

# Sustainability Report



2022

# Heartfelt Greetings WE-AR Tribe



I hope this message finds you well. I'm thrilled to share our Sustainability Progress Report for 2022 with all of you.

Despite the challenges we faced in 2022 due to supply chain disruptions caused by the global pandemic along with pressures of the rising cost of living, our commitment to sustainability remained steadfast. We made significant strides last year, focusing on eco-friendly materials, fair wages for our team, and transparent practices within our supply chain.

In 2022, we managed to map the environmental footprint of 40% of our garments, updated our Supplier Codes of Conduct to include water and chemical management, and pledged to increase our use of organic cotton and other eco-friendly materials. We also worked hard to share more information about our sustainable practices with you, both online and in our stores, to raise awareness about the importance of sustainable fashion.

Please take some time to read the details about what we achieved as well as what we didn't. Unraveling the impacts of our industry is complex and we recognize there's still more work to be done. These are mountains we can climb together, as an activated and passionate community, learning better ways of living in harmony with ourselves and Mother Earth. This report details our progress to December 2022. Our aim is to publish our 2023 report by the end of Q1, 2024.

I want to express my heartfelt gratitude for your continued support and partnership on our sustainability journey. Together, we are making a difference.

A handwritten signature in black ink that reads "Jyoti". The signature is stylized and fluid, with the first letter 'J' being particularly large and prominent.

Founder of WE-AR



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# OUR SUSTAINABILITY STRATEGY + SDG ALIGNMENT 2022 -2024

PILLARS	PLANET	PEOPLE	PROSPERITY
<p>We have outlined our high level goals for the next 3 years for each impact we identified as important, and the corresponding annual targets. We have organised them under the three pillars: Planet, People, Prosperity.</p> <p>WE-AR recognises that the SDGs are a benchmark for sustainable business practices across the globe, and we aligned our strategy to these goals. We have selected 10 goals we feel we can have the biggest impacts on, while also ensuring we are not negatively contributing to any others.</p>	<p>To achieve significant reductions in our emissions, and map and communicate the emissions profile of our products.</p> <p>To cause no negative impacts on people or the environment from the water or chemicals we use.</p> <p>To produce high quality garments from materials that align with our values in supporting the health of the planet and people.</p> <p>To actively restore biodiversity and the health of our environment.</p> <p>To ensure all our packaging is recyclable, reusable, or compostable, and that we best facilitate its correct disposal by our customers.</p>	<p>To be a supportive, equitable and inclusive place of work that empowers our team to create authentic connection, to self, family, and community, and advocate for our brand values.</p> <p>All people in our supply chain to be safe, respected, and positively impacted.</p> <p>Contribute to building stronger communities through business opportunity, education and empowerment.</p>	<p>100% traceability and transparency of our supply chain from seed to store.</p>

## SUSTAINABILITY DEVELOPMENT GOALS

<p>The SDG's were "adopted by all United Nations Member States in 2015, (to provide) a shared blueprint for peace and prosperity for people and the planet, now and into the future. The 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests."</p>	<p>6 CLEAN WATER AND SANITATION</p> <p>12 RESPONSIBLE PRODUCTION AND CONSUMPTION</p> <p>13 CLIMATE ACTION</p> <p>15 LIFE ON LAND</p>	<p>1 NO POVERTY</p> <p>3 GOOD HEALTH AND WELL-BEING</p> <p>4 QUALITY EDUCATION</p> <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>10 REDUCED INEQUALITIES</p>	<p>12 RESPONSIBLE PRODUCTION AND CONSUMPTION</p>
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# BUSINESS AS USUAL + SNAPSHOT OF ACHIEVEMENTS 2021-2022

We partnered with GreenStory to assess the environmental impact of our garments by calculating the resources consumed (raw materials, water and energy) and emissions generated. This data is live on our website for each product assessed in the GreenStory LCA.

We have achieved shipping 42% of our products via sea freight in 2022.

We have identified that NZ Post's Person to Person sending is now carbon neutral for domestic shipping. And for international parcels, they have measured and offset as far as getting the parcel to the destination country's border. We have shipped 67% of our parcels with them since signing up a direct account.

