

Sustainability at Reformation

2019-2025 framework

Updated April 2021

It's our mission to bring sustainable fashion to everyone.

We don't compromise on our values.

We treat all people on this planet with respect.

We believe climate change is the biggest issue facing the planet.

We fight for sustainable solutions that preserve our natural environment and protect the people and communities that make up our world.

We put sustainability at the center of everything we do.

**It is an evolving goal and definition, and we don't have all the answers.
So we focus our efforts where they have the biggest impact.**

Our work is centered on four main areas of sustainability:

- People**
- Planet**
- Product**
- Progress**

Sustainable Development Goals (SDGs)

The fashion industry has a major impact on the global economy and the environment. That's why we have aligned our sustainability framework with the United Nations Sustainable Development Goals (SDGs) to make sure we're tackling the most important issues like climate change and economic inequality. Look for the icons for each program to see how our work relates to these SDGs.



People

Social responsibility

There are people behind our clothes, and we are responsible for ensuring safe, healthy, and equitable working conditions for all of them.

We work to advance fair labor practices, partnership building, and capacity building across our supply chain.

Community engagement & impact

We aim to use our platform to drive climate action & environmental justice.

We believe in using our experience in sustainable fashion to share knowledge and engage our broader communities.

Diversity, equity & inclusion

We want to ensure everyone at Ref feels included, valued and heard.

100% of manufacturing partners will have fair compensation and worker engagement programs by 2025.



	Completed or Ongoing Actions	Next Steps	Goals
Social responsibility	<ul style="list-style-type: none"> - Publish Code of Conduct and additional guidelines on website & post in all facilities - Maintain supplier vetting, onboarding, monitoring, and Corrective Action Plan program per the Sustainable Partners Guide - Network with brands in shared facilities to reduce audit fatigue - Conduct a wage analysis for Tier 1 suppliers - Launch trainings on social responsibility for relevant internal teams - Launch capacity building workshops for all suppliers - Become an affiliate of the Fair Labor Association (FLA) 	<ul style="list-style-type: none"> - Pursue Fair Labour Association (FLA) accreditation - Become a Fair Trade supporter - Create strategies to implement living wage initiatives for our Tier 1 suppliers - Implement worker wellbeing and gender equality initiatives - Expand monitoring and capacity building program to Tier 2 suppliers - Implement grievance mechanisms and toolkits for our suppliers - Commit to wage transparency - Integrate social responsibility metrics into supplier scorecard and purchasing decisions to drive progress 	<ul style="list-style-type: none"> ✓ Monitor 100% Tier 1 suppliers - Maintain a "Green" rating for 75%+ of Tier 1 facilities by 2022 - Pursue living wage for all direct teams - Improvement each year in % of production in facilities that meet or exceed living wage - Monitor 100% Tier 2 suppliers by 2023 - Engage all strategic suppliers in fair compensation data collection and best practices by 2023 - 100% of Tier 1 strategic suppliers will have fair compensation or worker well-being programs by 2025 - Deploy and verify the HIGG FSLM for 50% of Tier 1 and Tier 2 suppliers by 2025
Community engagement & impact	<ul style="list-style-type: none"> - Membership in multi-stakeholder initiatives (MSI) with focus on industry collaboration & shared learning (i.e. Textile Exchange, Sustainable Apparel Coalition, Fair Labor Association) - Support lobbying efforts for industry critical issues - Develop and launch sustainable purchasing practices training for internal teams and suppliers - Participate in Better Buying program and identify specific opportunities for improving purchasing practices - Focus on relationship building & emphasize partnership in sourcing - Offer company-wide volunteer time off program - Pursue strategic collaborations with nonprofit partners - Align philanthropic giving with issues that directly affect our team, customers, and suppliers - Complete stakeholder map & materiality matrix - Invest in "Planeteers" programs and internal team engagement of sustainability issues & lifestyle - Keep pulse of industry to help identify and invest in impactful innovation 	<ul style="list-style-type: none"> - Engage with CSO's focused on workers rights and wellbeing - Annual on-site visits to established vendor base - Develop and launch grant program to invest in supply chain partners' sustainability initiatives and practices - Develop and launch sustainable fashion leadership summit to drive collective action in the industry - Develop and launch mentorship program for the next generation of leaders - Maintain & grow sustainable living content hub - Maintain & grow open source sustainability resource center for other brands - Curate Ref Action programs to promote customer activism & advocacy for critical sustainability issues 	<ul style="list-style-type: none"> - Improve participation in Better Buying by 15%, and show an annual net improvement of 5 points each year - 75% of Refs participate in VTO program annually

