



turtlefur[®]

Annual Impact Report

2023



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A Message From Our VP of Product

- Being a responsible business does not happen overnight. Long before earning our B Corp Certification on December 21, 2022, we put many systems into place to show our commitments and to create a pathway to our future success as a “business for good.”

The work we did and the data we captured in our efforts to become a B Corp® have greatly informed how we have woven ESG practices into our corporate goals and into the very fiber of our company. Our desire is to use our platform and influence to enrich the culture of our company and our customers. We are beyond proud and excited to achieve the certification status of being a B Corporation®.

With this certification came the changing of our company structure - becoming a public benefit company - and a mission lock to donate a minimum of 2% of our profits. The work does not stop here. We will continue to serve our communities and work towards creating a more environmentally friendly and inclusive space for generations to come.

Thank you for being a part of our journey to be better, and do better, as we work to create a better future for all.

With Gratitude,



A handwritten signature in black ink that reads "M Ksiazek".

Meghan Ksiazek she/her
VP of Product





Intro

For over 40 years, Turtle Fur has been making it possible for people to get outside, comfortably, with quality and durable products that can keep up with every adventure, and every adventurer. More recently, we've been asking ourselves how we can use our business to better ourselves as a company and ultimately to provide better service to our customers and our communities.

As of 2022, we are proud to be a Certified B Corp®, committed to using business as a force for good. We are verified as meeting B Lab's high standards for social and environmental impact, made a legal commitment to stakeholder governance, and are demonstrating accountability and transparency by disclosing this record of performance in a public B Corp profile. Our B Corp certification, along with participation in organizations like the Outdoor Industry Association's Climate Action Corps and Vermont Businesses for Social Responsibility, have encouraged us to take a thorough, in-depth look at our business practices, identifying areas of great success and areas where we have room for improvement.

Our Impact Report will give an overview of our wins, our losses, and what we're doing to improve as a business and as a force in the Outdoor Industry. Many of the changes we have implemented over the past few years have come from passionate employees using their voices and speaking up for change. These moments are what make Turtle Fur who we are – a company as passionate about their people as they are their products, a company where every voice matters, and a company where change starts from within.

This Impact Report is comprised of data reflected across fiscal year 2023, ending March 31, 2023 (referred to as FY23 going forward). Put together by our ESG (Environmental, Social, Governance) team, the report covers areas focusing on our community – both internal and external. We take a deep dive into who we are today and what we have ahead of us, our work to operate all facets of our business sustainably, and our efforts to make the outdoors inclusive to all who wish to play outside.



Mission

At Turtle Fur, we are inspiring an outdoor lifestyle by promoting socially and environmentally conscious living and creating comfortable products for every adventure(r).

- Protecting our people and planet are key to allowing us to fulfill this mission of supporting all people in getting outside and doing what they love to do. We envision a future for Turtle Fur that is centered around both social and environmental sustainability. Every day, we are asking ourselves what we can do better.



Good for the Earth

At Turtle Fur, we have an obligation to operate all facets of our business sustainably.

- Develop products that use sustainable fabrics and materials
- Foster a culture of involvement in sustainable business practices by educating our vendors, partners, and employees



Good for the Climate

As both a Certified B Corp® and a member of Climate Action Corps, we are committed to recognizing how our actions as a company affect the planet.

- Measure and set targets to reduce Greenhouse Gas Emissions
- Work towards 100% transparency of supply chain
- Set target for climate neutrality



Good for the Employees

We take responsibility for our actions regarding people and planet, and this starts with our employees.

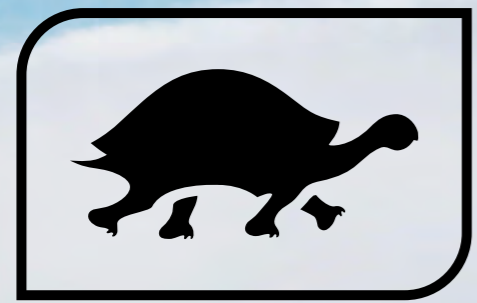
- Offer competitive benefits, including paid parental leave and paid volunteer and civic duty time off
- Support employees through satisfaction surveys, wellness initiatives, and professional development opportunities



Good for the Community

We are committed to donating 2% of annual revenue through Project Warmth, and through supporting partners and organizations working to make the outdoors accessible for every adventure(r).

