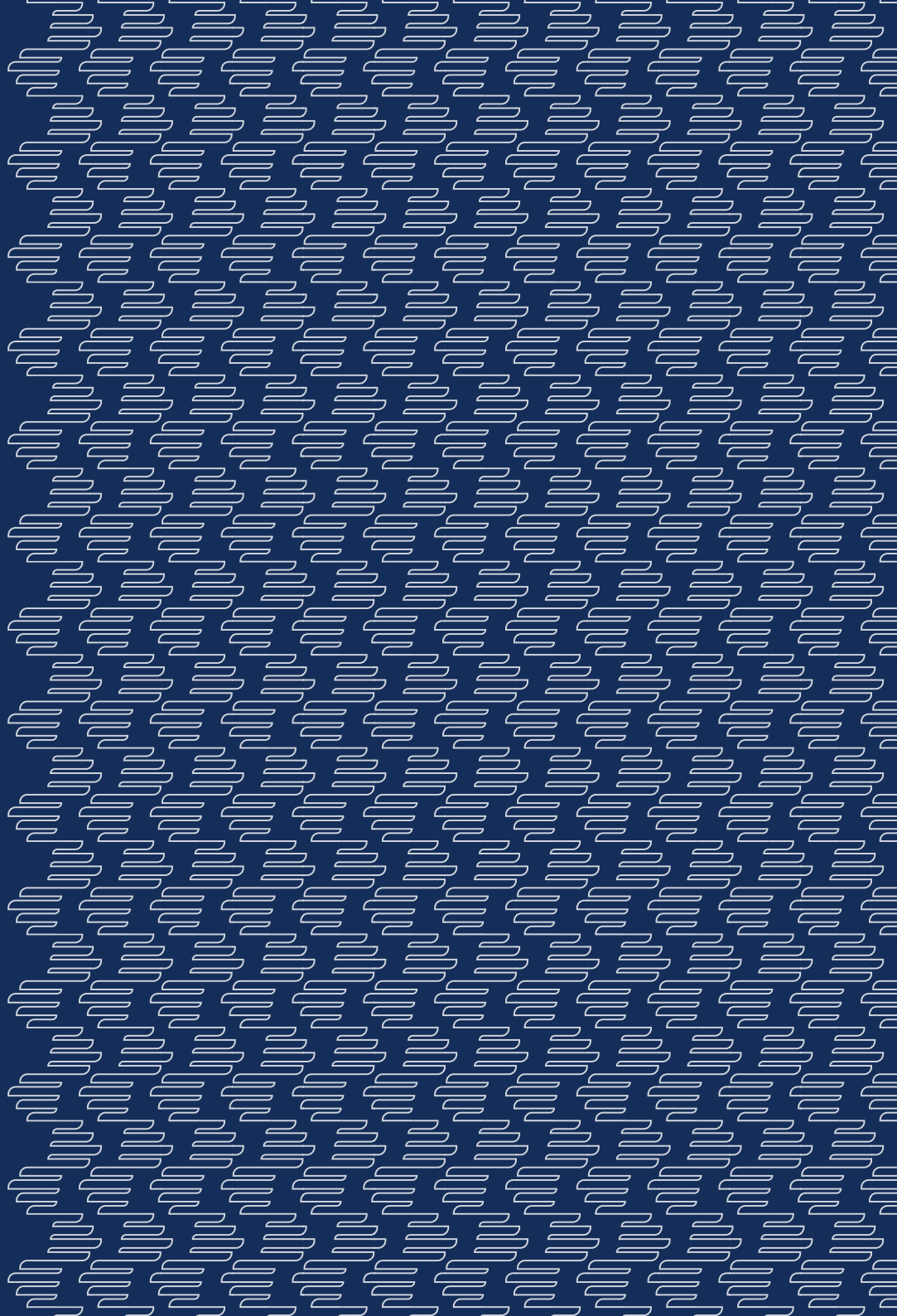


Impact Report

2019 – 2020



Building a sustainable future.

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01.

A note from Sam.

Little Yellow Bird was started with the dream of playing a role in transforming and positively impacting an industry with a history of pollution and bad management.

We have championed sustainable production and living wages, educated tens of thousands of people about what sustainable fashion looks like and done everything we can to increase our impact in a positive way.

