

2022 Impact Report

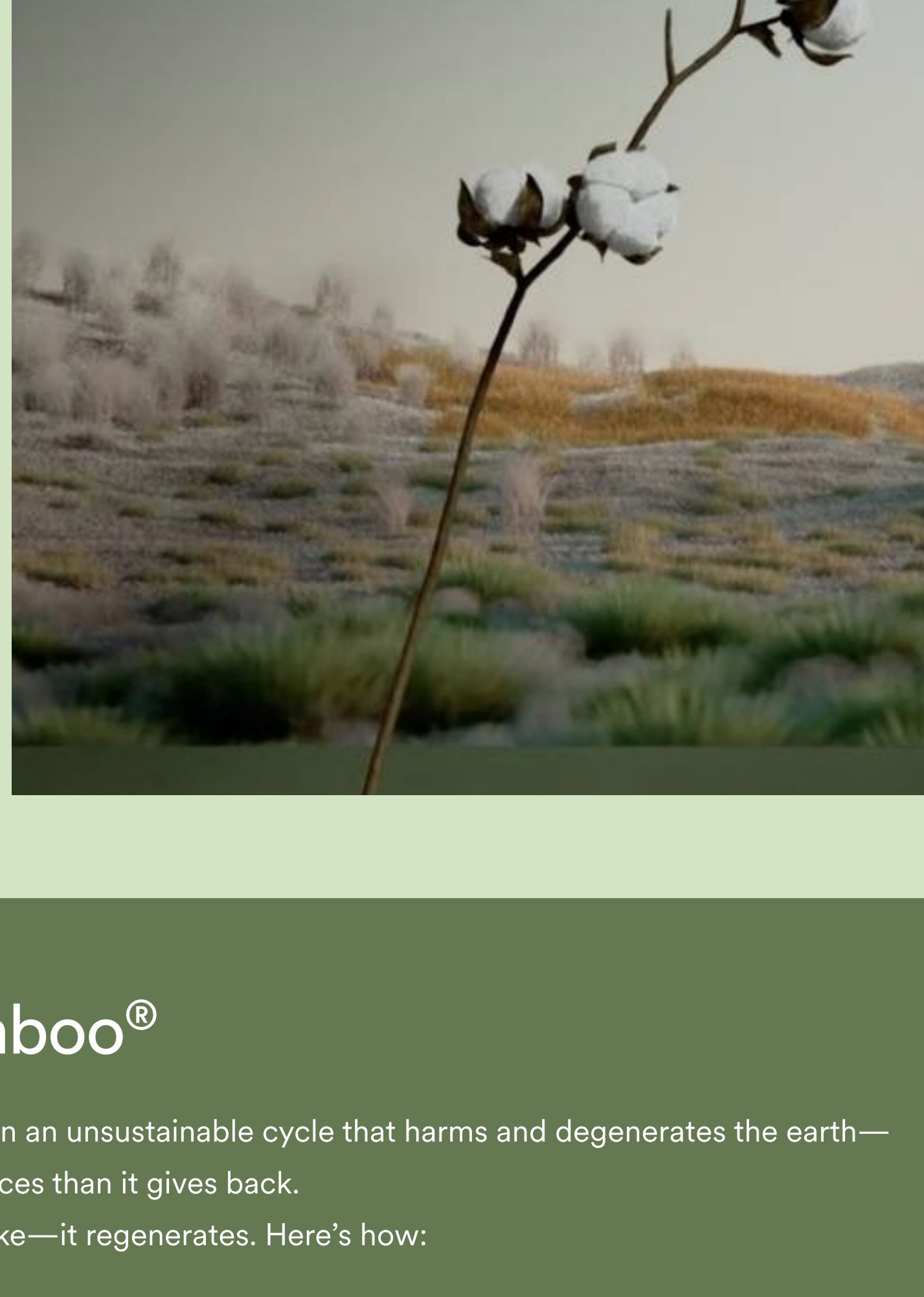
Turning over a new sheet on sustainability

The road to Re:generation

Sustainability is no longer enough. As brands, we need to actively restore the earth's health. In 2022, we worked hard to turn over a new sheet on what sustainability means to ettitude.

No brand is perfect. But we're making it our mission to leave the planet better than we found it by using regenerative resources and challenging processes (even our own).