- Partner orgs: Vermont Adaptive, OutGrown, Share Winter
- Members of: Vermont Businesses for Social Responsibility (VBSR) and Vermont Outdoor Business Alliance (VOBA), Outdoor Industry Association's Climate Action Corps (OIA CAC)



turtlefur

Certified



Corporation

This company meets high standards of social and environmental impact.

Overall B Impact Score

- Based on the B Impact assessment, Turtle Fur earned an overall score of **110.4**. The median score for ordinary businesses who complete the assessment is currently **50.9**.



- 110.4 Overall B Impact Score
- 80 Qualifies for B Corp Certification
- 50.9 Median Score for Ordinary Businesses

Governance 16.5

Governance evaluates a company's overall mission, engagement around its social/environmental impact, ethics, and transparency. This section also evaluates the ability of a company to protect their mission and formally consider stakeholders in decision making through their corporate structure (e.g. benefit corporation) or corporate governing documents.

- Mission & Engagement **2.6**
- Ethics & Transparency **3.8**
- + Mission Locked **10**

Workers 24.0

Workers evaluates a company's contributions to its employees' financial security, health & safety, wellness, career development, and engagement & satisfaction. In addition, this section recognizes business models designed to benefit workers, such as companies that are at least 40% owned by non-executive employees and those that have workforce development programs to support individuals with barriers to employment.

- Financial Security **6.4**
- Health, Wellness, & Safety **7.0**
- Career Development **3.8**
- Engagement & Satisfaction **6.7**

Community 42.9

Community evaluates a company's engagement with and impact on the communities in which it operates, hires from, and sources from. Topics include diversity, equity & inclusion, economic impact, civic engagement, charitable giving, and supply chain management. In addition, this section recognizes business models that are designed to address specific community-oriented problems, such as poverty alleviation through fair trade sourcing or distribution via microenterprises, producer cooperative models, locally focused economic development, and formal charitable giving commitments.

- Diversity, Equity, & Inclusion **4.1**
- Economic Impact **0.7**
- Civic Engagement & Giving **6.7**
- Supply Chain Management **8.7**
- + Designed to Give **21.8**

Environment 23.3

Environment evaluates a company's overall environmental management practices as well as its impact on the air, climate, water, land, and biodiversity. This includes the direct impact of a company's operations and, when applicable its supply chain and distribution channels. This section also recognizes companies with environmentally innovative production processes and those that sell products or services that have a positive environmental impact. Some examples might include products and services that create renewable energy, reduce consumption or waste, conserve land or wildlife, provide less toxic alternatives to the market, or educate people about environmental problems.

- Environmental Management **7.3**
- Air & Climate **5.9**
- Water **1.8**
- Land & Life **4.4**
- + Resource Conservation **3.6**

Customers 3.5

Customers evaluates a company's stewardship of its customers through the quality of its products and services, ethical marketing, data privacy and security, and feedback channels. In addition, this section recognizes products or services that are designed to address a particular social problem for or through its customers, such as health or educational products, arts & media products, serving underserved customers/clients, and services that improve the social impact of other businesses or organizations.

- Customer Stewardship **3.5**

ESG Team

Environmental, Social, Governance (ESG)

- In 2021, Turtle Fur developed an ESG team. This team is designed to ensure that we, as a company, are upholding our mission as it relates to our employees, our impact on the environment, and our efforts to make the outdoors more accessible to all. The ESG team is comprised of committed employees who applied for the roles and take on the responsibilities in addition to their other duties at the company. Positions are available for renewal on an annual basis.



Impact Management Leader

Sean Berry he/him

- Review our Theory of Change and Materiality Assessment on an annual basis, and ensure they are accurate and up to date.
- Gather KPIs and impact summaries from our team and include them in our annual impact report.
- Work with Marketing to publish our social and environmental performance through an impact report.



Stakeholder Management Leader

Danielle Brown she/her

- Annually produce & distribute stakeholder engagement survey(s).
- Follow up with necessary individuals to address the results from stakeholder engagement.
- Annually schedule a Board of Directors meeting and review social and environmental performance, and stakeholder feedback.



Charitable Giving & Activism Leader

Mike Waldert he/him

- Maintain an active relationship with charitable partners. Ensure that 2% of revenue was donated across these organizations annually.
- Research local opportunities for employee volunteering and plan volunteer days. Encourage employees to volunteer and log their hours to receive a maximum of 8 hours of PTO for volunteer time.
- Actively use our voice to advocate for causes related to the support of Project Warmth, and Turtle Fur's Mission.