The last year has seen some of the most challenging and rewarding times since starting this business. From a personal perspective I became a mother which opened up so many new ways of thinking and understanding how it is to be a parent. From a professional perspective growing an impact organisation continues to be the hardest challenge I've taken on - you expect that at some point it will start getting easier, but that hasn't been my reality.

Like every business around the world, COVID-19 completely transformed the way we operate and for a brief moment I wasn't sure we would be one of the businesses that would survive it. The impacts of this are far-reaching and I think we are yet to have seen its full impact. This has resulted in a number of changes - but with change comes opportunity. Little Yellow Bird is no longer a brand that manufactures exclusively organic cotton products in India. While we will continue to champion and manufacture organic cotton products in India we are more generally a brand that manufactures sustainable products. This now includes organic cotton products made in New Zealand as well as a traceable, responsible, sustainable ZQ Merino line which is also made here in Aotearoa (see section 06). Looking forward we expect to introduce some other lines of products that fit with our sustainability ethos and by popular request expect to introduce a hemp line early next year.

Other highlights over the last 12 months were seeing our community and team rally together in the wake of COVID-19, we genuinely wouldn't be here without you. In December 2019 we were

recognised by the Sustainability Business Network and awarded their Supreme prize at the annual awards ceremony. Supporting the Meals for Migrants program with over 20,000 meals donated which has been our largest impact project to date. Finally, closing the loop on our products and offering free returns with used Little Yellow Bird products being recycled and turned into new fibers.

While we certainly don't claim to be getting everything right we are absolutely on a journey that is aimed towards increasing our impact at every level and with every decision we make. I hope you enjoy taking the time to read some of what we've been able to achieve and again thanks to you, our customers and community, for supporting us to do this work.

Samantha Jones

Founder & CE

02.

Why we're here.
How we do it.



02.

A mission to revolutionise the fashion industry from farm to factory.

Our mission is to transparently supply ethical, high-quality textiles, that are free from slavery, child labour and unsustainable environmental practices.

Taking ownership of the garment production cycle is what we're all about - that starts at the seed and doesn't end until we've seen worn out clothing responsibly dealt with. We're about garments that are traceable, so rest assured that your t-shirt, apron, or hoodie has been created by hands that have been cared for in a responsible manner. We do our utmost to improve conditions as we go along - we know we're not perfect, but we're trying very hard to get there!

Every change for good, is a good change. Whether your purchase is 2,000 polo shirts for an event, or two t shirts for your family, we're here for you. It may feel like the purchase of a single t shirt won't make a difference, but 1,000 people buying one ethically produced garment certainly does. By working together, we can turn the tide away from harmful fast fashion.

Ethical sourcing.

We source the best natural and sustainable fibres we can find. The cotton we source is exclusively organic and rain-fed, traceable right back to the farms that grew the crop. We proudly support small scale farmers who are promoting sustainable agricultural practices and working to regenerate, not destroy, the land that they rely on.

Ethical production.

We don't just meet the minimum legal requirements, we exceed them, lifting the bar for the entire industry. We promote gender equality ensuring men and women are paid equally for the work they do. Unlike many of our competitors which set the minimum working age at 14, ours is 18.

Accreditations & audits.

We work with only the best ethical factories we can find. They are all either GOTS or Fairtrade certified. We are also B-Corp and Living Wage Certified. We regularly audit each factory (our NZ team visits at least once a year, although this is usually more!) against a high bar of social and sustainability criteria, and ensure the highest standard of safety is adhered to.

03.
Sustainable
Development
Goals.



03.

A framework for sustainability.

We have aligned our business practices with the United Nations Sustainable Development Goals (SDGs).

The SDGs provide the framework for every decision we make, and enable us to operate in a way that creates the type of world we want to live in. While our business touches each Sustainable Development Goal, the two we most closely identify with are Decent Work & Economic Growth (SDG 8), and Responsible Consumption and Production (SDG 12).

In order to make the positive impact we want to see in the world, our business must be sustainable and scalable. We are building the foundations to grow our impact in the coming years, and to prove that we can do good whilst doing good business.

1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



04.
Our impact.



04.

Nothing but rainwater.



24,375,472

=



10

Over 1 billion people still don't have access to clean water, so polluting or using unnecessary water to make clothes just doesn't make sense.

Cotton is well known as one of the world's thirstiest crops, with conventionally grown cotton requiring heavy use of irrigation which diverts clean water from communities who require it. Instead of growing in dry arid areas that require a lot of water, our cotton is grown during the rainy season which means we don't need thousands of litres of water to produce a single tee.