We have created engaging campaigns through our blog and social platforms educating our customers on the washing and caring of our cotton and cashmere pieces.

We also added a dedicated space on our website for our product care guides, so our customers can easily find care and washing techniques.

100% of the paper and cardboard we use is sourced from certified sustainably managed forests.

We only use compostable and biodegradable postage bags for our online orders, and use tissue paper and stickers that are made from recycled content and are recyclable, and offer our customers the option of no packaging.

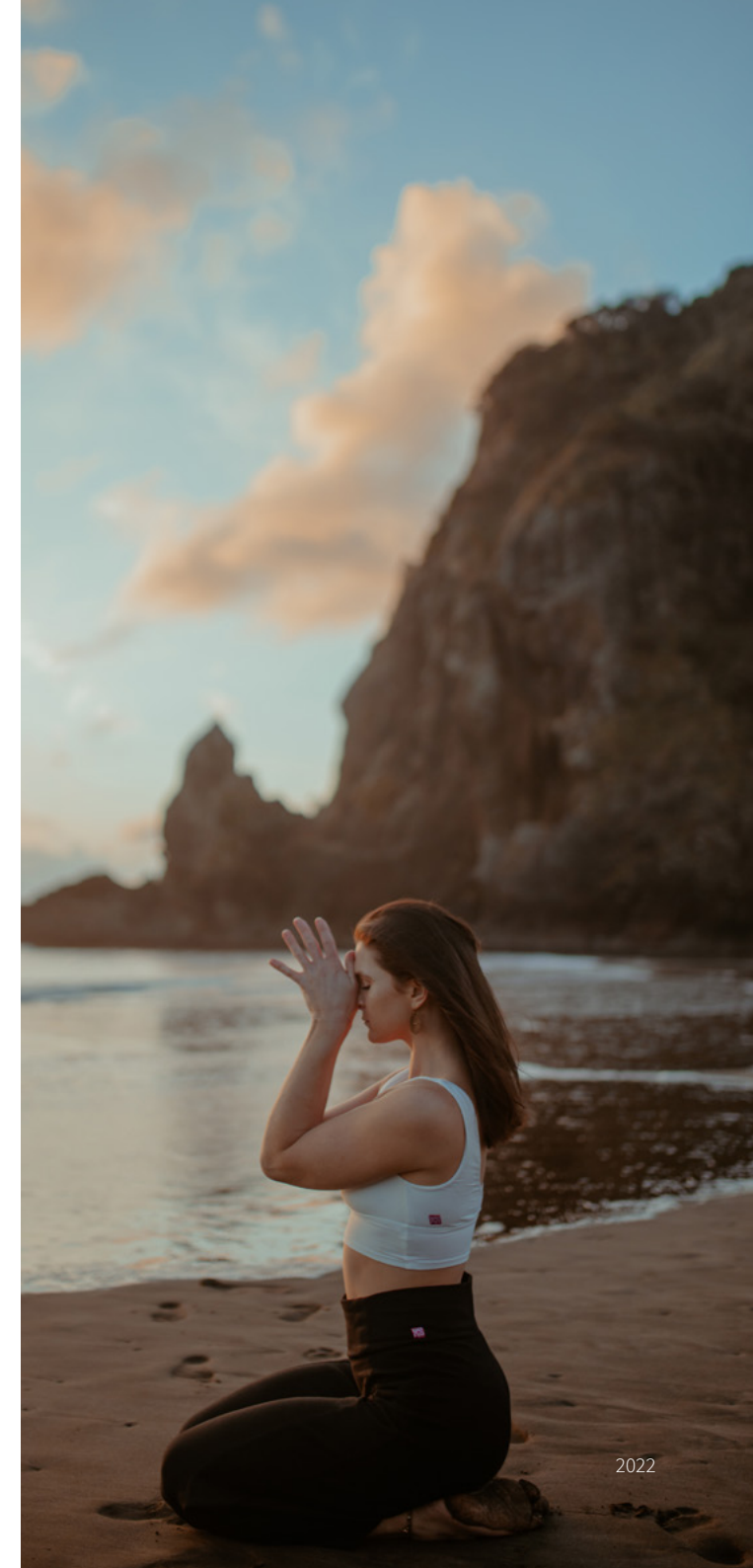
We have reviewed and are formalising a framework to regularly review labour conditions, and foster continuous improvement to address any related concerns with each of our suppliers.

