

2023 Sustainability Report

SWOOLLY
BY SCANLAN





Our Story is one of a kind

The SWOOLLY is an original creation from Scanlan Wools, a multi-generational WA family business. Since 1986, Peter and Margaret Scanlan have served the WA community with absolute dedication. Buying, marketing and selling WA wool to achieve the best results for WA woolgrowers. Now with help of their 5 daughters and the team at Scanlan Wool, the Scanlans are bringing the best of WA wool to the world.

Our Mission

We hope you love the SWOOLLY as much as we do, but did you know the SWOOLLY is more than just a great sweater. It's a lifeline for WA woolgrowers. Never has Australian wool production been at such a critically low level. The SWOOLLY strives to provide long term support and financial stability to our dedicated, Western Australian woolgrowers. Wool is an amazing natural fibre with so many benefits, one being that wool biodegrades at the end of its use, SWOOLLY aims to promote the use of wool and its positive impact on our planet. A part of our mission is to commit to sustainability, from designing for longevity to minimising waste. From our family to yours, thank you for supporting the SWOOLLY and Western Australian Wool.

Proudly Western Australian, Proudly Family Owned



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Acknowledgement of Country

Swoolly by Scanlan acknowledges and pays respect to the past, present and future Traditional Custodians and Elders of Australia, their connections to the land, sea and community, and the continuation of practises of Aboriginal and Torres Strait Islander peoples.

01

Introduction

BY SCANLAN

About Swoolly

Swoolly is WA merino wool brand. Our love and knowledge of wool has been passed down through generations of our family and we now proudly use our family name to share our love of wool through high quality knitted garments. We began this journey as a way to show our woolgrowers what their hard work and dedication can be made into and now we aim to show everyone how great Western Australian wool is. We have a focus on quality, sustainability and community and we we built on the values of authenticity, transparency and respect. We always have nature on our mind, how it inspires us and how we can protect it. We believe our products are something worth falling in love with.

We started Swoolly by Scanlan 5 years ago, with one design and now we have grown into a team of three with ten products made for everyone. We are a small local brand with big ambitions and we are on our way to bigger and better things.

Our Team

Emily - Retail Development



Louise - Operations



Sophie - Fashion Design



A letter from us

With our commitment to full transparency and the power of knowledge, we have assembled all the information you need about us, our environment, and our plans for the future in this report. Our planet and all of its inhabitants deserve the best we can do. We would like to be part of the conversation about change.

You can expect us to share the good, the bad, and the ugly, and we hope you understand that it is a journey, and we might make mistakes, but we are always striving to improve. Despite being a small brand, Swoolly understands that everyone impacts the environment and we want ours to be positive.

We are taking accountability for what we do and are making a promise to you to strive to do our best to do better. Our first step in this journey is to start sharing our progress, the ups and the downs.

Love Swoolly

Inspired by nature and with nature



02

Planet

Understanding Impact

Our planet has been under immense pressure as humans continue to use its resources, an issue needing our attention for decades and it is a growing problem, effecting how we live our lifes and should impact the way buisnesses operate. Issues such as climate change, air and ocean pollution, natural disaters and population growth.

Each year we are seeing new record highs in temperture, more natural disasters, waste, and pollution in our land, air and oceans. **“Greenhouse gas levels are record high. Global temperatures are record high. Sea level rise is record high. Antarctic sea ice is record low. It’s a deafening cacophony of broken records,”** said WMO Secretary-General Prof. Petteri Taalas.

The population is growing and so is demand for goods. **“There has been an unprecedented increase in consumption, with about 10% of the world’s population in the G7 countries consuming 40% of the Earth’s biological productivity.”**