Many companies will flush dye runoff from their colouring processes directly into public waterways. We only use non-toxic, AZO free, GOTS certified dyes, and we work with dye houses that ensure the wastewater is filtered and cleaned, which enables it to be used again and again. 95% of the water used in our dyeing process is returned back to drinking quality, with the remaining 5% being used in bricks and road materials – a completely closed loop process.

In FY20, we've saved 24,375,472 litres of water by choosing to only source 100% rain-fed organic cotton.

04.

Pesticide free.

Pesticides and synthetic fertilisers are commonplace in the cotton industry, producing short-term gains at the cost of long-term ecosystem and community health.

Soil quality is weakened by a lack of biodiversity, which results in decreases in crop quality and yield. When you combine this outcome with the overwhelming cost of pesticide to farmers (not only monetary cost but in terms of their own health), the results of intensive farming can be catastrophic.

By supporting farmers who practise natural farming practices, we are ensuring the supply of organic cotton into the future. Rain-fed cotton is better for people and the planet. Instead of using toxic pesticides and fertilisers, our farmers rely on crop rotation, natural fertilisers and cow pee to keep the soil fertile and to keep the pests away.

In FY20, we've kept 243.8 tonnes of pesticides out of ecosystems and waterways.

04.

Minimising plastics.

By 2050 there will be more plastic in the ocean than fish. We want to be part of the solution not part of the problem.

When we were told products must be shipped to us in plastic poly bags, we asked why and worked on a solution that protected the garments whilst also reducing our plastic waste. Our products now all arrive with only one outer layer of plastic protecting all the garments in a box.

We applied the same logic to how we ship out our garments. While many brands have switched to compostable mailers, as these are often not able to be composted at home, we have opted to only send our products in paper mail bags or cardboard boxes.

In FY20, we've stopped 153 kg of plastic from entering our shores.

05.
Who we
work with.



05.

Meaningful connections.

Little Yellow Bird supplies a range of industries, including corporates, charities, schools, hospitality and events.

By supporting the organisations that partner with us, you're reinforcing a world where taking the planet into account is the norm. Consider our partners next time you're looking for a good cafe, a new power provider, a great holiday spot or a charity to support - they're good people doing great things.

"Buying uniform from Little Yellow Bird is an important part of NZ Post's commitment to helping the social enterprise sector grow through social procurement. In our view, it's a win all round; our people get high quality ethical and sustainably made uniforms; the workers who make the uniforms are paid and treated well; and the environment benefits from the rain fed cotton and sustainable production processes. Little Yellow Bird have thought about every detail across every aspect of the value chain and operate to the highest standards."

NZ Post Sustainability Team



05.

Our peers.

A rising tide lifts all boats. We're proud to manufacture goods and fabrics for a number of other brands concerned about their own global footprint.

By using the power of our market share and established connections we open up opportunities for other businesses to achieve their own sustainability goals.

We're happy to help others where we can, and are able to work with you on projects ranging from creating a custom t-shirt, producing your first collection, sourcing organic cotton meterage for your own production, and anything else in between.



"Working with Little Yellow Bird gives us absolute confidence that our clothing is as ethically and sustainably produced as possible within their production line. Producing our clothing is a full collaboration between us, our manufacturers (LYB) and our guest artists in order for us to support a number of causes, as well as makers along the way. LYB is proficient at manufacturing and producing our unique patterns but best of all, they are on the same page with how production should be done - ethically and with as little harm to the planet as possible."

Indigo Greenlaw, The Paper Rain Project



THE PAPER RAIN PROJECT

twenty-seven
names



05.

Our clients.



06.

What we've
achieved.



06.

Recognised sustainability.



Little Yellow Bird named Supreme Award Winners at the 2019 NZI Sustainable Business Network Awards.

We certainly don't do things the way we do just to win awards. However, being recognised among a group of impactful and inspiring businesses, community groups and community leaders as New Zealand's most sustainable business was an exciting and slightly surreal experience. It also increased our visibility across the country as a whole. Our goal is to get our products into the hands of as many people as we can – not just as a profit-making exercise, but as a change making one. With the support of the Sustainable Business Network and its members, we've seen amazing growth throughout the business.

