

# RESPONSIBILITY POLICY 2021

# FOUNDER<sup>(S)</sup> STATEMENT

Disclaimer:

This text has been updated to provide the most relevant and up to date terminology

We embarked on this journey with the intent to significantly change our operational mindset, business structure and product offering in line with ambitious goals. This has not changed. On the contrary, Stine Goya is more ambitious than ever before. What started with one capsule collection in 2019 created with 100% sustainable and recycled materials has led to a mission to use 90% sustainable and/or recycled materials across our entire collection range by 2025.

We are honest in saying that this goal is ambitious. We are honest in saying that we might not succeed. We are honest in saying that we cannot rate or measure our responsibility efforts based only on our products and materials, but must also look at evolving our employees' mindsets, doubling on charitable initiatives and reevaluating our short and long term goals.

**OUR GOAL IS TO EVOLVE OUR COMPANY BEHAVIOUR TO REFLECT A MORE RESPONSIBLE OUTLOOK, TO CHANGE OUR OPERATIONAL STRUCTURE WITH QUANTIFIABLE TARGETS AND TO BE TRULY HONEST ABOUT OUR ENVIRONMENTAL IMPACT.**



We have identified 3 Main Areas - Product, Planet, People - to focus our ambitions and set progress benchmarks.

## 01 PRODUCT

Our product is who we are and what we do. As material choices have the most significant impact on our environmental impact, we framed our Material Strategy around UN Sustainable Development Goal 12 (Responsible Consumption & Production).

We aim to have full traceability across our production cycle and product life cycle - from farm to shop floor.



## 02 PLANET

We are a commercial business and no matter what, our production will impact our immediate environment in some way. Our Green Strategy aims to minimise our negative impact, limit our environmental footprint and implement circularity within our product life cycle. This will move business operations closer to 100% neutral by 2050 in line with UN Sustainable Development Goal 13 (Climate Action).



## 03 PEOPLE

Our team is both our family and our community and together we are committed to bringing the Stine Goya vision to life. From mentoring programmes to charitable initiatives we strive to build a culture to be proud of. We aim to be great partners, co-investing in new methodologies and upholding high & progressive working standards.





# PRODUCT

The heart of our business is the product we create. How and where our product is made matters. We are committed to integrating new material processes into each collection and to mitigating our impact on the environment season on season.

In line with the UN Sustainable Development Goal 12 - Responsible Consumption & Production - Stine Goya will follow a material strategy focused on three areas:

- Analysis of production data to quantify material breakdown of each collection
- Review source materials and invest in alternative sustainable fibres
- Seasonally review production process to identify key areas of opportunity & improvement

To better understand our process and goals, we have further broken down our commitment to SDG 12 into three areas of opportunity:

- **FIBRE MATRIX SYSTEM**
- **RESTRICTED SUBSTANCES LIST**
- **PRINTING TECHNIQUES**

## FIBRE MATRIX SYSTEM

The Fibre Matrix System is a recognised standard which identifies and grades the impact of specific materials on our environment. This index takes into account - human toxicity, eco-toxicity, energy, water & land usage, greenhouse emissions and waste generation - to outline a tier system for brands and businesses. Tier 1 identifies materials brands should strive to use most often, while Tier 4 materials should be avoided as they have the most significant negative impact on our environment.

Using the industry-standard Fibre Matrix System, Stine Goya has outlined a brand-specific framework identifying 4 groupings of materials:

### TIER 1 USE OFTEN

### TIER 2 USE FREQUENTLY

### TIER 3 USE WITH CARE

### TIER 4 LIMIT USE

#### TIER 1 USE OFTEN

Recycled cotton	Recycled wool	Lenzing Ecovero
Peace Silk	Alpaca wool	Viscose
Recycled polyester	Recycled cashmere	Eastman Naia™
Recycled polyamide		

#### TIER 2 USE FREQUENTLY

Organic cotton	Lenzing Viscose	Cupro
Lenzing Lyocell (Tencel, CLY, LYO)	Tri-Acetate	
	Yak wool	

#### TIER 3 USE WITH CARE

Linen	Acrylic	Silk
Modal	Cashmere	
Polyester	Mohair wool	

#### TIER 4 LIMIT USE

Cotton	Acetate	Elastane
Viscose	Polyamide	Metal/Lurex

\* The above list has been updated for 2020 to reflect the materials relevant to Stine Goya's production. Our Fabric Matrix System will continue to evolve as we invest in new suppliers and material compositions.

