics with integrity that are worn for years to come is an integral part of the design process at Kate Sylvester. Keeping a garment out of the back of closets and ultimately out of landfill, significantly decreases its environmental impact. This is why we created our KS Care Guide, Repairs Initiative and Reloved programmes, to extend the life of our garments, and keep them in use for longer.

When you purchase a Kate Sylvester garment you are investing in its timeless design, quality and a promise of longevity. We undertake extensive garment testing which includes wash testing, dry cleaning, steaming and wear testing every single fabric that we use to ensure the durability and longevity of our garments. Our fabric testing process allows us to determine whether a garment can be handwashed or needs a more delicate approach. Extensive garment testing also means our care labels can be as detailed as possible, so that you can take the best possible care of your KS.

Our <u>Kate Sylvester Care Guide</u> is an easy reference for how to best care for your garments to ensure their longevity and take care of the environment at the same time. Find out more at:

katesylvester.co.nz/pages/care-guide

We launched our **<u>Repairs Initiative</u>** in 2017, where we offer complimentary repairs on any garment from any time or season. To date we've done over 282 minor repairs to restore your favourite garments and keep them in use for longer.



WHERE YOU BELIEVE KS SHOULD PRIORITISE THEIR ATTENTION: CIRCULARITY

We believe the future of fashion is circular. In 2020, we identified three key areas where we aim to make progress as a business. We have engaged all workroom staff in a working group, getting together monthly to accelerate each of these areas. In our survey you identified Circularity as the most important priority for attention, so our first and largest working group is focussed on this area specifically.

WORKING GROUP 1: CIRCULARITY, UPCYCLING & REPURPOSING

The Circularity, Upcycling and Repurposing group began by identifying potential solutions and avenues for textile waste, both our unfinished fabric rolls, and also workroom scraps.

We first created an inventory of all ends of fabric rolls to understand what we had available to work with. Then we brainstormed ways to create new items from small pieces of fabric such as facemasks, tote bags and small, exclusive re-runs of garments. Where we had larger pieces of left over fabric, we recut classic KS shapes in small quantities. For example, in July we created a few limited edition runs (approx. 6 dresses per fabric) of our classic Sibilla dress to use up the end of fabric rolls in past favourite prints. This year we also launched Kate Sylvester Exclusives, where we sold special one off, or very small runs of KS garments through our online store. This was an opportunity for us to share one offs created for the collection that never made it to production, and also create very small runs of product using up extra sampling fabric or ends of fabric rolls.

We also created a fabric donation network to prevent our fabric scraps from going to landfill. We currently donate fabrics and fabric scraps to charities, kindergartens, primary schools, sewing groups, and our customers! Often, we receive customer requests for fabric scraps. If you are interested in KS fabric scraps for a project, please email community@katesylvester.com. At the end of 2020, we engaged with The Formary's Textile Product Stewardship workshopping process, a project to co-design a new clothing & textiles system in Aotearoa with circularity at its core. The Formary are innovators in the sphere of textile circularity in New Zealand and have a number of research and development projects underway which are incredibly exciting. During this workshop, The Formary reinforced how incredibly important extending the life of garments (the use phase) is to minimising their environmental impact. With this in mind, we feel prouder than ever of our Kate Sylvester Reloved platform that has been giving new life to preloved Kate Sylvester garments since August 2019 and takes us a step closer towards achieving circularity. Reloved extends the use of garments by giving old favourites a new lease of life by getting them out of the back of closets and into new loving homes. We now have almost 800 users on the site, and we are incredibly excited to continue to see the growth of this platform.

Unfortunately in 2020, we didn't manage to get our upcycling project up and running, so our first project in early 2021 is looking at upcycling opportunities for end-of-life garments, creating unique, one-of-a-kind pieces to be sold through the Kate Sylvester Exclusives section on our website.

WORKING GROUP 2: CARBON REDUCTION

The KS Carbon Reduction group was tasked with looking at how we can reduce and offset our carbon emissions, with the ultimate goal to become carbon neutral. There is an urgent need for global action on decarbonisation, and we are committed to making positive changes within our business operations in order to do our bit for long term social and environmental benefit.

We are focusing on 3 key areas – Energy, Waste, and Freight- and have explored ideas as to how we could make operational improvements to reduce our carbon emissions. However we quickly came to the conclusion that first of all we need to understand what our carbon footprint actually is and then understand how we will effectively reduce our outputs to work towards achieving carbon neutral status. This led us to contact Delphine David at Toitū Envirocare, an organisation that helps businesses realise their carbon neutral and sustainability goals.

We are excited to collaborate with Delphine and the Toitū team in 2021 to analyse our business and supply chain operations in order to understand our carbon footprint and to make a definitive plan to reduce our emissions.

In 2020 we purchased our first electric vehicle which has reduced our fuel usage by a third and we are certainly hoping to see an electric van coming on to the NZ market soon!

For 2021 we have already set the wheels in motion for our first energy reduction project for 2021. In February this year we will be installing solar panels on the roof of the workroom which generate enough power to run 60% our work room operations annually, including the charging of our electric vehicle.



WORKING GROUP 3: ENVIRONMENT & ECO SYSTEM

Protecting our environment and eco system is important at Kate Sylvester, and our Environment and Eco System working group in 2020 has been committed to ensuring responsible packaging choices, minimising staff rubbish and food scraps, and also creating a wormfarm and a beautiful vegetable garden for all the Kate Sylvester workroom staff to enjoy.

In Spring, the group planted an assortment of vegetables and herbs that we knew our staff could enjoy for lunches. Each member of the team take turns to nurture the garden through daily watering and weeding. Collection of the workroom's daily food waste to feed to our worm farm helps to further nourish and sustain our garden.