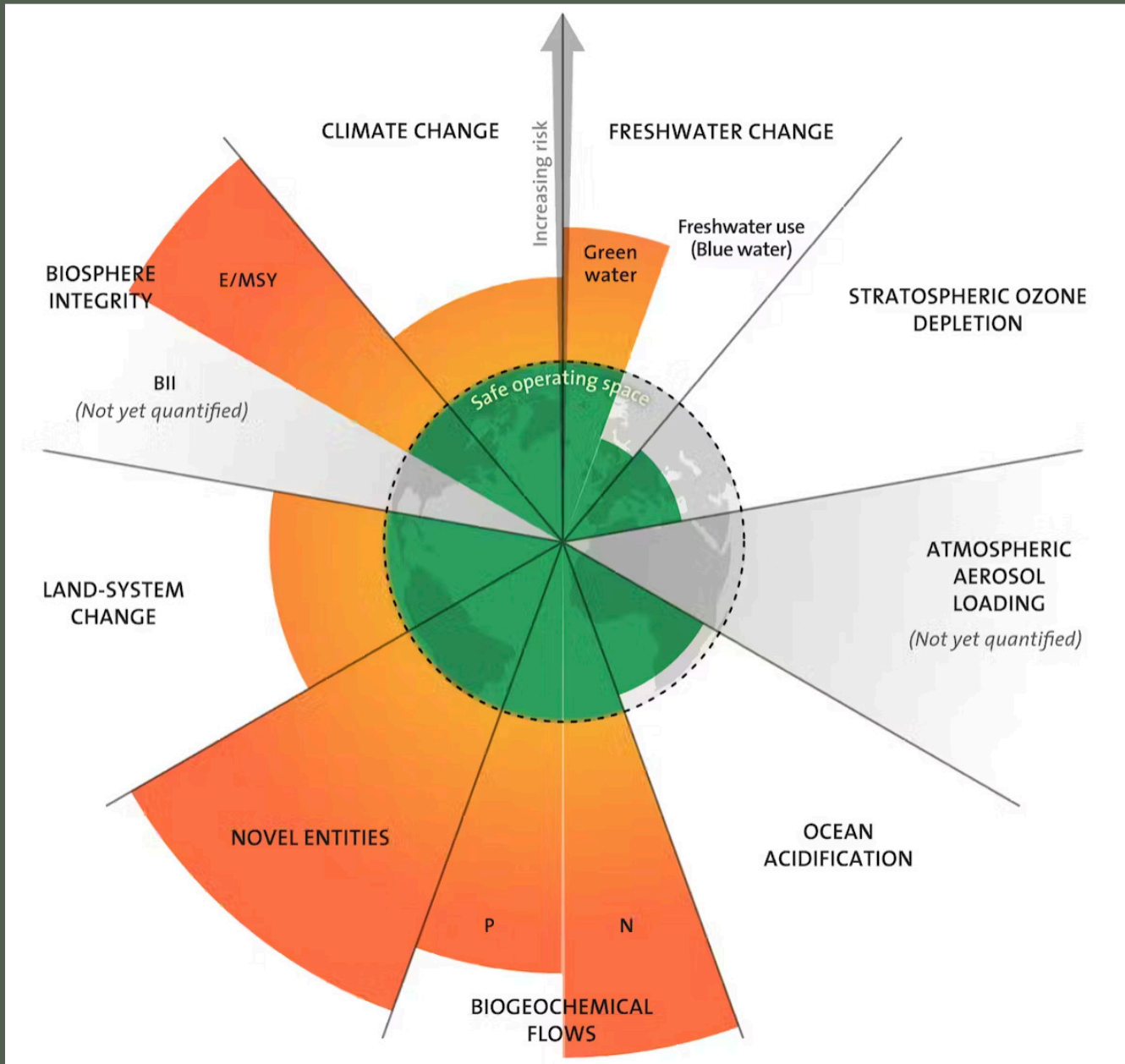
More people means more needs; more land, water, food and clothing. Landfill is filling our land and oceans, polluting our sea life. **“There are 5.25 trillion pieces of plastic debris in the ocean. Of that mass, 269,000 tons float on the surface, while some four billion plastic microfibers per square kilometer litter the deep sea.”** (National Geographic, 2015).

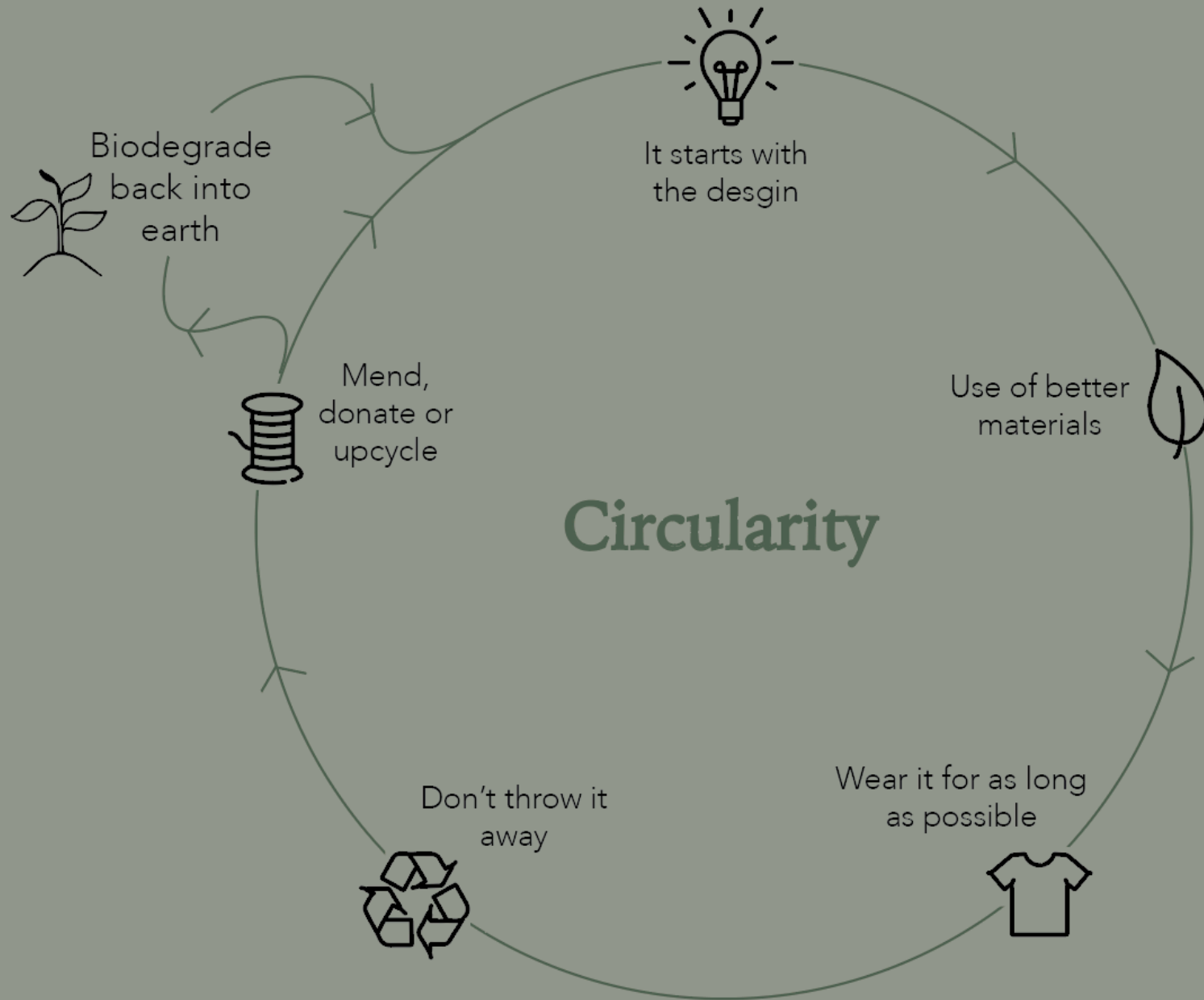
Clothing is the second biggest contributor to these islands of waste. **“Of the 100 billion garments produced each year, 92 million tonnes end up in landfills. To put things in perspective, this means that the equivalent of a rubbish truck full of clothes ends up on landfill sites every second.”** (Martina Iginì, 2023).