Before launching our Responsibility Policy we found:

- Stine Goya's TOP 5 materials were: Viscose, Silk (non-organic), Polyester (non-recycled), Modal and Cotton
- 74% of our Main Collections were produced using Tier 3 and Tier 4 materials

Since launching our Responsibility Policy (2019) we have:

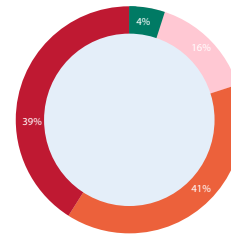
- Swapped of our polyester usage to recycled polyester
- Swapped of our viscose usage to Lenzing EcoVero or Lyocell
- Produced 100% of our Showpiece Capsules using Tier 1 materials
- Produced our Showpiece Capsules using Water-Free Engineered Digital printing

1. Produced is based on no. of units produced.

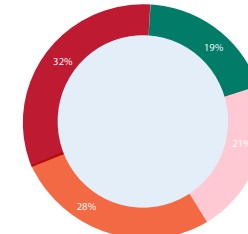
## TIER MATRIX YEAR PRODUCED

ACHIEVED

2019-2020

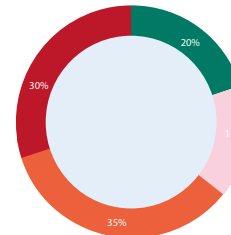


2020-2021

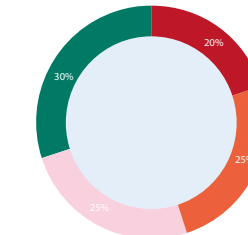


AMBITION

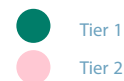
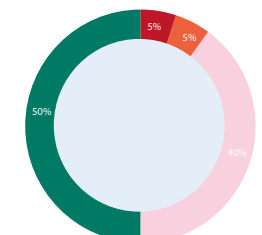
2020-2021



2021-2022



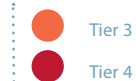
2024-2025



Tier 1

Tier 2

Tier 1 & Tier 2 materials should be used most often.



Tier 3

Tier 4

Tier 3 & 4 materials should be avoided as they have the most significant negative impact on our environment.

## BY 2025, **90%** OF COLLECTIONS TO BE PRODUCED USING TIER 1 & TIER 2 MATERIALS.

By continuing to track our material usage and composition breakdown, we have identified potential areas of improvement and accelerated our sustainable materials timeline:

- By 2021/22 - Main & Pre collection size to reduced. Showpiece Capsule collection will no longer be offered
- By 2021/22 - 66% of current polyester usage (Tier 3) to be swapped to recycled or certified resources (Tier 1)
- By 2024/25 - 100% of current polyester usage (Tier 3) to be swapped to recycled or certified resources (Tier 1)

- By 2021/22 - 66% of current viscose usage (Tier 4) to be swapped to Lenzing Ecovero Viscose (Tier 1) and/or Lyocell, Eastman Naia™ and FSC certified Viscose
- By 2024/25 - 100% of current viscose usage (Tier 4) to be swapped to Lenzing Ecovero Viscose (Tier 1) and/or Lyocell, Eastman Naia™ and FSC certified Viscose
- By 2025 - 90%+ of collections to be produced using Tier 1 & Tier 2 materials

### RESTRICTED SUBSTANCES LIST

In line with EU regulation, Stine Goya works with a Restricted Substances List, to ensure that all chemicals and substances used across all stages of our production process adhere to the European REACH standards. Registration, Evaluation, Authorisation and Restriction of Chemicals is a European Union regulation which addresses the production & use

of chemical substances and their potential impacts on both human health and the environment. Stine Goya has been collaborating with 3rd party auditors - BSCI, Intertek, etc. to review all Tier 1 production partners annually, monitoring and evaluating their operational structures.

For a full list of our Restricted Substances as set out by [REACH](#).

### PRINTING TECHNIQUES

The fashion industry is identified as the second biggest consumer and polluter of fresh water after agriculture, resulting in 20% of all industrial water waste annually and an average textile mill uses about 1.6 million litres of water per day - of which 16% of this is part of the dyeing process and 8% is printing. To put that into perspective, that is over half the amount of water needed to fill an Olympic-sized pool.

