

Holzweiler

↳ Sustainability Report 2021

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Introduction:

Ever since we founded Holzweiler, we have been driven by our goal to create forever-products: quality items that will stay in wardrobes for a lifetime.

In 2021, we expanded this core value into a newly responsible agenda.

This process of defining a clear strategy for sustainability has taught us many valuable lessons – and, we are now the most responsible version of Holzweiler we have ever been.

By concentrating on an inclusive culture, circular and transparent processes, sustainable materials for products, tools for tracking emissions, and new platforms in how we connect with suppliers and consumers, we ensure we are a brand that is always moving forward.

Looking back, we can see how 2021 was a great year for Holzweiler. We expanded our community with collaborations, events and new stores. We even opened our own restaurant, Café Platz. For us, 2021 felt like a time where we pushed for new approaches in retail both online, and in real life: our community exists just as much in our digital spaces as it does in the local and organic offerings at Café Platz.

The pandemic brought challenges, of course: there's no point denying that the global situation impacted how we accessed materials (especially sustainable ones), and caused transportation bottlenecks that had a knock-on effect on our delivery practices.

However, as this 2021 Sustainability Report – our first ever – reveals in detail, we are moving into a new year with more responsible actions in place than ever before. There are many more developments to come.

UN Goals

Decent work
and economic
growth

8.

Responsible
consumption
and production

12.

Climate
action

13.

Partnership
for the goals

17.

Collaborating with the industry and our stakeholders is essential to reduce climate change and ensure decent working conditions. Joint forces will make the greatest impact. In 2021 we developed many valuable collaborations and entered into several new exciting ones, with the aim to do our part in achieving the UN Goals.

→ Forward

Forward Culture

The Holzweiler community is growing and inclusive.

During 2021, the Holzweiler family grew to 126 members.

For us, providing a fulfilling work environment that can fuel the personal growth of our employees is a number one priority. If our employees aren't happy, we don't consider ourselves a success.

Tools that our Holzweiler teams now have access to include:

- **Winningtemp:** An anonymous platform and messaging system that allows us to get a sense of the well-being of everyone in the company, in real time.
- **Holzweiler Intranet:** our internal system ensures a good communication flow across the organization, as well as a sharing arena.
- **Health and wellbeing initiatives and events:** including Thursday meditation, as well as subsidized acupuncture, massage and acupressure. Plus every day sees a healthy lunch served at our HQ – it's important to us to gather our community for a well-earned break away from their desks.

Diversity is a requirement, not a goal.

In 2021, we have also prioritised diversity, equality and inclusion in the entire company. This included finalising our internal policy, which you can read [here](#). The priorities, for us, are to do everything we can to create a safe and inclusive workplace, culture and environment for everybody in the company.

At Holzweiler, embracing difference is an integral part of the company's DNA: by promoting empowerment for every individual in the community, we also promote new forms of creativity and innovation.

We are also proud to be part of the Norwegian Fashion Hub's project, Norwegian fashion change: Diversity. The project informs our own HR policies, and means we are setting a new standard in the fashion industry alongside our fellow Norwegian brands. It's important to promote change across the industry, and not just exist in our own bubble.

L

Lots of love

E

Engagement

I

I am possible

K

Quality

In Norwegian, our values are shortened in the word LEIK, PLAY in English.

Forward Processes

In 2021 we have dived into our processes, with the goal to shift how we make all our clothes. The goal is to move more and more towards processes that are circular, and items that are made to last even longer.

Circular processes are key to the Holzweiler agenda.