We have reviewed and updated our Diversity and Inclusion Policy.

We have identified local biodiversity and nature regeneration projects for our team and community to support and to take part in, through volunteering opportunities.

We have reviewed and dedicated a member of staff for our conscious collaborations and have partnered with and continue to partner with a diverse outreach of local and international experts and practitioners across a variety of cultures and disciplines who share and communicate our products and brand values.

During 2022 we created an internal digital channel dedicated to sustainability, to keep sustainability thinking at the forefront of the team's mind, with useful information and resources on climate change, circular economy, ideas on how they can make personal changes, and the work we are doing through our sustainability strategy.



# PROGRESS AGAINST GOALS 2022



## Planet









IMPACT /

# Water and Chemicals

## GOALS AND TARGETS

To cause no negative impacts on people or the environment from the water or chemicals we use.

## WHY THIS IS IMPORTANT TO US

The fashion industry has been responsible for devastating impacts on people and the environment from its careless use of water and chemicals and we want to help change this.

	ACHIEVED	IN PROCESS	NOT ACHIEVED	NOTES
Update our Supplier Codes of Conduct (SCOC) and related policies for our Production Houses, and our Artisanal Printing and Dye Houses to include our requirements around the management of water and chemicals.	✓			We have a dedicated member of staff who has updated our Supplier Code of Conducts and company policies to be aligned with our Sustainability goals and targets.
Ensure all our Production Houses have a robust plan and / or third-party certifications relating to their management of water and chemicals.		✓		<p>We have added this to our Supplier Codes of Conducts to ensure our Production Houses have a robust plan and / or third-party certifications relating to their management of water and chemicals.</p> <p>One of our main Production Houses is in the process of doing an overall sustainability audit of their organisation, which includes water and chemicals, and all environmental and social aspects, they will share this with us once it's complete.</p>
Establish and communicate the water footprints for 40% of our garments			✓	<p>Through this process we have identified that we have mapped the blue water consumption of 40% of our garments through our Life Cycle Analysis with GreenStory, not the water footprint.</p> <p>After reviewing this we would like to research different methodologies and companies to establish and communicate our water footprint.</p>

“We’ve partnered with GreenStory to assess the environmental impact of our garments by calculating the resources consumed (raw materials, water and energy) and emissions generated.”





	ACHIEVED	IN PROCESS	NOT ACHIEVED	NOTES
Engage with our local industry on circular end-of-life solutions including at a national / legislative level.	✓			<p>We attended the Mindful Fashion New Zealand Rethinking Textile Waste workshop, and learned about options for end of life solutions. These options are all in the link below, we are looking into these as end-of-life solutions for our customers, and for our faulty and returned items.</p> <p><a href="https://tr-mindful21-craft3-prod.s3.amazonaws.com/MFNZ-Textile-Recycling-options-in-New-Zealand-2022.pdf?mtime=20221110161719&amp;focal=none">https://tr-mindful21-craft3-prod.s3.amazonaws.com/MFNZ-Textile-Recycling-options-in-New-Zealand-2022.pdf?mtime=20221110161719&amp;focal=none</a></p> <p>We have also contributed to the Usedfully Textile Products Stewardship Aotearoa Scheme to reduce waste, emissions and mainstream circularity of resources, through their national industry survey.</p>
Continually investigate and trial new fabric types inline with our values and ethics.	✓			<p>We have recently started using Lenzing ECO-VERO and Livaeco by Birla Cellulose for selected styles in our collections.</p> <p>We are continuing to work with our suppliers on sourcing new fabrics, and are researching new technologies in recycled fabrics, such as Circulose by Renewcell, from Sweden.</p>
Establish a policy for the purchasing and discarding of electronics.	✓			<p>We have updated our Environmental Policy with the below:</p> <p>When purchasing electronics, we will buy durable and reliable products, and will take responsibility for all electronic waste (e-waste). Anything that plugs in or is a part used in a electronic item (for example ink cartridges) will be taken back to the supplier, or to the Auckland Council's specialised processing location, or to Computer Recycling an Auckland organisation who offers a responsible e-waste collection service, and supply environmental certificates for diverting e-waste from landfill.</p>