At Swoolly we understand the need for sustianability and respect for our planet and people. We believe that the future of fashion is circular and materials should be recycled or natural. Our aim is to improve our impact on people, planet and community. We are a small and new brand with big ambitions, and we want to make a promise to you that we will do everything we can to have a positive impact on our world. We will use global standards to inform our descisions, and our path to a responsible business. This report will outline where we are currently now and where we want to go And will outline all our goals, achievements, strengths and weaknesses.

Designed with life in mind
For you, the planet and the Garments itself

Of the 9 Planetary Boundaries set to show safe operating space for a sustainable future, 6 have been exceeded.





The Future of fashion is circular

Circular Fashion

Design

Design for Life. When designing a product with a circular approach, it is crucial to incorporate the end-of-life process into the initial design stage. This involves considering factors such as the garment's durability, ease of repair, and proper disposal methods. It is important to address non-recyclable components like buttons or decorations and find ways to remove them before discarding the garment.

Materials

Selecting the right materials is crucial in circular design. It is important to choose durable, high quality materials that are easy to maintain, free from microplastics, and either recycled or natural. We also take into account the environmental impact of the material during its production and its potential impact at the end of its lifespan.

Wear

The responsibility lies with the consumer to maximize the usage of the garment. It is advised to wear it for an extended period, maintain it properly, and wash it only when necessary. Prioritize mending before considering recycling or disposing of it. Aim to utilize the garment to its fullest potential before reaching its end of life.

New Life

Encourage the revitalization of your old clothes by donating, repairing, or repurposing them instead of discarding them. We count on our customers to take the initiative in prolonging the lifespan of their garments, and we are committed to assisting them in this endeavor by providing resources and information on recycling centers and materials for mending.

Dispose

If nothing can be done dispose of in the right way. It is recommended to consider recycling centers, ensuring that all zips and buttons are removed for potential reuse. It is important to avoid disposing of clothing in bins destined for landfill. Wool clothing can biodegrade and be composted, so when they are no longer usable, they can be placed in compost bins for worms to benefit from.

Low Impact and Natural Materials

Wool is a Natural Fibre

Australian Merino wool is the world's finest and softest wool in the world. Its natural benefits are so great that no other fibre - natural or man-made - can match it.

Wool is a grown fibre produced year round by sheep. It can be grown anywhere with the simple blend of air, grass, sunshine and water. As long as we have sheep and farmers we can produce wool, making this fibre a sustainable and renewable material. Sheep are happier once shorn and ensuring we use ethical and sustainable farms is important for sheep welfare. **Wool is 100% natural, biodegradable and renewable**, it also is a naturally strong fibre that lasts and requires less washing. Wearing wool can help you to buy less and buy better. Wool is one of the most recycled fabrics, "Wool garments are 300% more likely to be donated compared to garments of other major fibre types. It is the only fibre to have a well-established and commercially viable recycle pathway." (Russell, S., Swan, P., Trebowicz, M., Ireland, A. 2016). However when needed the fibres can be broken down and reprocessed into new yarn or can be easily repaired with patches or darning. Because wool is a natural grown fibre it does not contribute to micro plastic pollution and it supports biodiversity, helping good soil health unlike, "Synthetic fibres are produced through mining and oil extraction. The production of plastic-based fibres for textiles uses around 350 million barrels of oil each year." (Ellen MacArthur Foundation. 2017) Wool is a circular fibre that be reused over and over or give back to the earth to help sheep grow a new fleece restarting the process.

