

RELEASED JUNE 2021

Maggie Marilyn

Ripoata o nga Kawekawenga

Impact Report 2021



Maggie's Introduction



When I founded Maggie Marilyn in 2016, I envisioned a business that made it possible for our people and planet to thrive. I imagined a transparent supply chain, where workers were paid fairly and treated with dignity and respect. Where clothing was repaired, repurposed, or recycled, not tossed away and discarded. I saw a future where

decreasing atmospheric carbon and increasing biodiversity through regenerative farming was not only possible but commonplace. Most of all, I imagined a future where climate-responsible fashion was accessible to not just a privileged few, but the majority. With this optimism in my heart – and a healthy dose of 21 years old naivety – Maggie Marilyn's mission to "use fashion to create a better world" was born.

Four years into MM's journey, we found ourselves fully immersed in the notoriously ruthless and rigorous fashion industry cycle. We experienced huge growth, international acclaim and were dressing people I'd only ever dreamed of seeing in my designs, but with this success also came an increasing feeling of disconnect; despite our brand's determination to challenge industry norms and influence change, I could see Maggie Marilyn drifting further and further away from my original dream.

I realised that change needed to come faster, stronger and bolder, and the only way to achieve this was to realign all of our efforts and resources to exist solely within a direct-to-consumer commercial entity. Put simply; this was a values-based decision and the only way I could continue striving forward in good faith.

We believe that the following report not only proves that our decision to pivot the business was the right one in terms of fulfilling our original vision, but that it also serves as critical evidence for how a business like ours can continue to thrive and prosper in the future.



A Direct to Consumer business model has allowed flexibility. Flexibility to flip our inventory model, now 90% weighted to the 'Somewhere' line (our evergreen essentials), and 10% weighted to the 'Forever' line (our seasonless pieces, bought in very limited runs) – both released to our customers as they need it, the way they want it. We focus and scrutinise every decision within our supply chain and design.

We now have the ability to create end of life solutions for every Maggie Marilyn garment.

Flexibility and time allow for sea shipping (because we do not need to meet selling deadlines of wholesalers) which has been the largest contributor to our decrease in carbon by 73%. As we've been able to reduce our carbon so significantly, we are extremely proud to have become CarbonZero certified by Toitū Envirocare and having purchased 25% extra offsets to go beyond neutrality, we can therefore claim we are climate positive. In the report, we go into what this means for our customer and if performed on scale - what decisions like this could mean for the planet.

There is no question that with scale, Maggie Marilyn will be challenged to meet financial prosperity alongside values alignment and this challenge is truly what gets me up every morning.

It is my hope that in reading this report people, businesses, countries and the entire world join this challenge as it's truly the only way to do business in a world where people and planet thrive.

XX *M*

Maggie Hewitt

Director



**Manaaki whenua, manaaki
tangata, haere whakamua**

**Care for the land, care for
the people, go forward**



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Key Impacts

We've been working hard to make good change - but this is what you need to know...

CIRCULARITY AND REGENERATION

Maggie Marilyn's 2022 target was to reduce our carbon footprint by **30%** to become CarbonZero certified. We have actually been able to reduce our emissions by **73%** and surpass that goal meaning not only have we become CarbonZero certified by Toitū Envirocare but having purchased **25%** extra offsets to go beyond neutrality, we can therefore claim we are climate positive – now we can accurately prove we are having a regenerative impact on our planet.

INCLUSION, DIVERSITY, AND EQUALITY

100% of Maggie Marilyn's suppliers have signed our Supplier Code of Conduct meaning everyone in our supply chain is being treated with respect, being fairly paid and cared for.

We are working steadily towards our 2022 goal of achieving an even representation of ethnicities, ages, genders and sizes in all our visual content.

TRANSPARENCY, AND SHARED PROSPERITY

100% of Forever capsules and **95.3%** of our Somewhere range are manufactured in New Zealand.

Maggie Marilyn has partnered with Pillars on a long-term basis and will donate **100%** of donations from community events to the cause.

Our 73% reduction in emissions - totalling 161.46 tCO₂e - is the equivalent to driving a car 944,210 km. The same as driving from Auckland to Wellington 1469 times, or the width of Australia 236 times¹.



¹ The average vehicle in New Zealand has CO₂ emissions of around 171 grams per kilometre (g/km)



About this Report

This is our very first Impact report. A report we plan to repeat every two years to keep you informed on our progress and so you can keep us accountable. To ensure it had global credibility we have followed an internationally recognised framework called the Global Reporting Initiative (GRI). This report has been prepared in accordance with the GRI Standards: Core option. This means that we followed a rigorous process to ensure the integrity of the report, we reported on the topics that matter to our stakeholders (aka material topics), and we can be compared against other businesses who have used the same framework (GRI is the most widely used).

A key part of the GRI process was to ask our stakeholders what they think we should report on. A “stakeholder” is defined as basically anyone that impacts or influences our business, or who we impact or influence. (Yes, it’s a rather large group). To learn more about what the different stakeholder groups said we should report on go to page 42.

After interviewing our chosen stakeholders we got together as a team and reviewed all of their valued feedback. With Go Well Consultings oversight we chose the topics that were most important to our stakeholders and to us. The technical term used is “material topics”. We identified these material topics based on the frequency that the topics arose in the stakeholder interviews and the emphasis each stakeholder put on them. We also took into consideration all previous feedback we have received over the past two years.

The material topics we have reported on are listed below under our three key pillars.

Circularity and Regeneration

- Going Circular
- The Climate Crisis
- Our supply chain and the environmental impacts

Inclusion, Diversity, and Equality

- Our supply chain social
- Diversity and Inclusion
- Education and communicating sustainability

Transparency, and Shared Prosperity

- Transparency
- Financial prosperity
- Local and Community
- Product safety
- Health, safety and wellbeing of staff
- Charitable partnerships

Another key aspect of a GRI report is that we needed to set our ‘reporting boundaries’. This basically means we need to choose a time period to collect data within, and decide on what parts of the business we included in the reporting. Unless otherwise stated, all data in this report refers to the 2 year time period from 1 January 2018 to 31 December 2020, and covers all of our business operations globally.

We really value your feedback on this report so please feel free to reach out to us at info@maggiemarilyn.com with any questions, ideas, or feedback you have.

 Team MM



Maggie Marilyn is a fashion brand operates in Auckland, New Zealand from their Showroom in Newmarket and from their retail 'Home', in the heart of downtown Auckland, Britomart. Maggie Marilyn ships 350 unique products globally from maggiemarilyn.com.

Maggie Marilyn consists of two main product lines - Somewhere (90% of inventory) and Forever (10% of inventory).

SOMEWHERE

'Somewhere', is our line of traceable, "evergreen essentials" launched in 2019 to immediate critical and commercial acclaim. With the intention to become circular, this line is designed with the ability to be recycled or composted at it's end of life. Made from traceable organic or repurposed fibres, it is our aim to transition all fibres in this line to come from regeneratively farmed sources.



FOREVER

'Forever' Capsules are identifiably Maggie Marilyn pieces, designed to be worn seamlessly with 'Somewhere' yet will be tightly edited and produced in very limited runs. Taking a seasonless approach and ignoring the time pressures of the fashion calendar will allow for the slow development and purposeful design of the Forever garments. We aim to have all fibres to be traceable and organic, or recycled / repurposed. Many will have the ability to be recycled, however the circularity of this line is intended to sit within repair, repurpose and resale. These special pieces are designed to be bought thoughtfully and kept forever.



Maggie Marilyn ensures that they welcome all people into their community. Their primary customers are people aged 25-60 who identify as female. Their largest customer base lives in Auckland, New Zealand.

* Maggie Marilyn is a privately owned limited business registered in New Zealand.

About
MM



Values, principles, standards, and norms of behavior



Our purpose is to...

Use fashion to create a better world.

Our mission is to transform the fashion industry to one that is transparent, circular, regenerative and inclusive.

Our vision is for a healthy planet, empowered people and an economy that puts these things first.

We promise to...

Put people and planet first

Always be transparent

Empower everyone our business touches

Retain a hunger to learn, knowledge is power

Challenge the status quo and redefine the norm

Communicate honestly, finding strength in vulnerability

It's not what you do, it's who you are

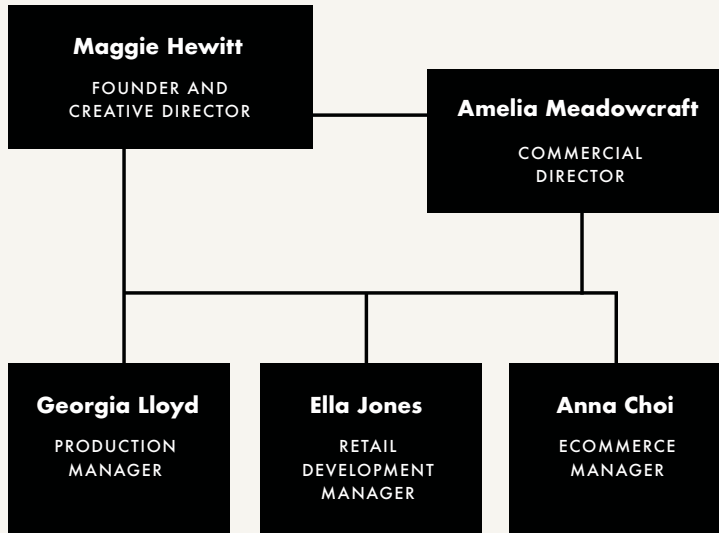
We are dreamers. We are quietly confident; strong, yet sensitive. We are firm in our beliefs; kind, yet never afraid to speak the truth. We are elegant and timeless, yet never boring. We are activists, feminists, optimists. We are openly vulnerable and obsessively passionate. We pay attention to the little things and fight for the underdog. We are extremely loyal friends, lovers, siblings and parents. We believe anything is possible.

Maggie Marilyn believes in a future where our planet and its people are truly able to thrive. Where everyone the business touches feels accepted, valued, respected and understood. Maggie Marilyn believes in building a team of individuals who are representative of our global community - from the people who work in the supply chain, to the team, the customers, the audience and everyone beyond this. Maggie Marilyn believes in embracing and celebrating what makes each of us unique - backgrounds, experiences, cultures, religions, beliefs, gender identities and orientations. Maggie Marilyn knows that our collective strength lies in unity and individualism.

In September 2020, Maggie Marilyn released their first Diversity and Inclusion Policy. Which you can read more about on page 38 or see the document in full [here](#)



Our Team



Founder and Creative Director Maggie Hewitt sets the overall tone and is the backbone of all decision making at Maggie Marilyn. Maggie seeks business advice from key stakeholders, her parents, Mark and George Hewitt. Financial and best practice advice is provided by Ross Christensen who sits outside the business and oversees Maggie Marilyn’s accounting.

	FULL TIME	PART TIME
Female	12	3
Male	2	0

Note - this above is current to the business as of June 11th, 2021

Except for 3 staff who reside in Keri Keri, all our employees are located in Auckland. We also have 2 contractors who reside in Sydney, 1 in New York City.

Daily operations and business strategy is managed by Amelia Meadowcraft, Commercial Director who reports to Maggie. The senior team, Georgia Lloyd (Production Manager), Anna Choi (Ecommerce Manager) and Ella Jones (Retail Development Manager) report into Amelia with a dotted line to Maggie.