Processes to minimise waste that we have now implemented in 2021 include:

- **Digital design:** Our design team are trained in CLO 3D, a tool which allows us to implement 3D technology in the design development process. Our first digital capsule collection, a pilot with Manufacture Oslo, was launched at our restaurant, Holzweiler Platz in 2021. In 2022, our first fully digital collection – PS23 Hanger by Holzweiler – will allow us to reduce sample numbers, transportation and material waste thanks to this technology's hyper-accuracy.
- **Reusing surplus materials:** In 2021, we launched several projects that made use of surplus fabrics and products. These included special projects with:
 - ↳ Cult Swedish design company Fogia, where we used leftover recycled polyester fabric from our production and made a new and upcycled version of their iconic chair, Bollo.
 - ↳ The Muslim support network Sisters in Business, remaking lambswool scarves into Christmas stockings.
 - ↳ Future talents at the design school ESMOD on a redesign project
 - ↳ Fretex/Frelsesarmeen who received a donation of garments from previous collections to sell in their resale shops – all profit from this collaboration went to their charity initiatives.

- **New collaborations:** We are a part of a working group on circular textiles, initiated by Fretex (the largest collector of used clothes and textiles in Norway) and organised by NF&TA (Norwegian Fashion & Textile Agenda). In this project we intend to combat the growing surplus of textile products, and to look for new sustainable value streams and business opportunities. We are also excited to have started our collaboration with Stem, on their zero-waste woven textile system that leaves no garment production waste. The result of this project will be launched in 2022.

At the heart of all these changes is our waste policy: our commitment to keeping as many products and materials in continued use as possible, avoiding the usual final destination of landfills or warehouses. This means a dedication to reducing waste in all areas: everything from our daily activities in the office, through to the design process, production, distribution and even the customer's own approach to the garment.

In 2022, we will continue our waste reduction agenda by establishing better in-house organisation for all our products and materials, and improving our dialogue with suppliers on production waste.

Dealing with our environmental impact

In 2021 we started to measure our organisation's greenhouse gas (GHG) emissions, by doing our first climate report together with CemaSys. Carbon accounting is fundamental in identifying measures to reduce our emissions and evaluate our progress.

In our first round of accounting, we included:

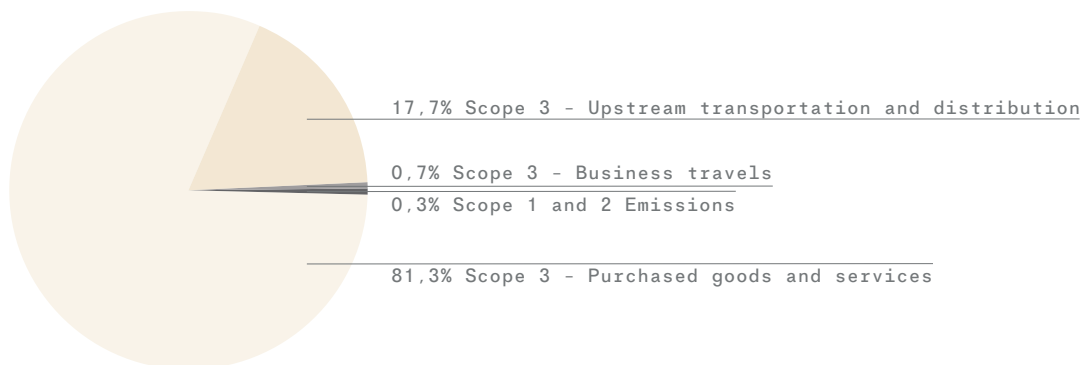
Scope 1: waste and company cars (at HQ)

Scope 2: energy use (at HQ)

Scope 3: Business travels, total material consumption, type of energy used in production, location of production facility, packaging, transportation from sample making, shipments from factories to warehouse , as well as from warehouse retailers.

In 2021, total GHG emissions – from all 3 scopes – amount to 2430,2 tCO₂e. This will be our baseline for measuring our efforts to reduce emissions in the coming years.

Total emissions were distributed as follows:



In 2021, we worked actively with our material choices (more on this under Forward Products) and changing how we transported goods to our Asian customers.

For example, some of our products were shipped from China to Sweden, and then back to Asia again. As our business in this market is growing, we engaged with a warehouse in Shanghai that now handles these orders – this has reduced the travel route considerably.