	Completed or Ongoing Actions	Next Steps	Goals
Diversity, Equity & Inclusion	<ul style="list-style-type: none"> - Created, published, and rolled out our company-wide Inclusion Philosophy that all Reformation team members will be seen, heard, and respected. - Integrated DE&I in The Sustainability Report to transparently report on KPIs and progress - Conducted listening sessions to hear directly from retail, corporate, distribution center, and factory employees on issues of DE&I - Evolved our marketing, imagery, and voice to ensure we better represent our entire Reformation community - Facilitated an internal speaker series to bring new perspectives to our team on topics like implicit bias and climate justice - Joined the Black in Fashion Council to advise on DE&I metrics, increase the perspectives of black voices in fashion and expand access to underrepresented individuals in the fashion industry - Restructured our internal Culture Committee to include DE&I objectives within employee-driven culture activities - Published initial demographic information 	<ul style="list-style-type: none"> - Establish Executive DE&I Council to ensure DE&I objectives are fully integrated into Reformation's day-to-day operations - Reorganize and expand our existing advisory structures to address initiatives focused on specific demographic concerns such as gender, race/ethnicity, and sexual orientation to help employees build community, expand networks, and amplify historically underrepresented voices - Implement a communication strategy that fosters feedback, transparency, diversity, equity, inclusion, and a culture of two-way information sharing - Deploy a confidential employee engagement survey to begin gathering and sharing deeper demographic information on our company make-up, including but not limited to ethnicity, gender, and sexual orientation - Hold expert-led inclusive culture workshops for employees, including all managers, and focused sessions for leadership, that critically examine inequity, elevate self-awareness, introduce practical inclusion, and integrate overtly anti-racist behaviors into our daily practices - Re-evaluate and strengthen our hiring processes to reach diverse candidate pools, focus on key skills, competencies, and values-based behaviors, and reduce opportunities for bias - Expand the People team to design and support stronger core human resources practices and ensure equitable people programs across the organization 	<ul style="list-style-type: none"> - Improvement in employee and new hire representation - Retention parity across demographics and areas of the business - Promotion parity across demographics and areas of the business - Improvement in internal Culture Survey and Belonging Survey results

Planet

Climate action

We will reduce our carbon footprint, and invest in solutions that remove more greenhouse gasses than we emit.

Resource efficiency

We keep our true costs—including environmental impact—in mind when we make design and business decisions.

Low impact care

Garment care is a major driver of total impact—design for handwash and machine wash.

We'll be climate positive by 2025.



	Completed or Ongoing Actions	Next Steps	Goals
Climate Action	<ul style="list-style-type: none"> - Calculate & publish product lifecycle impacts via RefScale - Offset product footprint through strategic partners - Become Climate Neutral certified - Set science-based greenhouse gas reduction targets 	<ul style="list-style-type: none"> - Develop & publish a climate positive roadmap - Implement insetting strategy by developing offset projects that directly impact our supply chain - Calculate & leverage an internal carbon price to inform business decisions 	<ul style="list-style-type: none"> ✓ 100% RefScale totals & business operations offset - Reduce total greenhouse gas footprint in line with Science-based Targets for a 1.5C pathway
Resource efficiency	<ul style="list-style-type: none"> - Perform utility analysis for all Ref facilities - Purchase Renewable Energy Credits for all Ref Facilities - Implement collaborative resource efficiency programs in main facilities (i.e. renewable energy projects, zero waste) 	<ul style="list-style-type: none"> - Launch green operations guidance for stores - Develop guidance material for suppliers to reduce their energy, water use, and waste generation - Analyze supply chain for transportation footprint & ID opportunities for efficiency - Analyze retail development footprint & opportunities to "green" materials or processes 	<ul style="list-style-type: none"> - Deploy and verify the HIGG FEM for 100% of Tier 1 and Tier 2 suppliers by 2025 - 50% of Tier 1 and 50% of Tier 2 strategic suppliers participate in impact programs focused on water, energy, and chemicals improvements by 2023
Low impact care	<ul style="list-style-type: none"> - Engage PD & Quality teams to expand fabric testing and make sourcing decisions based on garment care - Publish low impact care guides for customers, including solutions to minimize microfiber pollution - Activate green cleaning network & resources 	<ul style="list-style-type: none"> - Explore finishing innovations for product longevity & durability 	<ul style="list-style-type: none"> - 60%+ of product assortment safe for low-impact care by 2022

Product

Better materials

Material choices have big implications for a garment's environmental impact, so we prioritize better fibers and finishing processes.

