

2020 Impact Report

ettitude



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Introduction



2020

In a word, uncomfortable

Our inaugural Impact Report comes at a time when our world is in extreme discomfort. Wildfires made climate change visible. A global pandemic forced us to slow down. Racial injustices compelled us to act.

Each event presented undeniable evidence that traditional systems no longer serve us.

Twelve difficult months. Countless catalysts for change. One big reminder that we each play a role in helping our world find harmony.

As a business, and as individuals, we choose to embrace the possibilities of what *can* be. We're questioning the status quo, and taking action to shape a world we're proud to live in.

While sustainability has always been ingrained in our business, this in-depth report signals a new era for ettitude.

We peel back the layers and expose facts on cotton vs. CleanBamboo™. We step forward with transparency to chart our progress, and set benchmarks for a better future.

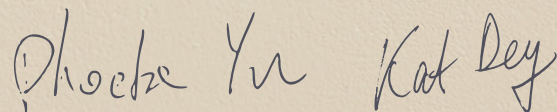
This report is our compass, and will keep us on course to fulfill our ultimate aspiration to create a more comfortable existence for all living things.

It's impossible to achieve comfort for all while turning a blind eye to traditional systems in our industry—in particular, cotton.

While cotton is known as the “fabric of our lives,” these well-crafted words hide an ugly truth. They conceal negative impacts and have misled us to sacrifice ethics for convenience.

We believe it's possible to live comfortably without harming people and the planet. We promise to reveal the facts so that you can make informed choices. This impact report is just the beginning.

Join us in pursuit of the truth and in pursuit of progress.



Phoebe Yu & Kat Dey, Co-Founders

2020 highlights



Company

- ✓ Published our first annual Impact Report
- ✓ Conducted a Life Cycle Assessment (LCA) comparing CleanBamboo™ to cotton
- ✓ Submitted application to become a BCorp certified company
- ✓ Benchmarked our DEI efforts which included anti-racism programming, committing to more inclusive hiring protocols and more



Planet

- ✓ Donated 1% of all bedding sales to environmental nonprofits
- ✓ Committed to becoming Climate Neutral Certified for 2020 emissions
- ✓ Donated our bedding and accessories to local unhoused communities and animal shelters, as well as supported medical workers on the front lines
- ✓ Launched Loop, our pilot textile recycling program in Australia



Product

- ✓ Replaced plastic buttons and snaps with plant-based tagua nut buttons
- ✓ Eliminated virgin plastic from packaging (to be fully integrated by January 2021)
- ✓ Launched new down alternative pillow and duvet using filling made from recycled post-consumer plastic water bottles
- ✓ Established a code of conduct for manufacturers and vendors

Becoming a BCorp

Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency and legal accountability to balance profit and purpose. We are on track to become a Certified B Corp in early 2021.

Life cycle analysis



CleanBamboo

The fabric of our future

Cotton is known as the “fabric of our lives,” but these well-crafted words hide an ugly truth. Cotton is one of the world’s most environmentally damaging crops and has human rights implications, too.

That’s why we created CleanBamboo, our signature bamboo lyocell fabric made from 100% organic bamboo. We’re proud to show you how it stacks up against conventional cotton.

The facts behind the fiber

To achieve total transparency, we engaged third party research group Clean Agency to analyze the product life cycle of our signature CleanBamboo from cradle-to-gate (from our bamboo forest to our warehouse). This pioneering report is the first of its kind to analyze a lyocell fabric made from 100% bamboo, drawing comparison to cotton.

The following findings were obtained using openLCA (a software for lifecycle evaluations), ecoinvent database (a database of peer reviewed LCA data) and primary data from ettitude. Where gaps in ettitude data existed, literature values were extracted. Cotton impacts were compared against three sources: a 2020 LCA study by Yun Liu, 2018 study by Nicole Bahlmann and peer-reviewed data from ecoinvent. The results were checked across all three sources but the main source of comparison used in this report is from ecoinvent.

