

For the last few years, we have shared the effects our products, business, and partnerships have had on our planet. This year is no exception. In this report we break down the numbers, provide figures on how we've improved our efforts, and share how we continue to improve our balance between business success and stewardship of the Earth. Our commitment to bringing transparency remains. We will share our successes, we will also share the areas where we will continue to improve.

## 2019 IMPACT REPORT

Along the journey to reduce single-use waste, we've held our company to the highest of standards: to evolve and grow in tandem with improvements in technology and sustainable approaches. We commit to becoming a leader in accountability for corporate sustainability. This report will outline three areas of impact: product, waste stream, and carbon contribution. We will share our commitments for 2020. If you have feedback on how we are doing, please reach out to [takeaction@chicobag.com](mailto:takeaction@chicobag.com) to share. We would love to hear from you!



TO-GO WARE®



# PRODUCT IMPACT:

In 2019, we distributed products that have the potential to replace 3.1 Billion single-use items. To put that in perspective, since 2005 we have distributed products that have the potential to help humanity refuse 22.6 Billion single-use items. Our vision is to reach 34 Billion by 2022.

The reason our products make such an impact is because they've been built to withstand our lifestyles. It's the simple things that make our products last for hundreds of uses, like being machine washable and a proven design that ensures durability even under continued use. .

How Do We Get to These Numbers?

We made a few assumptions to calculate the potential impact of each product. They include:

- Each "grocery bag" is used a minimum of two times per week (replaces 2-4 single-use disposable bags per use)
- Each "snack bag" is used five days per week (replaces 1 single-use disposable bag per use)
- Each "produce bag" is used once per week (replaces 1 single-use disposable bag per use)
- Each "utensil set" is used five days per week (replaces 1 single-use disposable utensil per use)
- We conservatively estimate that the average useful life for all fabric and bamboo products is 5 years. Stainless steel To-Go Ware products have an average useful life of 10 years. We have customers who are still using bags from 2005 today!



# ZERO WASTE PROGRAM:

ChicoBag was built with a zero waste mindset. Since the beginning we have had a zero waste goal and a zero waste program for our bags and others at the end of their life. We ask people to send us their well loved bags, no matter what the brand, so they are sure to stay out of landfills.

## **BAGS COLLECTED THROUGH ZERO WASTE PROGRAM IN 2019**

<b>Others Bags Collected</b>	<b>6,905</b>
<b>ChicoBag</b>	<b>618</b>
<b>TOTAL BAGS COLLECTED</b>	<b>7,523</b>

Where do your returned bags go? It depends. We distribute them to fixed and low income families ready to start a reusable bag habit, or recycle them into new, useful products through partnerships with artists, crafters and non-profit organizations. Below is a breakdown of bags that were paid forward:

## **BAGS REPURPOSED THROUGH PAY IT FORWARD PROGRAM IN 2019**

<b>Others Bags</b>	<b>2,000</b>
<b>ChicoBag Products</b>	<b>3,172</b>
<b>TOTAL DISPERSED</b>	<b>5,172</b>



**FOR THE PLANET**  
— MEMBER —

In 2019 we prepared for an exciting membership with 1% for the Planet. To partner with this international organization whose members donate 1% (at minimum) of their annual sales, either from a specific business line or the company as a whole to environmental causes, has been a goal of ours for years. We've designated our rePETe line as a direct contributor to the 1% for the Planet movement, and we're excited that this is just another way that ChicoBag and To-Go Ware can be part of the change alongside hundreds of other businesses committed to the same goals. Look for the 1% logo on all of our rePETe items, our most sustainable line made exclusively from recycled materials. Read more about 1% for the Planet: <https://www.onepercentfortheplanet.org/>



## WASTE STREAM IMPACT:

We believe in order to live sustainably, all waste needs to be food for another system. Our commitment to Zero Waste is stronger than ever. Through a variety of programs, we consistently divert 85%-95% of our waste away from the landfill. Contributions to this accomplishment include our office composting program, recycling education, and providing tools (including our ChicoBag and To-Go Ware products) to help employees prevent their need for single-use waste. Our bathrooms do not use paper towels or toilet seat covers, we do not have traditional “trash cans” around the office, and we repurpose or reuse anything we can. By making prudent purchasing decisions, we have been able to limit the amount of non-recyclable packaging that comes in the office. Our worst offender continues to be lunch-related waste. If you have suggestions for inspiring employees to cut back their microwave meals, we’re all ears.

## THE RESULTS:

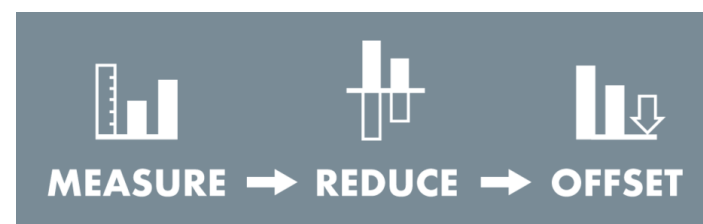
**TOTAL 2019 WASTE GENERATION:** Approximately 5,485 pounds total, of which 89% was diverted from the landfill through compost, recycling, charitable donations, and repurposing programs.

**ESTIMATED WATER USAGE:** We minimize water usage by using drip irrigation and water-wise landscaping at our office. We have also installed a waterless urinal (it’s not as gross as it sounds!) and purchased rain barrels to catch any rainwater for reuse.