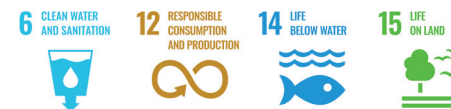
Clean chemistry

Push for zero hazardous chemicals and inputs.

Traceability

Traceability is essential to maintaining rigorous fiber and production standards. We need to know where and how our stuff is made.

100% of our fabrics will be from safe, recycled, regenerative or renewable materials by 2023.



	Completed or Ongoing Actions	Next Steps	Goals
Better materials	<ul style="list-style-type: none"> - Implement Reformation Fiber Standards in sourcing process - Publish Reformation Fiber Standards to all suppliers - Build materials library for Design & Product Development - Publish fiber sourcing interactive toolkits and trainings to engage internal teams and suppliers - Expand direct partnerships with fiber producers (i.e. Econyl, Lenzing) - Focus on low impact sourcing efforts especially vegan/traceable leather or alternative, sweater yarns, regenerative organic cotton and wool, and cleaner viscose - Assess our existing use of forest fibers and eliminate sourcing from endangered species habitat and ancient or endangered forests - Work with Canopy and our suppliers to support collaborative and visionary solutions that protect remaining ancient and endangered forests - Approach sourcing materials that contribute to microfiber pollution holistically—and contribute to education and solutions 	<ul style="list-style-type: none"> - Develop alternative fibers for conventional silk, viscose, leather, and wool - Create trim specific standards & begin roll out of better trim options - Invest in new fiber innovation & technology at early stages - Collaborate & support select innovation platforms (i.e. Fashion for Good, Future Tech Lab) - Develop a procurement target for closed-loop solutions based on viscose fiber producer innovation 	<ul style="list-style-type: none"> ✓ 75% of fabric spend meet A/Bs for Ref's Fiber Standards by 2020 ✓ Shift all viscose sourcing to Canopy green shirt viscose by the end of 2020 - 20% of all viscose using Next Generation feedstock content by 2022 - 100% of fabric sourcing for apparel meet A/B for Ref's Fiber Standards by 2023 - 10%+ of materials sourcing include regenerative fibers by 2025 - 50%+ of materials sourcing include deadstock, recycled or Next Generation content by 2025 - 50% of all man-made cellulose fabrics to have a minimum of 50% Next Generation feedstock content by 2025
Clean chemistry	<ul style="list-style-type: none"> - Define Manufacturing restricted substance list (MRSL) chemical management & wastewater quality programs - Maintain Restricted Substance List (RSL) & roll out to all suppliers - Define all accepted clean certifications - Identify non-compliant mills / printers and pursue certification process (i.e. Bluesign, Oeko-Tex, GOTS) or exit those not aligned with clean chemistry goals 	<ul style="list-style-type: none"> - Ensure robust testing protocols & enforcement of RSL - Roll-out MRSL chemical management & wastewater quality programs to mill and wet processing facilities - Partner with suppliers to participate in programs with the Apparel Impact Institute, Bluesign and ZDHC to implement water, energy, and chemistry efficiency programs 	<ul style="list-style-type: none"> - 100% RSL compliance of finished goods & fabrics - 75% of materials from suppliers with clean chemistry certifications - 100% of our fabrics are from wet processing facilities that can verify at least level 1 conformance with the ZDHC by 2022 - 50% of our fabrics are from wet processing facilities that can verify level 3 conformance with the ZDHC by 2023 - Move to a closed-loop system for all man-made cellulose to ensure emission controls of chemical recovery rates before 2025