It's a journey and we want to take you along every step of the way. We're raising our own standards each day for a reimagined tomorrow, so you and the planet can rise and thrive.



CleanBamboo®

The textile industry is the **second most polluting industry** in the world. It's in an unsustainable cycle that harms and degenerates the earth—stripping more precious resources than it gives back.

Our innovative CleanBamboo doesn't take—it regenerates. Here's how:



Replenishes the earth

Bamboo is a regenerating grass that constantly reproduces itself, even after harvesting. It enriches the soil with nutrients, removing toxins and leaving a more vital environment. Meanwhile, cotton requires large amounts of fertilizer, pesticides, CO₂, and freshwater to produce. Cotton also degrades the soil it grows in, impacting biodiversity and wildlife.



0% harmful chemicals

CleanBamboo is the only bamboo fabric that uses only organic materials and non-toxic chemicals. By comparison, bamboo viscose/rayon uses a chemically intensive process with caustic soda that causes harm to workers exposed to it and expels toxic waste into the environment.

United Nations Sustainable Development Goals

Our guiding direction

The UN's 17 Sustainable Development Goals are a blueprint for ending poverty, protecting our planet, and improving the living conditions of the global population. We use these to guide our decisions day in, day out.

In 2022 our work focused on five key goals:

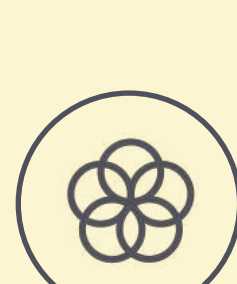
- 7. Affordable and Clean Energy
- 9. Industry, Innovation, and Infrastructure
- 11. Sustainable Cities and Communities
- 12. Responsible Consumption and Production
 - 13. Climate Action
- 17. Partnerships for the Goals



7: Affordable & Clean Energy



9: Industry, Innovation & Infrastructure



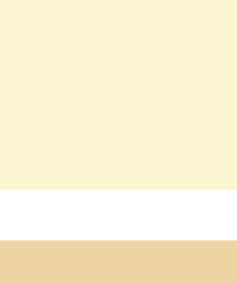
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12: Responsible Consumption and Production



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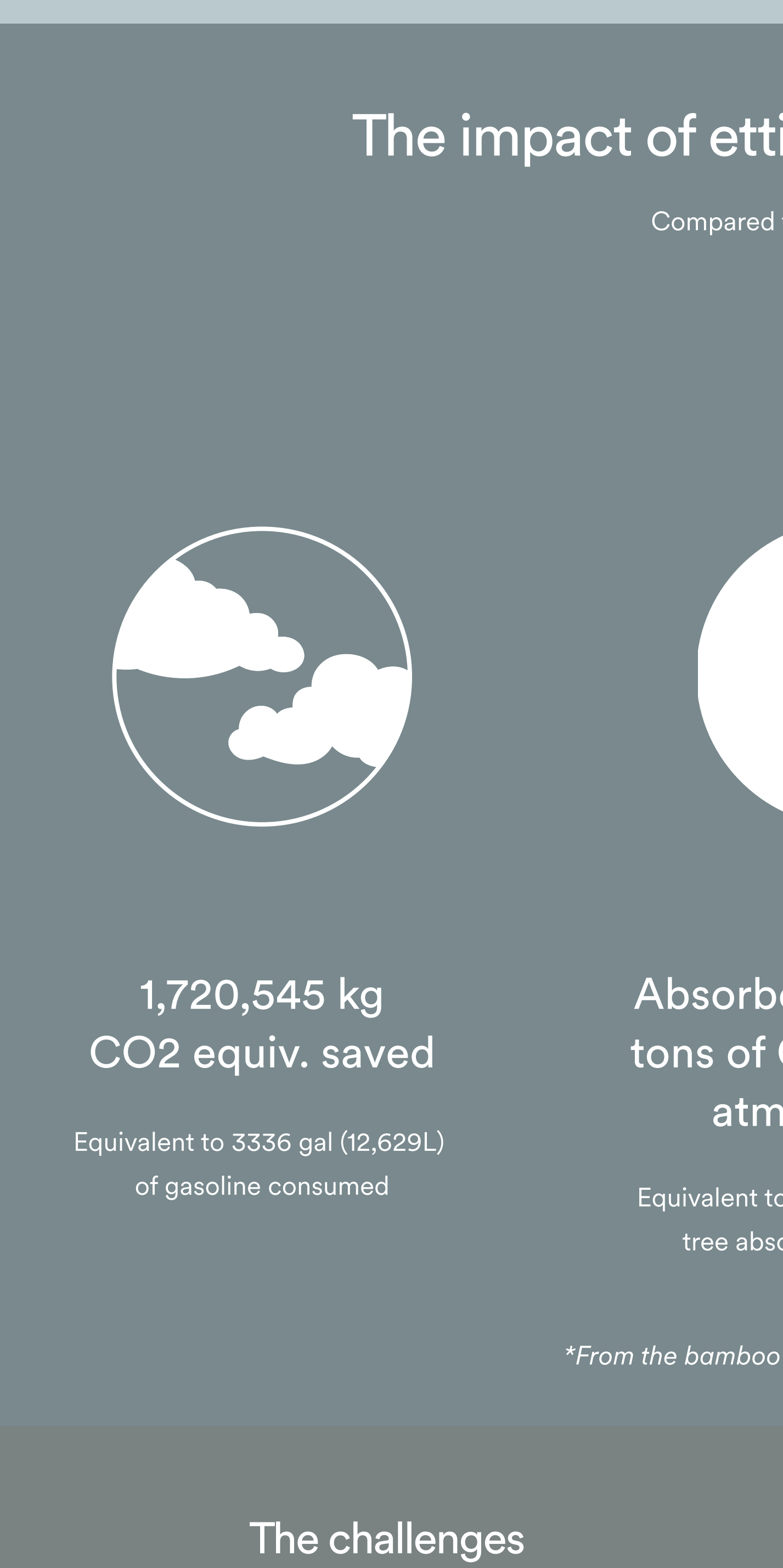
17: Partnerships for the Goals