Water

Compared to a cotton sheet set, our CleanBamboo sheet set uses 500x less water



Key findings

- ettitude’s water use is negligible compared to cotton in every phase of the product life cycle.
- Our main source of water depletion comes from electricity. Creating electricity requires water, and electricity is necessary to fuel the closed loop process that breaks bamboo down into a pulp and fiber.

Why our water use is so low

Our bamboo is grown in the rainy Sichuan province of China and relies solely on rainfall to grow. Cotton requires massive amounts of fresh water, causing a strain on the world’s water supply.

Where to from here

We’re extremely proud of our water usage results compared to cotton. For 2021, we will put our focus into other areas of improvement, in particular reducing our CO2 emissions.

Our CleanBamboo sheet set saves enough water for:



267 loads of laundry



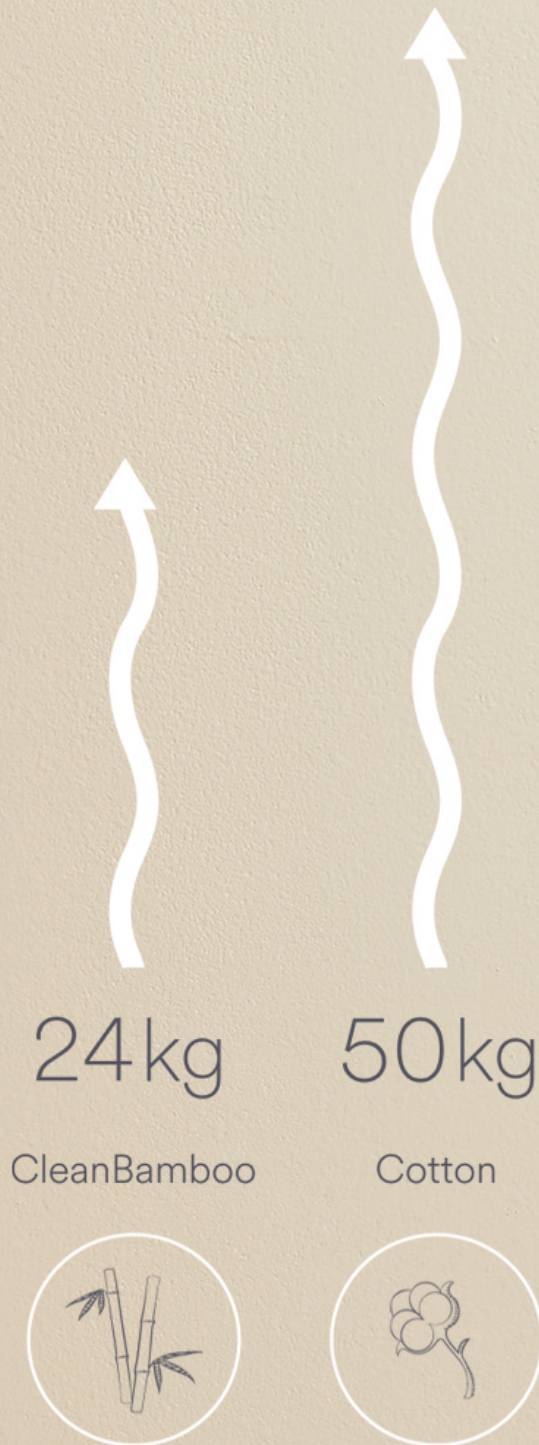
517 showers



818 dishwashing sessions

CO2

Compared to a cotton sheet set, our CleanBamboo sheet set creates 52% less carbon emissions



Key findings

- ettitude's CO2 emissions outperform cotton in nearly all phases of the product life cycle.
- The dye & finish stage significantly outperforms cotton.
- The fiber stage is our biggest contributor of CO2 emissions because of the machinery used in the closed loop system.
- The weave stage enables us to produce high quality, durable products—we found this was the only part of the life cycle that produced more CO2 than cotton.
- The transportation stage includes getting products from our factories in China to our warehouses in Utah (US) and Melbourne (Australia). We found that air transport, despite being only 10% of our total, contributed to 93% of our transportation emissions.