A defined strategy with targets for reducing emissions is not 100% set yet, but it's clear that our focus must be within production.

Our strategy will include:

- Increasing the use of materials that have less environmental impact
- Collaborating with factories on shifting to renewable energy sources
- Improving our shipments by reducing air freight and using sustainable fuel when achievable
- Optimizing our logistical infrastructure

In 2022, we will also include all Holzweiler stores and warehouses within our scope 1 and 2 measurements.

We recognise our social responsibility to move towards a 100% traceable supply chain.

The biggest change we have to make at Holzweiler is to trace the production and supply chain of all our items: from the source of the raw materials, to the store rail.

Thanks to new technologies, this is more possible than ever before. In 2022, we will continue to move towards our ultimate goal: by 2025, we aim to have 100% traceability on 50% of our product line.

Moving towards this goal, 2021's big traceability milestone was the launch of our collaboration with TrustTrace.

With this collaboration, we are now collecting and storing information, evidence and certificates submitted by our suppliers. Thanks to TrustTrace's blockchain technology, we have also started to trace our product's supply chains.

We're the first to admit that we are not fully there yet, but we have reached our first milestone of having all our tier 1 suppliers added to each product on the webshop – this means that as of 2021, the customer can always view the country of origin and the name of the factory where the product was made.

By the end of 2022, the customer will also be able to view all the tier 2 information we have gathered: this means we will display all the information on our fabric suppliers with each item, too.

What's more, we are aiming to have 10 products traced through every tier – that is all the way to their raw material – by the end of 2022.

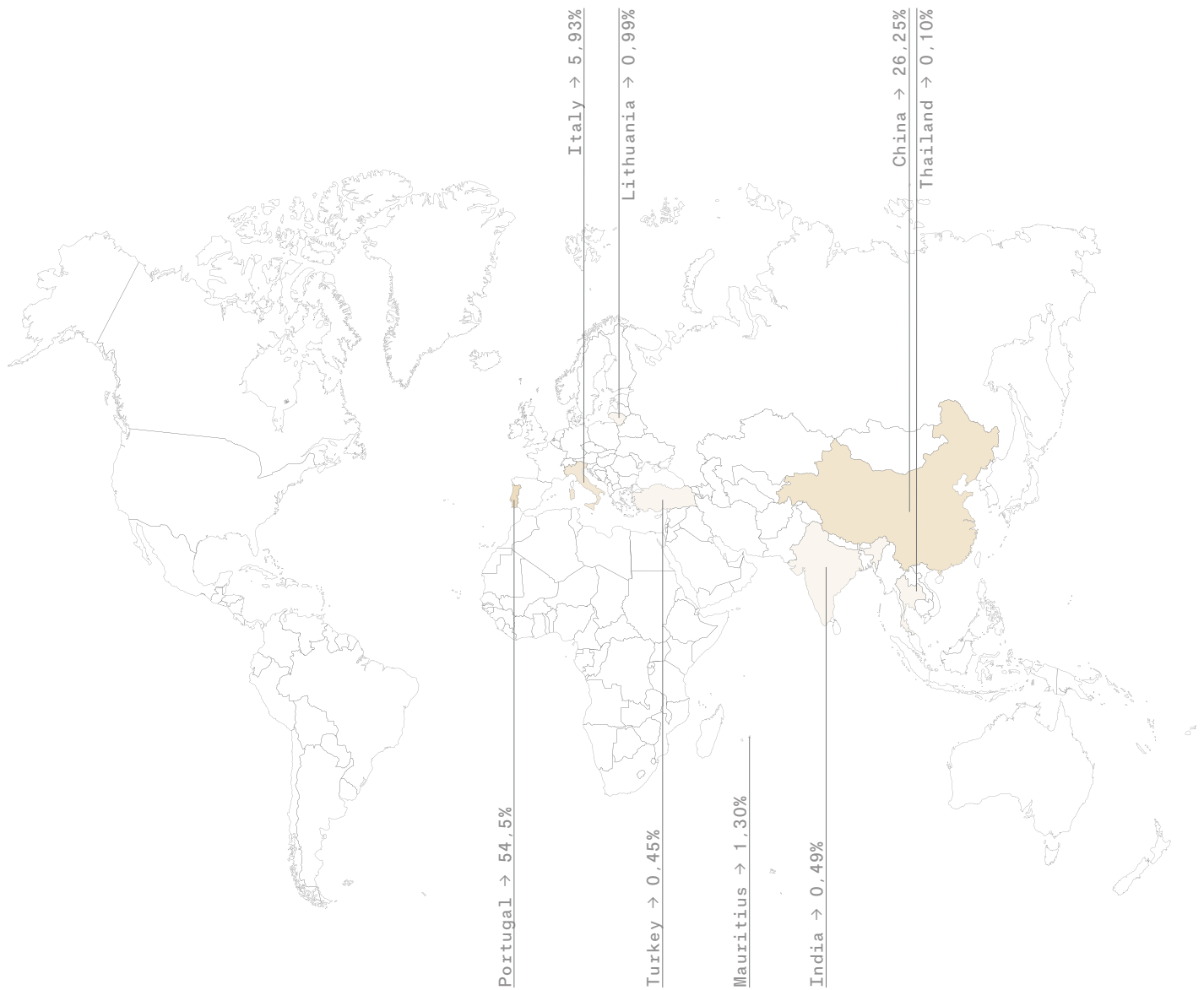
Moving on to the next year, we will start a pilot on product passports to get a better understanding of our products' life after the selling point. As a start, our aim is to store all relevant information for each specific garment from the production stage in the cloud, enabling our customers to make qualified purchase decisions and facilitating reselling and recycling.

