



VILDNIS

ANNUAL REPORT 2018-2019

# INTRO

## OBJECTIVE

The objective of VILDNIS' annual report is to provide you, our customer, with transparency on our performance so you can make an informed choice when purchasing fashion from us.

VILDNIS was launched with the aim to change the norms in the fashion industry - one of the most polluting industries at present and known for its malpractices towards both workers and animals in the supply chain. We have a strong belief that all fashion can be produced in a sustainable manner with respect for both people, animals and the planet – without compromising on style or quality.

All change takes time and resources – especially the development of new materials and processes – and we recognise that we are unable to meet all of our long-term goals overnight. Instead, we break them into smaller yearly goals and endeavour to make considerable positive progress year by year.

We value honesty highly, and this means that we will share both our successes and failures with you.

This report covers our performance from May 2018 – May 2019.

## TRIPLE BOTTOM LINE

VILDNIS operates with a Triple Bottom Line, meaning that success is being measured on both social, environmental and economic areas. The main principles of our Triple Bottom Line are explained below.

SOCIAL	ENVIRONMENTAL	ECONOMIC
<ul style="list-style-type: none"><li>• Treat workers in supply chain fairly</li><li>• Do no harm to animals</li><li>• Promote a healthy body image</li></ul>	<ul style="list-style-type: none"><li>• Use environmentally friendly materials including fabrics, trims and packaging</li><li>• Use environmentally friendly production methods</li><li>• Aim to be carbon neutral; use environmentally friendly modes of transport</li><li>• Support initiatives towards creating a circular economy</li></ul>	<ul style="list-style-type: none"><li>• Offer our customer affordable retail prices and value for money</li><li>• Pay our suppliers fair cost prices</li><li>• Aim for VILDNIS to be a profitable business that creates jobs in local communities</li></ul>

# SOCIAL GOALS

## LONG TERM:

Have full visibility of the entire supply chain

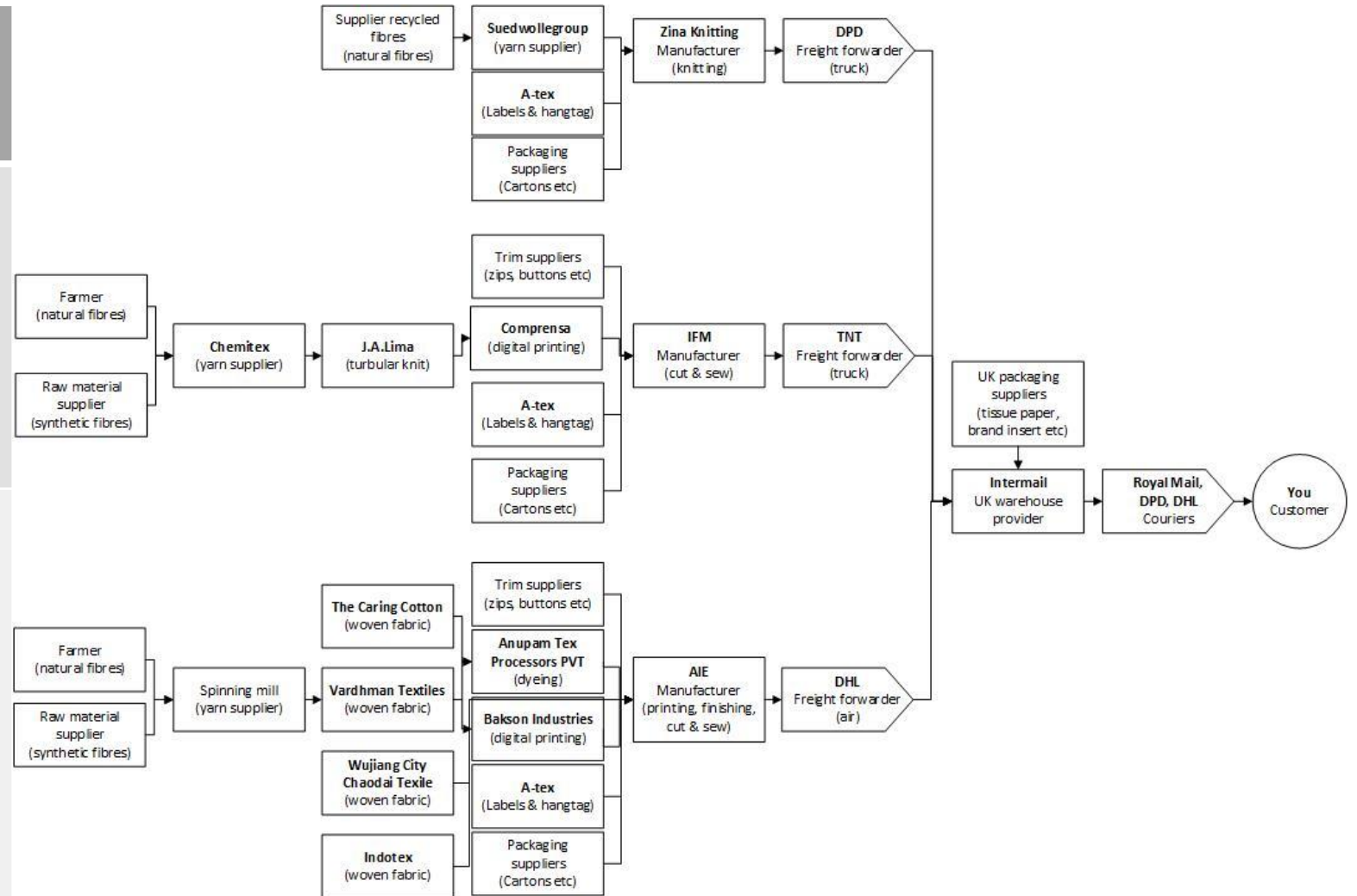
## 2018/2019:

Provide full visibility of the following areas: manufacturers, warehouse, print house and dye houses.

Supply chain map to be published on website.

## RESULT:

A map illustrating the current supply chain is available for customers to view on our website and provides full visibility of the manufacturers, warehouse provider, print houses and dye houses that have been used in the process of making the garments. Sharing our supply chain is a risk in terms of competitors being able to easily duplicate our efforts. We do however believe that transparency is important to our costumers and we hope that this will encourage other brands to disclose their supply chains as well.



**LONG TERM:**

All workers in the supply chain to have good working conditions and be treated fairly

**2018/2019:**

All manufacturers (sewing) adhering to VILDNIS' ethical code of conduct and having passed an external audit such as, or equivalent to, SMETA.

**RESULT:**

All factories have signed VILDNIS' Ethical Code of Conduct, which can be found here: <https://vildnis.co.uk/pages/ethical-code-of-conduct> .

Status on the manufacturers we worked with in 2018/2019:

- IFM (Portugal): IFM is a member of the Ethical Trading Initiative (ETI) and follows the ETI base code, an ethical code of conduct similar to ours. They have passed our internal audit and have gone through the preparations for a SMETA audit with a view to become a member of SEDEX. We are waiting for the final SMETA audit to take place. Having audited the factory ourselves, we are however confident that all potential issues have been addressed and that the factory can pass a SMETA audit today.
- AIE (India): AIE passed its latest SMETA audit in April 2019. Up till recently they held the SA8000 certification as well, however this has now expired and, given that the factory is in the process of moving premises, it has been decided to wait renewing the SA8000 certificate till the move is complete in Autumn 2019.
- Zina Knitting (Lithuania): This was a new factory that we used for one style, the Jinhae Knit Jumper, in 2018. It is yet to go through an audit, but based on our conversations with them, we are confident that they are able to pass one.

**LONG TERM:**

All workers in the supply chain to be paid a living wage

**2018/2019:**

Workers in the manufacturing link to be paid living wage

**RESULT:**

IFM (Portugal): All employees working at IFM (Portugal) are paid above the national minimum wage in Portugal, which is taking the costs of living into consideration. The lowest wage paid at the factory is €650/month.

It is worth noting that it is difficult for the Portuguese factories to find workers and hence they are keen to treat the ones they have well in order to retain them.

AIE (India): All employees are paid well above the national minimum wage (4576 INR/month) and 85% well above the living wage (10300 INR/month). The lowest wage at the factory is 8543 INR/month paid to staff helping with minor jobs such as removing loose threads etc.

Zina Knitting (Lithuania): All employees working at Zina Knitting are paid above the national minimum wage in Lithuania according to EU law. At present the National Minimum wage is €555/month.