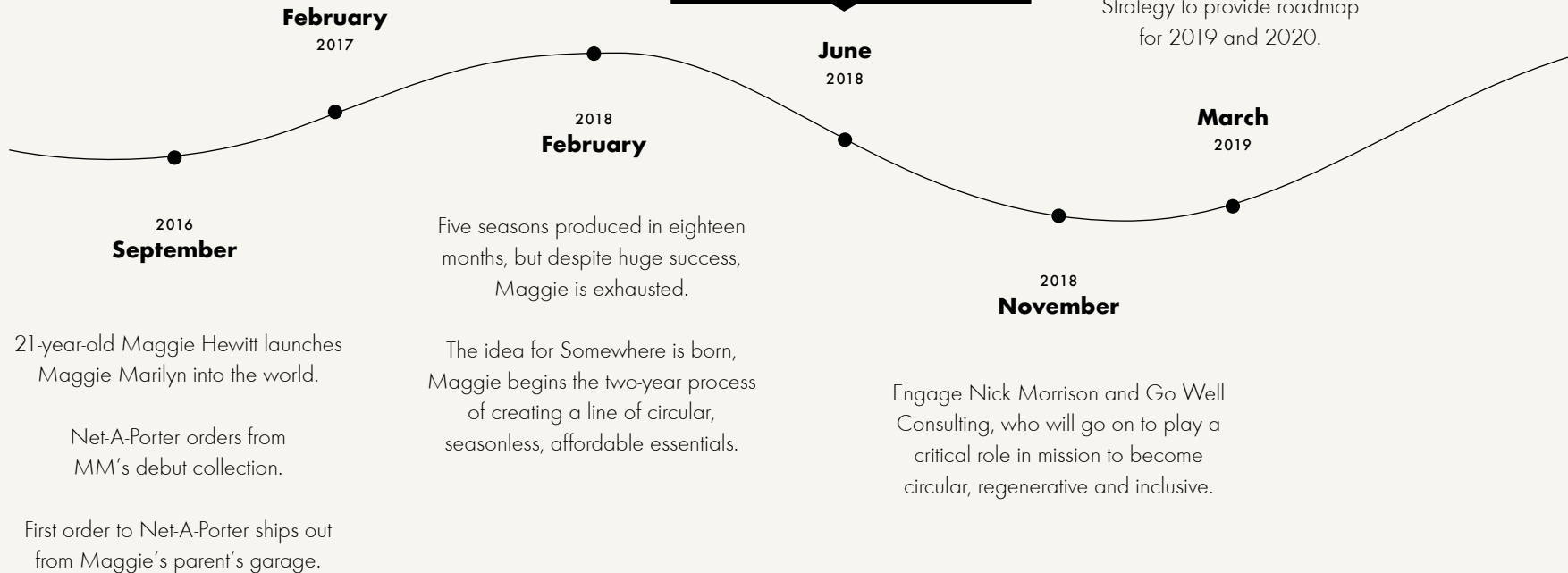
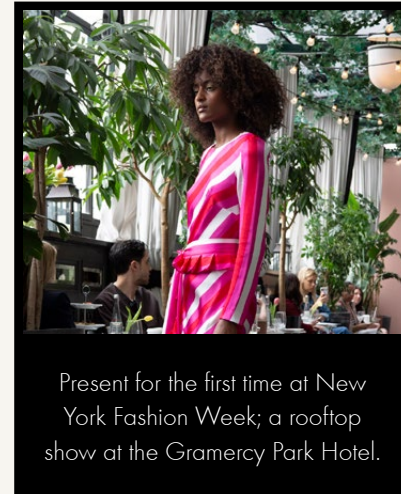


Our Journey

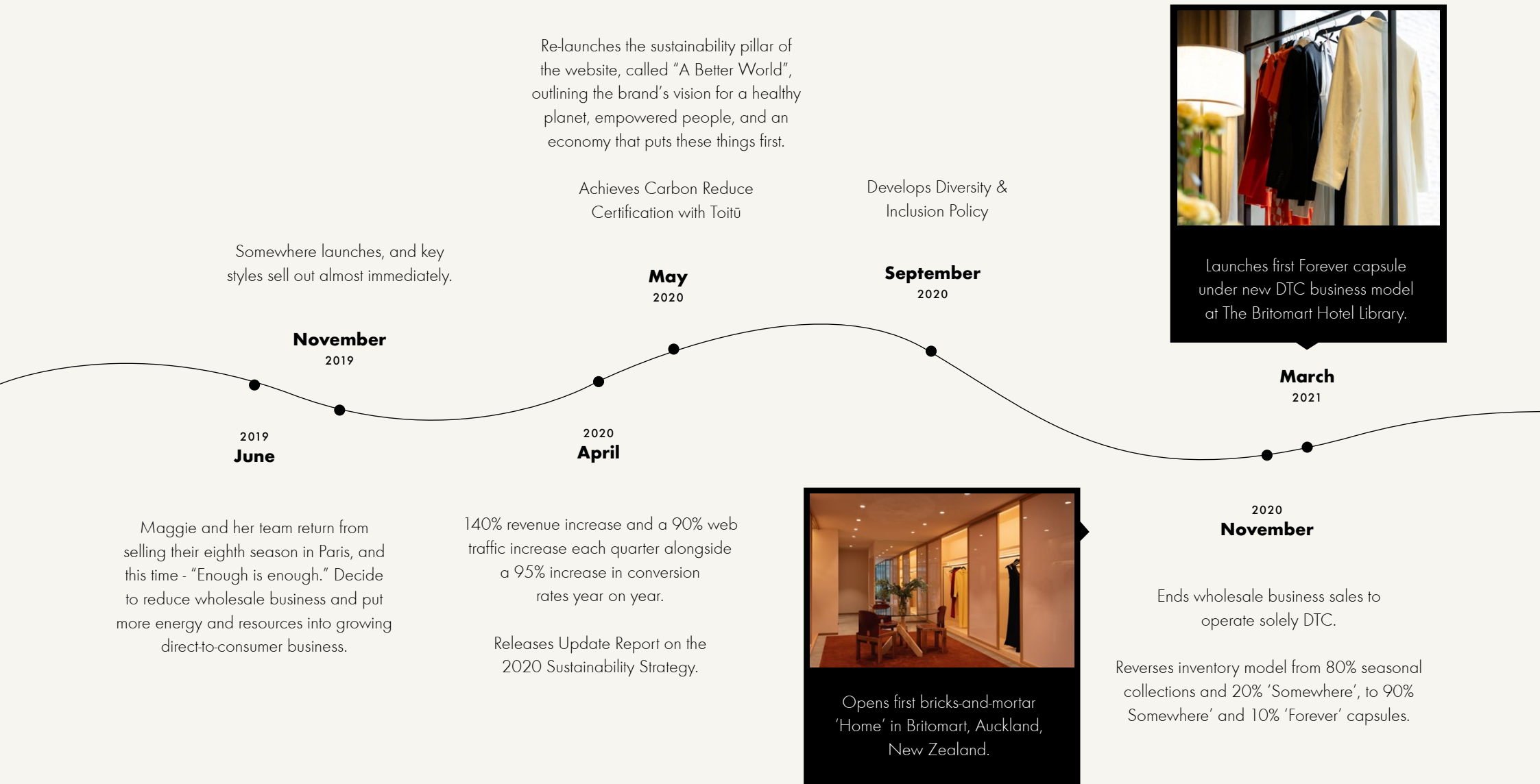
Maggie is one of 21 designers shortlisted for prestigious LVMH Prize and is profiled in US Vogue, the New York Times and The Business Of Fashion.

The brand is picked up by La Bon Marche, Neiman Marcus, Lane Crawford and Selfridges, among others.

By the end of 2017 MM is available in 75 luxury retailers across 15 countries.



MAGGIE MARILYN'S JOURNEY



Maggie and her team return from selling their eighth season in Paris, and this time - "Enough is enough." Decide to reduce wholesale business and put more energy and resources into growing direct-to-consumer business.

2019
June

November
2019

Somewhere launches, and key styles sell out almost immediately.

2020
April

140% revenue increase and a 90% web traffic increase each quarter alongside a 95% increase in conversion rates year on year.

Releases Update Report on the 2020 Sustainability Strategy.

May
2020

Re-launches the sustainability pillar of the website, called "A Better World", outlining the brand's vision for a healthy planet, empowered people, and an economy that puts these things first.

Achieves Carbon Reduce Certification with Toitū

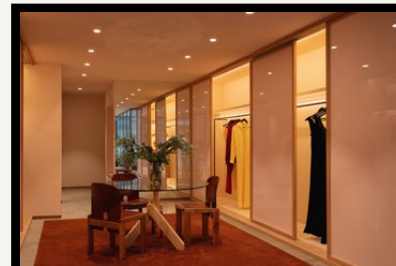
September
2020

Develops Diversity & Inclusion Policy

2020
November

Ends wholesale business sales to operate solely DTC.

Reverses inventory model from 80% seasonal collections and 20% 'Somewhere', to 90% 'Somewhere' and 10% 'Forever' capsules.



Opens first bricks-and-mortar 'Home' in Britomart, Auckland, New Zealand.



Launches first Forever capsule under new DTC business model at The Britomart Hotel Library.

March
2021



Our Locations

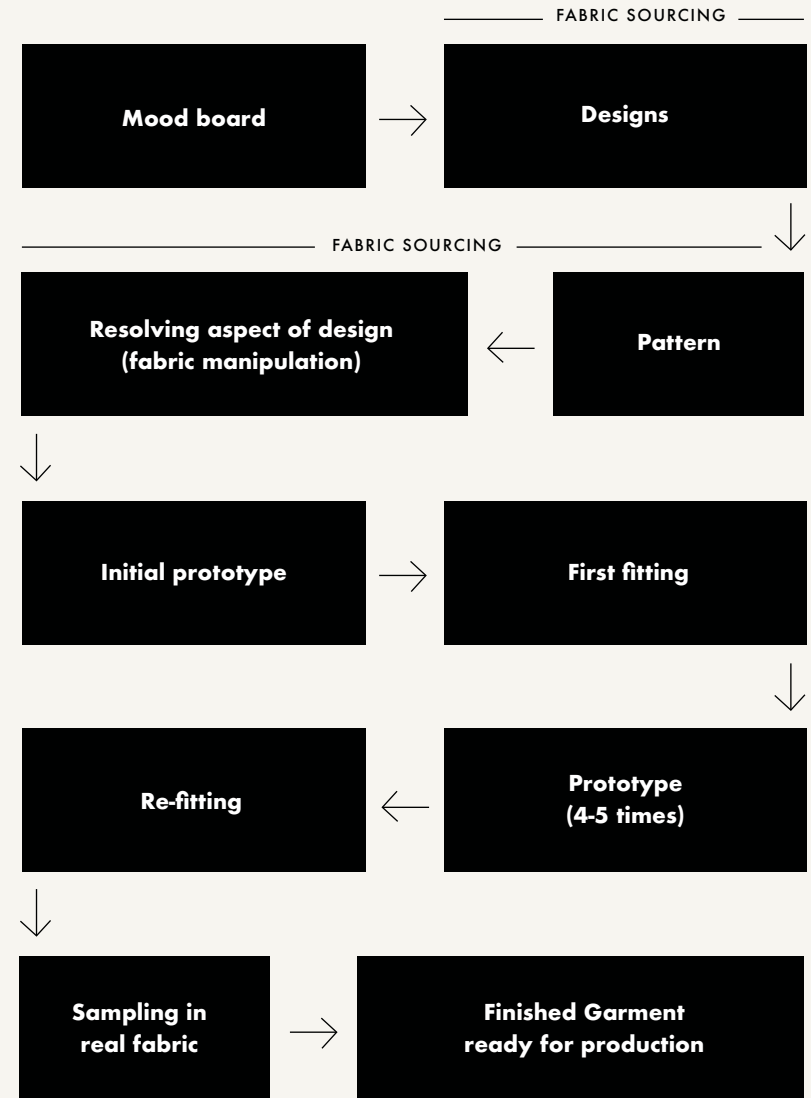


Our Supply Chain

At Maggie Marilyn, product is contributed to by at least 6 different businesses before it gets to the customer. The onboarding process for new suppliers and manufacturers can be up to a year.

The chart to the right maps out the workflow of each Forever piece - from idea to production.

The ambitions for our Somewhere supply chain are just getting started. With business plans to develop globally in years to come, the team will look to find suppliers in these regions. A multi-progged supply chain, that serves the customer where they are, decreases transportation emissions and supports the region that Maggie Marilyn develops into. This international/local supply chain thinking will help the brand be relatable in the given market.