Diversity, Equity, Inclusion (DEI) Leader

Claire Whitaker she/her

- Review job postings to ensure that they are inclusive and equitable and include a statement with a commitment to diversity, equity, and inclusion
- Oversee all training/conversations on Diversity, Equity, and Inclusion in the workplace.
- Make suggested improvements on ways Turtle Fur can be more equitable and inclusive as a workforce and set actionable goals.
- Administer our Diversity Survey annually and review diversity goals.
- Review product and fabric names to ensure there are no instances of cultural appropriation.



Supplier Relation Leader

Ray Wells he/him

- Prior to selecting a significant supplier, follow the procedure outlined in our Supplier Relations policy.
- Maintain an active relationship with our suppliers when feasible and continuously work with them to improve and evaluate their social and environmental performance.
- When searching for additional suppliers, ensure they meet the criteria outlined in our purchasing standards.
- Annually log all supplier spending and supplier criteria in our Supplier Spreadsheet.



Environmental Management Leader

Eric Hale

- Encourage employees to reduce their water and energy usage in home offices, and properly dispose of their compost, recycling, trash, and hazardous waste. Be a resource for them if they have questions about proper disposal of waste or drop off locations.
- Calculate and verify that at least 100% of Turtle Fur's carbon footprint is offset annually.
- Review KPIs for waste reduction and material selection with the goal to increase waste being diverted on an annual basis.

