



# Sustainability and Impact Report

## Introduction

Chums is committed to sustainable and environmentally-friendly business practices, ensuring that we are doing our part to look after the planet and those who call it home. To this end, we are proud to present our annual Sustainability and Impact Report for 2022. This report provides a comprehensive overview of our dedication to sustainability and the positive impact we strive to make on our industry and community. We believe that responsible business practices and environmental stewardship are integral to long-term success, and this report highlights our efforts to embrace sustainability as a core value of our brand.

In today's rapidly changing world, businesses are increasingly recognizing the importance of sustainability, not just as a corporate social responsibility, but as a strategic imperative. In early 2023, we hired an intern to conduct an audit and make recommendations for how we could become more environmentally friendly as a business. Chums is currently working to implement sustainable practices throughout our operations, including our product sourcing, manufacturing processes, packaging, distribution, and end-of-life considerations.

Here are some of our existing sustainable practices and wins:

- Through our power company (Rocky Mountain Power), we use [Blue Sky Renewable Energy](#)
- Our product tags and header cards are made from recyclable materials
- The lighting in our offices, warehouse, and manufacturing facility has been upgraded to be energy efficient
- Three of our products are made from upcycled materials

Our goal is to continue to act responsibly and ethically at work, thereby benefiting our community and our planet. We have set goals that bring us closer to a more sustainable future, and this report serves as a transparent account of our progress, outlining where we are today and where we hope to be in the future. It reflects our ongoing commitment to reducing our environmental footprint, promoting social equity, and fostering a culture of innovation and collaboration within our organization.

Throughout this report, we will provide insights into the key areas where Chums has focused its efforts, including environmental conservation, responsible sourcing, product innovation, employee engagement, and community involvement. We will highlight the measurable targets we have set and the steps taken to achieve them. Chums is dedicated to continuous improvement and making strides to lessen our environmental impact. We invite you to explore this report and join us on our journey towards a more sustainable future.

Sincerely,

Logan Hales  
CEO

## Priorities and Reporting Strategy

In late 2022, we made sustainability a focus in our business. In early 2023, we hired an intern to identify ways in which we can improve the sustainability of our business practices while also monitoring and reporting on our progress. The following were her recommendations:

- Create a sustainability team
- Create a yearly sustainability and impact report and publish it online
- Follow REI's Impact Standards
- Follow and monitor Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) standards
- Conduct a waste audit
- Work towards adhering to industry-recognized packaging and product standards, including:
  - FSC
  - How2Recycle
- Implement LEED manufacturing techniques

By the end of 2023, we will have considered and implemented several of these recommendations. As progress is made, we will document it in our annual sustainability and impact reports.

## Sustainability Team

In June 2023, we created our first sustainability team. The members of this team are:

- Logan Hales, CEO
- Tom Ferries, co-owner and National Sales Manager
- Katie Burns, Director of US Manufacturing Operations
- Ashley Dewey Dawes, Director of Human Resources
- Jeff Quist, Director of Warehouse Operations
- Allison Adams, Sustainability Intern

We selected members from each of our three American offices whose roles span a broad spectrum of the functions performed by employees at our company. We wanted to make sure that all business units were represented so that our sustainability goals would be top of mind throughout the company.

This team's focus is to monitor Chums' progress in sustainability, set new goals and objectives, and report progress annually. The data contained in this report is from the year 2022, so although our sustainability team was not yet operating then, their efforts led to the creation of this report.

## Reporting

In preparing this report, we consulted GRI, SASB, and REI standards to understand what metrics we should be tracking. Though our report is not a direct GRI or SASB report, it will feature metrics that they emphasize. We estimated our emissions using Climate Neutral's BEE tool. We will report our compliance using REI standards.

This report features data from 2022 including water consumption, power usage, waste generation, packaging, products, community impact, and diversity, equity, and inclusion (DEI). We have three offices in the United States, including a manufacturing and packaging facility, and one office internationally. This report includes data from our domestic offices and international suppliers. It also includes our implementation of our sustainability best practices.

## Carbon Emissions

Our carbon footprint assessment for 2022 is the first time we have taken such a measurement. We used Climate Neutral's BEE tool to measure and estimate our scopes. Climate Neutral is a nonprofit organization that assists brands in accurately and completely measuring their carbon footprints and becoming 100% carbon neutral. It provides brands with the resources and guidance needed throughout the measurement process.

Source of Emissions	Number (tCO2e)
Scope 1	222.53
Scope 2	89.42
Scope 3	3,240.68*
Total	3,553

\*Scope 3 was measured using Climate Neutral's BEE estimation tool. It contains only estimates of our emissions given our overseas manufacturing facilities and up/downstream activities. This estimate may not accurately reflect our true emissions. We will continue working to refine this scope.

## Packaging and Products

We create or purchase tags and/or header cards for each of our products, packaging for shipping products from our manufacturing facilities, and packaging for shipping products to customers and retailers.