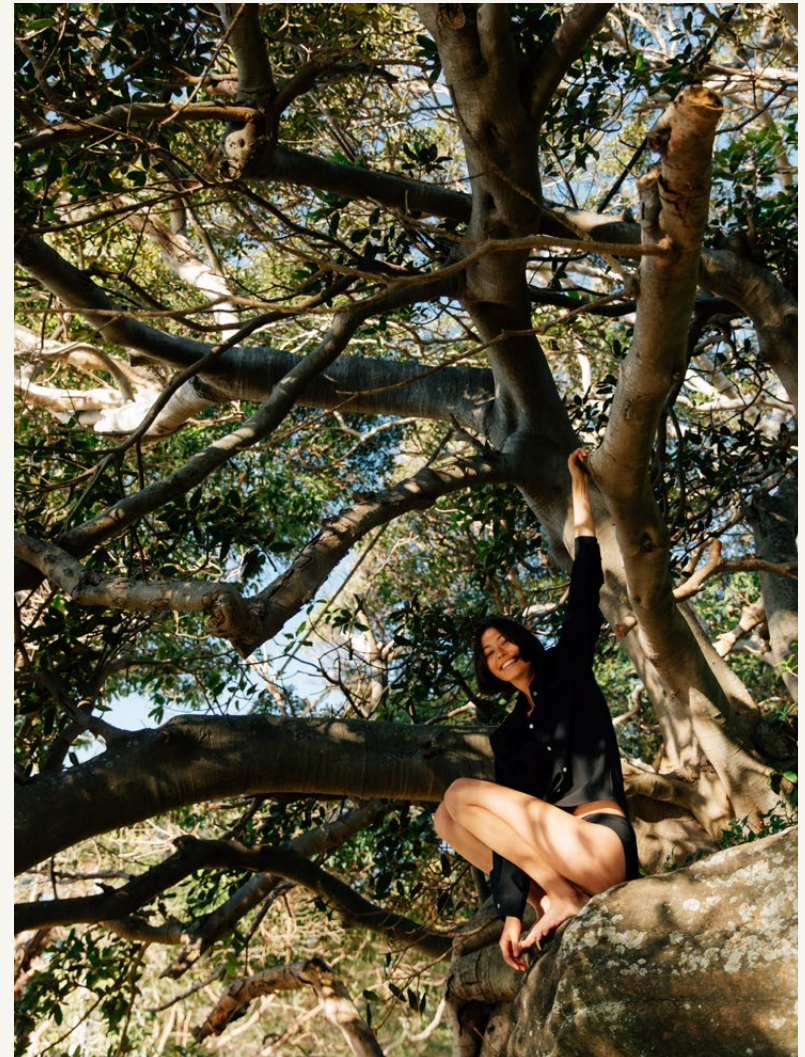
Operational Changes

During the reporting period we made some significant changes to our supply chain and how we operate. One big achievement for us in 2020 was setting up the company's first, fully integrated Warehouse Management System, Apparel Magic. An ERP software enables us to calculate sales demand and material requirements, and issue detailed maker contracts, including pull sheets and special instruction. Automatic cost actualization provides complete transparency.

In September 2020 Maggie Marilyn partnered with C&F Fashion Logistics, a warehousing and logistics company in Mount Wellington. Somewhere product will be delivered to C&F directly from suppliers. Between the internal production team and C&F, products will be QC, steamed, tagged and allocated. Once allocated, it will be sent to the Showroom in Newmarket and the new store in Britomart. C&F will also store and count fabric.

Looking ahead, Maggie Marilyn will integrate Apparel Magic with 3PL Central (C&F ERP), to automate transfers to ensure transparent stock control. Maggie Marilyn will look to fulfil online orders for Somewhere directly from C&F, using their staff and infrastructure.

Maggie Marilyn will continue to warehouse Forever capsules at our showroom in Newmarket to ensure 1 to 1 care is always maintained.



Labour Practices in Xinjiang

Xinjiang - China

Xinjiang is a region in China that produces more than 84% of all cotton from China and more than 20% of the world's total cotton. On December 14th 2020, the Center for Global Policy released a report titled 'Coercive Labour in Xinjiang: Labor Transfer and the Mobilization of Ethnic Minorities to Pick Cotton'. The report presented new evidence from Chinese government documents and media reports showing that hundreds of thousands of ethnic minority laborers in Xinjiang are being coerced to pick cotton by hand through a state-mandated labor transfer and "poverty alleviation" scheme.

The organic linen used in our Somewhere Sport release was grown in Xinjiang. Although the report published and evidence are specific to the cotton industry, it shows the magnitude of this coerced labour transfer scheme and highlights that 'it is impossible to define where coercion ends and where local consent may begin'.

Therefore we cannot be absolutely sure, despite certifications, that our organic linen supplier, being located in Xinjiang, is not associated with this coerced labour of ethnic minorities. As a result, immediately following the publication of this report in December, we removed all future linen orders and are working to find another supplier.

As a business that is founded on the protection and fair treatment of all people, we cannot risk in any way supporting this violation of fundamental human rights.

We spoke openly to our community about our decisions and what we can learn from them, via instagram.

What has this taught us at Maggie Marilyn?

This has reiterated the importance of having fully transparent supply chains so that we are always acutely aware of the social and environmental situations where our raw materials are grown and actively monitoring these. Having a transparent supply chain has allowed us to take the immediate precautionary measure of removing our linen production from Xinjiang following the evidence presented within the cotton growing industry. Without a transparent supply chain we wouldn't be in the position to even be having this conversation. As a small internal team, we rely strongly on certifications to ensure our suppliers are socially and environmentally responsible. Moving forward, in addition to these certifications, we will be working closely with an independent sourcing consultant to dive deeply into assessing the wider social and environmental climate where our raw materials are grown.

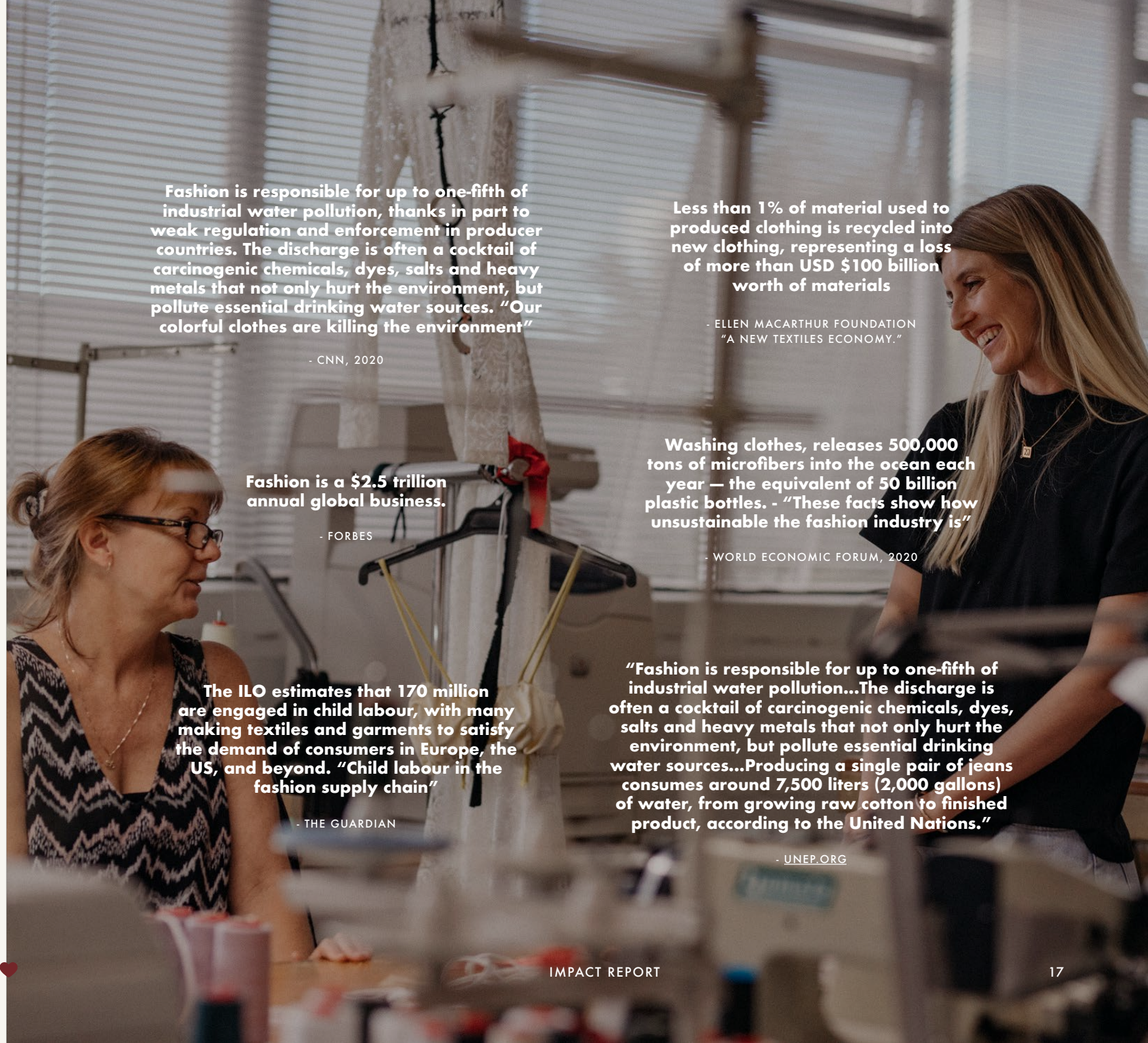
What can this teach us all?

Coerced and forced labour in Xinjiang is not a unique issue, it is prevalent across global textile supply chains and must be stopped. For this to happen, we must know not only who made our clothes but who grew the raw material, spun it into fabric, and who dyed it. If you take one thing away from reading this, let it be how crucial it is that all fashion brands have fully transparent supply chains. Demand more from the brands you buy from (including us!) and keep asking questions. Be willing to change your purchasing habits. Continue to widen the circle of people you deem worthy to protect and care for, beyond your immediate circle, community and country. There are so many seemingly invisible people involved in making our clothing who are directly impacted by the decisions we make as consumers at the end of the line. We have the privilege and freedom to choose better, our choices and actions can make a difference.



The World Of Fashion

Maggie Marilyn



Fashion is responsible for up to one-fifth of industrial water pollution, thanks in part to weak regulation and enforcement in producer countries. The discharge is often a cocktail of carcinogenic chemicals, dyes, salts and heavy metals that not only hurt the environment, but pollute essential drinking water sources. "Our colorful clothes are killing the environment"

- CNN, 2020

Less than 1% of material used to produced clothing is recycled into new clothing, representing a loss of more than USD \$100 billion worth of materials

- ELLEN MACARTHUR FOUNDATION
"A NEW TEXTILES ECONOMY."

Fashion is a \$2.5 trillion annual global business.

- FORBES

Washing clothes, releases 500,000 tons of microfibers into the ocean each year — the equivalent of 50 billion plastic bottles. - "These facts show how unsustainable the fashion industry is"

- WORLD ECONOMIC FORUM, 2020

The ILO estimates that 170 million are engaged in child labour, with many making textiles and garments to satisfy the demand of consumers in Europe, the US, and beyond. "Child labour in the fashion supply chain"

- THE GUARDIAN

"Fashion is responsible for up to one-fifth of industrial water pollution...The discharge is often a cocktail of carcinogenic chemicals, dyes, salts and heavy metals that not only hurt the environment, but pollute essential drinking water sources...Producing a single pair of jeans consumes around 7,500 liters (2,000 gallons) of water, from growing raw cotton to finished product, according to the United Nations."

- UNEP.ORG

A woman with long dark hair, wearing a black long-sleeved top and shorts, is climbing a large, gnarled tree. She is barefoot and smiling, with her arms extended to grip the branches. The tree has thick, greyish-brown bark and dense green foliage. The background shows a clear blue sky. The overall scene is bright and natural.

Te reanga autaki

Circularity and Regeneration

Going Circular

The fashion industry has had, and continues to have, a disastrous impact on natural ecosystems all across our globe. From the growing of fibres to the dumping of garments, the entire model is based on a linear system that is quite clearly unsustainable. According to the New Textiles Economy report by the Ellen MacArthur Foundation, the number of times a garment is worn before it is thrown away has decreased by 36% in 15 years. Meanwhile, 87% of the 100 billion garments produced globally every year end up in a landfill or are incinerated. If we have any chance of sustaining human life on this planet we have to live in harmony with the laws and systems of the natural world. And every system in the natural world is circular.

At Maggie Marilyn we follow the three principles of a circular economy

- Design out waste and pollution
- Keep products and materials in use
- Regenerate natural systems.

In the natural world there is no such thing as waste. The idea of waste was invented by linear economic thinkers and it is destroying our planet by polluting our air, soil, water and oceans. "Waste" is really just materials in the wrong place. We have therefore designed our

business to be a circular business that sends no materials to a landfill or to be incinerated, is not responsible for any pollution, and ultimately is to be powered 100% by renewable energy.

"Closing the loop (circular models) involves minimizing the consumption of resources by facilitating their reentry into the value chain. In other words, it refers to repeatedly recycling and reusing materials until they become biodegradable waste. The current linear business model stresses the environment by generating waste throughout the value chain, whereas a closed-loop system seeks to minimize waste and to put unavoidable leftover material to use. Closing the loop can address the finite land, water, and energy resources that the fashion industry uses intensively." - Sustainability Is Good Business for Fashion

Due to the linear economic model we have inherited, and within which we must operate in order to make any changes, we know that the end of life for our garments is almost certain to be a landfill or an incinerator. Neither of which are acceptable to us. This reality of the typical fashion business model was a huge influence on our decisions to launch our Somewhere range, and to completely change our business model.

We know that to achieve a circular business model we must first design for it.

The costs and complexity involved with recycling blended fabrics are a large reason that less than 1% of used clothing is currently being recycled



to create new ones.¹ This is why the majority of Somewhere uses natural fibres with very small blends of 1-5%. Our ECONYL[®] regenerated nylon has a higher blend percentage (22% Elastane) is made up of already recycled components (78% recycled polyamide). The most exciting prospect of this material is its potential to be infinitely regenerated due to its unique ability to return back to the original monome.