**LONG TERM:**

All fabrics and yarns containing animal fibres to be certified, guaranteeing that no animals were harmed in the process

**2018/2019:**

If using animal fibres in the collection, only use non-mulesing certified and/or recycled fibres

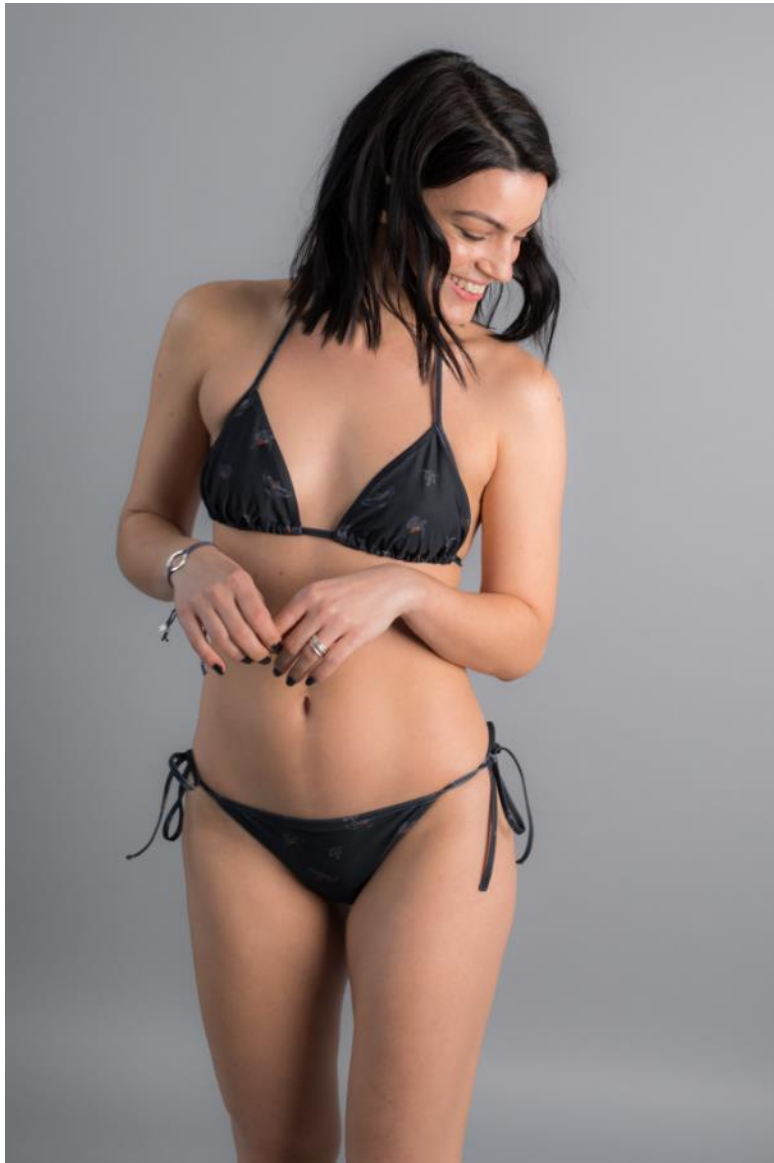
**RESULT:**

In Autumn 2018 we introduced the Jinhæ Knit Jumper into the collection. The jumper is made from 100% recycled merino wool sourced from the Italian yarn supplier Suedwollegroup. We are proud to be the first UK brand to use this quality made from 100% recycled merino fibres. Unfortunately the low demand for this fibre at present means that the yarn mill is yet to go through the GRS (Global Recycle Standard) certification process. We are however confident that a supplier like Suedwollegroup, who is showcasing their yarns at the Sustainable Angle's Future Fabrics Expo, can be trusted and found it important to demonstrate to other brands that recycled wool is a good option.

We are still stocking leather jackets from the Swedish brand DEADWOOD, who uses recycled leather found in vintage markets for its jackets. It makes good sense to us to recycle such a valuable material as leather and prevent further animals from being harmed in the process of making jackets.







**LONG TERM:**

Models used for imagery must be a size 10 to promote a healthy body image

**2018/2019:**

Photoshoot model at least a UK size 8-10.

**RESULT:**

Most of the models that you can book through the model agencies are size 6 or 6-8, and it takes a bit longer to find size 10 models at present.

We have, however, met our long term goal this year with both of our models, Ariana and Sarah, being a UK size 10. Both models have a healthy relationship with food and exercise, and are great role models for younger girls wanting a career in modelling.