We were also the winners of our category, the Hardwired for Social Good Award. Our award application asked us to outline how our organisation is geared to achieve positive change within the communities we work in and the communities we serve, across all of our processes - to prove we're striving for positive social impacts through all of our decisions and operations.

The calibre of applicants across all categories was extraordinarily high, and we'd like to take the opportunity to say we're proud to stand alongside them as changemakers for the environment, and applaud the work that each category applicant has undertaken. Not only was the experience a gratifying one, it also helped us as an organisation to pinpoint what we're doing well and what we can strive to do better.



06.

Connected supply chain.



Ethical relationships and care for people.

As an ethical business, we take care to positively impact all aspects of our garment production cycle. We recognise that relationships and care for people are key requirements of a fashion industry that benefits all those involved, rather than just meeting the needs of the consumers. This means that we are in touch with those who grow and produce our garments, and that we are responsive to their circumstances and lives, especially during times of upheaval and uncertainty.

Knowing our partners.

We source our cotton from a co-operative in southwest Odisha State on the east coast of India. The co-operative is made up of over 4000 small-scale farmers, and exists to support them through increased efficiencies, raised incomes, and enhanced environmental and social sustainability. Through maintaining close and regular contact with the cooperative, we support transparency around how our garments are produced, and are able to respond to their circumstances.

Meals for migrant workers.

In response to Covid-19, India implemented a strict and sudden national lock-down, forcing millions of migrant workers to shelter-in-place far from home. Appreciating the vulnerability of this situation for many migrant workers, we used the masks produced through the Lanaco Community initiative to provide them with 20,000 nutritious meals. We were able to achieve this thanks to our strong relationship with our local impact partner, confident that doing so moved us even closer to our vision of shared responsibility and care for those involved in every stage of the garment production cycle.

Local relationships, local benefit.

Our concern with driving positive change across all aspects of our supply chain existed well before the upheaval of Covid-19. For several years now, we have chosen to work with Sai Dham as a local impact partner operating close to where our garments are manufactured. As a non-profit NGO, Sai Dham aims to empower and lift people out of poverty. The organisation directly supports 5000 children through their school, and 300,000 families through initiatives offering free clothing and sanitary products, education, and dental and health care. We are proud of our track record of supporting the provision of real benefits to the communities who produce our garments, and we plan on maintaining this support throughout the Covid-19 pandemic and well into the future.

06.

Growing local networks.



Ethical and environmentally sustainable supply chains.

The disruption experienced across global networks due to Covid-19 emphasised the need for us to grow supply chains within the New Zealand garment industry that are secure and robust. While we always had future intentions to diversify our garment range, the likelihood that international trade will remain unreliable for some time caused us to bring forward these plans. Therefore, and in line with our belief that people and the environment must benefit from all stages of garment production, we set about producing garments that are locally grown and stitched.

Our merino range.

We launched our merino range with a limited run of our two most popular garments. These are available in a range of inter-seasonal colours. Early sales indications are that they are what our consumers want, meaning that we are now more committed than ever to bringing change to how our clothes are produced and manufactured.

Partnering with ZQ Natural Fibres.

Looking to bring our values of accountability and sustainability to life in our own backyard, it made sense to partner with ZQ Natural Fibres in producing our Merino range. ZQ Natural Fibres are world leaders in ethical and sustainable high-quality wool fibre. What's more, ZQ sheep live free-range, healthy lives in which they are humanely treated. All in all, by partnering with ZQ Natural Fibres, we are confident that we are supporting the very best care of animals and the environment.

However, as much as we'd like our Merino range to be fully made on-shore, New Zealand mills lack the capability we require. The wool in our products is, therefore, processed in Vietnam. The mill we use is at a Bluesign System partner, which means it too operates ethically and responsibly with regard to people, the environment and resources. Once milled, our wool is returned to NZ and stitched into garments in Wellington, meaning we are able to develop local supply chains that are accountable, ethical, and sustainable.

[Learn more at about ZQ Merino here.](#)



06.

Certified B Corporation.



New Zealand's 2nd highest B-Corp rating.

Little Yellow Bird has been a certified B-Corp since May 2016.

B-Corp certification signals to all that a business exists to create positive impact, not just profits, and hands the power to consumers by giving them a framework on which to base their socially responsible purchasing decisions.