What's next in 2021

- We have committed to becoming Carbon Neutral certified in 2021.
- We are evaluating new cut and sew factories that use clean energy sources, such as solar.
- We will create better internal systems to reduce our transportation impact. Our goal is to reduce air shipping by 50%. This involves making long-term inventory plans and choosing seashipping over air shipping.

Climate Neutral

We're going carbon neutral

We're excited to announce our partnership with Climate Neutral to measure, offset and reduce our carbon impact. Climate neutrality is achieved when the emissions caused by our company have been completely offset by projects that absorb carbon from the atmosphere.

We accomplish this by first measuring our 2020 carbon footprint, then purchasing carbon credits from projects within the Climate Neutral network. In addition, each year, we actively commit to new internal projects to reduce our carbon emissions within our own walls, through the products we develop and distribute.



Why bamboo



Why bamboo

The most resource-efficient plant on earth

Uses minimal rain water

Our bamboo uses 100% rainwater to grow. Cotton diverts and contaminates freshwater supplies and is considered the largest user of water among all agricultural commodities.

Grows organically, without chemicals

Bamboo doesn't need chemicals to grow. Cotton is responsible for 24% of the world's insecticides and 11% of the world's pesticides—more than any other single major crop.

Produces little waste

Bamboo farming produces minimal wastage. 70% of the bamboo we harvest is used to create fiber, the remaining 30% is composted.

Requires less land

Bamboo is a regenerating grass, growing from the same renewable root system again and again. Cotton requires many resources to harvest and replant year after year.



Closed-loop system

CleanBamboo is made using a closed loop system that recycles and reuses water up to 200 times, recycling 98% of water in the process



Our products



Materials

Beyond bamboo

Our goal

To remove all virgin plastic from our products.

What we already do

- ✓ Bamboo: All ettitude products are made with 100% bamboo as the base raw material.
- ✓ Bamboo Charcoal: Our bamboo charcoal range harnesses bamboo charcoal's natural antimicrobial nature and is proven to reduce bacteria by over 99%.

New in 2020

- ✓ Recycled plastic water bottles: Launched new down alternative duvet and pillow products made from recycled plastic water bottles. All of our recycled polyester (RPET) is from post consumer waste and certified with Global Standard Recycled 4.0 (GRS 4.0).
- ✓ Tagua nut: Replaced plastic buttons with plant-based tagua nut buttons on all new products. This included our hair towels, striped sleepwear and sage and sand duvet covers.

What's next

- Introduce tagua nut buttons to all existing products that use buttons including duvet covers and all sleepwear.
- Continue to seek innovative, sustainable materials for continual improvement.



Packaging

Minimal and purposeful

Our goal

To remove virgin plastic, virgin paper and cotton from all packaging.

What we already do

- ✓ Fabric cutoffs are made into reusable drawstring bags that package our sheets and duvet covers.
- ✓ Packaging for bath products, duvets, pillows and protectors are made from recycled plastic water bottles.
- ✓ All RPET in packaging is from post consumer waste and certified with Global Standard Recycled 4.0 (GRS 4.0).

New in 2020

- ✓ Reduced the number of hang tags on packaging from three to one.
- ✓ Replaced cotton string with RPET.
- ✓ Swapped inserts and hang tags made from coated, non-recycled paper with 100% FSC certified recycled paper.
- ✓ Replaced the cotton drawstring on our reusable bags with scrap fabric.
- ✓ Replaced biodegradable plastic pouches used for sleepwear and accessories with reusable fabric drawstring bags made from scrap fabric.

What's next

- Stop using virgin plastic mailers to ship products to customers.
- Phase out virgin plastic packaging on existing products.
- Commit to zero virgin packaging for new products.
- Investigate alternative elastic and thread solutions—these currently contain virgin plastic.



Certifications

Sustainable & ethical standards

Our goal

To have all products OEKO-TEX STANDARD 100 certified.