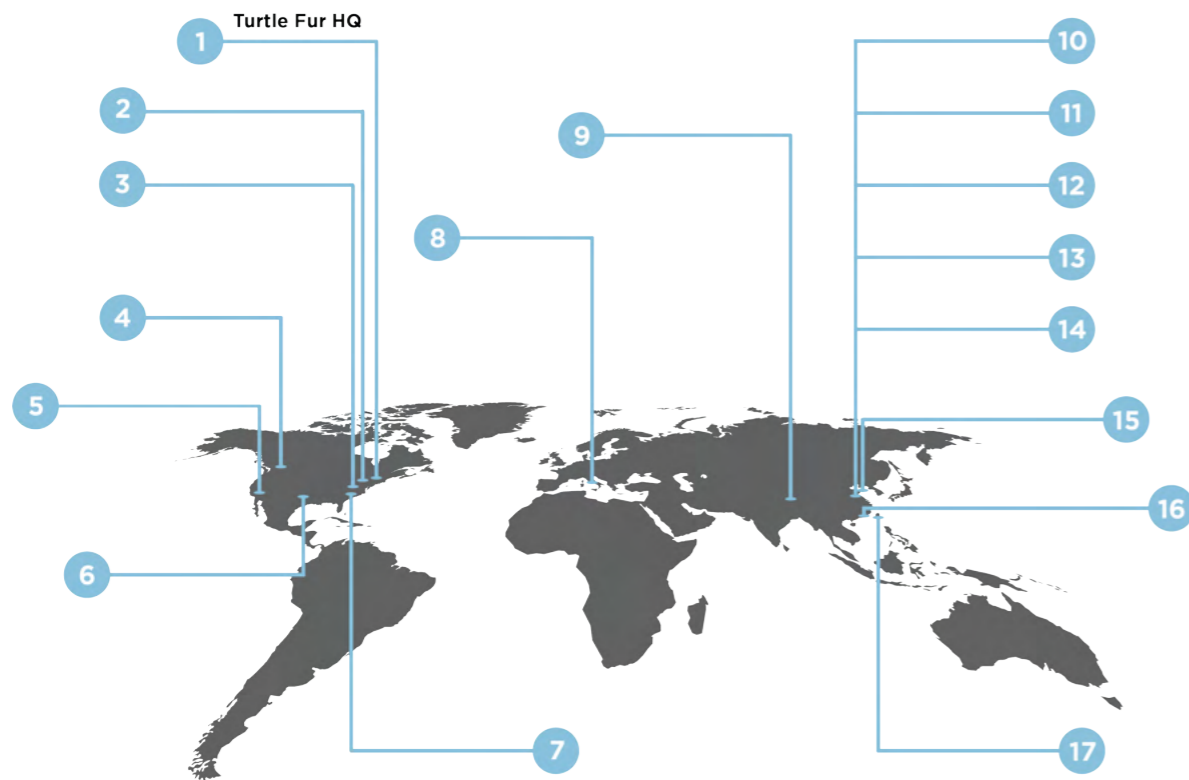


Employee Development Leader

Shelly Citron she/her

- Upon hire, have employees review the Employee Handbook and B Corp Booklet.
- Instruct all workers on the Code of Ethics on an ongoing basis and communicate changes to the Code whenever it is updated.
- Ensure all employees have their designated social & environmental roles in their job descriptions. Review these roles annually at performance reviews.
- Conduct training for new employees that covers our social & environmental commitments.
- Schedule annual reviews with employees
- Encourage full time employees to utilize their personal & professional development opportunities.
- Annually send all employees our Satisfaction Survey.

Map of Operations



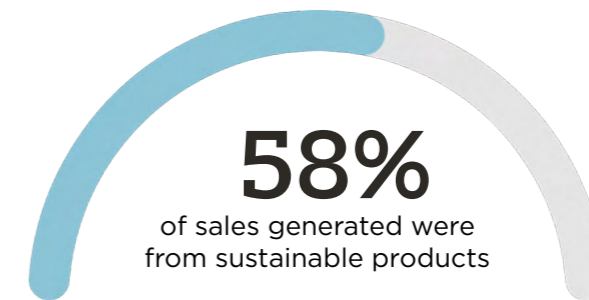
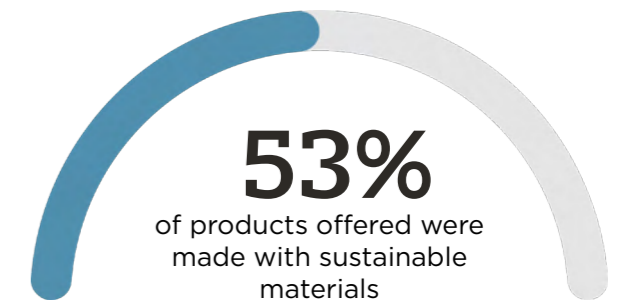
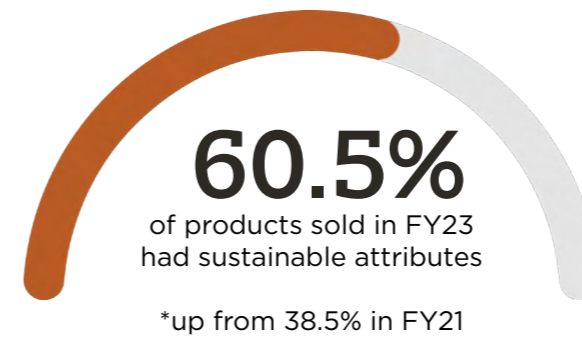
Supplier	Location	Product Type
1	Morristown, Vermont	Shipping
2	Jersey City, New Jersey	Raw Materials
3	Alamo, Tennessee	Finished Goods
4	Delta, British Columbia, Canada	Raw Materials
5	Commerce, California	Raw Materials
6	Matamoros, Mexico	Finished Goods
7	Clover, South Carolina	Raw Materials
8	Montemurlo, Italy	Raw Materials
9	Bhaktapur, Nepal	Purchased Finished Goods
10	Nantong, China	Purchased Finished Goods
11	Nantong, China	Purchased Finished Goods
12	Nantong, China	Purchased Finished Goods
13	Nantong, China	Purchased Finished Goods
14	Nantong, China/Guangzhou, China	Purchased Finished Goods
15	Qidong, China	Purchased Finished Goods
16	Shenzhen, China	Branding Materials
17	Taipei, Taiwan	Purchased Finished Goods





Product & Materials

Measure



Plan

- By FY 2030, we will substantially reduce waste generation through prevention, reduction, recycling, and reuse.

Turtle Fur aligns by replacing polybag packaging with more sustainable options, using recycled and sustainable fabrics, using recycled packaging and reducing packaging materials.

Packaging

- Our packaging materials are designed to have less overall environmental impact than common alternatives, as they are designed with non-toxic, biodegradable, and recyclable materials. To ensure that our products are disposed of properly, we label our products and provide instructions on how to correctly recycle them.