We also know that natural fibres (wool, cotton, linen) are compostable. Because they are made by nature they can return to the natural circle-of-life. Despite these designs we still have much work to do to ensure our garments are actually recycled or composted. See our 2022 Sustainability Strategy for our plan to implement a take-back scheme. A huge undertaking for a small business like ours, and one we will need to collaborate with others to achieve.

¹. ellenmacarthurfoundation.org/publications/a-new-textiles-economy-redesigning-fashions-future

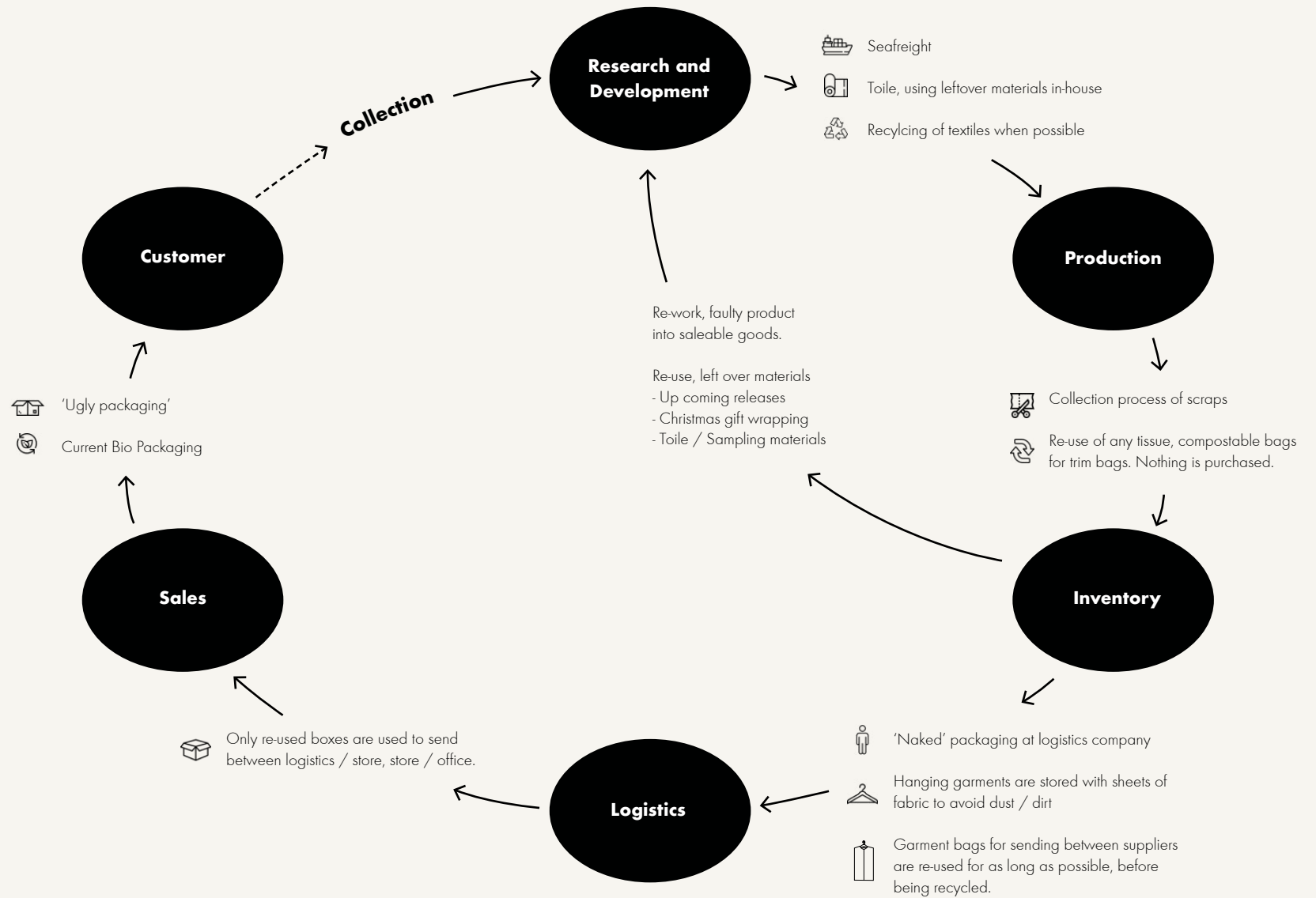
“The concept of circularity is what we need to re-shape the fashion industry... The biggest challenge is to change people’s mentality.”

- SUSTAINABLE FASHION FOR SUSTAINABLE GROWTH

Since 80% of the impact of a garment on the environment is something that is decided at the design stage, designers have a key role in this regard. In addition to using new extraordinary materials, designers must begin to think beyond the “customer” and imagine a product that will have several owners during its lifetime. A new type of customer must be envisioned: one that buys second, third, or even fourth hand. Or one that possibly just “rents” an item. In addition, designers should think about how a product can be dismantled, and its various parts recycled.

- SUSTAINABLE FASHION FOR SUSTAINABLE GROWTH





At Maggie Marilyn we aim to develop a system that takes responsibility for the end of life of every garment we produce. The design and supply chain for every garment produced is scrutinized to ensure its need in our customer's wardrobe. We design and encourage our customer to re-wear, repair and repurpose their Maggie Marilyn garments to continue the lifecycle of that resource.

We take significant effort to engage and educate our customers and wider community to extend the life of their clothes through care and repair.

During the reporting period we:

- Held a free community Clothing Care & Repair Advocacy event with Renee Williams
- Posted caring for your clothes blogs about 'How to Care for Cotton Pieces' [here](#) or 'Somewhere Garment care' [here](#)
- Offered personalized repair advice through our team [here](#)
- Our Sampling Manager held mending and simple sewing training with our retail team
- Posted on Instagram about our strategy for buying Forever and its intention to gain 100% sell through
- Posted on Instagram and inclusions in EDM's about fashion's sale culture and our reasons for not going on markdown.

Further to empowering our community to extend the life of their clothes we are working hard to breakdown the fast fashion culture within the industry of only wearing clothes once or buying something new for every occasion.



5.7% of materials ordered in 2020 was a form of recycled Nylon, or recycled Polyester. A main material Maggie Marilyn uses, ECONYL® is produced from recycling various products such as old carpets destined for landfill, fishing nets from aquaculture and fishing ghost nets, and pre consumer waste. We use ECONYL® to make our O1 Legging. ECONYL®'s recycled nylon is designed to be continually recycled, again and again.

- We reshoot archive pieces within more recent Forever capsules to give new light to pieces from previous Forever additions
- We repost and highlight archive Forever capsules on Instagram, giving them the same value as new additions.
- We merchandise archive Forever capsules in our stores right next to newer additions, again, giving them the same value and light as a new addition.
- Maggie and staff instore wear archive Forever to events/instore to highlight re-wear.

During the reporting period 9% of Forever sales came from archive Forever collections, a number we are consistently trying to improve upon each reporting period.





Although we haven't been collecting data to assess the largest contributor to Maggie Marilyn's waste-related impact, we believe that unused fabric within our supply chain has the most significant impact.

Because Somewhere, now 90% of inventory is evergreen, we can invest in fabric for the longer term and use all of it, until it is completely used. Wholesale partners demanded seasonal fabrics that were unique to that collection therefore we were limited in using repeat fabrics.

To combat this we hold a lot of our fabrics in our office space so they are visible for us to use. Any leftover materials from past Forever capsules have various ways of being used internally by either reintroducing them into new styles in an upcoming release, sold onto New Zealand based fabric suppliers, used in custom orders or as toiling materials in-house for sampling future collections. All of these options reduce the need for new materials.

To kickstart our recycling project at the end of 2020, we provided our manufacturers with old cardboard boxes to collect our off cuts. We are partnering with Little Yellow Bird to send our organic cotton off-cuts (combined with other companies) unwanted cotton to be recycled overseas. We are yet to send these collections off, as this is a 2021 project.



Using Deadstock

Although there are significant challenges in the traceability of Deadstock there are also significant positive outcomes in the way of diverting materials from landfill or incinerator, and decreasing the needs for new materials. See our Policy on [Deadstock](#).

During the reporting period we procured 3160 metres of Deadstock fabric.

Packaging

Another significant waste-related impact for us is packaging. Due to the risk of damage during transport, our fabrics and garments need to be packaged. At this stage Maggie Marilyn has no alternative solution for the fabrics we receive other than using the plastic bags our suppliers use. A common problem for international supply chains. To ensure the plastic is used as many times as possible we collect and re-use these bags whenever shipping to our suppliers. We do not purchase any packaging for shipping materials to our manufacturers.

Our fantastic Third-Party Logistics partner - C&F Fashion Logistics (C&F), follow our Master Packing Instructions which ensures no individual packaging is used for the storing of Maggie Marilyn garments. Instead, off-cuts of material are draped over hanging garments to protect them, and storage boxes are lined with plastic and packed with multiple

garments instead of using individual plastic 'poly-bags' for each garment. We also only use re-used boxes for sending stock between our Manufacturers, Suppliers and Stores within New Zealand.

Thanks to our commitment to manufacturing in New Zealand this is something we have regular oversight of.

A bigger challenge for us is the packaging we use to deliver our garments to our customers who live all around the world. Every market we sell into has differing infrastructure, capabilities, and approaches to how they manage discarded packaging. This means it is currently impossible to have a circular packaging solution for every sale we make.

We currently provide two options. The first is our carbon neutral mailer bag by [The Better Packaging Company](#) called their ØPACK. It is made from approximately 80% Calcium Carbonate sourced from quarry waste and approximately 20% recycled HDPE. The production process uses renewable energy, zero water, and no acid or bleaches.

For our larger orders, we use custom made boxes made from Forest Stewardship Council (FSC) certified cardboard that are manufactured here in New Zealand from a high percentage of recycled card.

As for our own office we have a singular bin station for the separation of mixed recycling (aluminium, glass, tin, hard plastics), paper, soft plastics and organic material (aka compostable material). These material streams are monitored closely by our eagle-eyed staff to ensure there is no cross contamination.



The Climate Crisis



We are in a climate crisis due to human activity releasing greenhouse gases into the atmosphere at unprecedented rates - and the fashion industry is a major contributor.

To reach the [Paris Climate Agreement](#) target of holding planetary temperatures at just 1.5 degrees above pre-industrial levels, the global community must achieve zero carbon emissions by 2050.¹

Fashion was responsible for some 2.1 billion metric tons of greenhouse-gas (GHG) emissions in 2018, about 4 percent of the global total. To set that in context, the fashion industry emits about the same quantity of GHGs per year as the entire economies of France, Germany, and the United Kingdom combined.²

If the fashion industry doesn't change the way it currently operates, it is on track to increase its contribution to global emissions by 50 per cent by 2030!¹ To align with the 1.5 pathway and avoid runaway climate change disaster, the industry would need to reduce annual emissions by approximately half of the current figure, within the next decade.³

GHG emissions are released throughout the fashion supply chain including from farming or extracting the raw materials, all the way through spinning, dyeing, and manufacturing of the fabrics and garments, and then how the garments are washed, cared for and eventually discarded. However certain parts of the supply chain are hotspots for emissions, but this is hugely variable and complex based on what energy is used to power those processes and how efficient they are.



According to [McKinsey Sustainability](#) -

“More than 70 percent of the fashion industry’s GHG emissions come from upstream activities, such as energy-intensive raw material production, preparation, and processing.”

Whereas according to research that focused on gathering information about GHG emissions from activities along the full life cycle of individual garments by [Business for Social Responsibility](#) in June 2009 - “The single most important factor determining a garment’s life cycle GHG emissions is usephase care. Most studies noted that laundering (and specifically machine drying) is the largest contributor to a garment’s life cycle GHG footprint.”

The same research found that the second most important factor determining a garment’s GHG emissions is fiber type.

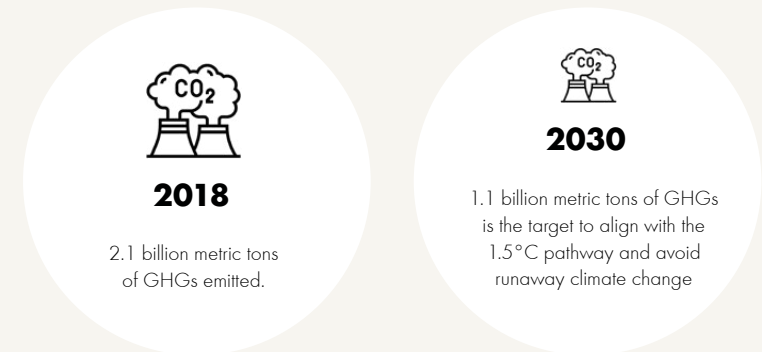
- Synthetic fibers have comparatively high GHG emissions as a result of energy use required for raw material production.
- Wool has comparatively high GHG emissions as a result of methane emissions from sheep
- Plant fibers such as cotton or linen have comparatively low GHG emissions from production

Although there is differing opinions on what part of the fashion supply chain is responsible for the most emissions in a garments life-cycle, what

is agreed upon is the use of renewable energy sources and improving energy efficiency is imperative to reducing or even eliminating emissions.

