

## Outland Denim Supplier Transparency

as @ 12th November 2019

*Outland Denim commits to a transparent supply chain.*

### FINAL STAGE PRODUCTIONS (Cut and Sew Facility + Finishing Facility)

Outland Denim Pty Ltd

HQ Location: Office: 3/18 Main Street, Tamborine Mountain Queensland, Australia // Sewing Facility and Wash House: Cambodia

Number of Employees: 100

Percentage of Female Employees: Over 80%

To view the *Outland Denim Cambodia - March 2018 ELEVATE Audit Response and November 2018 updates*, please click [here](#).

### PRIMARY / INPUT SUPPLIER

Bossa

Item: Organic Denim

Location: BOSSA T.A.S. Haci Sabanci Organize Sanayi Bolgesi Turgut Ozal Blv. No :2 01350 Saricam - Adana, Turkey

Date of last supplied audit to Outland Denim: 20th August 2019 – To view the audit CAP summary, please click [here](#).

Number of Employees: 1166 (White-collar: 180, Blue-collar: 977, Female 73)

### RAW MATERIAL SUPPLIER

Akasya

Item: Organic cotton

Location: Akasya Sokak No: 6/4 35330 Balcova/IZMIR

Date of last audit: 22nd October 2019

Percentage of Female Employees: 10%

Percentage of Migrant or Temporary Employees: 50-60%

### EMBELLISHMENT SUPPLIERS

Beijing Kailong Yisheng Textile Co., Ltd

Item: Pocket lining

Location: Dongniu Industrial park, Rongcheng Town, Baoding City, Hebei province, China

Number of Employees: 120

Percentage of Female Employees: 50%

Migrant and Temporary Employees: 0%

CJ Labels

Item: Care labels + hang tags

Location: National Road 4, #14M, Betong Road, Kontok Village, Sangkat Kontok, Khan Posenchey, Phnom Penh, Cambodia.

Number of Employees: 18

Percentage of Female Employees: 10%

Coats Phong Phu (Vietnam)

Item: Thread

Location: 48 Tang Nhon Phu Street, Tang Nhon Phu B Ward, District 9, Ho Chi Minh City, Vietnam

Number of Employees: 1,751

Percentage of Female Employees: 48%

Frameless Asia

Item: Jacron patches (and other products to come)

Location: Frameless Asia Pacific (Shenzhen) Manufacturing Limited

Masohad Garment Accessories Products (Shenzhen) Co., Ltd. 4th Floor, 6th Floor, Building 6, Hengmingzhu Technology Industrial Park, Xinqiao Industrial Park, Shaqiao Street, Bao'an District, Shenzhen, Guangdong, CHINA

Number of Employees: 22

Percentage of Female Employees: 40%

Migrant and Temporary Employees: 0%

Packer Leather

Item: Veg-tanned leather patches

Location: 101 Boundary Rd, Narangba QLD 4504, Australia

Audit Information: Leather Working Group – Gold rating (current)

QLM Label Makers Cambodia

Item: Cardboard wraps + woven labels

Location: No. 20, Street Lum, Phum Trapeang Chrey, Sangkat Kakap, Khan Por Sen Chey  
Phnom Penh

Number of Employees: 550

Percentage of Female Employees: 30%

Migrant and Temporary Employees: 0%

Timay & Tempo

Item: Buttons + burrs + rivets

Location: Timay CIT CIT Percin Ve Rivet San. TIC.A.Kümbet Hatun Mah. Merzifon OSB Merzifon, Amasya Turkey

Number of Employees: 253

Percentage of Female Employees: 12%

Migrant and Temporary Employees: 0%

YKK

Item: Zippers

Location: Lot 10, N2 Road, Nhon Trach III IP – Phase 2, Long Tho Commune, Nhon Trach District, Dong Nai Province, Vietnam

Number of Employees: 2239

Percentage of Female Employees: 70.3%

Percentage of Migrant or Temporary Employees: 8%

Audit information: Audit is an independent 3rd party (SGS) each year or internally (YKK\_VN) each year.

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We employ a “zero exploitation” business model designed to improve the ecological, social and economic status of entire communities. This informs our [Ethical Trading Policy](#) and procurement practices. At Outland Denim we work hard to ensure that our suppliers maintain the highest standards in production, treatment of workers and environmental concern. Our primary supplier passes audit results on to us for examination. Through these audits, we can see where concerns have been raised and what actions our suppliers are taking in order to resolve concerns.