What we already do

- ✓ All ettitude bamboo is sourced from Forest Stewardship Council (FSC) certified sources, meaning it comes from responsibly managed forests that provide environmental, social and economic benefits.
- ✓ All ettitude bamboo is EcoCert organic certified meaning no fertilizers or pesticides are used in the farming process.

- ✓ The fluffy filling in our down alternative duvet, pillow and eye mask is made with GRS 4.0 certified RPET, or in other words, verified recycled plastic.
- ✓ ettitude is a PETA vegan certified business; we do not use any animal-derived materials in our products.

What's next

- Secure OEKO-TEX STANDARD 100 certification for all ettitude products.



End of life solution

A better end for old bedding

Our goal

To prevent ettitude products from ending up in landfills.

New in 2020

- ✓ Launched our new textile recycling pilot program, Loop, in Australia. Within 2 months, 254.2kg of textile waste was diverted from landfills, preventing 1016.8kg of greenhouse gases.

What's next

- Launch a textile recycling pilot program in the US.
- Double the waste diverted by introducing more customers to Loop.



Supply chain

A thoughtful supply chain starts at the source

Our goal

To set the highest ethical and sustainable standards in our factories.

Our commitment

Ethical certifications

We've committed to work only with cut and sew factories that are certified by globally recognized ethical third party auditors including BSCI, WRAP and SEDEX. Currently 4/5 of our cut and sew factories are certified.

Supplier Code of Conduct

We established a supplier Code of Conduct to set ethical and sustainable standards for all suppliers. These standards are based on well-respected and recognized international standards, including the International Labor Organization, United Nations Universal Declaration of Human Rights and industry best practices.

Our Code applies equally to every level of our supply chain from farm to garment factory, including all subcontractors and sub-suppliers. [Read our code here.](#)



Most things made in China are not indigenous to China but bamboo is

By sourcing our raw materials nearby to our manufacturing factories, travel miles and CO2 emissions are reduced early in the production process.

Next steps

- Ensure all new factories and suppliers agree to our Code of Conduct.
- Achieve certification for ethical standards with 100% of our cut and sew factories in 2021.

Retail

Sustainable retail

Our goal

To use only sustainable materials in any physical retail or pop up experiences.

In 2020

- ✓ We operated our first pop-up store in Los Angeles, choosing raw bamboo retail fixtures and offering sustainable shopping bags made from RPET.

Next steps

- We are committed to continue our sustainable practices for any future physical experiences.



Community



Activism

We don't just believe in reducing our impact, but also doing good



Planet

1% For The Planet

In 2020, we increased our charitable contribution to 1% For The Planet by 5x. And we're not stopping there. In 2021, we're expanding our contribution to include sales from all ettitude products.

Bushfires

With nearly half of our team residing in Australia, the Australian bushfire crisis hit hard. We raised \$7,100* for the Victorian Bushfire Appeal and Wildlife Victoria and donated over \$14,000 to WIRES and WWF Australia.

Donating our products

We are committed to sending zero products to landfill. All our returns are given a second life to local at risk communities and animal shelters. We also worked with Wayfarer Foundation to distribute 3,000 face masks to unhoused communities in Los Angeles.

*All donation amounts in USD

People

Anti-racism

We stand with the Black Lives Matter movement. Inside our business, we enabled employee action through a new paid activism and volunteerism leave policy and contributed \$5,000 to the National Movement for Black Lives and \$22,500 to grassroots youth program Harlem Grown.

One Girl

We believe that eliminating gender inequality is a key step toward creating a more sustainable planet and proudly support the work of One Girl—a non-profit organization that harnesses the power of education to drive change for girls in developing countries.

Scholarship program

We launched our Good for Everyone Sustainability Scholarship, awarded to a college student studying sustainability and its intersection with food, water, the environment, social justice or human health.

Diversity, equity & inclusion

Creating a more comfortable world for all, starting at home

Our team

Our first voluntary demographic survey revealed that our team is a global bunch hailing from China, Australia, Brazil, Russia, Hong Kong, Vietnam, Egypt, and the US—with 35% of our employees self-identifying as “foreign born.” We are female-founded and led with 75% of our team reporting as female. But we have more work to do.