“For the industry to reach the 1.5-degree pathway by 2030, one in five garments will need to be traded in a circular model. These circular business models are key decarbonization levers because of their ability to extend product life, enable recycling, and reduce the need for new and finite resources in production. We expect this model will need to continue to expand beyond 2030.”⁵

Fashions gas problem



¹ [commonobjective.co/article/the-issues-energy](https://www.commonobjective.co/article/the-issues-energy)

² [mckinsey.com/industries/retail/our-insights/fashion-on-climate](https://www.mckinsey.com/industries/retail/our-insights/fashion-on-climate)

³ [voguebusiness.com/sustainability/fashion-and-carbon-emissions-crunch-time](https://www.voguebusiness.com/sustainability/fashion-and-carbon-emissions-crunch-time)

⁴ [mckinsey.com/business-functions/sustainability/our-insights/sustainability-blog/the-fashion-industry-can-reduce-emissions-across-the-entire-value-chain](https://www.mckinsey.com/business-functions/sustainability/our-insights/sustainability-blog/the-fashion-industry-can-reduce-emissions-across-the-entire-value-chain)

⁵ Ibid



Areas for GHG reduction ⁶

The following activities should be considered to reduce total life cycle apparel GHG emissions:

- Product Design for Environment. The most critical life cycle GHG emissions decisions are made in the product design stage, so consideration of GHG and other environmental impacts should be incorporated in design decisions.
- Care requirements. Product care requirements and labels should be considered and consumers educated (e.g. through modified care labels or active engagement) so that garments are washed no more than necessary and in a low-impact fashion.
- Consider enhancing product durability. More durable products substantially reduce GHG emissions by spreading the “sunk costs” of manufacturing emissions over a longer product life.
- Review raw materials and engage with suppliers. consider greater use of plant-based fibers where garment specifications permit, engaging with suppliers to reduce emissions, and shifting types of natural fibers to reduced GHG types (e.g. from cotton to possibly organic cotton).
- Transport. If air freight is used at any point in the supply chain, consider options to reduce it.

⁶ [Apparel Industry Life Cycle Carbon Mapping Prepared by Business for Social Responsibility June 2009](#)

With fashion supply chains being so complex and variable the first step on our quest to reduce our emissions was to map our existing footprint. We first engaged with the carbon mapping experts [Toitū](#) in 2019 to measure our emissions for the 12 months between 1st January 2019, and the 31st December 2019 and found our footprint to be 222.45 tCO₂e. You can read the full report [here](#). As part of the Carbonreduce Certification we achieved through Toitū we had to produce a plan to show how we would reduce our footprint.

This plan included:

- Reviewing all international air freight and considering changes that can be made around packaging, samples and lead times in order to reduce this - instead shifting towards more sea freighting
- Reducing air travel by assessing each trip individually, implementing a travel policy and utilising video conferencing for communication with overseas partners
- Reducing our petrol use by providing eco-driving awareness tips and improving our route planning

Although we felt like this reduction plan was ambitious at the time, we soon came to realise that if we truly wanted to live up to our purpose and use fashion to create a better world, we had to do more. There were many considerations in our decisions to completely change our business model but the fact that we now knew our biggest cause of emissions came from air



freight was hugely influential. We were having to fly fabrics and finished garments just to keep up with the demands of our wholesale customers and the rigorous fashion calendar.

The decision to stop selling to wholesalers, launch our Somewhere range, and to produce our Forever lines in our own time has, among other things, allowed us to significantly reduce our need to airfreight and instead use sea freight which is far slower and generates far less emissions per tonne of cargo.

In June this year we received our second carbon footprint from Toitū. 60.99tCO₂e. You can read the full report here (tbc)

A reduction of 161.46 tCO₂e or 73% - more than double our target of 30%. This reduction is the equivalent to driving a medium sized car (e.g. Toyota Camry) 1,004,560km, or from Auckland to Wellington 1,563 times.

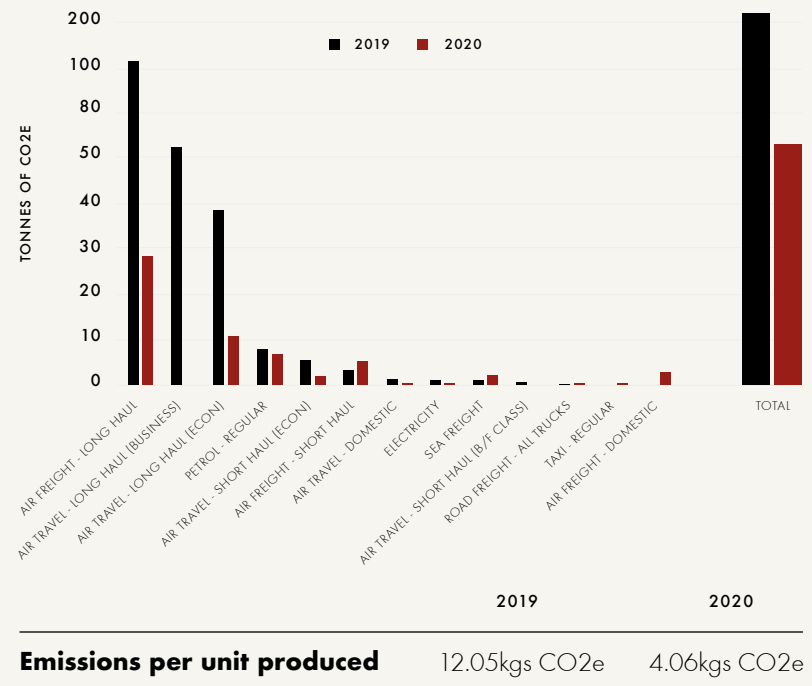
When looking at each area of our business the largest reduction we achieved was 93.07 tCO₂e (88%) from staff flights. And although COVID 19 undoubtedly played a huge role in this the fact we no longer have to fly staff to our major overseas markets four times a year to sell each new season is also significant.

Our second biggest reduction of emissions was from our reduced air freight. This went down from 103.66 to 29.0 tCO₂e. A reduction of 72%.

Although we are over the moon with our achievements in reducing our emissions we are mindful there is still more to do. Changing business models was not an easy call to make and resulted in many sleepless

nights, but it has proved to be hugely successful for the business (not just in reducing emissions), and we hope it inspires other fashion brands to do the same. We can not solve fashions problems with the same thinking that created them.

GHG Emissions Comparison 2019 and 2020



NOTE: the above is not an emissions factor (aka a carbon number) for each garment produced (that requires a full life-cycle assessment). This is simply our annual operational carbon footprint divided by the number of garments we produced in the same year.



The impacts of changing our business model to match our values and mission have had dramatic impacts on reducing our carbon emissions, but we still have work to do. We still rely on air freight to deliver our overseas orders, and we feel we still need to undertake some overseas travel to maintain important stakeholder relationships. We also have the challenge of how we manage our customers expectations and needs to return purchased garments.

Returned garments have to be dry cleaned, spot cleaned and/or ironed using chemicals, water and energy.

“When shopping online, instead of trying on different sizes at a physical store, many consumers order home several sizes of the same clothing and then return the ones that did not fit. Therefore, business systems for quick deliveries and smooth processes for sending back products will become a very important competitive asset for companies operating online and will be greatly valued by the consumer. In turn, this will make the need for the optimization of transportation and the minimization of its pollution a critical challenge.”³

On our website, we offer extensive size and fit information and show the product and a diverse range of people. We have a live chat function which connects our customers directly to our staff in store. Over live chat, phone or email, the team provides exact measurements and styling details to help our customers find their size without the need for an exchange due to incorrect size.



As you can read about in our [2022 Sustainability Strategy](#) our objective is to become a carbon negative business.¹ This means we would be responsible for offsetting more GHG emissions than we emit through purchasing carbon credits. Although we believe this is the right thing to do, and is what is required of businesses in the 21st century, there are businesses who pay to offset their emission while doing little to reduce them. Considering the urgency to reduce our global emissions by at least 45% from 2010 levels by 2030² we don't think this is acceptable business practice and hence our continued commitment to reduce.

¹ Confusingly, this is also called by some as 'carbon negative', or 'climate negative'.

² [ipcc.ch/sr15/chapter/spm](https://www.ipcc.ch/sr15/chapter/spm)

³ meniga-rewards.com/business/blog/sustainable-fashion-for-sustainable-growth



We have committed to the achieve below targets by the end of 2021:

- Reviewing all international freight and set targets to reduce airfreight.
- Reducing air travel by assessing each trip individually, implementing a travel policy and utilising video conferencing for communication with overseas partners.
- Reducing our petrol use by providing eco-driving awareness tips and improving our route planning.
- Investigate the opportunities to switch our vehicles to electric.
- Purchase high-quality carbon credits that offset more GHGs than we emit.
- Engage with logistics and freight partners to influence emissions reductions.
- Offer our customers the opportunity to offset their postage related emissions.
- Shifting all our natural fibres to be sourced from regenerative farms (that sequester carbon from the atmosphere).

And the following by the end of 2022:

- Measure and communicate the carbon footprint of our products.
- Investigate the opportunities to have international DC centres to reduce GHG emissions.
- Ensure all MM NZ based manufacturers use 100% renewable energy.
- Incentivise and support all staff to minimise their carbon emissions.



Excerpt from our website 'The True Cost Of Returns'

“We want your new MM to make your heart sing, so if you receive it and it’s not quite right, we can help you in making a return. What we aren’t supportive of, is encouraging the habit of frivolous purchasing with an intention to return. We ask you to remember that the process of returning comes at an environmental cost to our planet.”



Environmental Impacts

To be a business in the 21st century we have to take responsibility for the impacts through our entire supply chain. Fashion has a dark history of environmental degradation; from the destruction of waterways from discharged chemicals to the destruction of soils from industrially framing natural fibres. The use of water and chemicals in fashion has been a challenge. At Maggie Marilyn we are determined to forge a new way. We are committed to having a regenerative impact on ecosystems through our supply chain. We will make beautiful clothes, and leave a place better than we found it.

Due to the size of Maggie Marilyn (and the impacts of Covid-19), environmental impact assessment on suppliers is not currently undertaken by a third party. We paid a deposit with an auditing organisation at the start of 2020 to audit our largest New Zealand manufacturers but Covid travel restrictions have put that on hold. We expect to have that completed this year.

As a small business with limited resources and reach it is very challenging to trace our entire global supply chains. The first thing we could control was developing a [Supplier Code of Conduct \(SCOC\)](#) that outlined our minimum expectations in environmental (and social) performance by our suppliers.

Following our work in 2019 and 2020 to get our existing suppliers to sign our SCOC we now have 100% of our suppliers signed up to our minimum standards. Since 2020 all new suppliers must sign our SCOC before we progress any further. No matter the price they offer or the quality of their fabrics.

Case Study

Maggie Marilyn work with Rajby Industries in Pakistan to manufacture our our jeans. They are dyed using the Cradle to Cradle MHC gold standard certification, so no harmful substances for both people and the planet were to be used. The dying process is also closed loop using zero waste discharge technology so no waterways are harmed.

We are also constantly challenged to obtain transparency due to small order quantities. However due to our business model change and our growing Somewhere range we are starting to increase our order quantities and the conversations are becoming easier. A large part of our strategy around achieving regenerative impacts through our supply chain is to focus on building long term relationships. We approach problems in a collaborative way with our suppliers, working towards solutions that work for both parties respectively.

All suppliers to Maggie Marilyn are expected to not only comply with local and national environmental regulations, but to go above and beyond to ensure the environmental impact of our business practices are minimised and made regenerative where possible. We require that all



information regarding chemicals, GMOs, and / or hazardous materials to be provided prior to order confirmation.

We have made a commitment to only working with suppliers who hold third party certifications around responsible water and chemical use. These organisations such as GOTS, OEKO-TEX® and Bluesign certify the use, restriction, and management of hazardous chemicals. As of the end of 2020 all our virgin sourced fabrics are certified by at least one reputable chemical management certification body.

