SERENDIPITY ORGANICS SUSTAINABILITY STRATEGY

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SUSTAINABILITY STRATEGY

SUSTAINABLE VISION AND STRATEGY

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SUSTAINABLE VISION AND STRATEGY

VISION

We are a family-based company born out of the believe in a better and healthier planet, designing and producing clothes that are made of clean natural materials and made in a conscious process, protecting our planet and people.

Our decision making is centered around ethical manufacturing, sustainable fibers, and quality design to ensure a long lifespan reaching for circularity.

We are committed to use organic certified cotton and merino wool under the Global Organic Textile Standard and GOTS certified manufacturers that ensure environmentally friendly production and the health and safety of workers. We are dedicated to use only natural fibers and our alpaca and llama wool pieces are sourced and knitted in small family collectives close to the natural environment of the alpacas.

We recognize the UN Sustainable Development Goals as the benchmark for responsible business practices globally, aligning our strategy with these goals and challenging ourselves to continuously improve how we minimize our environmental impact and operate with respect for people.



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EXSISTING PRACTICE/COMMITMENTS

- All our clothing is made of natural, biodegradable fibers.
- All cotton is organic and processed under GOTS.
- All cotton used is rain fed following biodiverse principles that support local communities and regenerative agriculture, following the GOTS standard.
- All our suppliers of cotton and merino wool are GOTS certified, as we are ourselves.
- All merino wool is organic and certified by GOTS.
- All trims are either certified by GOTS or Oekotex.
- All buttons used are natural.
- All snaps or zippers are lead and nickel free and use is minimized.
- All paper tags and packaging materials used are FSC certified.
- All bags for single protective packing our clothing is made of recyclable LDPE plastic. In 2027 theese will be changed to FSC certified paper bags.
- All designs are circular thought, made of monofibers and using as few trims as possible.
- We offer a free repair program.
- We encourage our customers to learn about caring for their clothing to ensure a long lifespan.



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UN's SUSTAINABLE DEVELOPMENT GOALS

We have chosen to aspire to the goals within the UN's Sustainable Development Goals, where we feel we can make the most impact as a small company.

1 Responsible consumption and production (nr. 12) hereunder to aspire for efficient use of natural resources, circularity of our products and to ensure zero materials are sent to landfill. Aiming at full transparency of the production chain. Ensuring that people working in the process are responsibly paid and taken care of.

Challenges

- There are historic expectations within our industry that "new and fast" is best.
- The demand and supply for environmentally friendly alternatives are limited.
- The durability of synthetic materials often outperforms natural materials.
- Recycled cotton does not currently match the quality of virgin cotton.
- There are extremely limited fabric recycling facilities globally.
- Limited control over how our customers care and/or repair our garments.

Targets

- Designing and advocating for slow fashion, with focus on only two collections a year, focusing on our non-seasonal collection.
- Assuring that none of our products goes to landfill.
- Transparent production chain.
- Ensuring that no "over" production is made.
- Letting our suppliers have due time to make our garments.
- Inspiring our customers to prolong the lifespan of our products, by caring for the product.
- Limiting the use of plastic. Shifting to paper bags in 2027.
- Introducing a reselling and take-back scheme on our webshop.



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2 Reducing our emissions as much as possible and become a “climate positive” business. Increasing the share of renewable energy (nr. 7 and nr. 13)

Challenges

- Little control over what energy is used by our suppliers.
- We have a global supply chain that is largely reliant on fossil fuel for energy.
- We are reliant on transport and logistics companies to ship our products.
- The washing of our garments is a large part of their total life cycle impacts.

Targets

- Make account over our carbon footprint, to ensure over time to become climate positive.
- Inquire our suppliers what kind of energy is used to gain energy transparency.
- Gathering our suppliers production data to calculate their GHG emissions.
- Using the transport with the lowest carbon footprint.
- Inspire our customers how to wash and care for their garments.



3 Demonstrate that it is possible to create clothing without negative impact on water and biodiversity. The textile industry is responsible for 20% of global industrial water pollution and has a multitude of impacts on land-use and biodiversity. (nr.14 – nr.15 – nr. 3.9)

Challenges

- Our main supplier is based in India, with differing levels of regulation on their environmental impacts.
- We have limited control and influence over some of our suppliers.
- Fresh water is required for the processing of the fibers and fabrics we create.
- It is difficult to obtain information relating to the amount of water used in our supply chain.
- Regenerative agriculture/farming is not generally well defined.
- It is difficult to measure biodiversity impacts within our supply chain.
- The care of our products has a significant impact on its total life cycle, yet we have no control over how our customers care for our garments.