Becoming B Corp Certified

Re:imagining business for the better

In March 2022, ettitude officially became a certified B Corporation with a score of 102. The median score for ordinary businesses is just 50.9. That means we scored more than twice as much as most brands in the B Impact Assessment areas of Community, Customers, Environment, Governance, and Workers!

B Corps are committed to using business as a force for good in the world, upholding globally recognized ethical and environmental standards.



Our product:

Re:newing processes & transparency

As set out in our 2021 Impact Report, we conducted a Lifecycle Analysis (LCA) with **BCOME** to provide more visibility on our products' impact on water consumption, CO₂ emissions, fossil fuel usage, and soil health. Why? So, we can continue to improve upon our practices and allow our customers to make better-informed purchases.

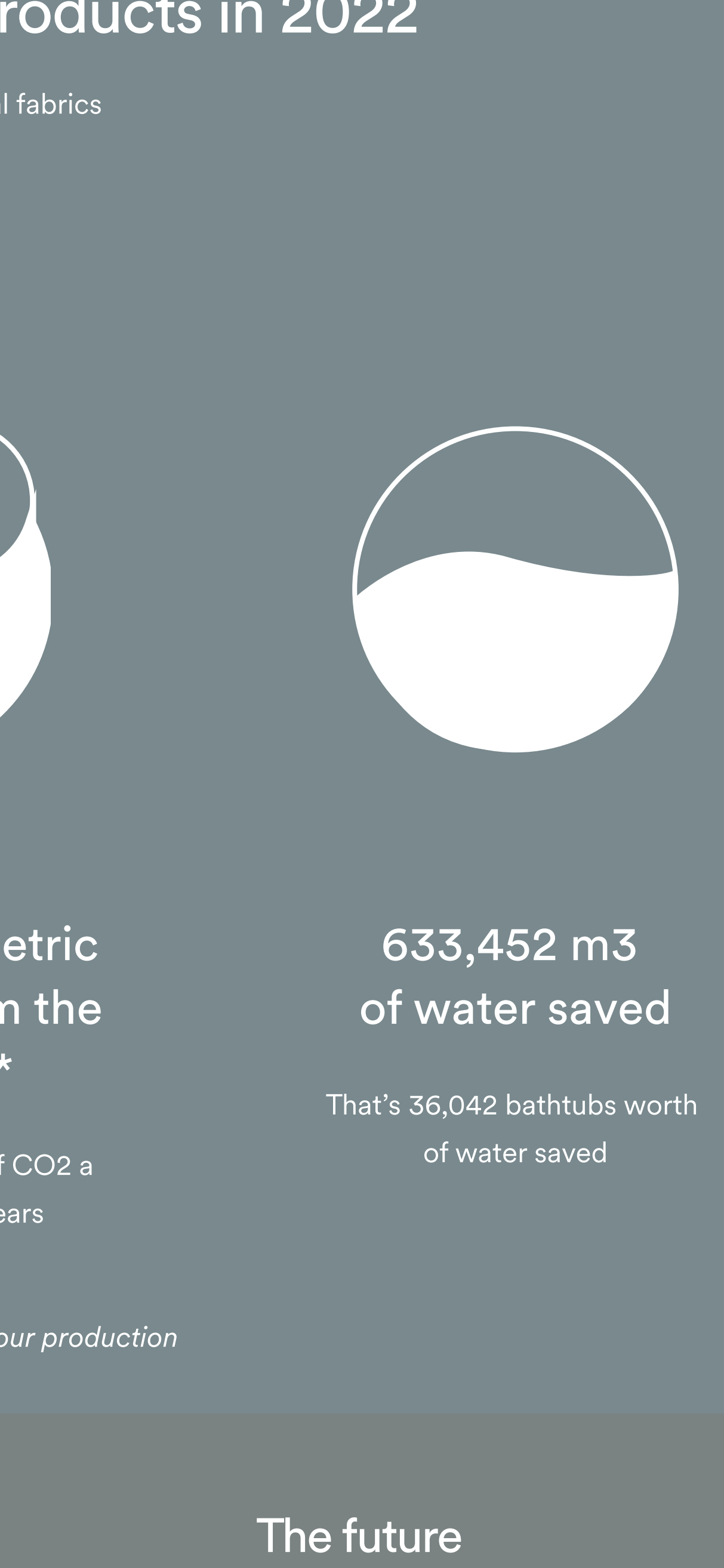
Our product:

Traceability

Our goal was to reach 100% transparency and traceability for every level of our supply chain. So, we know exactly where our fibers and products come from and the people behind them.