You can read our Water and Chemicals policies [here](#)



A scenic sunset over a body of water. The sun is low on the horizon, creating a warm, golden glow. Two people are silhouetted against the bright light on a rocky shore. The water is dark blue with gentle ripples. The sky is filled with soft, wispy clouds. The overall mood is peaceful and contemplative.

Whakauru, huhua, taurite

Inclusion, Diversity and Equality

Our Supply Chain

In addition to the negative impacts on the environment by the fashion industry globally, we have a history of human exploitation and suffering. Although it's not a phenomenon unique to fashion, the industry is well known, and in particular those businesses and brands following a fast fashion model, for chasing cheap labour around the world. The reason this labour is cheap is due to the lack of, or disregard of, local employment law and human rights.

Further to this many of the garment manufacturers, fibre growers, and fabric suppliers, are forced into accepting very low paid contracts due to pressures from the fashion brands. It is also a far too common practice whereby brands will cancel orders with no compensation leaving the manufacturer out of pocket and with huge quantities of unwanted product.

These low paid contracts result in the most vulnerable being exploited. One of the most high profile examples of this occurred on 24 April 2013 in the Savar Upazila of Dhaka District, Bangladesh, where an eight-story commercial building called Rana Plaza collapsed. The death toll was 1,134, and approximately 2,500 injured people were rescued from the building alive. It is considered the deadliest structural failure accident in modern human history and the deadliest garment-factory disaster to date. The building contained clothing factories, a bank, apartments and several shops. The shops and the bank on the lower floors were immediately closed after cracks were discovered in the building. The building's owners ignored warnings to avoid using the building after cracks had appeared the day before. Garment workers were ordered to return the following day and the building collapsed during the morning rush-hour. ([Wikipedia](#))

“World’s garment workers face ruin as fashion brands refuse to pay \$16bn. Analysis of trade figures reveals huge power imbalance as suppliers and workers in poorest parts of the world bear cost of Covid downturn.

- [THE GUARDIAN](#)



Maggie Marilyn started with the belief that every human being in our supply chain should be treated with respect, fairly paid, and cared for. "Fairly paid" is a hard term to define. The living expenses for one person can be hugely different to that of another. However, we define fairly paid as "allows them to meet their basic needs, have discretionary income, and the ability to save."

We are not aware of any suppliers in which workers' rights to exercise freedom of association and collective bargaining may be at risk, or any incidents of child and / or forced labour. Before working with any new supplier we ask them to sign our [Supplier Code of Conduct](#). To ensure they are complying with these minimum standards and that we understand their operations we research each supplier and provide them with a questionnaire. Although we have close relationships with our factories we understand the importance of having third party factory audits. We had organised with Qual Spec for external audits on 5 of our main supplier/ manufacturers we work with in New Zealand, however due to COVID-19 travel restrictions in 2020 this was unachievable. These are rescheduled for 2021. Offshore supplier/ manufacturer assessments were not scheduled at the time of writing this.

"I simply cannot turn a blind eye. I believe it is my responsibility to do better than those before me. Of course, I want to produce clothing that enriches the lives of the customer but for me to want to be any part of this industry my clothing also has to enrich the lives of the people involved in my textile and garment production as well."

- MAGGIE MARILYN, FOUNDER





As the majority of Maggie Marilyn's production is facilitated locally in New Zealand, we have great visibility over operations, especially within Auckland where our head office is located. The sampling/production teams are able to visit these locations on a regular basis to ensure standards are upheld. Where we cannot visually see manufacturing operations are considered our higher risk areas. Our offshore manufacturers are currently located in China and Pakistan. Both of these manufacturers have signed our SCOC.

No longer our suppliers

One of our local manufacturers was not willing to sign our SCOC agreement due to issues regarding our expectations surrounding worker pay. We tried hard to meet and discuss these concerns but after multiple failed attempts we decided to end the commercial relationship in November 2020, removing any further production from this point onwards.

We also had one offshore manufacturer who could not provide an audit inspection report ahead of sampling and producing our product, despite continually promising to do so. When we were finally provided documentation, it was expired and had multiple pages missing. This led to ending the relationship of working with this manufacturer before we took this any further as we could not verify that what we received was accurate. We did not produce any work through this manufacturer.

As Maggie Marilyn grows both as a brand and as a team it will have more resources to facilitate external audits on a wider range of its suppliers throughout the supply chain. As stated in our 2022 Sustainability strategy, it is our goal that a Maggie Marilyn representative will visit all tiers of our Supply Chain by the end of 2022.





Our Purchasing Practices

To aid our supply chain objectives it is our strategy to build strong, trusting, sustainable relationships with a small group of suppliers who meet our requirements. As well as holding our suppliers to a minimum level of standards we will also hold ourselves to a minimum level of purchasing practices ensuring a mutually beneficial relationship for both parties.

Please see these outlined below:

We will always provide a fair and responsible time frame for any cancelled orders;

We will always provide fair and achievable lead times that do not trigger excessive working hours or sub-contracting;

We will always provide accurate product specifications and forecasting;

We will take the utmost care to ensure we minimise changes to specifications.

If changes are unavoidable, we will amend target delivery times accordingly;

We will always pay our invoices on time and in line with agreed payment terms;

We will always pay a fair and reasonable price;

We will always communicate with our suppliers should we have any issues or concerns ensuring they have an opportunity to work with us to solve them;

We too will provide the highest levels of care and safety for all our direct employees, do all we can to minimise our environmental footprint while striving to have a regenerative impact, and make a positive difference to our local community;

We will continually strive to improve; Purchasing Practices.

To learn more about the impacts of purchasing practices on suppliers and supply chains see the [Guide to buying responsibly](#), by The Joint Ethical trading Initiatives.



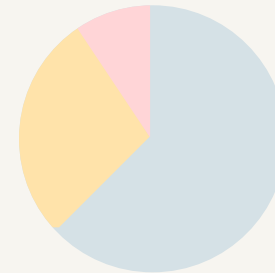
Diversity and Inclusion

“After all, a truly sustainable industry is one made up of different people of varied backgrounds...”

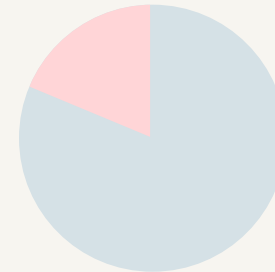
- THE TIME IS NOW FOR DIVERSITY IN FASHION

For too long, fashion has created an exclusive culture that has empowered white elitism whilst directly disempowering minority communities. It has been an industry that has taken advantage of low wage economies and treated land as a disposable commodity. We stand in opposition to this and believe enough is enough.

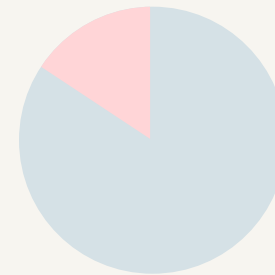
At Maggie Marilyn our purpose is to use fashion to create a better world. We believe in a future where our planet and its people are truly able to thrive. Where everyone our business touches feels accepted, valued, respected and understood. We believe in building a team of individuals who are representative of our global community - from the people who work in our supply chain, to our team, our customers, our audience and everyone beyond this. We believe in embracing and celebrating what makes each of us unique - our backgrounds, experiences, cultures, religions, beliefs, gender identities and orientations. We know that our collective strength lies in unity and individualism.



ENTIRE TEAM	
Under 30	65%
30 - 50	29%
50 +	6%



MANAGEMENT TEAM	
Identify as female	80%
Identify as male	20%



ENTIRE TEAM	
Identify as female	83%
Identify as male	17%

Identify as Korean	1 female
Identify as Pakeha and/or NZ European	3 male + remaining



In 2020 we created our first [Diversity and Inclusion policy](#). We identified 5 key areas in our business under which we have built our policies and procedures to guide us forward, hold us accountable and measure our success.

Te Ahurea waahi mahi (WORKPLACE CULTURE) -

We aim to foster an internal culture that is inclusive, welcoming, honest, kind and individual. Where Change Makers feel valued, listened to, respected, understood and can uncompromisingly be their authentic selves.

Rapu i te tangata (RECRUITMENT) -

We will strive to identify and select the best talent from the most diverse pool of applicants and ensure a fair and transparent recruitment process for all.

Whakaanga (ENGAGING WITH OTHERS) -

We aim to ensure that Guests and external stakeholders are treated with dignity, that we respond to their needs with flexibility, and accept feedback with openness.

Te irirangi mē te tirohanga (BRAND CONTENT AND VISUAL IDENTITY) -

Our visual content is the first experience most people will have with Maggie Marilyn, we want to ensure that within this content, everyone feels represented, respected and understood.

Whakawai etahi atu (INFLUENCING OTHERS) -

We aim to lead by example, influencing change in order to implement true equality for all within our industry.

As a fashion brand we have platform of influence we are very mindful of. Our diversity and inclusion considerations extend to the use of this influence. In line with this we have made a commitment in our 2022 Sustainability Strategy that we will achieve “an even representation of ethnicities ages, genders and sizes in all our visual content.”



Health, safety and well being

The fashion industry is well known for stressful and unhealthy working environments. From eating disorders to substance abuses and burnout. It has been an industry (and for some continues to be) that glamorises unhealthy ideals. "What is indisputable is that fashion professionals across the board face a unique and uncompromising set of pressures. With its emphasis on constant re-invention and staying ahead of trends, the sector is inherently fast-paced and relentless, making it a stressful environment for workers at all levels."¹

"For those in fashion long familiar with burnout, it's an intergenerational problem dispiriting talent in an industry experiencing its own existential crisis."²

We also know that mental health is a major issue in Aotearoa. According to the [2014/15 New Zealand Health Survey](#) nearly half the population will meet the criteria for a mental illness diagnosis at some stage during their lives, and one in five Kivis will experience depression in any given year.

- An estimated 636,000 adults (17%) have been diagnosed with a mood disorder and/or anxiety disorder at some time in their lives (including depression, bipolar disorder and/or anxiety disorder).
- 225,000 (6.2%) of adults reported experiencing mental distress in the previous four weeks (including anxiety, confused emotions, depression or rage).

At Maggie Marilyn we take the health and wellbeing of our staff seriously. We consider ourselves 'changemakers'. We speak our minds openly, yet always respect the time and space for other 'changemakers'. We strive to be a family of unique backgrounds, experiences, cultures,

religions, beliefs, gender identities and orientations. We aim to foster an internal culture that is diverse, inclusive, welcoming, honest, kind and individual. A culture where all team members feel valued, listened to, respected, understood and can uncompromisingly be their authentic selves.

We encourage flexible working hours, finish early on Fridays, regularly take time as a team to enjoy shared lunches, and share and make available information and resources relating to mental health. Maggie has [written publicly about her battle with anxiety](#).

World Health Organization's definition of "burn-out".

Burn-out is a syndrome conceptualized as resulting from chronic workplace stress that has not been successfully managed. It is characterized by three dimensions:

- Feelings of energy depletion or exhaustion;
- Increased mental distance from one's job, or feelings of negativism or cynicism related to one's job;
- And reduced professional efficacy.

¹ businessoffashion.com/articles/workplace-talent/does-the-fashion-industry-have-a-mental-health-problem

² fashionista.com/2019/05/fashion-industry-burnout-trend





We asked our Production Manager, Georgia who saw the effects of working and delivering to the wholesale calendar, first hand about the changes to the health and wellbeing of the team due to the change in business direction to DTC.

The new business model at Maggie Marilyn has to lead to a significant drop in the constant pressure our team had been feeling. Being geographically located in New Zealand and manufacturing locally we are considerably further away from the worlds leading textile suppliers

and stockists. Working to wholesale timelines meant to order, produce and deliver within the given timelines had many flaws and came with multiple challenges:

- Airfreight. We had no option but to airfreight all materials from one side of the world to NZ, then airfreight the garments to our international stockists.
- Unrealistic deadlines. By the time materials arrived in NZ the team often had minimal time to produce the collection within delivery windows, often leading to many late nights for everyone in the studio to meet these.
- Fluctuating workloads. Our manufacturing industry in NZ also felt the immense pressure when we came to them for production because they had such a finite space of time to produce our pieces. It meant we provided work in huge highs, but were otherwise very quiet in the down period between collections.

As an emerging brand, we were all so invested in the vision of the brand so this was never a problem in our eyes because we could see the bigger picture. It was however an open discussion and we often discussed this was not sustainable long term. Having been through this as a company and now seeing it from a fresh perspective, we all learnt so much from this experience and the new direction ensures we won't re-create a similar environment moving forward.

Burnout is unsustainable, it is unhealthy and unnecessary. The decision to step away from the old business model has allowed us to be in control of our direction and to work smarter, not harder. Working to our own schedules has allowed flexibility for various delays that are out of our control such as shuffling launch dates if, or when, needed. And then there is COVID-19. A global pandemic that has changed the world as we knew it, and to me highlighted the vital importance of a company's long-term vision for their employees' health and wellbeing.