Targets

- Ensure that all our suppliers are fully GOTS certified.
- Communicate that certified organically grown cotton is in fact a regenerative farming method reliant on rain-fed crops and based on multi crop farming for better biodiversity.
- Ensure that the water-use at our suppliers in the full production chain is in a “closed loop”, having no wastewater spilled into nature.
- Communicate that no harmful chemicals are used under GOTS, so no harmful chemicals will be going into the water or the nature.
- Inspire our customers how to wash and care for their garments.



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COMMITMENT TO GOTS

Serendipity commits as an entity to comply with GOTS 7.0: The GOTS criteria, including Chemical Input Criteria, Environmental Criteria, Human Rights and Social Criteria and Governance Criteria.

A Due Diligence process will be implemented to check and develop activities, operations, and supply chain, following a six-step process:

1. Due diligence will be embodied in policies and management systems.
2. Identifying actual or potential adverse impacts and risks.
3. Ceasing, preventing, or mitigating adverse impacts.
4. Tracking implementation and results on identified impacts.
5. Communicating how impacts are addressed.
6. Enabling remediation when appropriate.

The process is dynamic and will be updated if any risk is observed and any occurrence or impact is found.



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OUR WORK PROCESS

We design 2 collections yearly, that are preordered by our retailers. This is to prevent over-production and to give our suppliers a fair timeline for producing.

We design and distribute our products. We are producing them with our suppliers, with whom we have worked and visited for many years. All our cotton pieces are made of GOTS certified organic cotton. Our merino wool pieces are made of GOTS certified organic wool. Our alpaca and llama wool pieces are made of 100% alpaca and llama wool fibers.

RESPONSIBLE PURCHASING PRACTICE

We as an entity work with few suppliers, whereof one is the primary supplier in India, making only GOTS goods. We have been working with them for more than 15 years and have been visiting them twice a year. Also, we have been visiting their suppliers: cotton farm, cotton gin, cotton yarn mill, spinning mill, knitting mill, wovens mill and printing mill.

We also work with a small knitting studio in Bolivia knitting our alpaca and llama wool pieces (not certified).

We work with our suppliers as in "a partnership". They know when we are starting our 2-yearly design circles, and let us know how much time they need for development. We are transparent regarding buying amounts ahead of our ordering, so they have due time to book the capcaity we need. We pay an amount of pre-payment to fullfill orders.

We have direct communication with all suppliers and are not using any agents.
We are aware of their sub-suppliers and are continuously testing for chemical inputs and ensuring quality control.

Asserted risks: Our suppliers are far away from us, and we can only visit a few times a year. For control of sub suppliers, we rely on GOTS to audit and inspect.

Actions: To continue the close working relationships, in addition to asking questions and debating new developments and possibilities.



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CHEMICAL INPUT CRITERIA POLICY

According to the GOTS manual, we will on a regularly basis, based on each new collection, make tests of either fabric and/or finished garments under production. This could be various chemical tests or technical quality tests to secure that no harmful substances have been used in the process of making our clothing.

Asserted risks: As our suppliers are far away, it is impossible to check everything. But we have a very long collaboration with them, which minimizes risks.

Actions: Making residue tests according to GOTS.

TECHNICAL QUALITY CRITERA POLICY

We are committed to design and produce high quality garments and products of natural fibers: organic cotton and wool and natural wool. We do not use any synthetic fibers.

Our products should have a long lifespan and hopefully be enjoyed by more than one person. We encourage our customers to pass or resell our products.

We are testing technical parameters as Shrinkage/dimensionality, Rubbing fastness, Perspiration fastness, Light fastness, Ph-value, Saliva fastness.

We refer to our Quality Manual.

Asserted risks: Very low, as we have been working with the same suppliers for many years. If we find any product, that is not corresponding with our criteria, they will immediately be taken out of our range.

Actions: We are continuously checking and ensuring the quality of our products in production. And are making technical quality tests according to GOTS.



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SOCIAL POLICY

CODE OF CONDUCT

We believe in fair and honest relations, fair remuneration, respect of the human rights, freedom of association, no child labour, nor forced labour, no discrimination in regards of gender, politics, and religion.