2. [https://file.scirp.org/pdf/NS20120100003\\_72866800.pdf](https://file.scirp.org/pdf/NS20120100003_72866800.pdf)

3. [http://www.nswic.org.au/pdf/fact\\_sheets/USEFUL%20WATER%20COMPARISONS.pdf](http://www.nswic.org.au/pdf/fact_sheets/USEFUL%20WATER%20COMPARISONS.pdf)

4. Engineered Digital Printing reduces water consumption by 60% as the fabric does not need as many wash/rinse cycles and there are no screen or colorant baths used in the process. Engineered Digital Printing also on average results in 95% less material waste because each print layout is engineered to fit the specific fabric cuts and allows manufacturers to set lower minimums for brands.

Core to the Stine Goya DNA is our hand-drawn & painted prints, which previous to 2020/21 amounted to almost 60% of each collection. Instead of reducing the amount of artwork and unique designs we create, we have increased jacquard offerings in place of traditional prints. Investment in jacquard variations has reduced our reliance on traditional water-based printing by 35%.

Currently production combines Traditional Wet Printing, Engineered Digital Printing and Water Free Digital Printing across all collections. As prints are so interwoven into our DNA, initiating immediate change in this area is difficult as we must be careful not to drastically alter the operational structure of

our collections and business. As our current printing facilities do not offer Water-Free Engineered Digital Printing, our studio team has committed to further research & test new material compositions as well as invest in supplier partnerships in order to shift our printing processes to favour sustainable production techniques.

### **COLLECTION SIZE & RANGE**

Our journey to become a sustainably-led, ethically driven and socially conscious brand began with one challenge. To create a showpiece collection using 100% sustainable materials. Our primary objective was to challenge industry perceptions of the

sustainable aesthetic and introduce stakeholders to possibilities which rival, if not surpass the quality of non-sustainable luxury materials.

However, after much internal dialogue we came to realise the only way to substantially decrease our environmental impact is to produce less, not more and work more efficiently toward ambitious goals. To do this we will:

- No longer create the Showpiece Capsule Collection
- Accelerate our targets by three years- producing 90%+ of collections using Tier 1 & 2 materials by 2025





## 02 PLANET

Accounting for our impact on the environment is one of Stine Goya's primary concerns. As a commercial business and producer, we will never be perfect, but, we are nevertheless committed to mitigating the adverse impact by promoting circularity within our operational structure and managing our energy/carbon emissions.

In line with by the UN Sustainable Development Goal 13 - Climate Action - Stine Goya's Green strategy is evolving, identifying new areas of opportunity to affect climate change:

- **PACKAGING**
- **ECONOMIC CIRCULARITY**
- **TRANSPORT**
- **CARBON EMISSIONS / OFFSET**
- **GREEN ENERGY**

## PACKAGING

We pledge support to the new plastics economy - meaning plastics should never become waste or pollution. To ensure Stine Goya plastics - both created and used are kept within the economy and out of the environment, we have implemented:

- From 2019 - all polybags are made from recycled plastic
- From 2020 - all ecommerce packaging is certified sustainable FSC materials or recycled plastic
- From 2020 - all outbound distribution packaging is certified FSC or recycled plastic

Although we have made significant strides - our work is not done. In addition to our continued investment,

our future goals are as follows:

- By 2021/22 - all Stine Goya tissue paper will be certified FSC sustainable or recycled materials
- By 2021/22 - all retail packaging will be FSC sustainable or recycled materials

## CIRCULAR ECONOMY

To extend the life cycle of Stine Goya product, we are investing in new initiatives and research to educate our customers. Our hope is to keep our collections in your closets and out of landfills.

- In 2020 - Stine Goya launched our first archive store - Goya Gallery, providing customers with

the opportunity to shop past seasons, coveted upcycled products and one-off samples.

- In 2020 - Stine Goya became a signatory against the disposal practices of burning clothing. This is a practice that Stine Goya has never partaken in.
- In 2020 - Stine Goya collaborated with Vestiaire Collective - a global platform for pre-owned fashion sales - offering a selection of archived products, one-off showpieces and designer pieces from Stine personal wardrobe. All proceeds were donated to the Marsha P Johnson Institute. The initiative saw Stine Goya lead by example, advocating for circularity with the fashion industry.