Greenhouse Gas Footprint

Measure

Scope 1

Direct emission from sources that are owned or controlled by Turtle Fur

- Fuel burning for heat at HQ

Scope 2

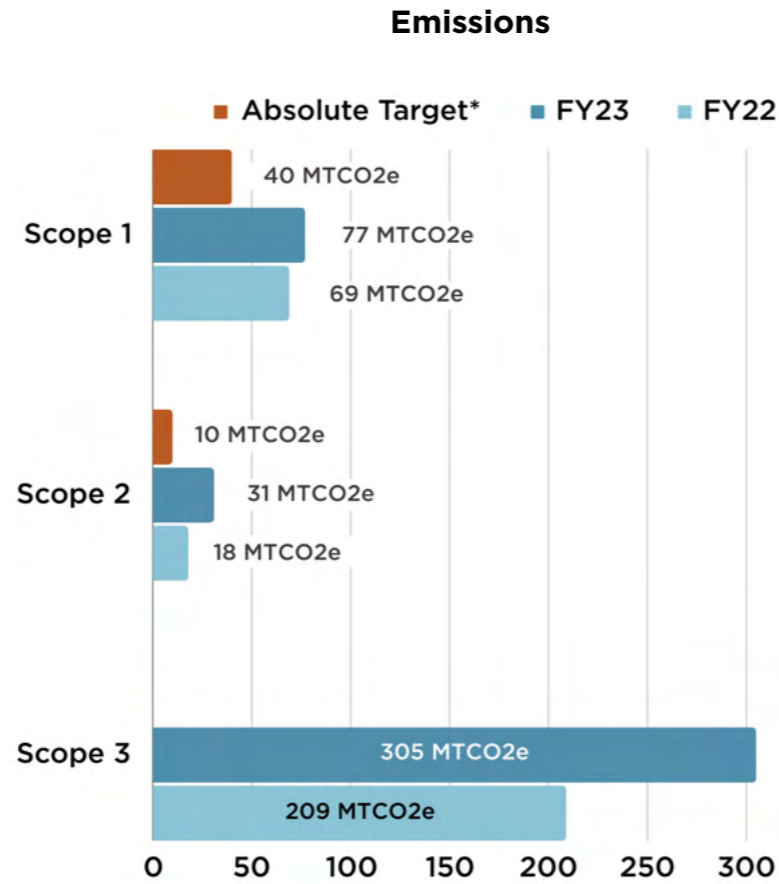
Indirect emission resulting from the generation of electricity, heat, cooling, and steam purchased by Turtle Fur.

- Electricity and HVAC at HQ

Scope 3

Indirect emission resulting from all other sources in Turtle Fur's value chain

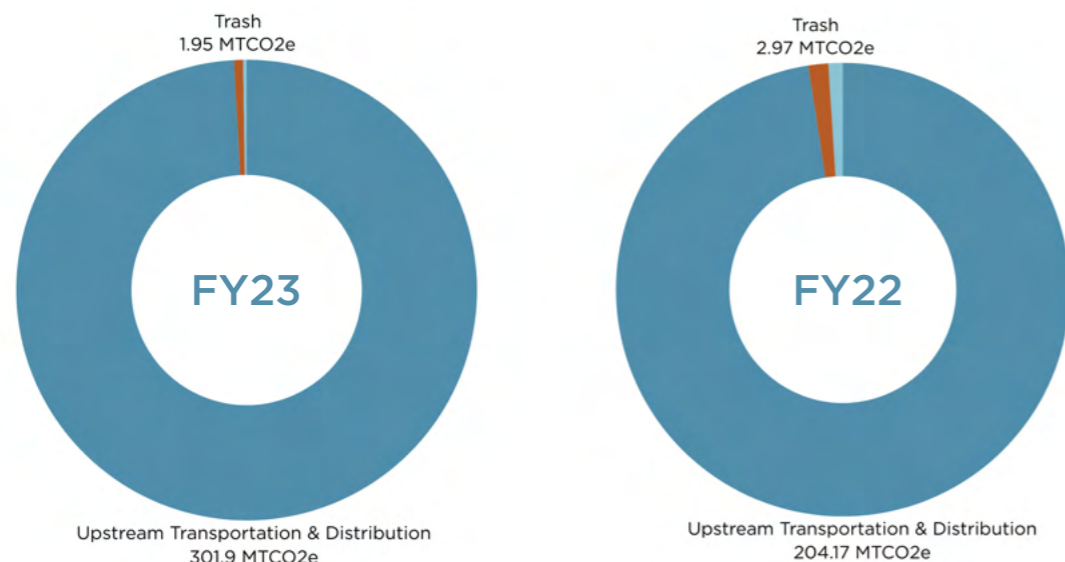
- Product transportation to Turtle Fur
- Shipping to customers
- Emissions from all other vendors along supply chain
- Waste/Recyclable material generated
- Reduction target for FY23 is ongoing