**LONG TERM:**

Models must look natural in imagery, e.g. no retouching of body shapes

**2018/2019:**

No retouching of model's body shape

**RESULT:**

To achieve this goal, we have to change the mindset of the photographers and retouchers, which is harder than it sounds. There is a long tradition of photoshopping in the fashion industry.

We are therefore pleased to have met our long term goal this year. There has been no retouching of the models bodies. The only retouching that has been done is tweaking the colours on two garments to reflect reality, plus smoothing the skin of one of the models (at her request) in a few close-ups after she got an unexpected allergy break out.

# ENVIRONMENTAL GOALS

## LONG TERM:

100% of fabrics are environmentally friendly (from MADE-BY.org's A and B category only)

## 2018/2019:

93% of the main fabrics and 100% of lining fabrics to be from category A and B

## RESULT:

Across the products launching between May 2018 and May 2019, 85% of the fibres we used were from category A and B, meaning that we missed our target. However, the collections were small and it was in fact only three products that failed to live up to the target with fabrics made from 98% organic cotton and 2% elastane. On some products, such as skinny jeans, we find it necessary to add a bit of elastane to avoid compromising on fit or style, and we will continue to look for sustainable alternatives to elastane.

100% of the lining fabrics were from category A and B.  
85% of the products were made from non-mixed fibres, making it easier to recycle and reuse the fibres.

Unfortunately the non-profit organisation Made-By.org went into administration in October 2018 and their website, including all the benchmarks that we have been using as guidelines, was taken down. We will therefore have to find a new reference point for future seasons.

## MADE-BY ENVIRONMENTAL BENCHMARK FOR FIBRES



www.made-by.org

CLASS A	CLASS B	CLASS C	CLASS D	CLASS E	UNCLASSIFIED
Mechanically Recycled Nylon	Chemically Recycled Nylon	Conventional Flax (Linen)	Modal® (Lenzing Viscose Product)	Bamboo Viscose	Acetate
Mechanically Recycled Polyester	Chemically Recycled Polyester	Conventional Hemp	Poly-acrylic	Conventional Cotton	Alpaca Wool
Organic Flax (Linen)	CRAILAR® Flax	PLA	Virgin Polyester	Generic Viscose	Cashmere Wool
Organic Hemp	In Conversion Cotton	Ramie		Rayon	Leather
Recycled Cotton	Monocel® (Bamboo Lyocell Product)			Spandex (Elastane)	Mohair Wool
Recycled Wool	Organic Cotton			Virgin Nylon	Natural Bamboo
	TENCEL® (Lenzing Lyocell Product)			Wool	Organic Wool
					Silk

More Sustainable ← | → Less Sustainable

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**bwe** This Benchmark was made in cooperation with Brown and Wilmanns Environmental, LLC. For further information on this Benchmark see [www.made-by.org/benchmarks](http://www.made-by.org/benchmarks)



# ENVIRONMENTAL GOALS

## **LONG TERM:**

100% of fabrics to be certified or branded

## **2018/2019:**

100% of main fabrics to be either certified (organic or recycled) or branded

## **RESULT:**

89% of the main fabrics we used were either certified organic (GOTS or OCS), recycled (GRS) or branded.

The only fibres that weren't certified or branded were the 100% recycled merino wool yarns. Due to very low demand of these yarns, the supplier has deemed it unviable financially to certify them at this stage. We are hoping that the demand from other brands will increase as the supplier is then willing to get the GRS certification.

## **LONG TERM:**

100% of trims are environmentally friendly (made from recycled, organic or otherwise eco-friendly materials)

## **2018/2019:**

N/A

## **RESULT:**

We are currently lacking the resources to source environmentally friendly trims. We have however slowly started to source eco-friendly buttons and building a portfolio of suppliers.

**LONG TERM:**

All dyestuff used to dye fabric fully compliant with REACH legislation

**2018/2019:**

All dyestuff used to dye fabric fully compliant with REACH legislation

**RESULT:**

All fabrics and yarns dyed in Europe are fully compliant with REACH.

The fabrics that have been dyed in India have been dyed with dyestuff supplied by Huntsman, a Swiss Company. Huntsman is fully committed to REACH, and their vision resonates well with us: "To provide innovative solutions, which enrich lives through innovation, and help create a sustainable future, with no harm to people or the environment".

The dyes used on the organic cotton products are GOTS (Global Organic Textile Standard) certified.

**LONG TERM:**

All dyestuffs and print inks to be Oekotex certified

**2018/2019:**

All print inks to be Oekotex certified

**RESULT:**

The digitally printed products from Portugal were printed at the print house Comprensa using oekotex certified inks.