Rather than focusing on one aspect of impact, B Corporations are tasked with improving all facets of their operation to gain certification - how decisions impact on their workers, the environment, their communities and their customers. Transparency is important to us and being part of the B Corp community is an essential part of how we show that.

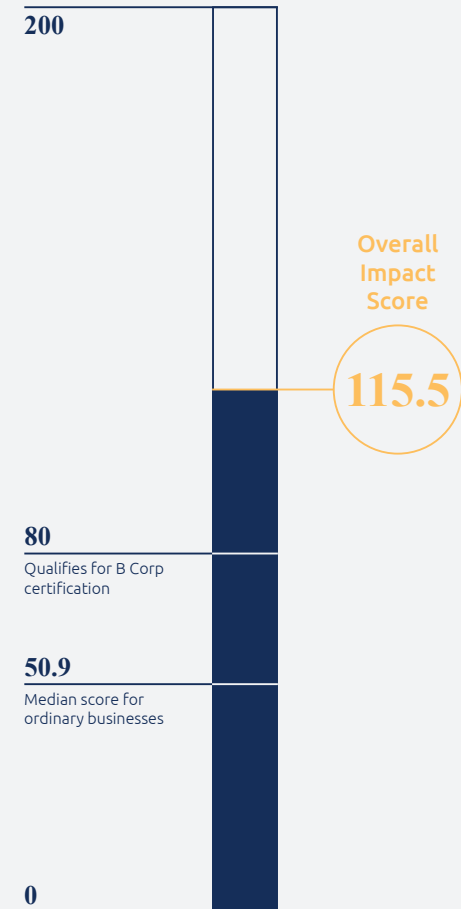
Reduce waste.

We had one major production error but were able to give these products a new life. We partnered with Crafty Volunteers to repurpose these garments into children's clothing which will be distributed to Women's Shelters around New Zealand.

Seconds and samples that were not able to be sold were upcycled into face masks as part of the Lanaco community face mask initiative.

Offsetting our travel.

We offset our travel directly through Air New Zealand or via our carbon offsetting partners Ekos. We are currently working out how to calculate and offset carbon in other areas of our business.



All companies working towards B-Corp certification are assessed on a 200 point scale

07.
**Looking
forward.**



07.

Where to from here?

As part of our successful 2019 PledgeMe campaign, we shared with you our intention to launch more products, further throughout the world.

At the time of writing, the COVID19 situation is developing quickly and has already irreversibly changed the shape of not only the industry we work in, but also (and in some cases, more so) changed the prospects of many of the industries we service.

Throughout this report you've learned how our intention is to create a thriving business with ethical and sustainable concerns at its core, and part of that is making sure that the people we work with - that we buy goods from and that we sell goods to - are also thriving. As such we're in the process of refining our mid and long term plans to reflect the changes that we are all going to be facing in the coming months and years, focusing on how we can support our local businesses and communities in a way that doesn't put pressure on the health of people or the planet.

What we absolutely will not sacrifice is our commitment to upholding the vision we set out with - making sustainability the obvious choice at every step. As such, some plans are changing, new opportunities are presenting themselves and others will take a back seat while we strive to practise commerce with compassion.

As a small and agile team, we're in a good position to support our Indian communities remotely and continue to offer high quality goods to our existing and new customers, and it is of the utmost importance to all that we continue to do so. We've been rocked by the onset of COVID19, but at the same time steadied by the ongoing support and trust shown to us by our followers.

Our Focuses for 2020 and 2021.

Solidify relationships with our onshore customers, and provide support/ assistance wherever possible to help bounce back from COVID19 implications.

Continue to send new contracts for manufacture to our suppliers, supporting India's recovery from COVID19 recession.

Look outwards to other countries for manufacturing to spread both our exposure to negative events as well as our positive impact.

Supply more New Zealand organisations and businesses with top quality, organic cotton uniform pieces.

Increase our market share in the ethical basics e-commerce space.

Work to extend our carbon offsetting programme from travel only to including bulk shipping, and eventually manufacturing.

Continue to develop our used fibre recycling program.

Thanks.

We'd love to hear
from you.

✉ info@littleyellowbird.co.nz

🐦 [Twitter: lyb_uniforms](https://twitter.com/lyb_uniforms)

📘 [Facebook: littleyellowbirdnz](https://www.facebook.com/littleyellowbirdnz)

📷 [Instagram: lyb_apparel](https://www.instagram.com/lyb_apparel)

