

Sustainability at Reformation

2019-2023 framework

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

People, Planet & Profits is a core value, and we strive for “no tradeoff” solutions.

We treat all people on this planet with respect.

We do more with less.

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

We create impressive environmental results.

We are focused on profits and know they are key to the sustainability of Reformation.

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.
But we want to focus on efforts that have the biggest impact.**

It influences four main areas:

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

Product

We put product first—how and where we make it matter.

Material choices have the greatest impact, so we push for better fibers and finishing processes.

We want to be able to answer “who made our clothes” at every level of the supply chain.

Actions		Goals
Better materials	<ul style="list-style-type: none"> - Implement Reformation Fiber Standards in sourcing criteria & process - Publish Reformation Fiber Standards to all suppliers - Build materials library for Design & Product Development - Publish fiber sourcing interactive toolkits to engage internal teams and suppliers on how to limit environmental and social impact - Expand direct partnerships with fiber producers (i.e. Econyl, Lenzing) - Create trim specific standards & begin roll out of better trim options - Invest in new fiber innovation & tech at early stages - Focus on low impact sourcing efforts especially vegan/traceable leather or alternative, sweater yarns, regenerative and organic cotton supply chain, & cleaner viscose - Collaborate & support select innovation platforms (i.e. Fashion for Good, Future Tech Lab) - Assess our existing use of forest fibers and eliminate sourcing from endangered species habitat and ancient and endangered forests - Work with Canopy and our suppliers to support collaborative and visionary solutions that protect remaining ancient and endangered forests. 	<ul style="list-style-type: none"> - 75% of fabric spend meet A/Bs for Ref's Fiber Standards by 2020 - 90% of fabric spend meet A/B/Cs for Ref's Fiber Standards by 2023 - By 2023, 100% of our fabrics for clothing will be from preferred plant-based or recycled fibers. - 20% of all viscose using Next Generation feedstock content by the end of 2021 - Secure 2-3 major sourcing "wins" a year - Shift all viscose sourcing to Canopy green shirt viscose by the end of 2020
Chemical management	<ul style="list-style-type: none"> - Define & implement MRSL chemical management & wastewater quality programs - Establish standards and guidance for chemical management in apparel and textiles - Maintain Restricted Substance List (RSL) & roll out to all suppliers - Ensure robust testing protocols & enforcement of RSL - Identify non-compliant mills / printers and pursue certification process (i.e. Bluesign, Oeko-Tex, GOTS) - Reduce non-certified partner mills - Define all accepted clean certifications - Invest & commit to orders / co-share cost if necessary to push for improvements - Explore becoming a contributor to Zero Discharge of Hazardous Chemicals (ZDHC) programme 	<ul style="list-style-type: none"> - 100% RSL compliance of finished goods & fabrics - 75% of fabric spend certified clean by 2020 - Roll-out MRSL chemical management & wastewater quality programs to mill and wet processing facilities
Supply Chain Traceability	<ul style="list-style-type: none"> - Tier 1 & Tier 2 traceability and supply chain visibility; opportunistically extend to Tier 3 & Tier 4 when appropriate - Define and implement chain of custody process - Pilot supply chain assurance with traceability software - Sign up to the Supply Chain Transparency Pledge - Nominate at the fiber producer level to enable greater traceability and leverage 	<ul style="list-style-type: none"> - Publish vendor list on website - Publish factory & mill spotlights on website - Achieve 100% traceability of Tier 1 & Tier 2 suppliers by 2020 - Launch 100% traceable cotton collection by 2021 - Establish real-time supply chain traceability to ensure product integrity

People

There are people behind our clothes, and we are responsible to ensure safe, healthy, and fair working conditions.

We want to be good partners, and focus on building mutually beneficial relationships, understanding and progress with our vendors.

We invest in our communities.

	Actions	Goals
Social responsibility & accountability	<ul style="list-style-type: none"> - Maintain supplier vetting, onboarding, Corrective Action Plan (CAP) program per the Sustainable Partners Guide (SPG) - Network with brands in shared facilities to reduce audit fatigue - Grow monitoring and capacity building programs and implement worker-empowerment initiatives - Align with a credible MSI focused on social responsibility; participate in early stages and help pilot new programs & initiatives - Living wage initiative for Reformation's in-house factory, warehouse, and retail teams - Conduct a wage analysis for Tier 1 suppliers & create strategies to implement living wage initiatives - Join global platforms to promote better wage systems - Launch trainings on social responsibility for relevant internal teams - Launch capacity building workshops for all suppliers - Analyze purchasing practices and develop & implement policies and strategy to mitigate negative social impacts - Establish labor costing tools 	<ul style="list-style-type: none"> - Publish Code of Conduct and additional guidelines on website & post in all facilities - Monitor 100% Tier 1 & 2 suppliers - Build a robust social compliance program that assesses and improves working conditions/welfare of workers in our supply chains - Become an affiliate of the Fair Labour Association in 2020 and pursue FLA accreditation - 100% Reformation Factory team earning L.A. living wage by 2020 - Adopt and implement principles of responsible purchasing and sourcing - Pursue SA8000 certification for our LA Factory
Stakeholder Engagement	<ul style="list-style-type: none"> - Launch sustainable purchasing practices training - Participate in Better Buying program and identify specific opportunities for improving purchasing practices and KPIs to measure success - Long-term sourcing strategy & partnership building - Support lobbying efforts for industry critical issues - Create a roadmap to better measure our progress in employee diversity & inclusion - Set diversity and inclusion targets - Provide unconscious bias training, including our LA factory - Collect more extensive data on employee diversity and publish this in annual report - Focus on relationship building & emphasize partnership in sourcing; increase leverage & build relationships - Include environmental and social responsibility in allocation decisions - Annual on-site visits to established vendor base - Offer sustainability training for all new suppliers 	<ul style="list-style-type: none"> - Continuous improvement process of our purchasing practices - Complete stakeholder map & materiality matrix - Membership in multi-stakeholder initiatives (MSI) w/ focus on industry collaboration & shared learning (i.e. Textile Exchange, Sustainable Apparel Coalition, Fair Labor Association) - Supplier engagement and ownership of sustainability programs
Giving & advocacy	<ul style="list-style-type: none"> - Expand VTO program - Pursue strategic collaborations with non-profit partners 	<ul style="list-style-type: none"> - Increase VTO participation year over year by 10%

Planet

We calculate our environmental footprint in terms of gallons of water, pounds of CO₂e, and pounds of waste.