We missed the target on the digitally printed products from India. These were all printed with reactive inks, which has a better colourfastness but are less environmentally friendly than pigment inks. This is an area where we are determined to do better next year.

**LONG TERM:**

Print methods to be environmentally friendly

**2018/2019:**

All prints to be digital

**RESULT:**

All prints are digital to save water and prevent water pollution.

**LONG TERM:**

Dye methods to be environmentally friendly

**2018/2019:**

N/A

**RESULT:**

The majority of our garments are garment dyed due to small quantities and until we have grown as a business, our choices are limited in this area. Meanwhile we can however choose the dye stuffs that we use, and we will set the first target on dye methods in 2020/2021.

**LONG TERM:**

Fabric finishing methods to be environmentally friendly

**2018/2019:**

All denim to be finished using watersaving G2, E-flow and lazer technology from Jeanologia

**RESULT:**

All denim products delivered after March 2018 have been finished using the G2, E-flow and laser technology from Jeanologia, saving significant amounts of water. As an example, using the G2 machine to give the garments a 'worn effect' saves approximately 200 litres of water per pair of jeans.

Our manufacturer in India has all the above-mentioned technologies in-house, meaning that we have full control over the finishing process on denim.

We will slowly start conversations on fabric finishing methods with dye houses on fabrics finished externally and will set the first target in this area in 2020/2021.

**LONG TERM:**

All labelling to be made of environmentally friendly materials (recycled, organic)

**2018/2019:**

Hangtag, hangtag string and main label made from recycled or organic materials

**RESULT:**

The VILDNIS hangtag is made from recycled paper, the hangtag string is organic cotton, and the main label is made from recycled polyester.

We have reached our short-term target, but we want to do more and have been trying to source care labels in recycled polyester and barcode stickers on recycled paper since we started this journey.

Unfortunately, we are up against very large minimum order quantities on the care labels and need more buying power to change the quality of the barcode stickers used by our label supplier.

We will, therefore, wait another year to widen the target, and meanwhile, we will continue the conversation with manufacturers to ensure that they keep pushing their suppliers on this area too.

**LONG TERM:**

All packaging to be environmentally friendly (recycled, biodegradable)

**2018/2019:**

Cartons, tissue paper, brand sticker, brand insert, returns form, mailing bag made from recycled materials. 50% of polybags to be made from recycled materials

**RESULT:**

The cartons used to deliver the product from our Portuguese manufacturer to our third party warehouse are made from recycled cardboard. The cartons from our Indian manufacturer are, however, made from 'virgin' cardboard at present while they are sourcing cartons from recycled cardboard.

The printed tissue paper used to wrap the garments at our warehouse is made from 100% recycled paper, as is the brand sticker, brand insert and the returns form.

The mailing bag used to send packages to our customers is made from 100% recycled polythene.

The polybags used for protection of the garments during transport and storage are made from virgin plastic and recycled at our warehouse in the UK.

While we would like to get rid of them, we recognise that they have an important function in protecting the individual garments from mould, stains etc..

The minimums on polybags made from recycled materials are currently much higher than the quantities of garments that we produce. We have made it a priority to source an eco-friendlier alternative to the polybags with workable minimum order quantities.

**LONG TERM:**

All factories to have an environmental policy

**2018/2019:**

Manufacturers to have a recycling policy

**RESULT:**

Our Portuguese manufacturer has a recycling policy.

However, due to the absence of any state/area run recycling programmes in Delhi, our Indian manufacturer is yet to introduce this. They are currently looking into their options with regards to arranging collection of the recycled materials. There is a willingness to make it happen but it takes time. We will continue the conversation.

**LONG TERM:**

All factories to hold an environmental certification

**2018/2019:**

N/A

**RESULT:**

The factories we work with have ethical certifications, ensuring that the workers are being treated well and receive a fair pay.

None of the factories are holding any environmental certifications at present. It is something that we will discuss with them and slowly work towards as we and they grow. Going through a certification is quite demanding both in terms of financial and human resources, and the manufacturers we work with are all relatively small.

The majority of the fabrics and yarns we are using are, however, GOTS (Global Organic Textile Standard), OCS (Organic Content Standard), GRS (Global Recycling Standard) certified or branded. A few fabrics have no certification and are made using unbranded yarns, and in these cases, we have documentation that proves the organic/recycled content.