In terms of the countries of origin of our products, in 2021, our main production hubs were Portugal and China, producing 90% off all items.

Overall, our countries of production included:

- **Portugal:** for sweats, jersey items, shoes, socks and suiting.
- **China:** for knitwear and most of our woven products.
- **Italy:** for knitwear and scarves.
- **Mauritius:** for wool knitwear.
- **India:** for silk scarves.
- **Thailand:** for jewelleries
- **Lithuania:** for tailoring and outerwear.
- **Turkey:** tailoring and knitwear.

For each and every item, we base our location and makers on the quality and workmanship they can offer.



This map shows where our factories are situated and where our products are made. Percentages are based on the number of items produced in each country.

In order to move into an even more transparent and responsible future with suppliers, greater dialogue with each of our factories is essential.

In 2021 we have been digitising our work with supplier management and data collection. Using TrusTrace, essential questionnaires on Social and Environmental Governance are now shared with our production partners via one platform, as well as all certificates gained and audits that have taken place. Through the information we gather here, we can measure our progress, and begin to map out any clear advantages or issues in the supply chain.

In 2022 we will continue this journey by adding more parts of our supply chain.

It's finally possible to have more in-person meetings, and we are eager to visit our production partners again. Normally, we travel to several of our factories annually, to nurture our relationship, discuss future plans and pursue follow-ups on our production.

In order to do this more frequently and to reduce business travels, we opened a Shanghai office in 2021. This team will exist to perform quality inspections at the point of production, ensure continuous dialogue with our suppliers and their employees, and together with our production and corporate social responsibility team in Norway, ensure adequate follow-ups with every factory in China.

It's well known that when it comes to the social aspect of production, there are multiple concerns that need to be addressed. To us, wages and social insurances became a priority. Although it is a tough challenge to solve, we wanted to dive into this subject to see how we can work to make a change.

In 2021, we initiated a working group on living wage with four Norwegian textile brands and Ethical Trade Norway. We will be working together to find the best approach in this complex field: the first vital stage is verification of the wage data we receive from our factories. Without this transparency, simply paying 'more' does not automatically equal fair pay for all; with this transparency, we can work out the route to the policies that will actually have an impact.