- In 2020 - Stine Goya launched Garment Care - a comprehensive guide to caring for our collections, to ensure product's longevity.

Due to market dynamics as a result of the Covid-19 pandemic, not all initiatives came to fruition. Future investments include:

In 2021, Stine Goya will launch Goya Extend - our online rental concept - offering customers the opportunity to invest in and experience The Goya universe without the commitment. Through the Goya Extend programme, we will be able to redirect extra stock into circular models and reduce sales volumes.

## TRANSPORT

At Stine Goya we aim to ship orders through the least environmentally damaging means

possible. To do so, we have shortened our selling period and now forecast orders to accommodate for any unforeseen delays. This ensures our materials and products are delivered through the preferred freight routes & production timeline in collaboration with our warehouse in Roskilde, Denmark.

Land & sea are Stine Goya's preferred modes of transportation from Asia & Europe and we aim to increase sea freight and reduce air freight every year.

In 2019/20, our freight breakdown was as follows:



Europe



Asia

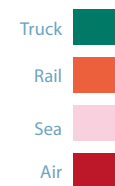
In 2021/22, we aim to improve this as follows:



Europe



Asia





## 03 PEOPLE

As a family-owned business, Stine Goya knows the importance of taking care of those closest to you. How we work with and treat our partners, our stakeholders and our employees matters. We respect the breadth of legal and cultural environments in which we operate within worldwide and are committed to the UN Guiding Principles ensuring our business and that of our networks is in accordance with accepted standards of social responsibility.

Stine Goya is committed to consistently striving to improve our social responsibility through:

- **SUPPLIERS PARTNERSHIPS & CODE OF CONDUCT**
- **DANISH FASHION ETHICAL CHARTER**
- **EMPLOYEE COMMITMENTS**
- **GOYA GROWS**

## SUPPLIER PARTNERSHIPS & CODE OF CONDUCT

Stine Goya strives to be a fair and reliable business partner working only with suppliers who share our ethics and values. We aim to develop longterm partnership and mutually invest in shared pillars of business. To ensure our external partners adhere to strict social & ethical rights standards. Stine Goya has enforced guidelines for primary & secondary partnerships:

- Factory Audit Performance - BSCI and Intertek
- Code of Conduct - International Labour Organisation & UN Human Rights Council
- Supplier Network
- Claim Rate

We assigned annual audits by BSCI and Intertek, and invest in regular biannual inspections by internal staff to ensure our guidelines are respected and followed. If we discover partners are in violation of our CoC, Stine Goya will immediately annulate our orders and move production to another supplier. Our Code of Conduct is based on the framework outlined by the International Labour Organisation and the UN Human Rights Council.

### [Read Code of Conduct](#)

Stine Goya strives to allocate 70–90% of our product & development to primary suppliers. Our secondary partners which account for 1030% of product & development are specialists, allowing flexibility across the SG product range.

We believe keeping a curated supplier network is critical to the success of Stine Goya and our CSR goals.

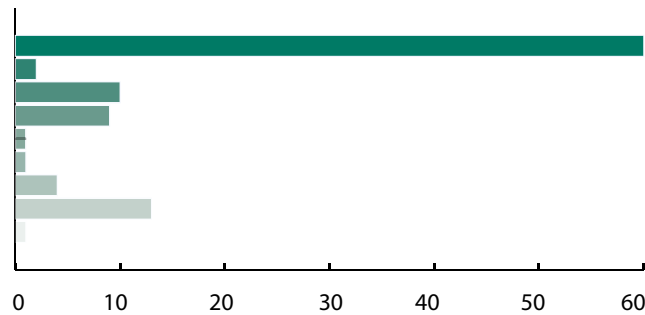
Supplier partnerships are split between China & Europe (Portugal, Italy and Romania)

- In 2019/20 - Stine Goya placed orders with 17 suppliers across 8 countries
- In 2019/20 - top 5 suppliers equate to approx. 60% of total order value
- In 2019/20 - top 2 suppliers in China equate to approx. 85% of total volume produced in Asia
- In 2019/20 - top 3 suppliers in Europe equate to approx. 22% of total volume produced in Europe