That's why we implemented more comprehensive code of conduct and social compliance policies with our suppliers, requiring compliance all the way to the farm level (Tier 5).

Many brands have generic policies and only have visibility to the material and component level (Tier 3).



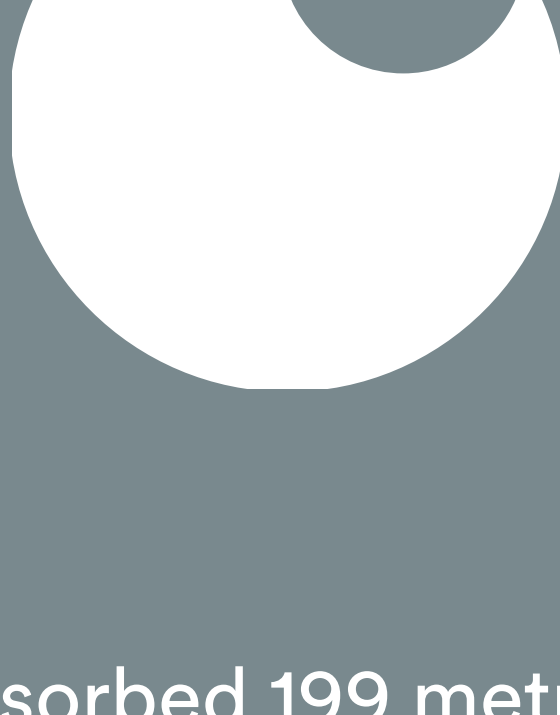
The impact of ettitude products in 2022

Compared to conventional fabrics



1,720,545 kg
CO₂ equiv. saved

Equivalent to 3336 gal (12,629L)
of gasoline consumed



Absorbed 199 metric
tons of CO₂ from the
atmosphere*

Equivalent to the amount of CO₂ a
tree absorbs in 2,770 years



633,452 m³
of water saved

That's 36,042 bathtubs worth
of water saved

**From the bamboo harvested for our production*

The challenges

Sometimes things don't go to plan. In 2022, global events and supply-chain issues caused headaches for many brands and ettitude was no different. We found ourselves overstocked and having to mark down products to make sure none of it went to waste. As a result, we've changed our product assortment and implemented an integrated lifecycle tracking system to reduce excess inventory and seasonal markdowns.