With employees self-reporting*, here’s the makeup of our team:

- 50% White
- 40% Asian
- 15% Hispanic, Latino or Spanish origin
- 5% Middle Eastern or North African
- 5% Native Hawaiian or other Pacific Islander

*Employees were offered the opportunity to self-report multiple races



Our vendors

We are committed to supporting business and vendors with a diverse makeup of backgrounds including minority and marginalized groups. Our first vendor diversity questionnaire revealed that 80% were small businesses, 43% were female-owned and 9% were from a minority ethnic group. This is our starting point. As we grow, we will continue to seek and support vendors representing diverse backgrounds.

Diversity, equity & inclusion

Creating a more comfortable world for all, starting at home

New in 2020

- ✓ We worked with a diversity expert and held a series of sessions on the topics of equity and inclusion. These are now a staple in our internal calendar of events and will occur every quarter.

Representation in marketing

We believe representation in marketing and media has a powerful influence on how we see the world. ettitude is committed to representing diversity in race, age, shape and size when casting and storytelling. We also seek partnerships with BIPOC nonprofits, brands, thought leaders and influencers.

Next steps

As we grow this year in pursuit of our mission to create a more comfortable world for all, we're committed to building a business that directly reflects our values by:

- Expanding the diversity of our small team by adding at least one additional under-represented group in 2021.
- Posting job vacancies on platforms that specifically reach diverse communities
- Hosting 1 DEI education event per quarter in 2021.
- Representing diversity in race, age, shape and size in our casting.
- Amplifying diverse voices through partnership with BIPOC nonprofits, brands, thought leaders and influencers.
- Hiring a Head of People to look after our values and culture as we grow.

Glossary

BSCI

Business Social Compliance Initiative (BSCI) provides companies with a social auditing methodology, reporting and standard for global supply chains. It does not organize audits itself but provides a network of external accredited, experienced and independent auditing companies.

Closed loop system

A production process in which solvents, such as water, are reused in an infinite loop to minimize waste.

CO2

In this report we refer to CO2 as the carbon dioxide emissions from the burning of fossil fuels in the production of electricity.

Cradle-to-gate

Refers to the parts of product life cycle from farm to factory gate (i.e before it is transported to the customer).

ecoinvent database

The world's leading database of Life Cycle Inventory (LCI) data, providing process data (e.g. life cycle assessment,

life cycle management, carbon footprint assessment, water footprint assessment and environmental performance monitoring) for thousands of products.

FSC certified

Grown in Forest Stewardship Council (FSC) certified forests, which means it is grown sustainably to deliver better outcomes for forests, people and the planet for a better future.

GRS 4.0

Global Recycling Standard (GRS) is an international, voluntary, full product standard that sets requirements for third-party certification of recycled content, chain of custody, social and environmental practices and chemical restrictions.

Life Cycle Analysis (LCA)

A method to assess the environmental impacts associated with all the stages of the life cycle of a commercial product, process or service.

OpenLCA

A software for Sustainability and Life Cycle Assessment

PETA vegan certified business

Certifies that a business's

products are made of vegan alternatives to animal-derived materials such as leather, fur, silk, feathers or bone.

SEDEX

Home to one of the world's largest collaborative platforms for sharing responsible sourcing data on supply chains, used by more than 55,000 members. It is designed to help auditors conduct high quality audits that encompass all aspects of responsible business practice, covering Sedex's four pillars of Labour, Health and Safety, Environment and Business Ethics.

STANDARD 100 by OEKO-TEX®

A worldwide independent testing and certification system that tests for harmful chemicals in raw, semi-finished and finished textile products at all processing levels, as well as accessory materials used.

WRAP

The Worldwide Responsible Accredited Production (WRAP), a certifying body that examines apparel/textile, footwear and sewn products industry to certify for lawful, humane and ethical production.

ettitude

ettitude | *noun* | eco-attitude

living mindfully to sustain a more
comfortable existence for all