In 2022, we produced about 6 million products globally. We maintain high standards in our products by:

- Removing PFAS from our products (anticipated date for complete removal from all products: January 1, 2025)
- Adherence to Prop 65 standards
- Maintaining animal welfare in all of our products
  - None of our products contain animal fur or exotic leather
  - None of our products contain wool or down

In 2022, we sold 63,054 products made from upcycled materials. This accounted for 1.2% of our total products sold.

- Duckie wallet - made from upcycled whitewater raft material
- Upcycled Cotton eyewear retainer - made from a blend of upcycled cotton yarn and recycled plastic bottles

For these products, we purchased about 3 million product tags and header cards. All of these tags and header cards are recyclable and have the universally-recognized recycling logo on them. To ship these products, we purchased 22,262 boxes and envelopes. Of these, 97.66% were made of renewable materials (cardboard and paper). The remaining 2.34% were made of non-renewable materials (plastic and paper).

We hope to continue to create sustainable products, use renewable packaging materials, and increase our offering of products made from recycled and upcycled materials. In the next five years, we hope to have products made from sustainable materials generating 10-15% of our sales.

## Sustainability and Social Impact Best Practices

We are implementing some best practices of sustainability throughout our supply chain. These include:

- Creating a [manufacturing code of conduct](#) for our manufacturing facility and for our suppliers overseas
- Upgrading our offices, warehouse, and manufacturing facility with LED lighting
- Conducting a yearly waste audit
- Responsibly managing the usage and disposal of all our chemicals
- Annually measuring our greenhouse gas emissions and setting goals to reduce our carbon footprint
- Creating products that are inclusive of all backgrounds, skin tones, sizes, and cultures
- Following best practices in marketing by not practicing cultural appropriation and using models of diverse backgrounds, skin tones, and hair colors

We hope to implement many more best practices in the future.

## Waste Audit

We conducted a waste audit in each of our domestic facilities. We collected and weighed all the trash for a single day and projected that usage for a full calendar year. As our operations are roughly the same throughout the year, we felt this would give an accurate picture of our waste management.

Waste Produced	West Valley City, UT	Ketchum, ID	Hurricane, UT	Total Waste
Non-Recyclable	22,880 lbs	910 lbs	10,316.80 lbs	34,106.8 lbs
Recyclable	20,800 lbs	0 lbs	4,711.2 lbs	25,511.2 lbs

At our West Valley City, UT, and Hurricane, UT, locations, our waste is handled by [Republic Services](#), which has an outstanding reputation for sustainability and responsible waste

management. Our recycling at these locations is managed by [Rocky Mountain Recycling Services](#) and Apex Regional Landfill. The Apex Regional Landfill center processes all waste and recycles cardboard, plastic, and aluminum. (They offer a [virtual tour](#) of their facilities.) At our Ketchum, ID, office, we have an employee who personally recycles and manages our waste.

We are always looking for ways to reduce our waste and improve our recycling efforts. For example, we are looking into switching our plastic garbage bags to recycled bags and recycling more of our packaging materials. Waste management and recycling will continue to be focal points going forward.

## Diversity, Equity, and Inclusion

We are committed to creating a workplace that is diverse, equitable, and inclusive for all employees and customers. We have 75 domestic employees that come from diverse backgrounds. We have implemented several DEI practices, including:

- Annual company-wide DEI training
- Weekly Spanish/English classes to improve communication with employees who are not native English speakers
- DEI audits conducted every six months by a human resources employee
- Inclusive hiring practices - all resumes are reviewed based on knowledge, skills, abilities, education, and technical training. Job descriptions are reviewed and revised to avoid bias.
- A company policy against discrimination:
  - Chums provides equal employment opportunities to all employees and applicants for employment without regard to race, color, creed, ancestry, national origin, citizenship, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, religion, age, disability, genetic information, service in the military, or any other characteristic protected by applicable federal, state, or local laws and ordinances. Equal employment opportunity applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training. Chums expressly prohibits any form of unlawful employee harassment or discrimination based on any of the characteristics mentioned above. Improper interference with the ability of other employees to perform their expected job duties is not tolerated.

On the following page is a breakdown of our staff at each of our three offices, including some key statistics pertaining to the diversity of our employees at each location.

	West Valley City, UT	Hurricane, UT	Ketchum, ID
Number of Employees (part time, full time, temporary)	45	25	5
Number of Full Time Employees	42	25	5
Number of Part Time Employees	3	0	0
Number of Temporary Employees	4	0	0
Percentage of women in the company	51%	60%	20%
Percentage of external governing board who are women	0	0	0
Percentage of BIPOC employees	38%	28%	0%
Percentage of female senior leaders (i.e. manager)	50%	50%	0%
Percentage of BIPOC senior leaders (i.e. manager, director, vp, executive)	12.5%	0%	0%