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

We limit our footprint, but offset the rest so our stuff is 100% “neutral”.

	Actions	Goals
Climate Action	<ul style="list-style-type: none"> - Create roadmap to setting an internal carbon price - Collaborate with Supply Chain teams to figure out ways to localize supply chains - Calculate & publish product lifecycle impacts via RefScale - Offset product footprint through strategic partners 	<ul style="list-style-type: none"> - Calculate & publish an internal carbon price - 100% RefScale totals & operations offset - Move from offsetting to insetting by choosing projects that directly impact our supply chain.
Environmental footprint	<ul style="list-style-type: none"> - Set energy and water reduction targets - Analyze supply chain for transportation footprint & ID opportunities for efficiency - Analyze retail development footprint & opportunities to “green” materials or processes - Perform utility analysis for all Ref facilities - Purchase Renewable Energy Credits (RECs) for all Ref Facilities -- ensure RECS contribute directly to new renewable projects - Implement collaborative resource efficiency programs in main facilities (i.e. renewable energy projects, zero waste) - Develop guidance material for suppliers to reduce their energy, water use, and waste generation. - 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"> - HIGG FEM assessment rollout for key wet processing facilities by 2020 - Participation of 3 facilities in the Apparel Impact Institute mill certification support program by the end of 2021 - Launch green building / operations guidance for stores
Quality & low impact care	<ul style="list-style-type: none"> - Promote low impact design - Design for durability & quality - Engage PD & Quality teams to expand fabric testing - Publish low impact care guides for customers - Explore finishing innovations for product longevity & durability - Activate green cleaning network & resources 	<ul style="list-style-type: none"> - 60%+ of product assortment safe for hand/machine wash

Progress

We push sustainability forward.

We lead & inspire a sustainable way to be fashionable.

We invest in the future, and take risks to solve hard problems.

	Actions	Goals
Governance	<ul style="list-style-type: none"> - RefScale methodology updates & third-party verification - Robust training programs & internal engagement with all teams - Incorporate sustainability into a vendor scorecard - Establish an internal sustainability committee with senior representatives from each Department - Establish a sustainability advisory board - Create an online system for anonymously reporting potential grievances - Link employee development and goals to sustainability performance 	<ul style="list-style-type: none"> - Integrate Sustainable KPIs within all departments - Become Carbon Neutral Certified
Circularity	<ul style="list-style-type: none"> - Expand RefVintage to additional markets - Expand RefRecycling program to responsibly recycle garments - Develop relationship w/ LA-based fiber recycling solution for cutting waste - Develop & implement solutions to reduce , responsibly recycle & upcycle textile waste from our partner suppliers - Partner with ThredUP & other resale platforms - Launch “Zero waste” program in the Ref Factory (i.e. Marker efficiency, upcycling, fabric recycling) - Design for circularity training for PD & design teams - Explore repair service & other programs to help extend the use of garments - Activate a resale concept 	<ul style="list-style-type: none"> - Reuse or recycle 200,000 garments a year - Build a program to reduce, recycle & upcycle fabric scraps - Implementation of Jeans Redesign guidelines in 60% of denim by May 2021 - Increase the share of garments and footwear made from recycled post-consumer textile fibers by 5% a year
Engagement & education	<ul style="list-style-type: none"> - Keep pulse of industry to help ID and invest in what is “next” - Align strategy & The Sustainability Report with Sustainable Development Goals (SDGs) and industry frameworks - Develop messaging hierarchy & content creation for Marketing - Invest in “Planeteers” programs and internal team engagement of sustainability issues & lifestyle - Develop comprehensive retail and customer love engagement strategy for internal team & in-store education / events - Curate Ref Action programs to promote customer activism & advocacy for critical sustainability issues - Lead with openness, honesty, and be straightforward about where we are, and what we still need to work on. - Introduce sustainability filters to allow customers to shop based on product characteristics 	<ul style="list-style-type: none"> - Connect customers and employees with NGOs via engagement and educational resources - Increased product-specific sustainability performance communications - Inspire and mobilize the apparel and footwear industry whilst growing position as a leader in sustainability
Packaging	<ul style="list-style-type: none"> - Screen our entire paper and plastic portfolio by mid- 2020 - Identify any packaging that is not made from recycled content and recyclable in practice and create a roadmap to address each of these by 2021. - Continue to explore further opportunities for reusable packaging across our supply chain - Design to reduce material use - Work with Canopy to ensure our packaging is free of ancient and endangered forests. - Develop efficient design and systems and to adopt alternative fibres at a commercial scale - Sign up to the Ellen MacArthur New Plastic Economy 	<ul style="list-style-type: none"> - Maximize recycled (post-consumer if available) or alternative next generation solution sourced fiber use - Shift towards reusable B2B pallets, boxes and crates, in our logistics between factories and stores by 2022 - Launch program to offer a donation option for customers who opt out of tote bags in stores in 2021 - Pilot reusable packaging/better returns for e-commerce home-delivery by 2022