“We are currently producing 55% of our current collection in our preferred materials list, our target is to order 75% by 2023, and to order 100% by 2024.”



# IMPACT / Biodiversity

## GOALS AND TARGETS

To actively restore biodiversity and the health of our environment.

## WHY THIS IS IMPORTANT TO US

We are living in the midst of a biodiversity crisis and we care deeply about our impact on the lives of other beings.

	ACHIEVED	IN PROCESS	NOT ACHIEVED	NOTES
Engage with our supply chain to increase the traceability of our natural fibres.	✓			We have worked with our suppliers on making sure their certifications are up to date for the natural fibres we use. We have also identified gaps through mapping our supply chain. We are working on streamlining our fabric choices to be in line with our preferred materials list, and transitioning our cotton classics to be made in organic cotton.
Update our Supplier Code of Conduct (SCOC) for both Artisanal Home-based Workers and Production Houses to encourage them to actively protect and/or regenerate their local environments.	✓			We have updated our Supplier Code of Conducts and company policies to be aligned with our Sustainability goals and targets.
Investigate and gain a deep understanding of regenerative agriculture.	✓			<p>We have attended in person and online events around the subject of Regenerative Agriculture including Textile Exchange Stories from the Field event hosted by Mindful Fashion New Zealand in Auckland. Our team is continuing to gain and foster knowledge in this area, through different resources and projects.</p> <p>We also receive frequent newsletters from our GOTS supplier with updates on their developments in regenerative work and initiatives.</p> <p>We are also planning team and community events in 2023 with local environmental and sustainability groups to take part in events and online conversation on different areas of restoration and regeneration projects in our local areas and across New Zealand.</p>
Offer our customers the opportunity to support restoration projects.		✓		<p>We have identified that our local Sustainability Centre the Waiheke Resources Trust can help us with engaging our team and customers through a variety of restoration projects in nature, including their Love our Wetlands project, the Waiheke Marine Project with beach cleans and kelp gardening days.</p> <p>There are a few options we could partner and work with these organisations through:</p> <ul style="list-style-type: none"> <li>- Options for our customers to support their projects through donations buttons on our websites, POS and in-store tokens.</li> <li>- We can attend their projects as a team, we can host tree planting days and invite our community to take part in beach cleans and kelp gardening days.</li> <li>- We are also looking at ways we can support their other community and social projects by supplying uniform pieces.</li> </ul>



Identify the fossil fuel based packaging we can remove.



Three of our four suppliers send our products in fossil based packaging, we request our suppliers to add multiples in each bag to reduce the amount of bags we receive. Using this technique gave us a 60-80% reduction in bags from one of our suppliers. We reuse these bags in our stockroom, and make sure a limited number is sent to soft plastics recycling.

One of our suppliers sends their products in biodegradable and compostable bags, these also contain multiple products per bag to reduce the amount of bags we receive.

During 2022 we received approx. 13400 garments bags from our suppliers, 25% of these were biodegradable and compostable bags.

We are continuing to work with our suppliers to source durable, and more environmentally friendly packaging options.

## Highlights





# People



# Working at WE-AR

## GOALS AND TARGETS

To be a supportive, equitable and inclusive place of work that empowers our team to create authentic connection, to self, family, and community, and advocate for our brand values.

## WHY THIS IS IMPORTANT TO US

We want to create a ripple effect of well-being through our communities.