Like every fabric wool has its pros and cons. Wool is manufactured into yarn through a worsted or woollen processing system and is then knitted or woven into textiles. This process is not entirely environmentally friendly and we want to be completely transparent and fight against greenwashing, so we have outlined the cons of producing wool. Environmental ratings agencies have historically rated wool poorly against competing synthetic fibres, this is due to land use, water use and methane gas emissions. "To manufacture a metric ton of wool, 500,000 liters of water are needed to raise the sheep and clean the wool fiber." (Alex Assoune). In comparison, cotton use 5,300 litres per kilogram. One sheep produces around 30 litres of methane a day, contributing to climate change. Victoria Wool Processors scours around 3% of Australia's total wool clip, and it generates the same level of waste as 80,000 humans per year.

We must consider the entire cycle of wool, from cradle to grave and consider if the cons outweigh the pros. At Swoolly we are able to choose which farms we buy our wool from, combatting the ethical issues with animal treatment. All our farms are ethical and use sustainable practices. We don't over produce as a way to reduce our emissions and water use. Most of our farms produce more than just wool, essentials like food or milk, and supporting these farms is our way to keep production of these necessities going. This also means that the land use is not just for wool but shared with other products. We truly believe wool is an amazing fibre with so many benefits and whilst we can't change all the negative environmental impacts of wool there is room for improvement that we are working on.

Benefits of Wool

Wool is a natural fibre that has been developed to protect and provide for sheep in the natural elements, and now it can protect you too!



- **Odour resistant** - the properties of wool mean you sweat less and the moisture wicking ability absorbs the sweat away from the body.
- **Wrinkle resistant** - Due to the spring in the fibre, wool will return back to its shape after being bent
- **Breathable and light weight** - Wool can absorb water and naturally move it away to evaporate to the air. Wool is super warm and breathable on the body.
- **Soft on skin** - the fine fibres of wool mean they are super soft and gentle on skin
- **Insulating** - wool will react to your body temperature, helping you to stay warm in winter and cool in summer
- **Strength** - Whilst wool is light weight and naturally elastic it is a superstrong fibre, keeping the quality of your products high
- **Fire resistant** - the chemical structure of wool makes it fire resistant and doesn't melt to skin.
- **UV resistant** - Wool provides protection from the sun, absorbing the UV radiation.

From Raw to Product

The process:

1. Blending: Combine wool to ensure the yarn is even and uniform
2. Scouring: Wash the wool to remove contaminants like dirt and sweat.
3. Woollen Carding: Wool is fed into a machine to separate and untangle the fibres, separating anything that is not wool.
4. Gilling: Straighten the yarn by stretching so all fibres are lying parallel
5. Combing: This removes, vegetable matter and short fibres
6. Spinning: Extends wool into a continuous strand and twists the yarn for strength
7. Dyeing: Yarn is dyed to desired colour
8. Knitting or weaving: Fabrics or products are made using knitting or weaving machines



We are Woolmark Certified

This certification guarantees durability, performance, quality and meets the requirements for sheep welfare

Our wool has been tested for

Content: is the product mixed with other fibres?

Colour: Does the colour last when exposed to light?

Durability: Put to the extreme pressures to measure its durability, pilling resistance and construction strength

Washing: After placed in the washing machine does the wool shrink, lose shape or stain?



Textile Waste Management

Clothing is the second biggest contributor to waste in our oceans and land. **“Of the 100 billion garments produced each year, 92 million tonnes end up in landfills. To put things in perspective, this means that the equivalent of a rubbish truck full of clothes ends up on landfill sites every second.” (Martina Iginì, 2023).**

The average US consumer throws away 81.5lbs of clothes every year and around 2,150 pieces per second countrywide. An estimated 11.3 million tons of textile waste – up to 85% of all textiles produced– end up in landfills on a yearly basis. The amount of wears per garment is declining, 36% in 15 years, a garment is only worn around 7 to 10 times before being thrown away. Nearly 10% of microplastics emitted into our oceans comes from clothing.

So what can you do to reduce textile waste? Firstly buy less and buy better. Prioritise quality and wear your pieces for as long as possible. Fast fashion is a big contributor to our waste issues, buying cheap clothing that only lasts a season is not feasible for a sustainable future. Donate any clothing you don't want anymore, giving new life to the garment for someone else to enjoy. Shop second hand or upcycle your pieces already in your closet.

What can we do to manage textile waste? We upcycle all our unsellable pieces and dead stock into new sellable products or use for the sampling process. We have made things like baby beanies, singlets, socks and samples using our pieces that we can't sell or aren't selling. But we want to do more....