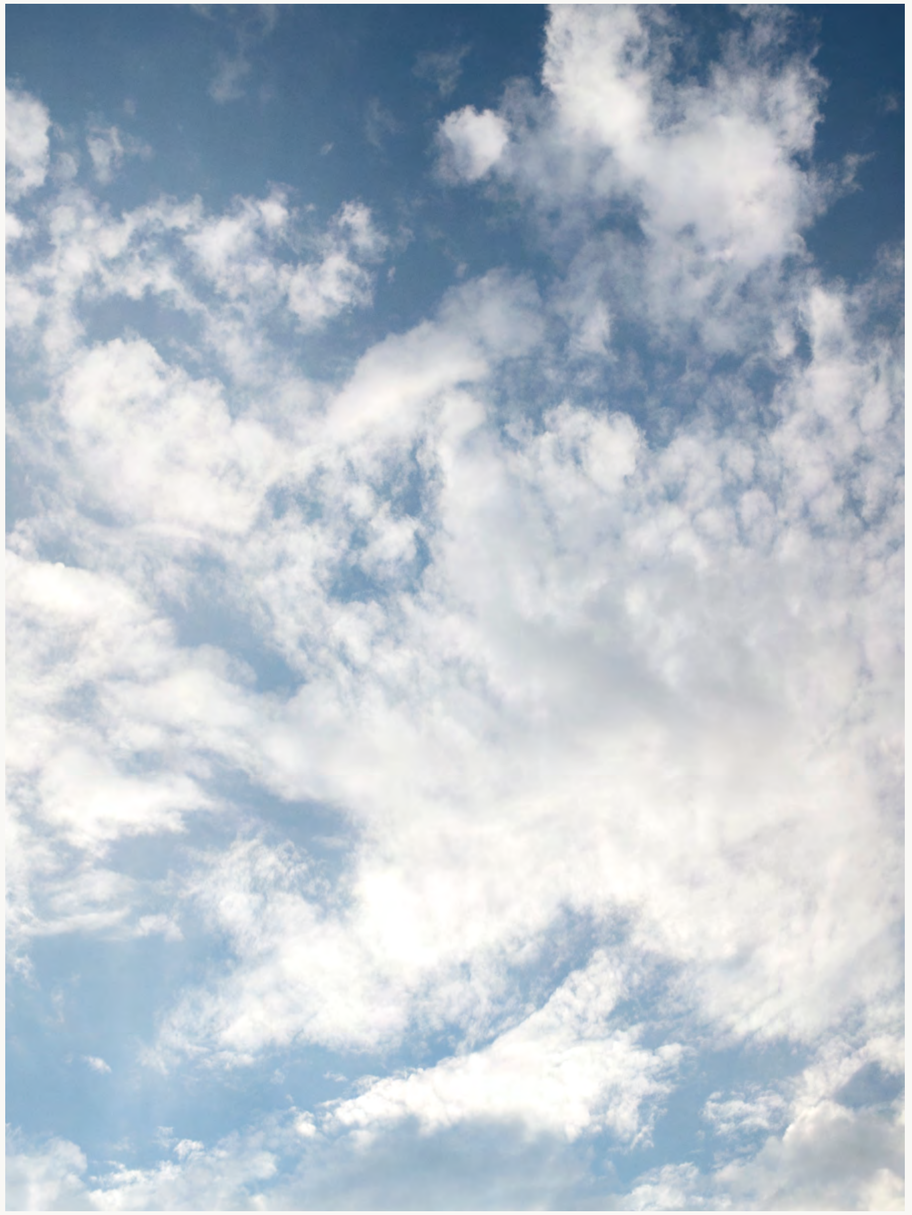
Special protection will be provided in relation to health and safety for vulnerable persons, such as new and expecting mothers, young workers and disabled persons.

Corruption is not accepted, as well as sexual harassment is not accepted. No harassment whatever is accepted in form of disciplinary measures. All according to Danish law and inspired by UN's sustainable development goals.

This is also expected of our suppliers and our warehouse. And we seek to keep track of any issues in our due-dilligence correspondence.

We believe in treating each other well, having a positive dialog face to face daily, where any issues or suggestions can be discussed.

We believe in the environmental and social aspects of the GOTS manual and are making integrity training every year, going through the full manual.



GENERAL WORKING CONDITIONS

Working hours will be dependent on the individual contract made. We have full-time employees and part-time employees and are following the Danish law in regard to salary under sickness and maternity leave for all genders.

In case of need for anonymous complaints or suggestions an envelope system will be available. Observations of any irregularities, as corruptions or irregularities, should be informed to the management immediately. In regards of complaints regarding working conditions the Danish Working Environment Authority can be called.

At our suppliers, workers get a fair remuneration above minimum salary. Living wages are continuously being calculated to ensure fairness and respect. According to GOTS and with our largest supplier also according to the Fairtrade Textile Standard and WRAP.