	ACHIEVED	IN PROCESS	NOT ACHIEVED	NOTES
Continue our annual team reviews to measure employee wellness and workplace satisfaction, and set targets for 2023 and 2024.	✓			<p>We are continuing to do this with our employees. Within their review employees set their own individual targets. We also ensure that our staff are given professional development opportunities within or outside of their role, to build their skills in the areas they are interested in. We also make sure we orient relevant tasks within their role to help them meet their targets.</p> <p>We ask all team members to share their experience in reviews so we can better understand how they feel about working with us, so we can understand how well our systems are working, and to hear what we can do to better improve their experience. We ask our employees to assign a rating across a list of experiences of working at WE-AR, 1 (Very Dissatisfied) to 5 (Very Satisfied).</p> <p>We would like to set a positive target with an average rating of 4 per employee across all experiences outlined in our Performance and Development Review.</p>
Review our Diversity & Inclusion Policy and update if necessary.	✓			We have updated our Supplier Code of Conducts, Code of Ethics and company policies to be aligned with our Diversity & Inclusion goals.
Investigate team building opportunities for our Bali and NZ based teams.	✓			<p>We have identified restoration and conservation projects for our NZ team to take part in. We feel this will support our team as a whole, and their wellbeing. We will also offer training days when our new collections launch, and continue our wellness days in 2023.</p> <p>We will continue the Family Day for our Bali based teams in 2023.</p>
Continue our wellness day for Auckland and Waiheke team.		✓		
Continue our Family Day for the Bali team.		✓		We are planning this to take place in 2023.

	ACHIEVED	IN PROCESS	NOT ACHIEVED	NOTES
Investigate a workplace mental health training course.	✓			<p>We have identified two mental health courses that would be suitable for our team.</p> <p><a href="https://www.clearhead.org.nz/en-NZ">https://www.clearhead.org.nz/en-NZ</a>  <a href="https://www.eapservices.co.nz/">https://www.eapservices.co.nz/</a></p> <p>As part of our mental health awareness for our teams we will also encourage our team to take part in the restoration projects we are planning, so we can connect with nature and our communities.</p>
Plan how we can better embed a culture of circular economy thinking in our business.	✓			<p>We will update our company manual to create a space for all our employees to access information about our ethos, and to educate our team on circular economy functions within our business.</p> <p>We have also started to use our voice to educate our community on circular thinking, through an campaigns that encourage our customers to consider what they do with their garments once they no longer want them anymore, with mending, up-cycling, gifting and swapping ideas to help extend the life of their garments.</p> <p>We will continue to work with our designers and suppliers to encourage circular thinking in the design and production stage, and highlight the importance of minimising waste, and using natural fibres from our preferred materials list.</p>
Continue to inform, train, and educate our team on the circular economy and sustainability and how they influence the decisions we make.	✓			<p>During 2022 we created an internal digital channel dedicated to sustainability, to keep the conversation alive, with useful information and resources on climate change, circular economy, ideas on how they can make personal changes, and updates about the work we are doing through our sustainability strategy.</p> <p>As part of our wellness day scheduled for 2023 we are planning to invite someone to run a workshop with our team, on fashion, sustainability and circular economy.</p>

“ We ask all team members to share their experience in reviews so we can better understand how they feel about working with us. ”



IMPACT /

# People in Our Supply Chain

**GOALS AND TARGETS**

All people in our supply chain to be safe, respected, and positively impacted.

**WHY THIS IS IMPORTANT TO US**

We believe every human being is equally important and we want to nourish all people and communities in our supply chain.

	ACHIEVED	IN PROCESS	NOT ACHIEVED	NOTES
Continue to undertake thorough due-diligence of any new suppliers we work with.	✓			We have not worked with any new suppliers during 2022, but we will continue to undertake thorough due-diligence of any new suppliers we work with.
Review and formalise our framework to regularly review labour conditions, foster continuous improvement, and address any related concerns with each of our suppliers.	✓			We have updated our Supplier Code of Conduct this includes a framework to review our suppliers, to keep ourselves and our suppliers accountable.
Review and update our Supplier Code of Conduct (SCOC) and Purchasing Policy for both Artisanal Home-based Workers and Production Houses.	✓			We have updated our Supplier Code of Conduct and company policies to be aligned with our Sustainability and Ethics goals and targets.
Reestablish our regular mental and physical wellbeing initiatives that were paused during the pandemic.		✓		We will be including wellbeing and physical activities in our next wellness day for our New Zealand team.