Last year, we also set out to remove all plastic from our delivery process. But sadly, it just wasn't feasible with the increasing supply chain challenges and customer service needs. We're working hard to accomplish our plastic free delivery goal in 2023 in line with moving to our new warehouse.

The future

Longer term, we aim to transition a portion of our manufacturing to South America in a vertical production facility so that everything is done in one place. This will reduce the transporting of materials to multiple locations, minimize packaging, and lower our overall carbon footprint.

ettitude has now expanded into the wholesale fabric innovation space, offering our next-gen materials to like-minded brands. This will allow us to create a material difference in the textile industry. Replacing conventional, harmful fabrics such as cotton, viscose, silk, and cashmere with our eco-innovative fibers that last longer and actively restore the earth.

Our planet:

Re:storing the earth

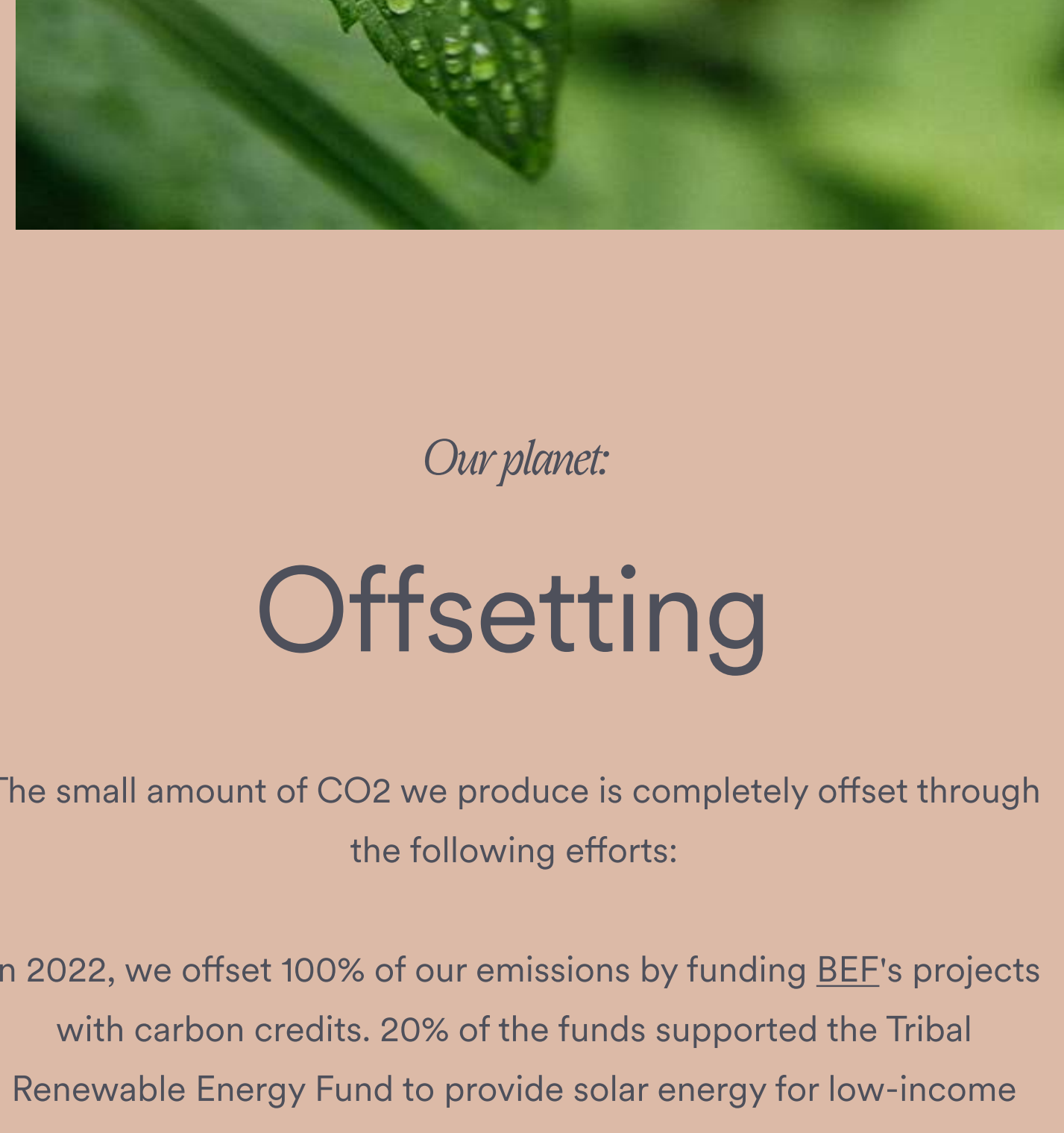
Planting the seeds for a regenerative future means giving more than we take. In 2022 and beyond, we've continued our Climate Neutral commitment to measure, reduce, and offset all of the carbon it takes to make and deliver every ettitude product.