Within two months we have created a flourishing garden providing the KS staff with tomatoes, lettuce, spinach and herbs. While it's wonderful to enjoy in our lunches it is also a pleasure to look at as you drive into our office car park. Creating this garden for our whole team to enjoy has been a fulfilling and wonderful experience.

In 2020 we transitioned all Kate Sylvester shopping bags and ECOM packaging to 100% recyclable alternatives, along with using compostable courier bags and labels.



WHAT YOU CONSIDER AS OUR MOST IMPORTANT ACTION FOR THE FUTURE: SUPPORT MADE IN NEW ZEALAND

A huge positive that has come out of a challenging 2020 is seeing New Zealanders celebrating local more than ever before. Supporting local brands, local creativity, local craft and local manufacturing. Covid-19 has really heightened people's awareness and commitment, but the scary thing is that decades of globalisation and fast fashion driving prices down through offshore production has resulted in a very fragile, very small local clothing industry made up of an aging workforce and antiquated machinery.

Kate likens it to an endangered species, and without support and T.L.C. our New Zealand manufacturing base could become extinct.

The future of the New Zealand garment production industry is central to the work we are doing with Mindful Fashion New Zealand, an industry collective that Kate co-founded in early 2019 to address the challenges the New Zealand clothing and textile industry is facing. Our MFNZ goal is to unite the local industry in a way that hadn't been done before, to share challenges, problem solve and reverse a shrinking local industry. Mindful Fashion is now at over 50 members, industry members who've joined in their support of this vision who come from all parts of the supply chain; designers, fabric suppliers and manufacturers. At MFNZ we've identified that our industry needs crucial investment, it needs a voice to lobby government and it needs training and apprenticeships to grow the workforce.

Through Mindful Fashion, we launched a Boosted fundraising campaign in August 2020 to raise the funds MFNZ needs to create a robust programme of projects to strengthen and grow the teams of craftspeople and makers that ensure Made in NZ is possible. This wasn't funding to support designers or brands, it was funding to support the machinists, cutters, embroiderers, screen printers, buttonholers, pressers, smockers and knitters behind the scenes who make the clothes we love. Through this initiative we raised over \$37,000 to go towards three important projects:

- Create a certified apprenticeship programme and training pathways to upskill workers and generate employment opportunities within our industry.
- Develop a clothing and textile 'yellow pages' so it's easy for designers (established and new) to find local manufacturers and suppliers.
- Development of best practice toolkits for all parts of the fashion and textile industry.

As 2020 closes, we have made great progress. All three projects are well underway and we've appointed our first Programme Director, Jacinta Fitzgerald, made possible thanks to the huge support we received from our Boosted campaign along with our growing list of members and partners. It is a huge milestone for Mindful Fashion to bring on a passionate leader to drive our mission "to unite the New Zealand clothing and textile industry to create an innovative, full-circle and thriving future." Jacinta's projects include the future workforce for the fashion and clothing industry, along with actioning our Boosted projects. We are so excited to see these projects come to life in 2021.



OUR MAKERS

We know you love Made in NZ as much as we do. So to close our Progress Report we thought we'd introduce you to some of our beloved local makers and suppliers.

MEET KATE

We love working with Kate because she has incredibly high standards and consistently delivers a beautiful product to us! She has a wealth of knowledge in garment construction, and it is an absolute delight to work with her.

Image of Kate in her workroom in Ōtara, Auckland by Jackie Meiring for Here Magazine.



MEET JACK

Jack has been a part of the extended KS family for many, many years and we absolutely adore him! He presses the majority of our product, including all of our most delicate pieces. Jack takes great pride in his work, and we really appreciate how meticulous he is.

Image of Jack and Ding-Ding in his Morningside, Auckland workroom by Isabelle Carson for Mindful Fashion.



MEET UMESH

We love working with Henderson Laundry, because they're great at what they do and use eco drycleaning solvents to lessen the environmental impact of the drycleaning process. Umesh is such a joy to work with, he always has a smile on his face, and no job is too big or too small for him! His visits to the workroom always brighten our day.

Image of Umesh at Henderson Drycleaners, Auckland by Jackie Meiring for Here Magazine



MEET JAMIE

Hawes and Freer supply us with a variety of trims and fusings, and their customer service is top notch. Jamie almost always hand delivers our orders to us, and we love his service with a smile. He always manages to pull our last minute trim requests out of the bag too!

Image of Jamie Watt in Hawes and Freer's Morningside, Auckland workroom.

EXCITING 2021 NEWS

LARGER SIZE OFFERING

Thanks to fantastic feedback from our customers, from August 2021 we will be introducing a larger size to our stores with our Summer '21 collection being offered in sizes XS- XL.

NEW FABRIC DEVELOPMENTS

In 2020 we continued to navigate the complexities of fabric transparency and strengthen relationships with fabric suppliers and fabric makers who have strong certifications and are focussed on ethical and environmentally friendly fabric manufacturing. We also continue to work with deadstock fabrics which essentially give new life to fabric leftovers from the international market.

In 2021, we are transitioning our polyester georgette stories to GRS (Global Recycled Standard) recycled polyester made from postconsumer waste that has been diverted from oceans and landfill. We currently offer organic cotton t-shirting options in our collection, but as of August 2021, all cotton t-shirting in our collections will be organic. In 2021 we will be introducing a luxurious GOTS organic cotton cashmere which has an OEKO-TEX Standard 100 certification which ensures it is free from any harmful chemicals.

WE'D LOVE TO HEAR FROM YOU!

If you have any questions or feedback about our 2020 Progress Report, please email community@katesylvester.com.