For more information on our relationship with our suppliers, see here.
<https://holzweilerslo.com/sustainability-statement/>

Forward Products

Materials matter. We are using more sustainable materials than ever before.

Performance, durability, look and feel are important parameters when we choose our materials. Our sourcing strategy is such that, for every item we produce, we seek out the most sustainable fabrics and yarns that are available, feasible for us to use and that meet our quality standards. These are currently our preferred materials:

- GOTS certified Organic Cotton
 - ↳ Global Organic Textile Standard (GOTS) ensures the organic status of textiles from the harvesting of the raw materials through environmentally and socially responsible manufacturing
- GRS certified Recycled Polyester/Nylon
- GRS Recycled Cotton
 - ↳ Global Recycled Standard (GRS) sets requirements for third-party certification of recycled content, chain of custody, social and environmental practices and chemical restrictions.
- RDS Down
 - ↳ Responsible Down Standard (RDS) is a certification that ensures humane treatment of geese and ducks throughout the entire down and feather supply chain.
- Lenzing's EcoVero™ viscose
 - ↳ LENZING™ ECOVERO™ Viscose fibers are derived from sustainable wood and pulp, coming from certified and controlled sources. It generates up to 50% lower emissions and water impact compared to generic viscose.
- RWS certified wool
 - ↳ Responsible Wool Standard (RWS) ensures that the wool comes from farms that have a sustainable approach to managing their land, and practice respect for animal welfare.

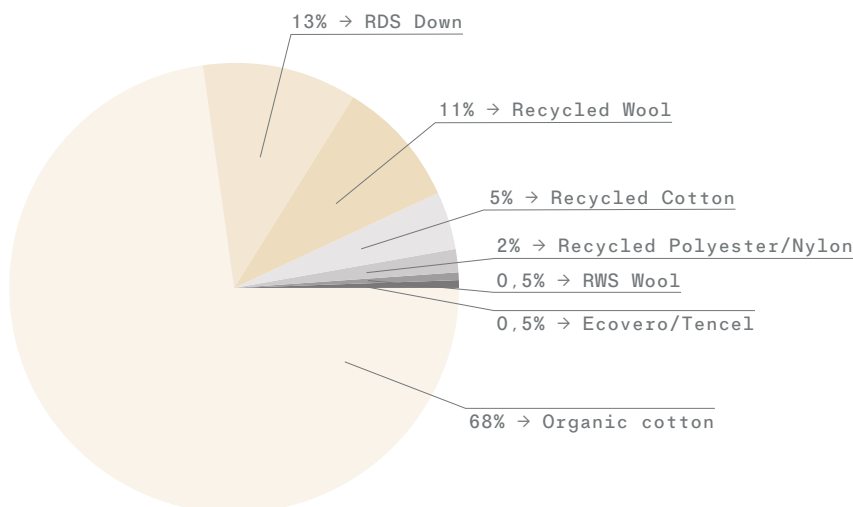
While we do not currently sell 100% certified materials in our collection so far, the reasons for this are due to factors of availability, quality, price, and the issue of having to meet minimum order quantities (when we would rather only produce what we will actually sell).

In summary, these factors comprise of:

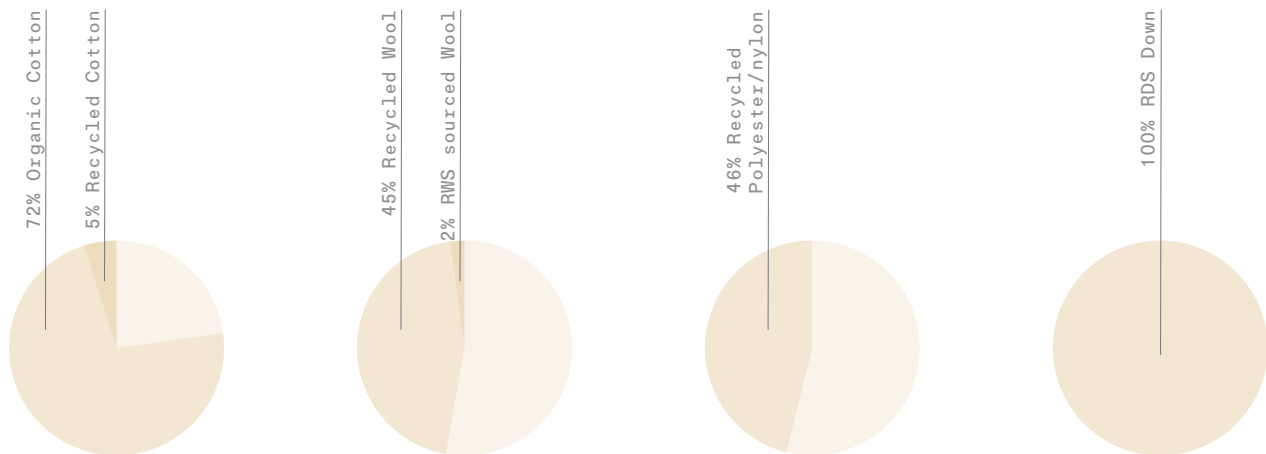
- **Availability:** in 2021 there was a global shortage of certified materials in the global marketplace, leaving us less choice when it came to fabrics than we originally envisaged. In 2022, we hope this situation will improve, so we can better plan our material usage.
- **Minimum order quantities:** while in 2021 we were concerned to only buy the volume of materials we would actually use, our future goal is to bulk order certified materials for our LLP (Long Lasting Products) program, meaning we will have them in stock for re-orders.
- **Quality:** we have found that the sustainable materials do not always prove to be as long-lasting quality as the less sustainable ones. On balance, we have a responsibility to design for longevity and keep seeking out materials that are both sustainable, and which meet our own quality standards for durability.
- **Price:** ultimately, the price point of certified materials is high. Choosing certified and high- quality materials will lead to increased prices on some items, Involving and educating our customers on this issue, as well as guiding them to take the best choices, is our next challenge.

Going forward, we want our customers to know that we assess our material choices with a consideration of all of these factors, when it comes to deciding the final composition of an item.

In 2021 deliveries, 45.6% of the total weight of materials we used were from sustainable fibres. Our main priorities were Organic Cotton, Recycled materials and responsibly-sourced down.



Total distribution of sustainable materials in 2021 deliveries.



The distribution of sustainable fibers and conventional fibers on our 2021 material focus

The creation of long-lasting garments is our priority.

We have always taken pride in the quality of our items. However, the climate crisis also demands that we take a closer look at the processes that go into providing the materials we use, both in terms of the clothing itself, but also when it comes to our choice of packaging.

In 2022, the materials we are zoning in on and are aiming to make more sustainable include:

- **Wool:** With our cold winters, Norway and wool layers go hand-in-hand. But wool can also mean poor animal welfare, opaque and complex supply chains and, in the worst cases, bad working conditions on farms. This is all besides what is, undeniably, a high environmental impact.

In Holzweiler collections, wool knits will remain an important category. The advantages and durability that comes with wool is very important to us – equally, we have to address any issues that may come with it.

In 2021, we introduced RWS, and began to implement RMS (Responsible Wool and Mohair Standards) to our collections: both are standards that address the above issues and give us a better understanding of the wool we are using.

We continue to view recycled wool as the absolute best solution.

We are also excited to have joined a dialogue group initiated by Ethical Trade Norway and funded by Norad. Looking at sustainable wool and mohair production in South Africa, it is a valuable space where wool farms, industry organisations and brands can meet to discuss the challenges, opportunities and status of wool and mohair production. We are excited to see if this dialogue may lead us towards any new collaborations in 2022.