Introducing our new takeback scheme. We will offer to take back any of our products, offering services to mend holes and return to you, upcycle into new products or dispose of in the correct way.

BUY. WEAR. RETURN

BUY.

Purchase your Swoolly by Scanlan piece

WEAR.

Enjoy for as long as possible

RETURN.

Return to us, to do the rest

B-Corp Impact Assessment

Governance:

Overall Score: 11.7 / 20



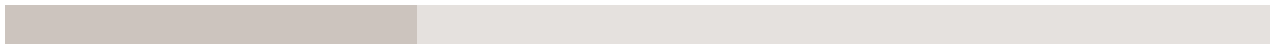
Workers:

Overall Score: 25.4 / 40



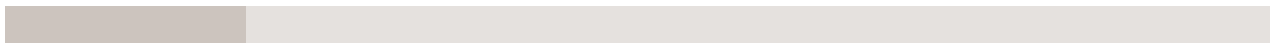
Community:

Overall Score: 30.1 / 100



Environment:

Overall Score: 13.2 / 105



Customers:

Overall Score: 2.7 / 80



Overall Score:

83.2

The benefit corporation is a nonprofit network transforming the global economy to benefit all people, communities, and the planet. "Our international network of organizations leads economic systems change to support our collective vision of an inclusive, equitable, and regenerative economy." (bcorporation.net)

B-corp helps businesses to understand their impact on the planet and people, through asking questions for evaluation. It breaks down the areas of importance and suggests areas of improvement. Ensuring the high standards of verified performance, accountability, and transparency on multiple factors.

In order to achieve certification, a company must:

- Demonstrate high social and environmental performance by achieving a score of 80 or above.
- Make a legal commitment.
- Exhibit transparency by allowing information about their performance to be publicly available