Measure

Our total emissions for 2022 measured at 7,380 tons of CO₂.

Reduce

We are building our emissions reduction plan in line with Science Based Targets to limit the global average temperature increase to 1.5°C.



Our planet:

Offsetting

The small amount of CO₂ we produce is completely offset through the following efforts:

In 2022, we offset 100% of our emissions by funding BEE's projects with carbon credits. 20% of the funds supported the Tribal Renewable Energy Fund to provide solar energy for low-income and tribal communities.

The remaining 80% of the funds went to the Xinyang Landfill Gas Recovery. This project converts garbage into power—reducing greenhouse gasses, air pollution, and odor, and enhancing safety conditions



Keeping everything in loop

How we're reducing waste with circular supply chain processes:

Reusing water

Our patented closed-loop system reuses water up to 200 times, recycling 98% of the water in production.

Recommerce projects

To give our returned products a second life, we donated to some wonderful charities, including [Re-Love](#), [TreePeople](#), and more.



Planet-conscious partnerships

We reimagined Cyber Week to create "Giving Week". During the promotional week and Giving Tuesday, we donated \$10,835 of profits to SeaTrees by Sustainable Surf to support their Kelp reforestation project in California.

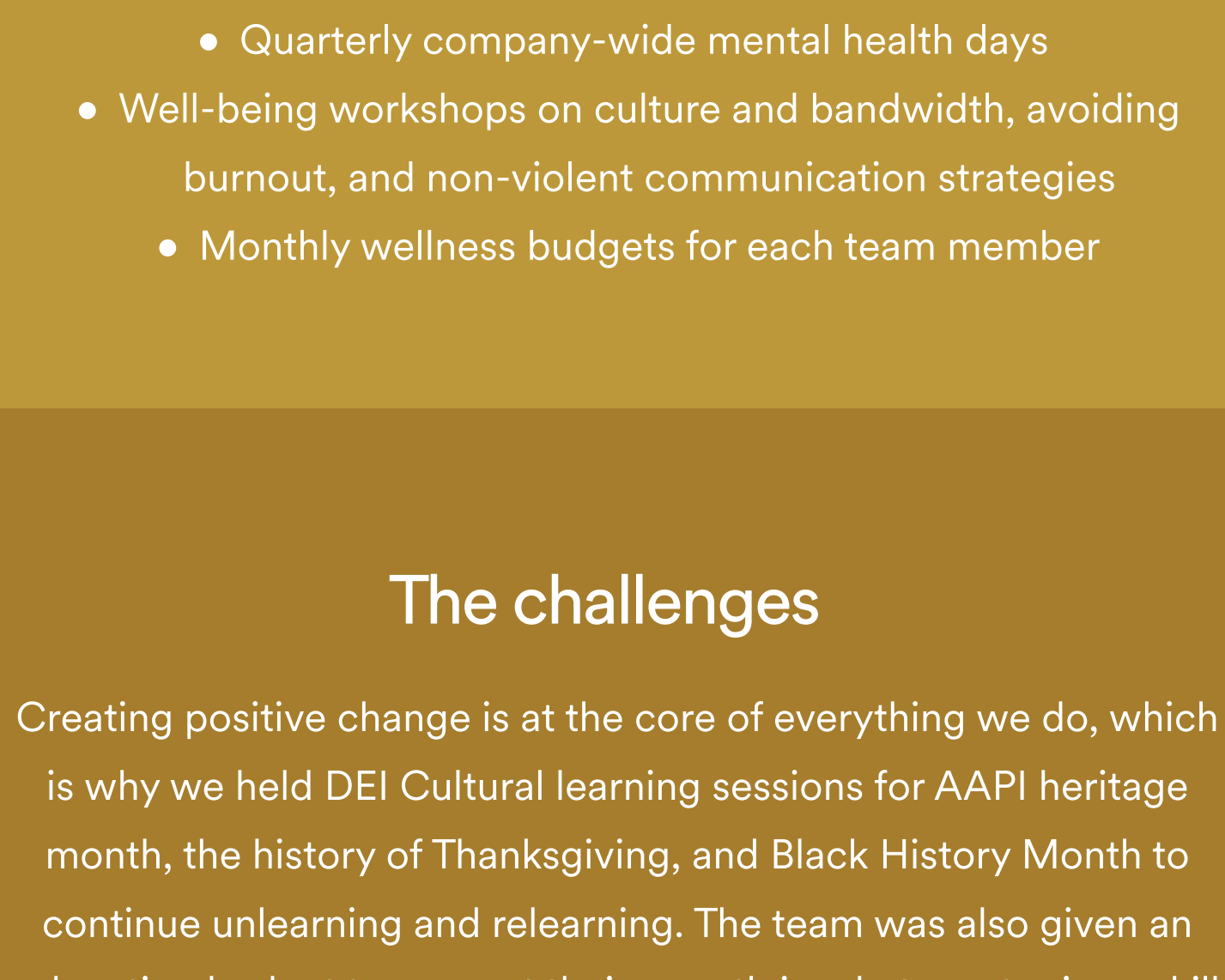
In partnership with The Bay Foundation, every order restored one square foot of sea kelp forest to regenerate marine life habitats and absorb carbon emissions.

The challenges

In 2022, we aimed to set out carbon reduction targets based on the [Science Based Targets Initiative](#) to help achieve net-zero greenhouse gas emissions by 2050 or sooner. We're regretful to say this did not happen due to our team's bandwidth, but it's on our roadmap for 2023.

The future