We believe that the materials we use, as well as the way the workers are treated in our supply chain, is the most important thing. This is where we can really make a difference.



**LONG TERM:**

All couriers to be carbon neutral and have an environmental policy

**2018/2019:**

All couriers to have an environmental policy. 50% of our couriers to have a carbon neutral programme

**RESULT:**

When sending samples to us, our suppliers are using DHL.

When we send packages to them, we are using UPS and offset our carbon emissions on all shipments.

When shipping packages from the warehouse to our customers we are using Royal Mail, DPD and DHL.

All of these courier companies have an environmental policy.

Most impressive is DPD's, which is why we have chosen them as our next day courier as well as European deliveries. Every package that DPD delivers is carbon neutral.

DHL is only used for international deliveries, which is currently a very small portion of our sales. As with UPS, DHL has a carbon neutral programme.

Royal Mail does not have a carbon neutral programme at the moment. We acknowledge though that free or low-cost delivery is an important factor for our customers which is why we have chosen Royal Mail to deliver our standard packages and we are pleased to see that they are using electric vehicles for package distribution in some neighbourhoods already.

**LONG TERM:**

Minimise the number of returns from customers to keep our carbon footprint as low as possible

**2018/2019:**

Stay below 30% returns rate (the normal online retail returns rate is between 25-40%)

**RESULT:**

In 2018, our returns rate was 27.4% and this year to date it is 21.5%. This is a low returns rate and we are very pleased with the result.

We struggled with the returns rate in our first season due to getting the sizing slightly wrong. We attribute this year's positive result with the tweaked sizing and a large number of repeat customers.

We will continue to work on ways to make it easier for our customers to get a feeling for the styling, fabric and fit prior to ordering in order to reduce the returns rate even further and thereby save carbon emissions from return journeys.



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#### LONG TERM:

Modes of transport to be the most environmentally friendly and carbon neutral

#### 2018/2019:

Offset all carbon usage for transport by air. 100% transport by road from European supplier.

#### RESULT:

While we initially wanted all deliveries by road or sea, the partnership with the factory in India combined with our small quantities have resulted in this not being a viable option.

All products from our Indian supplier have been shipped by DHL we have subsequently offset 5.33 tonnes of CO<sub>2</sub> through CLIMATECARE to counteract the CO<sub>2</sub> emissions from the air freight.

All goods from our European suppliers have been shipped by road using TNT and DPD.

**LONG TERM:**

VILDNIS HQ to have an environmentally friendly office policy

**2018/2019:**

Recycle all paper & cartons. 60% of lightbulbs low energy, 50% of folders made from recycled material. Mobile phones charged via solar panels.

**RESULT:**

All paper, cartons, plastic and glass is being recycled through the council's (Westminster) recycling scheme.  
90% of our folders are made from recycled materials.

The business moved premises in December 2018 . The new office has new double glazed windows and as a result, compared to the old office with single glazed windows, we will use a lot less heat during the winter.

100% of the light bulbs are low energy and the office has two solar powered mobile phone chargers.

**LONG TERM:**

All support to charity go to initiatives preventing climate change and preserving nature

**2018/2019:**

N/A

**RESULT:**

Instead of participating in the unsustainable Black Friday promotions, we celebrated Green Friday and donated all of our profits from sales that weekend to Friends of the Earth.

We believe that climate change can do great damage to humanity, including leading to huge migrations of people due to natural disasters and wars. As a result, we are prioritising donations to charities with an environmental cause to help prevent future tragedies.

# ECONOMIC GOALS

**LONG TERM:**

Business to be profitable

**2018/2019:**

N/A

**RESULT:**

The business has been running with a loss in it's first two years as all profits are invested in new product. We expect the business to become profitable within the next couple of years.

**LONG TERM:**

Business to grow organically

**2018/2019:**

N/A

**RESULT:**

The business has grown organically since launch without any cash injections from outside investors.

**LONG TERM:**

Founders to maintain the share majority

**2018/2019:**

Founders maintaining 75% of the shares

**RESULT:**

The founders have maintained their 75% shares, with the remaining 25% of the shares being owned by two Directors of the board who have been part of the business since the creation of the company.

**LONG TERM:**

Investment only accepted from individuals who share our vision & values

**2018/2019:**

Shareholders found within the circle of family and friends

**RESULT:**

The original group of shareholders hasn't changed. It consists of the founder (Ulla Vitting Richards), her husband (Francis Richards), her sister (Line Madsen) and a good friend (Mark Smith).