	ACHIEVED	IN PROCESS	NOT ACHIEVED	NOTES
Review our Conscious Collaborators programme to ensure they are aligned with and advocating for our goals and brand values, and set targets for 2023 and 2024.	✓			<p>We have reviewed our Conscious Collaborators Programme and found it to be delivering well in alignment with our goals and values.</p> <p>We have collaborated with many aligned experts across different fields including the Co-Founders of Better Packaging, Holistic Psychologist Bridget McNarra, and Founder of Edible Earth, For The Better Good &amp; Co-Founder of Nudes Drinks Jayden Klinac.</p> <p>We've continued our ongoing collaborations with inspirational yoga teachers and events such as Maria Munkowits, Amy Kate, Maia Yoga and Sunrise Yoga.</p> <p>Our target is to increase the diversity of our collaborations with local and international experts and practitioners, across a variety of cultures and disciplines.</p>
Plan how we can better embed a culture of circular economy thinking in our business.	✓			<p>We have identified opportunities for our team and community to engage with restoration projects that will facilitate a reconnection with nature and engagement with our local communities.</p> <p>Examples of projects we are investigating:</p> <ul style="list-style-type: none"> <li>- Tree planting days with Love our Wetlands, with the Waiheke Resources Trust.</li> <li>- Beach cleaning and kelp gardening days, with the Waiheke Marine Project.</li> </ul>
Research ways to facilitate reconnection with nature for our team and community at large.	✓			<p>During 2022 we created an internal digital channel dedicated to sustainability, to keep the conversation alive, with useful information and resources on climate change, circular economy, ideas on how they can make personal changes, and updates about the work we are doing through our sustainability strategy.</p> <p>As part of our wellness day scheduled for 2023 we are planning to invite someone to run a workshop with our team, on fashion, sustainability and circular economy.</p>

## Highlights



# Prosperity







# Snapshot of Goals



# GOALS AND TARGETS

## Planet

<b>IMPACT : Energy and Greenhouse Emissions</b>	ACHIEVED	IN PROCESS	NOT ACHIEVED	TOTAL OBJECTIVE
Establish and communicate the emissions and energy footprints for 40% of our garments.	1			1
Investigate projects to offset our unavoidable emissions.	1			1
Produce a Carbon Reduction Plan (CRP).	1			1
Set reduction targets for the garments we have successfully mapped.			1	1
Review our freight logistics to identify any opportunities to improve efficiencies.	1			1
Write a concise plan to use our voice to bring attention to and educate our audience on the climate crisis and the solutions available including a minimum of 50% of our social posts to have a message relating to our social and environmental impacts.	1			1
<b>IMPACT: Water and Chemicals</b>				
Update our Supplier Codes of Conduct (SCOC) and related policies for our Production Houses, and our Artisanal Printing and Dye Houses to include our requirements around the management of water and chemicals.	1			1
Ensure all our Production Houses have a robust plan and / or third-party certifications relating to their management of water and chemicals.		1		1
Establish and communicate the water footprints for 40% of our garments .			1	1
<b>IMPACT: Materials We Use</b>				
Ensure all our organic cotton, and cashmere fabrics have up-to-date and verified certifications.	1			1
Investigate opportunities to test and verify the origin and organic status of our garments / fabrics.	1			1
100% of our cotton classics range to be made of 100% certified organic.			1	1