Going into 2023, we're looking for partnerships to help us plan out and launch science-based targets. This year, we're also launching a recommerce site in partnership with Treet to extend the life of our returned products and keep other textiles out of landfill.

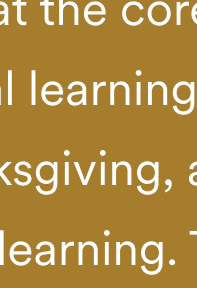


Our people:

Re:claiming team well-being

For many brands, 2022 was a challenging year balancing global market challenges with the needs of their team. We, unfortunately, felt this too.

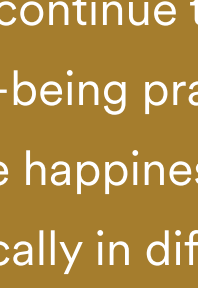
We know that positive change starts with us. This means continuing to hire from diverse backgrounds, encouraging innovative thinking, and cultivating an inclusive, supportive work environment.



Resetting mental health initiatives

We aimed to set up a mental health program for the ettitude team in 2022. While this was not something we achieved, we still took a step back to focus on our team's well-being with:

- Quarterly company-wide mental health days
- Well-being workshops on culture and bandwidth, avoiding burnout, and non-violent communication strategies
- Monthly wellness budgets for each team member



Prioritizing team development

Creating positive change is at the core of everything we do, which is why we held DEI Cultural learning sessions for AAPI heritage month, the history of Thanksgiving, and Black History Month to continue unlearning and relearning.

The team was also given an education budget to support their growth in whatever topic or skill set they chose.

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The future

In 2023 and beyond, we'll continue to listen to our team's needs and maintain the vital well-being practices introduced last year. We plan to add employee happiness to our business strategy pillars and invest strategically in different resources to bring a more well-deserved work-life balance to our devoted team.