*FY23 carbon intensity reduction target as defined by SBTi

Scope 3 - Indirect Emissions

- Upstream Transportation & Distribution
- Trash
- Recyclables

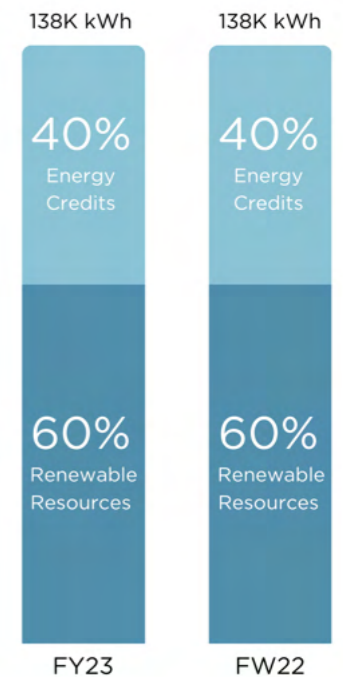


Continued commitments to hit absolute reduction targets by FY 2030

- Continue to work towards Scope 3 emission reduction target
- Monthly meetings with 7 member ESG Team
- Use Sustain.life for measurement tracking

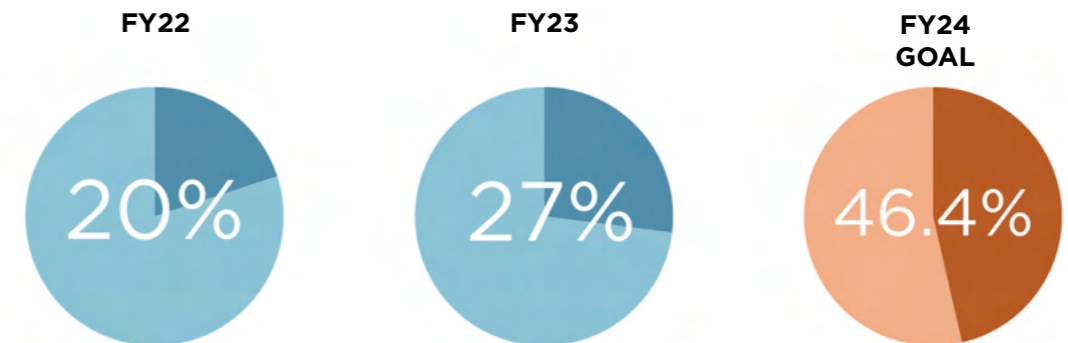
Actions to reduce Scope 1 + 2 emissions

- Purchase renewable energy credits
- We source 100% renewable electricity for our operations at HQ
- Total Electricity use for FY23, FY22 (see chart on right)
- Offset 50% of carbon emissions from heating HQ with purchase of carbon offset through One Tree Planted; a Tree Planting Charity dedicated to planting millions of trees globally while generating multiple benefits for the climate, biodiversity and community livelihoods.



Actions to reduce Scope 3 emissions

Poly Reduction



- We removed poly on items with header cards.
- For Standard (REG) inventory for our wholesale accounts, we now pack two-packs at the respective factories instead of single packing. Research showed that our most common wholesale order quantity was a multiple of 2.
- We engage with our suppliers on energy efficiency, renewable energy, measuring their GHG emissions and shifting products and materials to lower GHG footprint alternatives.
- We reduced impacts of distribution by purchasing carbon offsets for 100% of shipping on TF.com eCommerce orders.

Community

Charitable Giving - Partnerships

Project Warmth

We put warm product in the hands of those in need.

- FY23 - Donated 23,810 units
- FY22 - Donated 21,794 units



Partnerships



Giving Pledge

■ Turtle Fur remains committed to donating at least 2% of annual revenue through a give-back initiative named Project Warmth, and through supporting partners and organizations working to make the outdoors accessible for every adventure(r).

- FY23 Giving % of Total Revenue = 4.38%
- FY22 Giving % of Total Revenue = 3.58%

We are consistently exceeding our giving pledge.





Corporate Citizenship

We work together with the following organizations:

Climate Action Corps



- The Outdoor Industry Association's collaborative model to lead on climate action. Participation is a commitment to measure, plan, and reduce greenhouse gas (GHG) emissions.