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#### Living Wage Commitments

Global Coalition's living wage definition: *Remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements considered for a decent standard of living, including food, water, housing, education, health care, transport, clothing, and other essential needs, including provision for unexpected events.*

#### FINAL STAGE PRODUCTIONS

Cut and Sew Facility + Finishing Facility

Outland Denim commits to ensuring all staff members employed at its Cut and Sew Facility and Finishing Facility are able to receive a living wage, adequate to afford a decent standard of living. Living wage research sources such as Wageindicator.com and the Anker Method, are utilised to form our living wage methodology. Outland Denim has customised some parameters of the methodology to be fitting to location and actual household compositions of Outland Denim employees. Outland Denim also consults with locally-based freedom businesses, NGOs and Cambodian professionals to discuss the wage level. Outland Denim commits to updating this calculation on a regular basis to ensure wages remain at a living wage standard.

*100% of the Final Stage Production facility full-time regular employees are able to receive living wages. November 2019.*

#### PRIMARY / INPUT SUPPLIER

Denim

Outland Denim commits to monitoring the wages paid by its primary (input) supplier/s to ensure living wages are paid. Outland Denim requires evidence of the lowest wage paid to verify if the amount is sufficient to cover the cost of living for the area in which the supplier is based. By the end of 2019, Outland Denim commits to have provided further living wage support to Primary Suppliers on how they can produce methodologies for various aspects of their own supply chain. In 2020, Outland Denim will be updating this commitment with the progress that has been made on a primary supplier level.

*PRIMARY (INPUT) SUPPLIER sent updated wage information to Outland Denim in September 2019. The average net wage for employees had increased by about 19% from the previously provided information. Outland Denim's research indicates that the new average net wage for employees at the primary supplier facility, are adequate to meet the cost of a decent standard of living for a typical Turkey family according to WageIndicator estimations. However, other sources such as a report from the Clean Clothes Campaign, believe this wage still needs to be higher to be adequate. Outland Denim commits to further investigate this in 2020 to discover how much of a wage increase is still needed to reach the cost of living.*

#### EMBELLISHMENT SUPPLIERS

Labels + Thread + Patch + Buttons + Pocket Lining + Zippers

Outland Denim will always prioritise working with suppliers that are paying their staff a living wage. Paying at least a minimum wage is essential. Outland Denim commits to working with these suppliers to improve wages (if this is necessary) to cover the cost of living for their employees.

*100% of EMBELLISHMENT SUPPLIERS claim to pay living wages as of November 2019. Outland Denim is currently researching these claims to verify if they are accurate. By the end of 2020, Outland Denim aims to have living wage evidence for 100% of their embellishment suppliers, wage improvement strategies in place with necessary suppliers or move to use embellishment suppliers willing to pay living wages.*

#### PRIMARY RAW MATERIALS

Certified Organic Cotton

Outland Denim is talking with third party, experienced farm auditors to assist us in monitoring the cotton farm conditions on both social and environmental levels. Outland Denim was able to visit the denim mill in 2019, however, visits are still in the planning stage for the organic cotton farms. Outland Denim will continue to collect data on wages paid at the farm level and use this to implement improvement strategies for the farmer's incomes. Outland Denim will do this in collaboration with the agencies and suppliers it works with. Outland Denim aims to reveal more information about incomes on the raw material level of its supply chain by the end of 2020. From this point Outland Denim can work to have any necessary wage improvement strategies in place, to ensure farmers are being paid adequately.

*Outland Denim commits to doing our utmost to ensure a wage (as assessed using the Anker method) sufficient to afford a decent standard of living, is paid to the farm level workers by the end of 2025.*

**Supply Chain Living Wage Methodology - Wageindicator.org**

*Overview of the methodology utilised to research all suppliers prior to FINAL STAGE PRODUCTIONS*

The WageIndicator estimation of the Living Wage is consistent with the methodology developed by *Richard and Martha Anker for the Global Living Wage Coalition*<sup>1</sup>. The WageIndicator approach is innovative in the way that it uses prices collected through web surveys across the world in order to provide timely, reasonably accurate and globally comparable estimates. Where needed these web surveys are complemented by collecting information about prices through interviewers conducting face-to-face surveys and observing prices in shops and markets.

The Living Wage calculated by WageIndicator is composed of seven parts: food, housing, transport, health, education, tax and other costs (incl. 10% for savings). Living Wages are estimated for a set of common household compositions<sup>2</sup> and under different assumptions about working hours. Living Wages are updated every quarter to reflect the fluctuations of prices.

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*In pursuit of zero exploitation, it is to be expected that Outland will discover areas that fall short of the ideal. As a result, Outland, rather than being crippled by fear of falling short, aims to push forward plowing new ground, whilst striving for the ideal.*

*Outland aims to be an encouragement to the fashion industry by moving toward a more economical and ecologically sustainable 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.*

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<sup>1</sup> \*Anker, Richard and Anker, Martha (2017). *Living Wages Around the World: Manual for Measurement*. Cheltenham: Edward Elgar Publishing

<sup>2</sup> Typical Household Composition: Two adults with children; the number of children is determined by the current fertility rate in the country, One adult is working full-time and the working hours of the second adult are approximated by the national employment rate.