Asserted risks:

Entity: Very low risk, as we are few people and interact every day.

Suppliers: As they are far away from us, there are always a risk of social and health incidents, which we might not know of. However, our main suppliers have very stringent social – and health commitments and policies, which we rely on.

Warehouse: We come there often and are in a continuous dialogue with the team working with us. They too, act under the Danish law, so risks are very low.

Future actions: Get documentation, if any instances have been occurring with suppliers on a yearly basis, what has been done and what is the future actions to avoid such instances.



SECURITY, HEALTH AND SAFETY

We value the safety highly in our office.

- Two types of fire extinguishers are present in the server room (middle of office space). Staff is trained to handle these by Falck Securities. Falck Securities inspects the premises once a year.
- A First Aid Kit is present also in the server room.
- In case of fire, emergency exits are either through the backdoor of the office or the front door. This is recommended by Falck securities. Final meeting point will be on Dyrehavevej.
- New staff will be trained accordingly on arrival.

Warehouse: An extensive fire alarm system is in place and is yearly being tested. New workers will be trained in the system by colleagues and management on arrival. Exit signs are clearly visible. Falck securities inspects the premisis yearly. Every week the person responsible for health and security checks all appliances and tools, to be sure it is safe and up to date.

Suppliers: They are following all national laws for health and safety and of-course GOTS saftey rules, have fire-alarm systems and safety representatives.

Asserted risks:

Entity: Very low risks.

Warehouse: Very low risks.

Suppliers: As they are far away it is difficult to evaluate the risks, but our main



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ENVIRONMENTAL POLICY

We believe in reducing the environmental impact we as an entity will produce. Always seeking to adopt into procedures that can reduce the impact on our environment. This is also expected of our suppliers and warehouse. One specific goal is to reduce the use of plastics in garments and transport/storage. Another goal is to establish a “take back” of used clothes and make them available for our web shop consumers.

OFFICE

At our office we use environmentally friendly light bulbs, soaps, toilet paper, coffee etc. We are minimizing paper prints, print only on environmentally friendly paper. And are waste sorting.

GHG EMISIONS

We are in the process of calculating GHG emissions (scope 1,2 and 3), so we can eliminate or reduce any emissions in the future.

The aim is to calculate the GHG emissions pr kilo of clothing that we produce at our suppliers and to document/calculate GHG emissions of the transport of goods through suppliers and warehouse.

As we are based in a rental building, heating and electricity is given, there are not many possibilities to reduce existing emissions. We will keep track of consumption yearly of both heating and electricity.



DISTRIBUTION/TRANSPORTATION

We are re-using carton boxes for distribution. If new boxes are needed Serendipity will get FCS certified boxes to the warehouse. For our webshop we are using FCS certified paper bags with reclose option for returns.

We are primarily using sea transportation from India, as we know this is the least GHG emitting transport way. For our warehouse to our retailers and web shop customers, we primarily use the postal services available and established couriers for overseas destinations.

Asserted risks:

Entity: Production delays, that will mean transportation by air.

Suppliers: We are dependent on our supplier's data to calculate GHG emissions and they too are dependent on their suppliers. Producing clothing from natural fibers is a long and complicated process. Other environmental issues maybe not be easily detected by us, as we are far away.

Warehouse: Our aim is to use the transportation method that produces the least emissions.

Actions:

Entity: Have a timely production line to avoid delays and securing enough timespan for production.

Suppliers: Have our suppliers stating their actions and issues in an environmental report yearly.

Warehouse: Analyze the best / least emissions way to transport our garments.



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PRODUCT LIFECYCLE

Product Care
On our website, we have a care section made to guide and inspire our customers on how to care for their clothing. Encouraging to less washing, washing at lower (room) temperatures, air or line dry, tumble dry at low temperature and shorter washing circles.

In this care section we also inspire our customers on how to repair their clothing. We offer repair services for free, to try to avoid throwing clothes away.

Product Take Back
The vintage market is exploding in many parts of the world and many people are buying secondhand products. We can observe that our products too are for second-hand sale in several shops and on several platforms.

To ensure that our customers will not discard our products to waste we have a goal to establish a take-back scheme on our web shop. This is under consideration, and we have yet to investigate and decide in which way we will do it.

This measure is taken to encourage to an even longer life circle for our products.

Transparency
We believe that a transparent production chain is important to let our customers know how long and sometimes complicated the process, to make clothing of natural fibers, is. In addition, we emphasize the importance of taking care of the clothing for future use.

Our goal is to make our production chain transparent on our website.