- **Leather:** In 2021, 0.54% of total material consumption was leather, and these stood for 1.3% of total emissions. Right now we are searching the market for less environmentally impactful options, that will nevertheless maintain the quality that leather naturally offers. In addition, we can confirm that at this stage, for all future use of leather, we will source leather from tanneries certified by The Leather Working Group. We aim for this to be 100% of our leather sourcing by 2023.
- **Packaging:** In 2021, all our e-comm packaging was either bio-bags or recycled cardboard, and product packaging was bio-bags in Europe and plastic in Asia). From our Autumn/Winter 2022 collection onwards, our customers will only ever find the packaging to be made from recycled plastic, or recycled or certified cardboard.
- **Chemicals:** As new members of The Chemicals Group at RISE, we are in a position to begin to track the use of chemicals in our productions. In 2022, we will kick off with an examination of our outerwear. While the use of water-resistant coating is essential to making our jackets and coats last a long time, it is our duty to ensure the chemicals used have as little environmental impact as possible.

Holzweiler's approach to Animal welfare:

All down is certified by the Responsible Down Standard (RWS)

Mulesing is not accepted

All hides we use are a by-product from the food industry

We ban the use of Angora

We source wool from the Responsible wool standard (RWS)

We will source leather from tanneries certified by Leather working group – 2022

We will source Mohair from the Responsible Mohair Standard (RMS) – 2022

Forward Consumption

In 2021, we have innovated the ways in which our customers can call a Holzweiler item their own.

This year, we implemented the importance of transparency at the point-of-sale. To empower our customers to make informed decisions with every purchase, we started by sharing the details of each item's production facility and will continue to add more information as we go.

But as well as ensuring this transparency when it came to sales, we also focussed on what happens after a customer takes their new Holzweiler item home.

Expanding the options for how customers buy and wear Holzweiler, 2021 brought new initiatives such as:

- **Re-sale:** We know that our customers love the feeling of wearing new styles, but we also know they are hyper-aware of the environmental impact of overproduction. With Re:vive, our new resale platform, we have made it easy for our customer base to buy and sell pre-loved Holzweiler items. You can find Re:vive here ([link](#)) In 2022, we aim to expand re-sale beyond Norway into other markets.
- **Rental:** We are also encouraging anyone who loves Holzweiler to consider renting items instead of buying them. In 2021, we achieved this through our partnerships with platforms Fjong (Norway and Denmark) and Rent-the-Runway (USA).
- **Care & Repair:** We want to empower a new generation to care better for their clothing. In 2021, our e-shop product pages were redesigned to encompass useful care tips for every single fabric we use, and we also published how-to films filled with repair tips to try at home. What's more, we focussed on the in-store experience, with our staff now trained to help you care for your items.



REDUCE



REUSE



REPAIR



RECYCLE

A circular economy aims to reduce waste and encourages repair, continual reuse and recycling of products and resources. We have chosen these four R's to work with.

Going Forward

2022 → 2023 → 2025 → 2030 → 2040

2022

- 55% sustainable materials
- Eco-design processes implemented on our 2023 outerwear collections
- Data collected on waste in production from our suppliers
- Methodology set for our work on wages and social benefits in our supply chain
- GOTS certified as a brand
- Start piloting product passport
- Expansion of Holzweiler Shanghai office with Quality Controller and Supply Chain manager
- Launch of fabric suppliers on each item at holzweilerslo.com

2023

- Materials left-overs are put back into production or sample making
- Take-back system for used products in place
- Establish collaborations on green energy at production facilities with producer and stakeholders
- 65% sustainable materials

2025

- 80% sustainable materials
- Product passport on products
- 100% traceability tier 1-3
- Zero-waste in production

2030

- 100% sustainable materials
- 100% traceability tier 1-4

2040

- Net-Zero

→ With 2021 wrapped up, we are moving on to the next year. We hope you will follow our journey on holzweileroslo.com/sustainability-statement.

Thank you so much for reading our report.

Any questions or comments can be sent to sustainability@holzweiler.com.

Holzweiler