During the reporting period 4 full time employees resigned (one male and three females) while 3 new staff (all female) joined the company. One part timer resigned (to have a baby) and three part timers (all female) joined.

This equates to a staff turnover rate during the reporting period of 23%.

Maggie Marilyn holds 7 retainer contracts with third party contractors. The contractors hold unique skill sets such as Digital Marketing and Material Sourcing.

Maggie Marilyn works to provide consistent year round work for employees, however, during peak periods (the holiday season) part time hours increase from 20 hours a week to 30-35 hours per week.

The steps we take to ensure the health and well-being of our team.

- We offer cultural and religious leave to all team members.
- Culture Catch Ups with our team on a quarterly basis with Managers to ensure healthy flow of feedback and check in.
- Workplace Appraisals twice a year.
- Induction, Training and Education - we offer fortnightly training to our retail team on all areas of the business and have an induction policy and procedure which is followed for all new staff members.
- Inclusive language training for our retail team directly.
- Security and shoplifting training to support the security and wellbeing of the retail team
- Zero tolerance policy for discrimination or harassment (see our [Diversity and Inclusion Policy](#))
- Provide clear knowledge of access to mental health related resources.
- Encourage open and fluid feedback and dialogue from all team members.
- Exit interviews are held for all employees who leave the organisation.
- Clear health and safety procedures.



Education and communicating

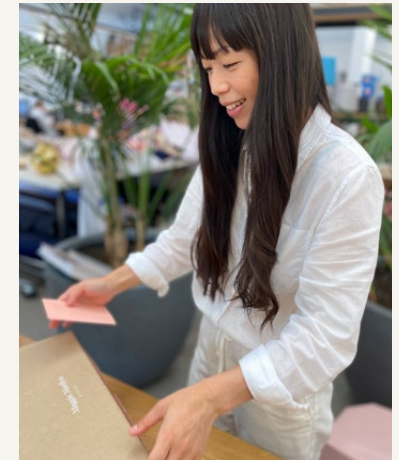
Buzzwords such as “sustainable”, “eco friendly”, “natural”, and “green” are common on the labels of everything we consume. But how do we know whether businesses are genuinely working towards a circular and regenerative model that can be sustained? Or are they just using these buzzwords to fool and trick their customers? A phenomenon commonly known as “Green Washing”.

The fast fashion industry has been a major culprit of this malpractice. Businesses use the environmental and social crisis we are facing as a means of marketing without pursuing a fundamental shift to their business models. This act creates huge levels of confusion, mistrusts, and misinformation amongst the general public.

We face a big challenge in communicating our business practices in amongst these greenwashing brands (who have marketing budgets far greater than we can comprehend) in a way that is scientifically accurate yet easy to understand. The key? Education through authentic and transparent communication.

Below are the steps we are taking to ensure we deliver on this.

- Every Forever garment we sell has the makers and fabric suppliers displayed on our website (further traceability is currently restricted to the use of Deadstock).
- Our Somewhere range is traceable through the entire supply chain and displayed on our website.
- Maggie regularly makes herself available for interviews, podcasts, panels etc
- Education is a focus point for our PR agencies
- Regularly communicate our progress and any changes through our EDM.
- Publish our 2-year Sustainability Strategies and a yearly progress report.
- Publish this, our very first Impact Report.



- Regularly use our Instagram platform to encourage our followers to ask us questions.
- Language of Sustainability (glossary of terms) on our website.
- Provide resources on how to care for and repair your clothes.
- Upskilling team in diversity through independent organisations
- Provide a career development budget annually to all staff (to be increased in 2022)

Our Somewhere range has been designed so the garments can be recycled* or composted** at the end of their life. However, to achieve our ultimate goal of no Somewhere garment being incinerated or sent to landfill (a truly circular business model) an important part of the equation is to set up a take back scheme for those pieces that are sincerely at the end of their life. This is a massive undertaking for us that will require a lot of problem solving and trial and error. Watch this space.

* The successful recycling of fabrics depends on the percentage of blended fabrics they contain. Pure blends (100% cotton, 100% polyester etc) are far easier and therefore more profitable for the recyclers.
 ** To be compostable a garment must be made of 100% natural fibres, and free of harmful chemicals. To ensure it compost completely and in a timely manner it needs to be in a well managed / commercial composting facility.



A photograph of a fishing net on a beach. The net is green and is stretched across the water, supported by a wooden post. The net is partially submerged in the water, and the waves are breaking against it. The beach is sandy and has some driftwood and other debris on it. The water is a deep blue color, and the sky is not visible.

Ranea whānui aa kia aria

Transparency and Shared Prosperity

Transparency

Our mission is to transform the fashion industry to one that is transparent, circular, regenerative and inclusive. We are taking all steps we can think of to continually communicate our decision making, supply chain, and operations.

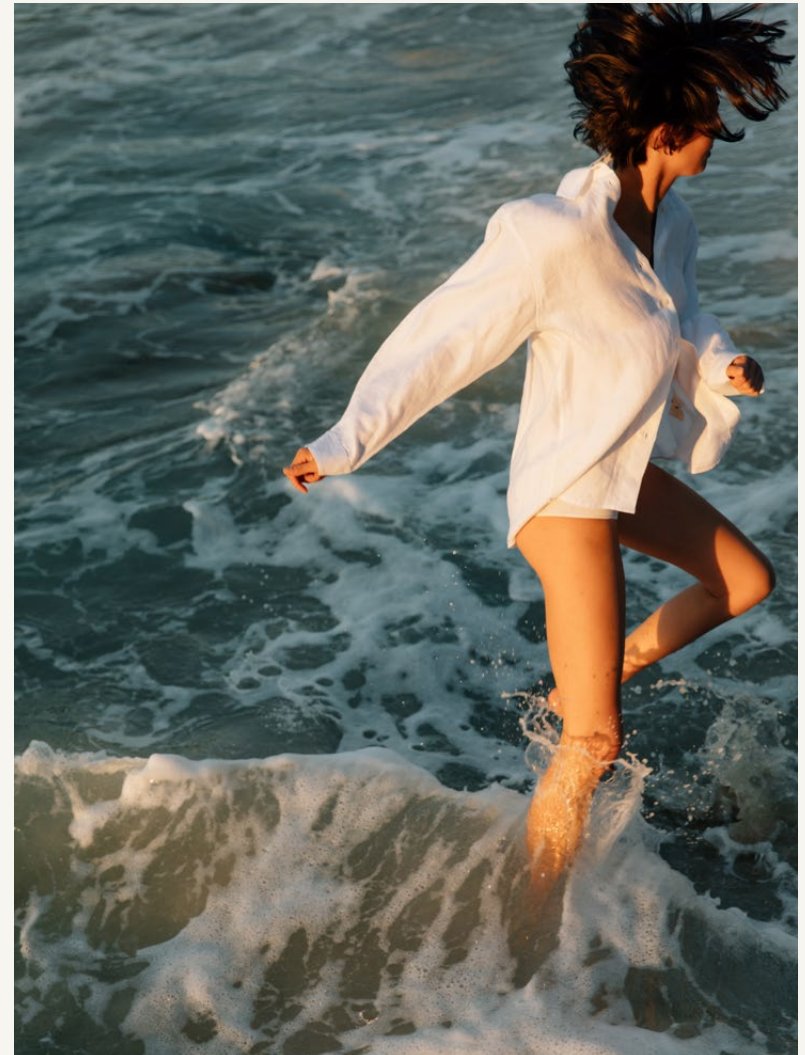
As well as sharing all available information about our supply chain for each garment we produce we make a concerted effort to communicate our business decisions and how we operate. We published our first Sustainability Strategy in 2019 with a update report on our progress in 2020. Earlier this year we published our second strategy and now this, our first ever Impact Report in accordance with the reputable GRI framework.

We have made our Supplier Code of Conduct, Diversity and Inclusion Policy, and Water and Chemical policies all publicly available and easy to find on our website.

We use our Instagram feed as a vehicle to create two-way communications with our followers regularly inviting them to ask us any questions they have on our operations. We publish a weekly EDM that continually communicates information relating to the fabrics we use, our makers, and our suppliers. Within all communications, even when speaking about the selling of product, we work to interweave our values.

We will continue to share our decision making and communicate our progress to become circular, regenerative, inclusive, and transparent.

¹ mckinsey.com/industries/retail/our-insights/what-radical-transparency-could-mean-for-the-fashion-industry



Financial Prosperity

A report released by Oxfam in 2017 found that “eight men own the same wealth as the 3.6 billion people who make up the poorest half of humanity.” More recent research by Oxfam found “the world’s ten richest men have seen their combined wealth increase by half a trillion dollars since the pandemic began –more than enough to pay for a COVID-19 vaccine for everyone and to ensure no one is pushed into poverty by the pandemic. At the same time, the pandemic has ushered in the worst job crisis in over 90 years with hundreds of millions of people now underemployed or out of work.”

The phenomenal inequality in wealth we see in today’s world is a further example of how the economic systems we have inherited, and the old ways of doing business are not only unsustainable, but completely unethical.

At Maggie Marilyn we are striving to be a business that shares our prosperity amongst all of our stakeholders. Although our Supplier Code of Conduct demands a “fair wage”¹ as a minimum, we continually push for our manufacturers and those in our supply chain to be paid a living wage.

A living wage is defined by Living Wage Aotearoa New Zealand as “the hourly wage a worker needs to pay for the necessities of life and participate as an active citizen in the community.” This is hugely challenging as the living costs from one country to another differ greatly and the interpretation of a living wage is very subjective. Further to this there are contractual challenges - while some manufacturers and suppliers pay by the hour (or day), others pay per garment made, and we have no control over the wage policies of our manufacturers and suppliers. Although many suppliers and manufacturers may want to pay

living wages, they have to contend with brands with different values who continue to drive down prices or threaten the loss of business.

For us to truly transform the fashion industry we need to be financially sustainable and prove to others that a circular, regenerative, and transparent business can be profitable. Our growth to date is proving the case to be true thus far but we still have much to do, and many hurdles to overcome.

With scale Maggie Marilyn will be able to create true impact. By facilitating end of life solutions for Maggie Marilyn clothes we are creating a solution that can exist in a more sustainable world. We will continue with our ambition to grow as a business, but as we grow in size and influence we will decouple this growth from the use of resources and our environmental impact. So we may employ more people, generate more revenue, and clothe more people but our impact on the environment will be regenerative and our impact on our supply chain will be empowering.

¹ We define fairly paid as “allows them to meet their basic needs, have discretionary income, and the ability to save.”

Prior to our change of business model in November 2020 in which we ceased our sales to wholesalers and became a Direct To Customer (D2C) business, our sales comprised of 80% wholesale and 20% D2C. At time of writing this report our sales are now 100% D2C split 90% towards our Somewhere range and 10% to our Forever pieces.





Covid Relief

During the Covid lockdowns in New Zealand our government provided a wage subsidy to all New Zealand business to help them secure the jobs of their employees. In March 2020 we received \$60,436.80 in government assistance, and another \$40,291.20 again in June. This financial support was instrumental in providing cash flow relief to the business and allowed us to continue to pay our staff during the massive disruption of our nationwide lockdown, as we tried to sustain the business.

“Given the pace and magnitude of change, leveraging existing solutions and best practices will not be enough. Frontrunners are already reaching these limits and experiencing a leveling-off of impact. These companies are blazing the trail for the rest of the industry, so their continued progress is critical. To regain momentum, they must find innovative solutions and explore different business models.”

- [SUSTAINABILITY IS GOOD BUSINESS FOR FASHION](#)

Even when considered apart from the beneficial impact that investing in sustainability can have on brand building and risk management, the business case is compelling: improving a fashion brand’s environmental and social performance boosts profitability.

- [SUSTAINABILITY IS GOOD BUSINESS FOR FASHION](#)



Local and Community

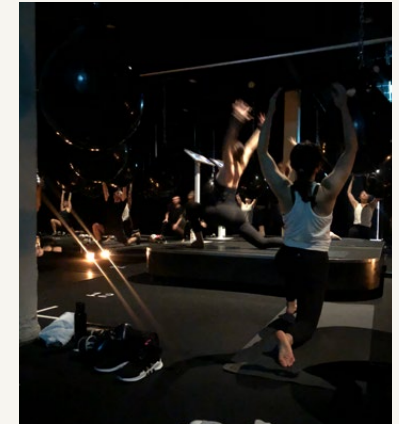
Our success to date is in a huge part thanks to the incredible manufacturers and fabric suppliers based in our home of Aotearoa New Zealand. At time of writing 60% (18) of our fabric suppliers and manufactures are located within 2 hours of our head office.