Vermont Businesses for Social Responsibility (VBSR)



- A statewide non-profit where Vermont brands come together to collaborate on efforts for positive social and environmental impact.

Vermont Outdoor Business Alliance



- A statewide non-profit organization made up of Vermont outdoor recreation businesses. Areas of focus include business development, economy policy, and social and environmental initiatives.

Supply Chain Management

- When services and pricing are equivalent, Turtle Fur prioritizes working with independent suppliers that are local (within 250 miles), socially & environmentally responsible, and have ownership from underrepresented populations. This includes, but is not limited to, all business-related purchases, home-office supplies, raw materials, and outsourced staffing services (such as lawyers, consultants, accountants).
- A code of conduct is signed by all major suppliers agreeing to uphold our standards related to labor force treatment and environmental impact.
- Engagement with suppliers via a yearly supplier survey on employee relations, energy efficiency, renewable energy, measuring their climate impact and updating products and materials to lower-GHG footprint alternatives.



Workers

Engagement & Satisfaction

Employee Community Service

- Between 1/1/23 and 9/20/23, Turtle Fur employees contributed 147 hours of community service hours. Our team members supported personal community service projects as well as participated in our company-sponsored Green Up Day, doing trash clean up in our local region.
- In August 2023, Turtle Fur revised our official policy to increase the total number of company-sponsored community service hours to 8 per employee (full time, part time and temporary employees are all eligible) to support a deeper commitment to engaging in and giving back to our local communities.

Employee Satisfaction & Engagement Survey

- Turtle Fur conducts a bi-annual survey for all FTE. Our annual goal is to maintain an overall satisfaction rate above 90% and an attrition rate of 5%.
 - Survey Results from FY23 - satisfaction rate 89%
 - Common employee sentiments from the most recent survey: enjoyment of camaraderie, support from company on important issues, and that the company is forward thinking and flexible.

Wellness Team

- The Wellness Team is comprised of a group of employee volunteers who encourage their peers to find ways to improve their health and well-being. In FY23, Turtle Fur employees participated in walking challenges, received passes to VT State Parks, set time to engage with co-workers through community service, company luncheons & BBQs and friendly games such as corn hole tournaments. The wellness team has plans to support all dimensions of wellness in the upcoming year with a focus on gratitude and belonging, movement, healthy eating and community engagement. In the coming year, employees will be encouraged to participate in a variety of training including Mental Health First Aid, First Aid, CPR and AED, ergonomics, core training and personal goal planning.



Financial Security & Benefits

Employee Handbook

- Primary & Secondary Caregiver Leave
 - Turtle Fur offers FT employees up to 12 weeks unpaid time off, in addition to the paid 12 weeks for primary and 6 weeks for secondary.
- Updated Vacation Time Policy
 - 7 paid holidays off to all employees (FT, PT, temp)
- WFH Flexibility
 - Required 20% of time on site
- Socially Responsible 401K Vesting Options
- Vesting Matching on 401K
 - 3% Safe Harbor Company contribution for ALL employees (FT, PT, temp) no match required

Paid Volunteer & Civic Duty Time Off

- 8 hours of civic/volunteer hours allotted for full time employees. In FY24 this benefit will be available to all employees.

Career Promotions

- Employees are encouraged to make lateral moves or change career direction or pace when possible. All jobs are posted internally first.

Professional Development

- At Turtle Fur, we are committed to furthering our employees' education. We offer quarterly Lunch and Learns, where employees get together and are trained, by a fellow employee, in a skill set that can be useful in the workplace. Some examples include sessions focused on Excel training, learning how to take constructive feedback, and mindfulness.
- One of the key components of our DEI initiative is centered around employee education. Throughout the year, the DEI team leads 12 "coffee talks", where employees get together monthly. Some of these talks are interactive, engaging the employees in a way that gives them a new perspective on the matter. We offered guest speakers to share their expertise on topics relating to identity and belonging. Training is offered virtually and/or in person to allow for maximum participation. Other talks involve watching a TED Talk or listening to a podcast and getting together afterward as a company to discuss what we learned. Each coffee talk is designed to engage employees and create a space for open and honest discussion.
- We utilize an employee 365 review process. The goal is to get more employees constructive feedback from their coworkers, with a focus on actionable steps employees can take to make improvements. Other components of this review process include a self-assessment and a review directly with employee's supervisors.





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