We hope to dive deeper into the water usage involved in the manufacturing of our products. Our largest water consumption is attributed to fabric dyeing and the screen printing process. To reduce our water usage, we have begun offering digital dye sublimation as a customization option. A fully dye sublimated product that does not involve traditional fabric dyeing or screen printing uses almost no water. Of course there is a tradeoff - dye sublimation uses paper in the process which is made using water. In the coming years, we will be quantifying our net water savings realized by switching to this new technology and will report back. We will also continue to look for other ways to reduce our water use.

# CLIMATE NEUTRAL CERTIFIED:

The world has a huge carbon problem that is heating the planet and changing our climate. Our lives depend on fragile ecosystems that are being affected by carbon output. At ChicoBag & To-Go Ware we want to be part of the solution. It is imperative that we all take responsibility for our impact at a corporate and individual level. We have joined forces with a new movement of like-minded companies seeking to understand carbon impact throughout all business activities, and acting to offset it. This movement to be Climate Neutral should be the new minimum standard for corporate responsibility (<https://www.climateneutral.org/>). To become certified we have measured the greenhouse gases emitted when making and delivering products to our customers.



**In 2019, our Total Carbon Footprint, which is the sum of all direct (Scope 1), indirect (Scope 2), and supply chain emissions (Scope 3) was equal to 2130 tCO<sub>2</sub>e.**

Through the process of measurement we have identified two areas in which we can significantly reduce our impact: product manufacturing and shipping. This is where we will focus our reduction strategies in an attempt to make the greatest impact.

## MEASUREMENTS OF CARBON OUTPUT ACTIVITIES: PRODUCT

- **rePETe is 31% better** - Our rePETe products made with 100% post-consumer recycled PET, in general, create 31% fewer carbon emissions than their virgin polyester equivalents.

- GHG emissions, Co<sub>2</sub> equivalent:

- ChicoBag Original - Virgin = 0.5572

- ChicoBag Original - rePETe = 0.3816 (31% Less Emissions)

- **43% rPET** - In 2019, we used 100 metric tons of polyester fabric, of which 43% was 100% post-consumer recycled content.

- **Externalized Costs** - In general, recycled content is more expensive than virgin polyester. Recycled content should cost less than virgin material. Currently, it does not due to legacy status-quo policy. Unfortunately, costs are paid by society and are not embedded in the price of the virgin resin.

## MEASUREMENTS OF CARBON OUTPUT ACTIVITIES: SHIPPING

**94% of our carbon footprint for shipping is from air freight.** In 2019, our operations accounted for 2.3 Million tons-kilometers, creating 202 tons of carbon emissions. A ton-kilometer is a unit of freight carriage equal to the transportation of one metric ton of freight one kilometer.

<b>2019</b>	<b>Ton KM</b>	<b>% Ton KM</b>	<b>Tons Of CO<sub>2</sub></b>	<b>% CO<sub>2</sub></b>
<b>Ocean Freight</b>	<b>1,820,212</b>	<b>78%</b>	<b>5</b>	<b>3%v</b>
<b>Air Freight</b>	<b>437,559</b>	<b>19%</b>	<b>190</b>	<b>94%</b>
<b>Road Freight</b>	<b>78,633.7</b>	<b>3%</b>	<b>6</b>	<b>3%</b>
	<b>2,336,405</b>		<b>202</b>	

# CHICOBAG & TO-GO WARE REDUCTION ACTION PLAN

- By 2030, we commit to all products being made from recycled content or renewable materials. We will continue our efforts to explore ways we can make recycled content more affordable as well as the use of other sustainable materials as technology improves.
- In 2020, we will offer all customers the option to ship with less carbon-intensive methods by incentivizing the use of sea shipments. If successful, this will reduce our shipping carbon footprint by reducing our use of carbon-intensive air freight.

## MANUFACTURING:

We partner with factories in Cambodia, India, and China to manufacture our reusable bags, packs, totes, tiffins, and cutlery. During twice yearly visits we check in on improvements from audit results, talk about new projects, strengthen our long-term working relationship and swim up our supply chain to ensure our standards are being upheld for everything from thread, to hardware and hangtags.

We continue to actively support fair labor and workplace standards throughout our entire supply chain. We are proud to be a Category C Licensee of the Fair Labor Association. The Fair Labor Association works collaboratively with colleges and universities, NGOs, and socially responsible companies to improve working conditions in factories around the world.

We've partnered with PACTICS in Cambodia who go through a rigorous training programs, learn about safety, labor rights, sexual harassment, and hygiene. And we've been partnered with our suppliers in China for over 10 years.

## OUR COMMITMENT TO THE PLANET:

Certified



Corporation

Certified B Corporations are a new kind of business that balances purpose and profit. They are legally required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment.



Climate Neutral is an independent non-profit organization enlisting businesses and consumers to halt the effects of climate change. That means setting a new minimum standard of corporate responsibility for all companies: achieving a net-zero carbon footprint.



FOR THE  
PLANET  
— MEMBER —

1% For The Planet is an international organization that provides a way for both businesses and individuals to take responsibility to give back and support the environment. Look for the 1% logo on all of our rePETe items, our exclusive line made exclusively from recycled materials.



rePETe is a trademarked term used to identify products made from recycled materials. All rePETe products contain certified Repreve fabric which is made from 100% post-consumer recycled plastic bottles.