	Completed or Ongoing Actions	Next Steps	Goals
Traceability	<ul style="list-style-type: none"> - Publish supplier list - Publish factory and mill spotlights - Trace Tier 1 & Tier 2 and provide supply chain visibility; extend to Tier 3 & Tier 4 when possible - Define and implement chain of custody process - Pilot supply chain assurance with traceability software - Sign the Supply Chain Transparency Pledge 	<ul style="list-style-type: none"> - Nominate at the fiber producer level to enable greater traceability and leverage - Scale traceability software solution(s) - Trace Tier 3 & Tier 4 and provide supply chain visibility 	<ul style="list-style-type: none"> ✓ 100% traceability of Tier 1 & Tier 2 suppliers by 2020 - 100% traceability of Tier 3 suppliers by 2022 - Disclose all identified Tier 1- 4 suppliers (ongoing)

Progress

We push sustainability forward.

Circularity

We innovate for circular models.

Packaging innovations

Less is more, and plastic is not the future.

Sustainability reporting
& transparency

Maintain best practices in reporting and governance.

100% of our products will be designed for circularity by 2030.



	Completed or Ongoing Actions	Next Steps	Goals
Circularity	<ul style="list-style-type: none"> - Expand Ref Vintage - Partner with thredUP to promote resale - Expand thredUP partnership to include a donation program to responsibly recycle garments - Develop fiber recycling solution for cutting waste - Use waitlist and pre-order functions to inform purchasing 	<ul style="list-style-type: none"> - Explore resale and vintage marketplace models - Design for circularity training for Product Development & Design teams - Launch takeback and upcycling programs to close the loop for key categories - Develop & implement solutions to reduce, responsibly recycle, upcycle textile waste from our partner suppliers - Explore repair service & other programs to help extend the use of garments - Progress recovery operations to feed resale/outlet and donation channels - Launch a rental concept - Facilitate regional manufacturing waste recycling solutions and infrastructure 	<ul style="list-style-type: none"> - 100% of our products designed, developed and manufactured using circularity principles by 2030 - At least 10% of production volume has a closed loop program by 2023 - Reuse or recycle 500,000 garments a year in 2021, and increase 20% each year to hit 1M by 2025 - Production waste recycling/upcycling solutions for all Tier 1 facilities by 2023 - Maintain 80%+ full-price sell through to limit product discounting and liquidation
Packaging Innovations	<ul style="list-style-type: none"> - Offer reusable tote bags in store - Screen our entire paper and plastic portfolio and ensure it's made from recycled content and recyclable to Canopy guidelines - Identify and eliminate any packaging that is not made from recycled content and recyclable in practice by 2021 - Design to reduce material use - Work with Canopy to ensure our packaging is free of ancient and endangered forests. - Maximize recycled or alternative Next Generation solution fibers 	<ul style="list-style-type: none"> - Participate in industry initiatives around reducing waste - Continue to explore further opportunities for reusable packaging across our supply chain - Pilot reusable packaging for e-commerce delivery & returns - Develop guidelines to ensure that all plastic packaging is free of hazardous chemicals - Build operational optimizations to reduce our plastic use annually by quantity, volume, and spend - Innovate our packaging design and recycling systems - Launch program to offer a donation option for customers who opt out of tote bags in stores 	<ul style="list-style-type: none"> ✓ 100% of packaging meets Canopy requirements and is FSC certified ✓ 100% of packaging is recycled, reusable, or biodegradable - Convert 100% of product packaging to be plastic-free by 2025

	Completed or Ongoing Actions	Next Steps	Goals
Sustainability reporting & transparency	<ul style="list-style-type: none"> - Publish The Sustainability Report quarterly - RefScale methodology update & third-party verification - Establish a sustainability advisory board - Align strategy & The Sustainability Report with Sustainable Development Goals - Increased product-specific sustainability performance communications - Lead with openness, honesty, and be straightforward about where we are, and what we still need to work on 	<ul style="list-style-type: none"> - Complete the HIGG Brand & Retail Module assessment - Develop and deliver robust training programs & internal engagement with all teams - Integrate Sustainable KPIs within all departments, and complete department-level Sustainability Scorecards - Develop a RefScale tool for footwear - Establish an internal sustainability committee with senior representatives from each department - Introduce sustainability filters to allow customers to shop based on product characteristics 	<ul style="list-style-type: none"> - Maintain best practices in reporting and governance - Be a known and trusted destination for sustainability education & action