New Zealand once had a thriving manufacturing sector but this collapsed during the 80's and 90's as brands chased the cheap labour in developing countries where environmental and employment law is often very limited or completely ignored. Maggie Marilyn remains committed to manufacturing in New Zealand and building on new and current relationships with NZ suppliers and manufacturers to ensure prosperous growth for the industry. During the reporting period Maggie Marilyn was manufacturing 100% of Forever collections in New Zealand and 95% of Somewhere range was also produced in New Zealand, The exception being our denim jeans that are manufactured overseas for the reasons of reduced water consumption and Cradle To Cradle certification.

We will continue to operate the majority of operations at our current location in Auckland, New Zealand where 100% of our employees are from. Although we do not have a definition of "local" in a geographical sense "local" to Maggie Marilyn means providing homes (stores) all over the world where the nearby community is an extension of the brand. Moving forward, as Maggie Marilyn establishes more 'homes' around the world operations will follow to ensure there is support in the local community.

Building community has been a significant focus for our business as we feel passionately about the importance of human connection and friendship. During the reporting period we hosted 8 in person events that included yoga and breathwork, pilates, beach clean ups, beeswax

wrap, poetry reading, female education, mindfulness, and a clothing repairs workshop. We also hosted 5 online events including a live Instagram quiz, and conversations with our makers and suppliers.



Product Safety

Further to the devastating impacts the fashion industry has had on the health and well being of supply chain workers and ecosystems from the use of chemicals, more and more people are questioning the impact of these chemicals on their own bodies through the clothes they wear.

Modern clothing is often formulated and treated with compounds that help soften them or prevent them from getting stained, wrinkled, or soggy. Those same compounds have been linked to adverse health effects such as skin irritation, developmental issues, and even cancer.”¹

“While it’s hard to find conclusive evidence that links toxins in clothing directly to health problems, the studies that do exist are disquieting: some of the chemicals in garments we wear daily have been found to cause cancer in rats, they can cause cancer for the workers who work with them all day and can be damaging in higher concentrations. In the short term, these chemicals can cause allergic reactions and irritation.” (2)

Although we don’t yet have a formal process for assessing the health and safety impacts of our products, we comply with the Zero Discharge of Hazardous Chemicals (ZDHC) monitored restricted substances list (MRSL) to ensure the zero use of legally banned chemicals and restricted use of potentially harmful substances in our clothing. And, through our chemicals policy, as of the end of 2020, we require all our virgin sourced fabrics to be certified by at least one reputable chemical management certification body such as GOTS, OEKO-TEX®, or Bluesign.

We source only certified organic cotton.

Moving forward as our resources and capabilities increase we will be auditing our main suppliers in to ensure our minimum standards are being met, and that certifications and standards are verified for our key suppliers. We will also be expanding on our research and knowledge on the impacts various chemicals have on human health through clothing and working to develop health and safety life cycle assessments for our products.

¹ [businessinsider.com.au/toxic-chemicals-in-clothes-cancer-2019-7](https://www.businessinsider.com.au/toxic-chemicals-in-clothes-cancer-2019-7)

² [huffpost.com/entry/these-are-the-gnarly-chemicals-in-the-cheap-clothes-we-buy](https://www.huffpost.com/entry/these-are-the-gnarly-chemicals-in-the-cheap-clothes-we-buy)



Charitable Partnerships

We feel strongly at Maggie Marilyn about giving back to our community and to our wider whanau (family). We are proud to have a current partnership with [Pillars](#) to whom we intend on having a long term partnership alongside.

Pillars works collaboratively, with a wide range of organisations and volunteers to holistically support the whanau of those imprisoned. Together we work to create positive futures for our tamariki (children) and break the intergenerational cycle of crime.

New Zealand has one of the highest incarceration rates in the OECD¹. Impacted by this the most are the families and 23,000 children each year who have a parent imprisoned². Impacted by this are the families and children of these rates, with over 23,000 children each year losing a parent to imprisonment. At its core, Pillars support the children of prisoners, aiming to break the cycle of crime we see in New Zealand. These children not only lose a parent, but have to suffer the shame, stigma, loneliness and hardship for a crime they did not commit. Child punishment is often the unseen side to parental imprisonment.

Maggie Marilyn focuses its efforts on charity partnerships which provide a direct commitment to supporting our wider community, often securing partnerships with organisations with less awareness or that have more limited society support. We recognise that as important as monetary support is, so is donating time, utilising the power of influence and our ability to promote the Pillars organisation and their mentorship programme. Maggie Marilyn intends on nurturing long-standing partnerships, and loyalty and longevity with Pillars is a core attribute of providing on-going support.

To date the support we have provided includes:

- Hosting Maggie Marilyn community events, with donations being directed to Pillars Organisation
- Facilitated and support roles for events that have been held on their behalf
- Hosting an event with their mentors and mentees
- Donation of product to support the event (t-shirt painting activity with the Pillars mentors and mentees)

Historically, before forming our relationship with Pillars, we partnered with Sweet Charity, a collaboration between two not-for-profit organisations - The Grief Center and Supporting Families in Mental Illness. Both which are dedicated to helping New Zealanders through times of crisis, building stronger and more resilient communities. We supported Sweet Charity through hosting curated shopping evenings, community orientated events such as yoga classes as well as limited edition products with 100% of the profits from all activations donated to Sweet Charity. During our time working with them we raised over \$29,000 for their cause. Sweet Charity has since ceased it's operations.

¹ [theguardian.com/world/2018/nov/30/the-man-on-a-mission-to-get-new-zealands-maori-out-of-prison](https://www.theguardian.com/world/2018/nov/30/the-man-on-a-mission-to-get-new-zealands-maori-out-of-prison)
² pillars.org.nz



External Initiatives



We only use GOTS certified organic cotton.



We only use certified recycled polyester



We are certified Carbon Neutral (and offset by 125%) with Toitū Envirocare



We have aligned our sustainability strategy to the SDGs.



We accept the bluesign certification from our suppliers



We accept the The OEKO-TEX® certification from our suppliers



Stakeholders Engagement

List of stakeholder groups

In order to ensure this report is not just a marketing document where we dictated which topics were included, we engaged with our stakeholders to seek their opinion on what we should report on. We selected 25 key stakeholders that covered a spread of our stakeholder groups and conducted one on one phone interviews with each person.

Maggie (Founder & Creative Director), Amelia (Commercial Director), Georgia (Production Manager), George (Sales Operations Manager) and Ella (Retail Development Manager) conducted the surveys to ensure a non-bias and well rounded response.

MAKERS

Fair pay
 Gender equality
 Job creation and local employment
 Waste
 Water
 Chemicals
 Education on extending the life of clothing
 Take-back scheme
 Long term planning
 GHG Emissions
 Apprenticeships schemes
 New Zealand made
 Investment

SERVICE PROVIDERS

Fair pay through supply chain
 Health and Safety
 Education on extending the life of clothing
 Gender Equality
 Supply chain transparency
 Marketing, labelling, and imagery.
 Diversity and Inclusion
 Corruption
 Local employment
 Economic performance
 Financial Management
 Charitable partnerships
 Influence
 Job creation / career pathways
 Plastic pollution
 Water usage and / or contamination
 The use of agrichemicals
 GHG Emissions
 Waste
 Closed looped system
 Overproduction
 Education
 New Zealand made
 Land Acknowledgement

FABRIC SUPPLIERS

Staff development
 Supporting local
 Transparency
 Chemicals

IWI

Fair Pay
 Empower those in supply chain
 Shared prosperity
 Financial performance
 Circularity / End of life
 Charitable causes

CUSTOMERS

Health and Safety
 Supply chain transparency
 Financial performance
 Local employment
 Waste
 Quality
 Plastic Pollution
 Product safety / chemicals



GRI Disclosures

General Standard Disclosures

SECTION	GRI STANDARD	DESCRIPTION	PAGE(S)	NOTES
Organisational profile	102-1	Name of the organisation	02	
	102-2	Activities, brands, products, and services	08	
	102-3	Location of headquarters	08	
	102-4	Location of operations	13	
	102-5	Ownership and legal form	08	
	102-6	Markets served	13	
	102-7	Scale of the organisation	10 / 13	Net sales, total capitalization, total assets, and identity and percentage of ownership omitted due to confidentiality.
	102-8	Information on employees and other workers	10	
	102-9	Supply chain	13 / 14	



General Standard Disclosures

SECTION	GRI STANDARD	DESCRIPTION	PAGE(S)	NOTES
	102-10	Significant changes to the organisation and its supply chain	15	
	102-11	Precautionary Principle or approach		We apply the Precautionary Approach as our business as usual which is evident throughout this report and in how we conduct our business.
	102-12	External initiatives	51	
	102-13	Membership of associations		We are members of Toitū (carbon mapping and offsets). During the reporting period we ended our membership with Mindful Fashion.
Strategy	102-14	Statement from senior decision-maker	02 / 03	
Ethics and Integrity	102-16	Values, principles, standards, and norms of behavior	09	
Governance	102-18	Governance structure	10	
Stakeholder Engagement	102-40	List of stakeholder groups	52	
	102-41	Collective bargaining agreements		All MM employees have individual contracts, we have no collective bargaining agreements.



SECTION	GRI STANDARD	DESCRIPTION	PAGE(S)	NOTES
	102-42	Identifying and selecting stakeholders	07 / 52	
	102-43	Approach to stakeholder engagement	07 / 52	
	102-44	Key topics and concerns raised	52	
Reporting Practice	102-45	Entities included in the consolidated financial statements		Financial statements omitted due to confidentiality
	102-46	Defining report content and topic	07	
	102-47	List of material topics	07	
	102-48	Restatements of information		Not applicable. First report.
	102-49	Changes in reporting		Not applicable. First report.
	102-50	Reporting period		1 January 2018 - 31 December 2020



SECTION	GRI STANDARD	DESCRIPTION	PAGE(S)	NOTES
Reporting Practice	102-51	Date of most recent report		Not applicable. First report.
	102-52	Reporting cycle		Every 2 years
	102-53	Contact point for questions regarding the report	07	info@maggiemarilyn.com
	102-54	Claims of reporting in accordance with the GRI Standards	07	
	102-55	GRI content index	53 / 59	
	102-56	External assurance		We worked with Go Well Consulting to produce this report, but have not had it externally assured.



Specific Standard Disclosures

SECTION	GRI STANDARD	DESCRIPTION	PAGE(S)	NOTES
Reporting Practice	306-1	Waste generation and significant waste-related impacts	23 / 24	
	306-2	Management of significant waste-related impacts	24	
	301-2	Recycled input materials used	22	
	301-3	Reclaimed products and their packaging materials	24	
	306-4	Waste diverted from disposal	23	
	305-1	Direct (Scope 1) GHG emissions	26 / 27 / 28	
	305-2	Energy indirect (Scope 2) GHG emissions	26 / 27 / 28	
	305-3	Other indirect (Scope 3) GHG	26 / 27 / 28	
	305-4	GHG emissions intensity	28	



Specific Standard Disclosures

SECTION	GRI STANDARD	DESCRIPTION	PAGE(S)	NOTES
	305-5	Reduction of GHG emissions	06 / 28	
	308-1	New suppliers that were screened using environmental criteria	31	
Our Supply Chain and the Social Impacts	308-2	Negative environmental impacts in the supply chain and actions taken	31	
	303-1	Interactions with water as a shared resource	31 / 32	
	303-2	Management of water discharge-related impacts	31 / 32	
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	35	
	408-1	Operations and suppliers at significant risk for incidents of child labor	35	
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	35	
	412-1	Operations that have been subject to human rights reviews or impact assessments	35	



SECTION	GRI STANDARD	DESCRIPTION	PAGE(S)	NOTES
	414-1	New suppliers that were screened using social criteria	35	
	414-2	Negative social impacts in the supply chain and actions taken	36	
Diversity and Inclusion	405-1	Diversity of governance bodies and employees	38	
Education and Communicating Sustainability	417-1	Requirements for product and service information and labeling	20 / 31 /25	
	404-2	Programs for upgrading employee skills and transition assistance programs	43	
Transparency	103	Management approach	45	
Financial Prosperity	201-4	Financial assistance received	47	
	202-2	Proportion of senior management hired from the local community	48	
Product Safety	416-1	Assessment of the health and safety impacts of product and service categories	49	



SECTION	GRI STANDARD	DESCRIPTION	PAGE(S)	NOTES
Health, Safety and Wellbeing of Staff	401-1	New employee hires and employee turnover	42	
Charitable Partnerships	203-1	Infrastructure investments and services supported	50	





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