**LONG TERM:**

Business to create jobs

**2018/2019:**

Offering regular work to at least 5 freelancers

**RESULT:**

The business provided work to eight freelancers on a regular basis: four designers, one graphic designer, one copywriter, one digital marketing consultant and a fit model.

**LONG TERM:**

Business paying corporate tax in the countries it operates in

**2018/2019:**

Fully compliant with UK tax regulations

**RESULT:**

The business is filing quarterly VAT returns.

The first corporation tax return was filed in July 2018.



**LONG TERM:**

Suppliers paid fair prices for their products and services

**2018/2019:**

Suppliers to be paid fair prices for their products and services

**RESULT:**

We trust that our partners have given us reasonable prices and have only negotiated prices in instances when the given prices didn't make sense. Furthermore, we have paid any freelancers a fair amount for their services.

**LONG TERM:**

Customers offered an affordable product and value for money

**2018/2019:**

Prices are kept at a mid-level price point

**RESULT:**

We believe that we are offering the customer good value for money, using bespoke sustainable fabrics and prints, as well as producing all garments ethically. While still a micro business and unable to reach any economies of scale, the target has primarily been achieved through keeping overheads low and maintaining a low profit margin.

The current 'discount culture' amongst UK retailers and the costs of returns have been a challenge, and while we will endeavour to keep the prices as low as possible, we may have to increase some prices in order to stay in business. In an ideal world we would like to move towards a business model where we never go on sale and hence can afford to keep the prices at a constant lower level.

**LONG TERM:**

Business to encourage customers to consume less fashion by limiting the number of promotions

**2018/2019:**

Minimising promotions and avoid participating in events that encourage overconsumption such as Black Friday and Cyber Monday.

**RESULT:**

Our product is designed with timeless style in mind, and we believe that it is valid across several seasons. As such, we see no reason to participate in the traditional 'end of season' sales to get rid of perfectly good stock.

It was therefore with a heavy heart that we had to join the traditional January end-of-season-sales after an abysmal Autumn season (this was true for most UK high-street retailers) in order to be able to keep the business running.

We did, however, refrain from joining the Black Friday and Cyber Monday overconsumption feast. Instead we celebrated Green Friday and donated all profits on sales during the Black Friday weekend to the charity 'Friends of the Earth'.




 **vildnis\_london**  
London, United Kingdom

 **vildnis\_london** As an antidote to Black Friday, we are once again donating 100% of our profits on sales between the 22-25th November to the charity Friends of the Earth 🌱 It's time to say goodbye to the outdated unhealthy tradition of over-consumption on Black Friday and hello to a new tradition that looks after our planet and future generations - Green Friday 🌿

Check out our blog post on how to be a mindful consumer this Black Friday  
[bit.ly/2AaSN8q](https://bit.ly/2AaSN8q)

#vildnis #greenfriday #antiblackfriday #blackfriday2018 #sustainablefashion #newnorm #lovetheplanet

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# CONCLUSION

In our second year in business, we continued to develop the relationships with our two main factories and gain a wider overview of the supply chain.

As a sustainable fashion brand, we are moving in relatively uncharted waters and we are often faced with having to make trade-offs of some kind as the industry is struggling to keep up with our internal targets/goals e.g. the development of 100% sustainable materials. Being a team of four co-founders is a strength, as the team is big enough to have great debates about what are the most sustainable options in each area of the business, and small enough to change direction quite quickly.

This year, we are particularly happy with having mapped further links in our supply chain, pioneered the use of 100% recycled merino wool in the UK and reduced our returns rate significantly to well below the industry average.

There were a few areas where we didn't meet our targets such as 93% of the fabrics being from category A and B, 100% of the fabrics being certified and all digital print inks to be oekotex certified. There are areas that we will look closely at in the coming months.

Overall, we are however incredibly proud of what we have achieved in the first two years, having met the majority of our short-term targets. It makes us happy knowing that every day we are doing something good for the workers in our supply chain, animals and the planet.

We are excited about entering our third year in business. There is still some way to go before we reach all of our long-term goals and our first task is to update our sustainability roadmap to ensure that we are still on track to meet all of our long term goals within the set time frame. Based on the progress we have made so far, we are confident that we can meet all of them within a foreseeable future.

Thank you for supporting us and our mission to make sustainable fashion the norm!

Ulla, Line, Francis & Mark