Review our preferred materials list, establish existing volumes / percentages we use in our garments, and set targets for 2023 and 2024.	1	1
Communicate our knowledge of the materials we use and their impacts using LCA data.	1	1
Gather data on the volume and types of materials we currently discard throughout our supply chain and set reduction targets for 2023 and 2024.		1
Investigate projects to offset our unavoidable emissions.	1	1
Develop and share engaging content relating to the washing and caring of our garments / fabric types.	1	1
Investigate suppliers of recycled fabrics.	1	1
Engage with our local industry on circular end-of-life solutions including at a national / legislative level.	1	1
Develop a communications campaign to provide our customers with the best end-of-life options for our garments.	1	1
Continually investigate and trial new fabric types inline with our values and ethics.	1	1
Establish a policy for the purchasing and discarding of electronics.	1	1
<b>IMPACT: Biodiversity</b>		
Engage with our supply chain to increase the traceability of our natural fibres.	1	1
Update our Supplier Code of Conduct (SCOC) for both Artisanal Home-based Workers and Production Houses to encourage them to actively protect and / or regenerate their local environments.	1	1
Investigate and gain a deep understanding of regenerative agriculture.	1	1
Offer our customers the opportunity to support restoration projects.		1
<b>IMPACT: Packaging</b>		
100% of the paper and cardboard we use is sourced from certified sustainably managed forests	1	1
Investigate incorporating recycled content into our packaging and set targets	1	1
Undertake a review of all our packaging and labelling materials and establish the volumes we use.	1	1
Identify the fossil fuel based packaging we can remove.	1	1
Research the access our customers have, in the key markets we serve, to end-of-life solutions for packaging materials.	1	1

# People

<b>IMPACT : Working at WE-AR</b>	ACHIEVED	IN PROCESS	NOT ACHIEVED	TOTAL OBJECTIVE
Continue our annual team reviews to measure employee wellness and workplace satisfaction, and set targets for 2023 and 2024.	1			1
Review our Diversity & Inclusion Policy and update if necessary.	1			1
Investigate team building opportunities for our Bali and NZ based teams.	1			1
Continue our wellness day for Auckland and Waiheke team.		1		1
Continue our Family Day for the Bali team.		1		1
Investigate a workplace mental health training course.	1			1
Plan how we can better embed a culture of circular economy thinking in our business.	1			1
Continue to inform, train, and educate our team on the circular economy and sustainability and how they influence the decisions we make.	1			1
<b>IMPACT: People in Our Supply Chain</b>				
Continue to undertake thorough due-diligence of any new suppliers we work with.	1			1
Review and formalise our framework to regularly review labour conditions, foster continuous improvement, and address any related concerns with each of our suppliers.	1			1
Review and update our Supplier Code of Conduct (SCOC) and Purchasing Policy for both Artisanal Home-based Workers and Production Houses.	1			1
Re-establish our regular mental and physical wellbeing initiatives that were paused during the pandemic.		1		1
<b>IMPACT: Community</b>				
Review our Social Profit Policy, update where required and clearly communicate all aspects of this on our communications channels.		1		1
Allocate a team member to manage the implementation of our social profit policy.	1			1
Publicly report on our actions and impact under our existing Social Profit Policy.	1			1
Set impact targets for our Social Profit Policy for 2023 and 2024.			1	1
By conforming to the new regulations we will offer 6 free community Sunrise Yoga classes on the waterfront in the summer of 2022.	1			1

Research and assess which community festivals and events we can offer support to with awareness raising exercises such as hosting panel conversations, yoga classes and related education.	1	1
Review our Conscious Collaborators programme to ensure they are aligned with and advocating for our goals and brand values, and set targets for 2023 and 2024.	1	1
Research ways to facilitate reconnection with nature for our team and community at large.	1	1

## Prosperity

<b>IMPACT : Transparency and Communication</b>	ACHIEVED	IN PROCESS	NOT ACHIEVED	TOTAL OBJECTIVE
Map our current supply chain and identify the gaps in our traceability.		1		1
Communicate how we negotiate prices.	1			1
Make this strategy publicly available.	1			1
Update our website to clearly communicate our sustainability strategy and policies.	1			1
<b>Total</b>	<b>42</b>	<b>8</b>	<b>4</b>	<b>54</b>
	<b>78%</b>	<b>15%</b>	<b>7%</b>	



Ngā mihi

[we-ar.com](http://we-ar.com)