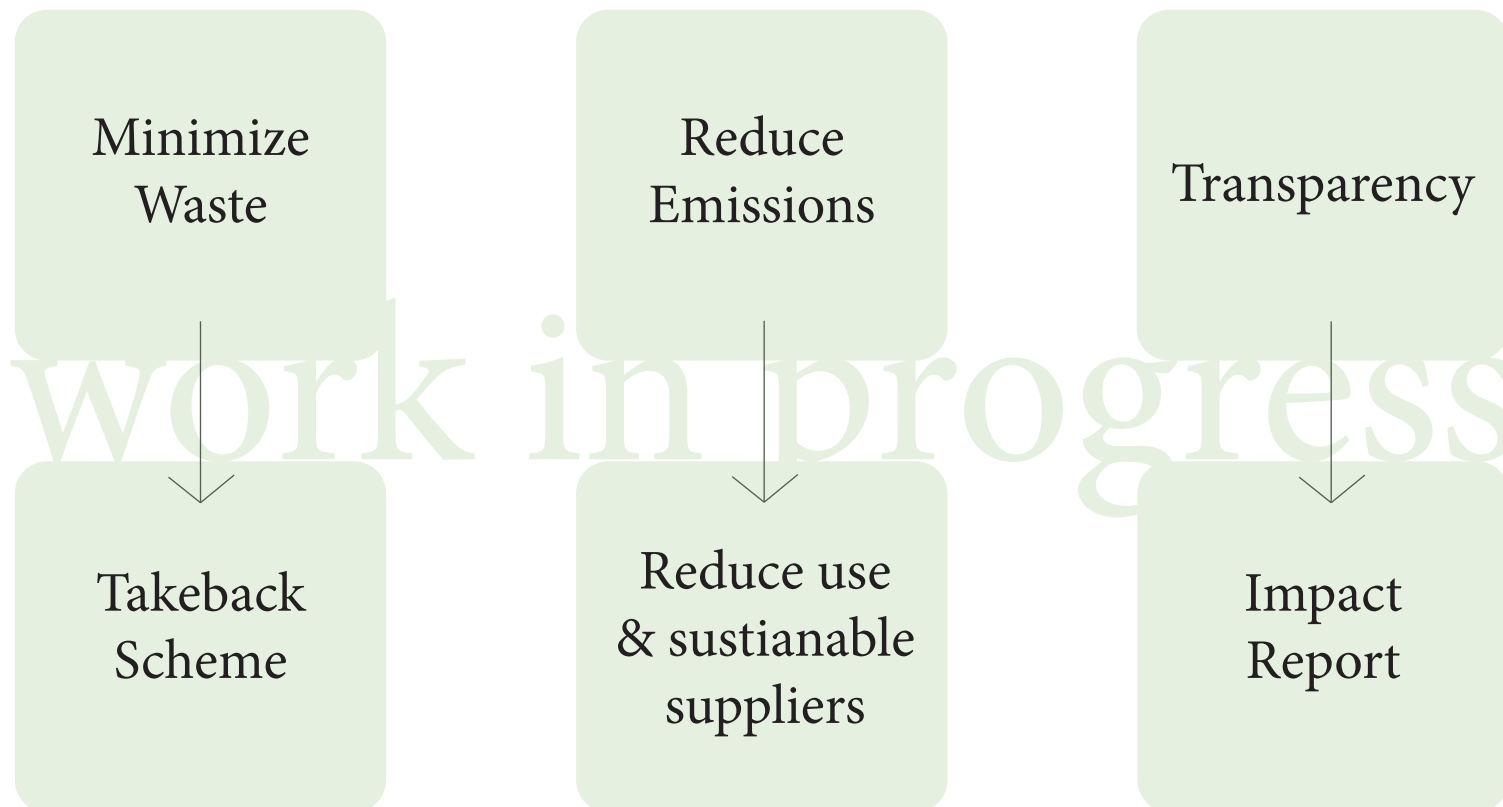
Our Goals

Our primary objective is to enhance our environmental footprint by setting goals for improvement. We acknowledge that there is ample room for progress, and we are committed to the following initiatives:

- Implementing measures to minimize waste generation.
- Reducing emissions within our warehouse and office premises.
- Ensuring transparency by regularly sharing updates on our progress.

To achieve these goals, we have devised a comprehensive plan:

- Launching a new take-back scheme specifically designed to address textile waste.
- Providing annual reports to keep stakeholders informed about our advancements.
- Collaborating with stakeholders and adhering to relevant legislation to identify areas where our practices can be modified.
- Pursuing B-Corp certification to further validate our commitment to environmental sustainability.
- We can conserve energy, recycle waste, find sustainable alternatives to products, and reduce our consumption of water. .



03

People

Responsibility to human rights

All business can have an impacts, both positive and negative, on people, including employees, customers, suppliers and communities in which the business operates. We all have a responsibility to uphold and maintain the basic rights and freedoms regardless of age, sex, ethnicity, or religion. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education.

The fashion industry has been known to interfere with these rights. Especially in the fast fashion areas, workers are paid the bare minimum and treated poorly in order to keep prices of apparel low. 80% of the fashion industry workers are women, meaning females are more likely to be subjected to a violation of their rights. Around 14% of garment workers in Bangalore have been sexually abused and 40-50% has experienced verbal abuse in the work environment. It is estimated that 16.7 million children, aged 5 - 17 work in South Asia, as children are cheaper than women. The average monthly earnings of garment workers in Asian countries is less than \$150. (Beatrice Tridimas)

How can we help? Through ethical manufacturing and transparency. **Ethical Manufacturing** is achieved when the manufacturing process prioritises good health for all parties involved, including the environment, workers, and consumers. Products that are designed and created with sustainable materials and have a positive impact on communities are products of ethical manufacturing. **Transparency** is an important when it comes to fashion brands, knowing how and where they make their clothing is crucial in order to stop child labour and the lack of pay.

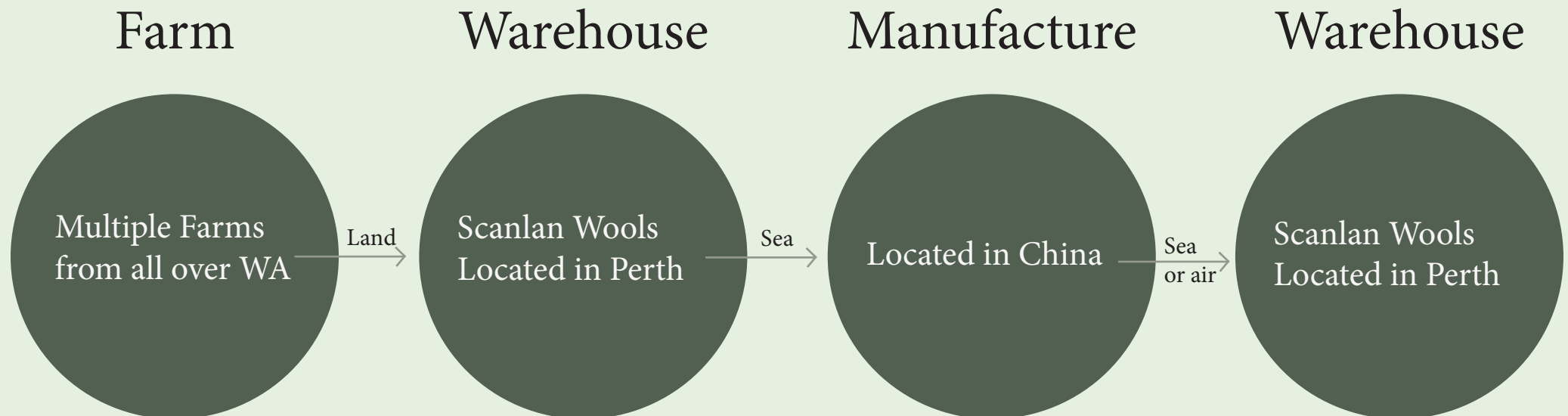
We at Swoolly understand the importance of human rights and respect for our people. We believe that the future of human rights in fashion is transparent and ethical. Our aim is to improve our impact on people and the community. It is our goal to make a positive impact on our world, and as a small and new brand, we want to commit to doing everything within our power to reach that goal. Our business decisions will be guided by global standards, and our path to becoming a responsible company will be guided by global standards. The purpose of this report is to outline our current manufacturing business, our goals, our achievements, our weaknesses, and our plans for the future.