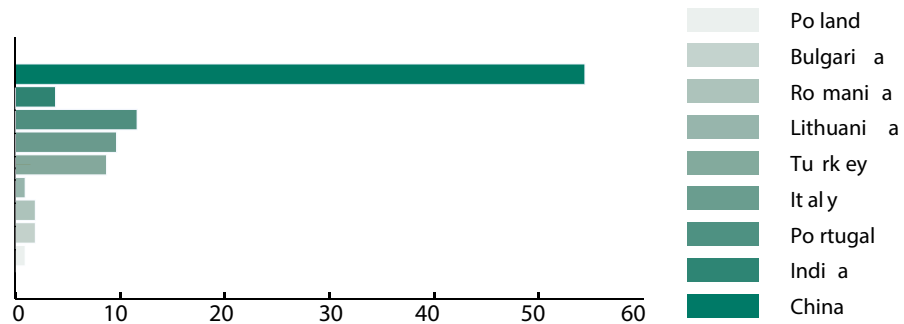
We aim to consolidate our manufacturing network each year.

- In 2020/21 - Stine Goya placed orders with 17 suppliers across 9 countries
- In 2020/21 - top 5 suppliers equate to approx. 65% of our total order value. This increase of 5% proves our investment in consolidating our partner network globally
- In 2020/21 - top 2 suppliers in China equate to approx. 80% of total volume produced in Asia
- In 2020/21 - top 3 suppliers in Europe equate to approx. 50% of total volume produced in Europe

Production countries 2019/2020



Production countries 2020/2021



We will continue to invest in our relationships with primary suppliers to improve all areas of the supply chain.

By 2022, Stine Goya aims for top 5 suppliers to equate to approx. 75% of our total order value.

At Stine Goya, we pride ourselves on the quality of our garments working only with suppliers who maintain a claim rate of 0.5% per collection. Stine Goya currently averages between 0.3 - 0.4% claim rate in comparison to total produced volume.

### **DANISH FASHION ETHICAL CHARTER**

Stine Goya is a signatory of the Danish Fashion Ethical Charter - seeking to ensure the well-being of employees in the Danish fashion industry specifically relating to the health & wellbeing of models and the ideals of beauty propagated by brand imagery.

### **EMPLOYEE COMMITMENTS**

Stine Goya is an Equal Opportunity Employee. Our Equal Employment policy states: Stine Goya will provide equal employment opportunities to all employees

and applications for employment and prohibits discrimination and harassment of any type without regards to race, colour, religion, age, sex, national origin, disability status, genetics, sexual orientation, protected veteran status, gender identity or expression and any other characteristics protected by federal, state or local laws. This policy applies to all terms and conditions of employment, including recruiting, hiring, placement, promotion, termination, leaves of absence and training.

As part of an ongoing effort to not only provide equal opportunity across all aspects of our business but also foster a creative space that actively educates our staff Stine Goya will commit to investing in diversity & inclusivity programmes from 2021.

In 2021, Stine Goya will provide paid opportunities through at our CPH head

quarters and video mentorship programmes across the team.

### **MENTORING MATTERS**

Launched in 2020, Mentoring Matters works to “redress the balance of equality and opportunity within the fashion industry” The Scheme works to connect candidates with mentors across the fashion industry creating first-hand learning opportunities leading directly to increased diversity in the creative labour market.

In 2021, Stine Goya will partner with Mentoring Matters on a series of online mentoring courses across various departments as well as offer paid internship opportunities.

## DIVERSITY FACTOR

In 2021, Stine Goya will collaborate with an external partner to implement diversity & inclusion training through workshops and strategic planning. This partnership aims to build understanding of our present internal inclusion level and drive increased knowledge of D&I across all departments, operational workings and social interactions.

## GOYA GROWS

In 2020, Stine Goya kickstarted Goya Grows - a social initiative which allows all staff (full & part-time) to commit 2% of overall working hours to a social cause or public commitment. This initiative translates to 2-4 days per year to volunteer with a recognised charity organisation aligned with the Stine Goya's priority UN Sustainable Development Goals.

As part of this scheme, Stine Goya announced a

continued partnership with Mødrehjælpen a local Danish organisation supporting families and mothers in need of support - across all socio-economic needs. Within this first year partnership members of the Stine Goya team volunteered at various activations hosted by Mødrehjælpen in addition to raising funds through Goya Gallery Christmas Bauble sales. Stine Goya will continue to support Mødrehjælpen with seasonal donations and restart our volunteering programme once restrictions are lifted.