Designed with life in mind
All Human Beings are born free and equal in dignity and rights

Traceability

It is one of Swoolly's unique features that we are able to trace the origin of all our wool products back to the flock of sheep from which the wool was sourced. We are part of the larger company, Scanlan Wool, which is responsible for buying wool from all over WA, sorting and packaging it, and then selling it all over the world. As a result, we are able to get to know our farmers and we are able to choose the farms in WA that are most ethical and sustainable. We then send our wool off to be cleaned, processed, and knitted in the same manufacturing warehouse in order to ensure that our wool is not mixed with any other type of wool, as well as any other fibre. When we receive our pieces back from our manufacturers, we get them tested through our quality assurance program, testing for imperfections. We are therefore able to claim with 100% confidence that our products are 100% made from Western Australian wool, and come from farms and factories that adhere to the highest ethical standards.

Our supply chain



Manufacture Practices

Our Manufacturers are located in China. They have more than 50 years of experience in textile industry. They manufacture knitting yarn, knitted sweaters, shawls, accessories and more. All workshops are equipped with advanced machines from Germany, Japan, France and Italy, They have a focus on manufacturing high quality products and researching the latest designs and the production complies with environment, quality and health standards

List of Certifications : Responsible Wool Standard (RWS), Responsible Animal Fibre, Global Recycle Standard (GRS)

Key Metrics: Total workforce of 97, Lowest wage for regular work is 2280 monthly, living wage in local currency is 4044 monthly, amount of Male worker is 23 and female works is 74.



Amfori rating:

Social Management System Overall Score: C



Workers Involvement and Protection Overall Score: B



Rights of Freedom Of Association Overall Score: A



No Discrimination Overall Score: A



Fair Remuneration Overall Score: A



Decent Working Hours Overall Score: D



Protection of the Environment

Overall Score: B



Occupational Health and Safety

Overall Score: B



No Child labour

Overall Score: A



Protection for young workers

Overall Score: A



No Precarious Employment

Overall Score: A



No Bonded Labour

Overall Score: A



Ethical Business Hours

Overall Score: A





Diversity and Inclusion

Inclusivity:

Clothing is one of the three basic necessities of life, making fashion, by extension, one of the most sought-after industries. In other words, fashion is used by everyone. Fashion, on the other hand, often appears to be one of the industries that is currently underrepresented when it comes to diversity and inclusion, catering only to a select group of people in the industry

Inclusive fashion is when a garment is designed to be useful to everybody. In today's world, we live on an incredibly diverse planet that is full of unique individuals, each with their own bodies and abilities. This is why we should design functional and universal garments. With Swoolly, we strive to be a brand that caters to all sizes, with sizes ranging from 6 to 20 in women's and S to 3XL in men's. Our garments are made from wool, which is a natural material which makes them an ideal choice for people with sensitive skin. Our products are soft, stretchy, light weight and breathable, making our pieces suitable for the disabled community as the temperature regulating abilities of wool suits all weather types, decreasing the amount of times a person may take on and off their sweater.

Diversity:

In fashion, diversity is about creating clothes that cater to different races, age groups, and sizes as well as marketing them in a way that reflects this and employeering a range of people from these differing groups. Diversity can enrich a work environment by the perspectives of its members and is inclusive of their different characteristics. This helps to create a work culture in which everyone feels equally listened to and involved.

As a family-owned and operated business, diversity in our workforce is somewhat lacking. We have predominantly women employees and use a manufacturing firm who also mainly employs women.

Despite our inclusive brand ethos, we acknowledge that there is always more we can do to foster diversity. Our goal is to leave a lasting, positive impact on people. This includes representing a wider array of cultures and body types in our marketing campaigns, on our website, and across our social media platforms.

M a d e f o r E v e r y o n e

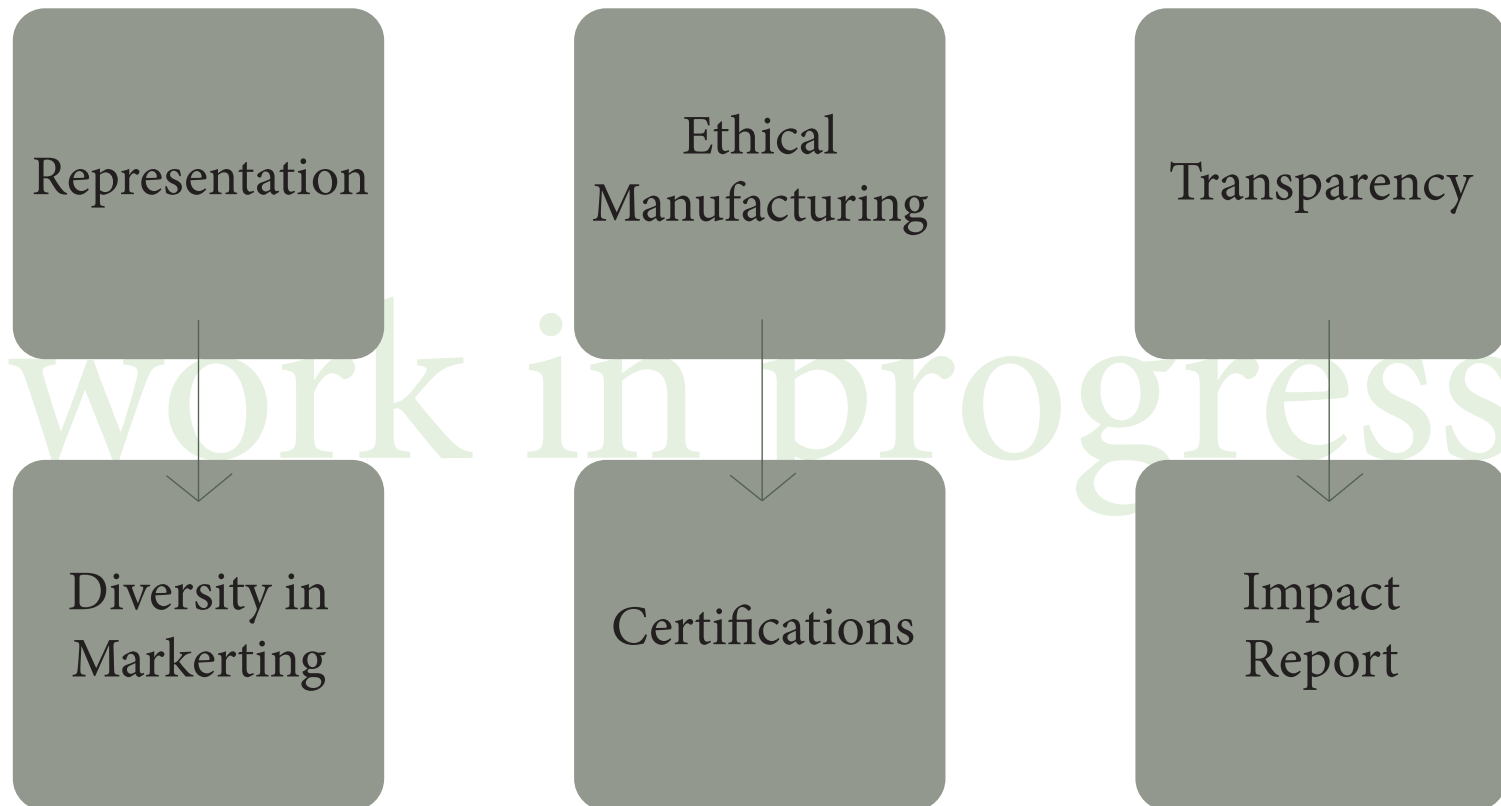
Our Goals

Our primary objective is to enhance our social impact by setting goals for improvement. We acknowledge that there is ample room for progress, and we are committed to the following initiatives:

- Representation within our public forum, website and social platforms
- Guaranteeing ethical sourcing and manufacturing
- Ensuring transparency by regularly sharing updates on our progress.

To achieve these goals, we have devised a comprehensive plan:

- Inclusivity in marketing campaigns through a range of people modelling our pieces.
- Providing annual reports to keep stakeholders informed about our advancements in order to maintain transparency.
- Collaborating with stakeholders and adhering to relevant legislation to identify areas where our practices can be modified.
- Pursuing B-Corp certification to further validate our commitment to social impact and ethical practises



04

Community



Supporting WA

Supporting the Farming Community:

Since 1986 our family has been serving the WA community with absolute dedication. Through our family business, Scanlan Wool, Buying, marketing and selling WA wool to achieve the best results for WA woolgrowers. Never has Australian wool production been at such a critically low level and we provide long term support and financial stability to our dedicated, Western Australian woolgrowers.

Through best-practice sustainable farming, Australian woolgrowers are able to protect and regenerate the land, care for the health and happiness of their sheep and prosper as family-run businesses, for this generation and the generations to come. Many remote, rural and regional communities continue to be supported by Australian wool-growing, with more than 60,000 Australian woolgrowers and many tens of thousands more working in the industry.

Our Goals:

Our primary objective is to enhance our community engagement by setting goals for improvement. We acknowledge that there is ample room for progress, and we are committed to the following initiatives:

- Education on the benefits of wool
- Supporting our community with new initiative and charity
- Ensuring transparency by regularly sharing updates on our progress.

To achieve these goals, we have devised a comprehensive plan:

- Donating to charities that align with our beliefs and community
- Providing annual reports to keep stakeholders informed and educated about our advancements in order to maintain transparency.
- Pursuing B-Corp certification to further validate our commitment to social impact and ethical practises

Information, participation, consultation, collaboration and empowerment

Our Partners



THE
WOOLMARK
COMPANY



awi

Australian Wool
Innovation Limited



Certified



Corporation



SWOOLLY
BY SCANLAN