

A close-up photograph of green leaves, likely from a plant like a corn cob, with a white text overlay. The leaves are arranged in a fan-like pattern, and the lighting creates soft shadows and highlights on their surfaces. The text is positioned in the upper left quadrant of the image.

# The Sustainability Report

2022 Year in review

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Oh hi,

**2022 was a big year.** We got back to things we've been working on for a long time, but in a really different kind of world. It showed us that there's a lot to do, and a lot Ref can do. It's exciting, but also means it's more important than ever to focus on our goals and get really specific about what we're working towards. Instead of just listing all the things that make us "sustainable," we wanna show how our work actually makes a difference.

We set out to **do a lot of things by 2025**, and as you're about to find out, we're starting to see the results. There's still a lot of work to do to reach our Climate Positive goals, but we're more confident than ever that we can decarbonize in line with a 1.5C pathway. Yay.

And since 2025 is almost here (we know) we've been thinking about what's next, and how Ref can keep setting new standards for sustainability in fashion. And, according to our customers, team, and sustainability experts, it looks like it's more of the same. From our business model to our love for vintage and deadstock to recycling textiles—circularity has always been a big part of Ref. So our next big goal is to be circular by 2030.




If you've been with us for a while, this report might look a little different. And while we'll still use it to be transparent about what we're doing and why, we'll make sure we are super focused on sharing the progress towards our two big goals, and once we meet those, whatever comes next.

Love, Ref

# Sustainability Scorecard

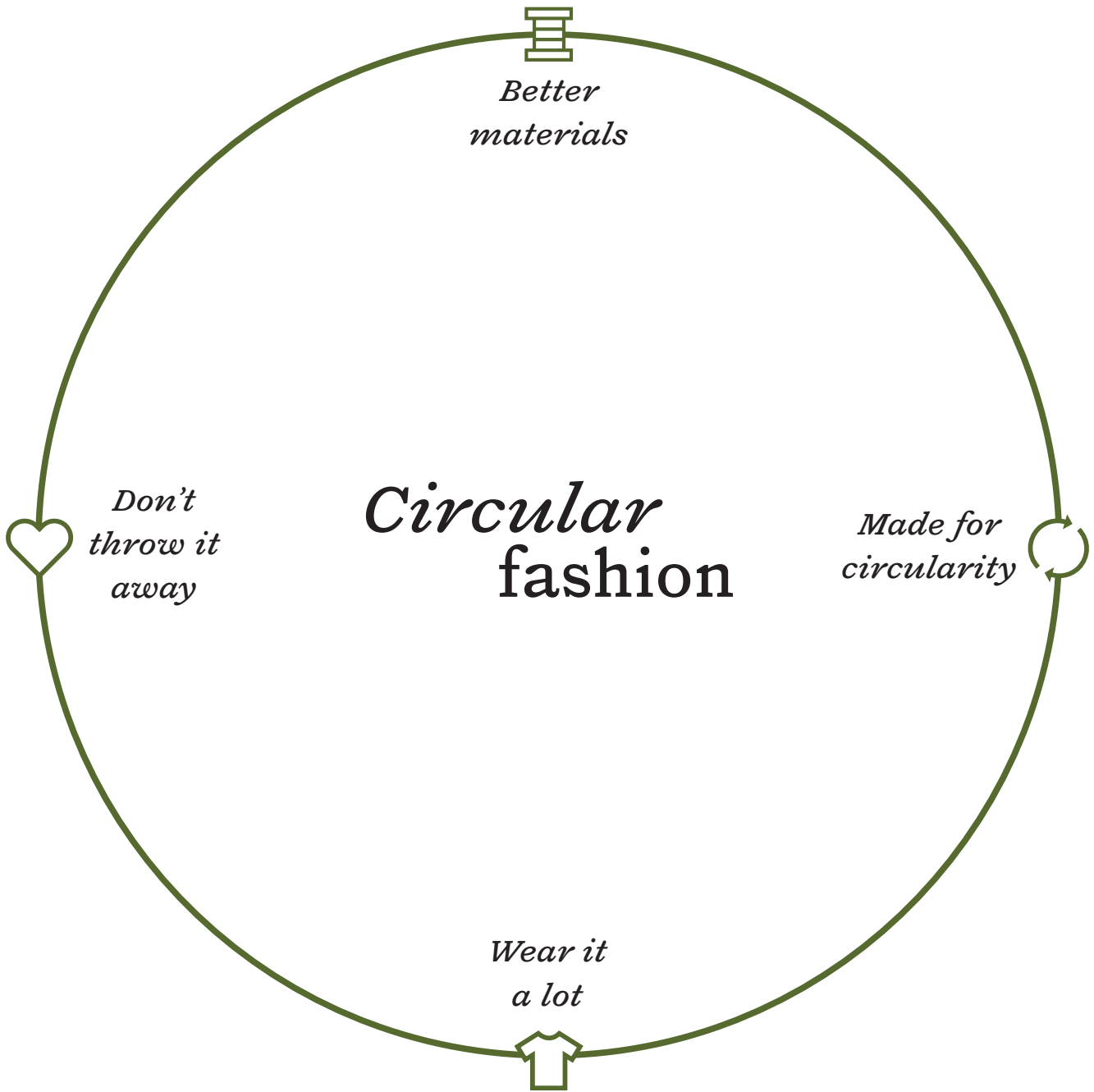
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At Ref, we do work across our business to have the best possible impact on people and the planet. You can get the deets on our overall impact strategy and plans in our updated [Sustainability Framework](#), or check out our self-assessment below. Our goal is to lead in every area while we set new standards for climate action and circularity.

 <b>Setting New Standards/Best</b>	Climate Action
	Circularity
	Better Materials
	Reporting & Transparency
 <b>Leadership/Better</b>	Clean Chemistry
	Traceability
	Resource Efficiency
	Packaging Innovation
	Social Responsibility
	Diversity, Equity, Inclusion, & Belonging
 <b>Best Practices/Good</b>	Community Engagement & Impact
	Low Impact Care

Our goal is to be circular by 2030. We believe the future of fashion is circular, and making something new shouldn't have to mean using virgin materials.

# Circularity



*Better materials*

Make cool stuff from non-toxic, recycled and regenerative materials.

*Made for circularity*

Make stuff that lasts, is designed to be recyclable, and in a way that creates less waste.

*Wear it a lot*

Keep everything in use for as long as possible with care, repair, and love.

*Don't throw it away*

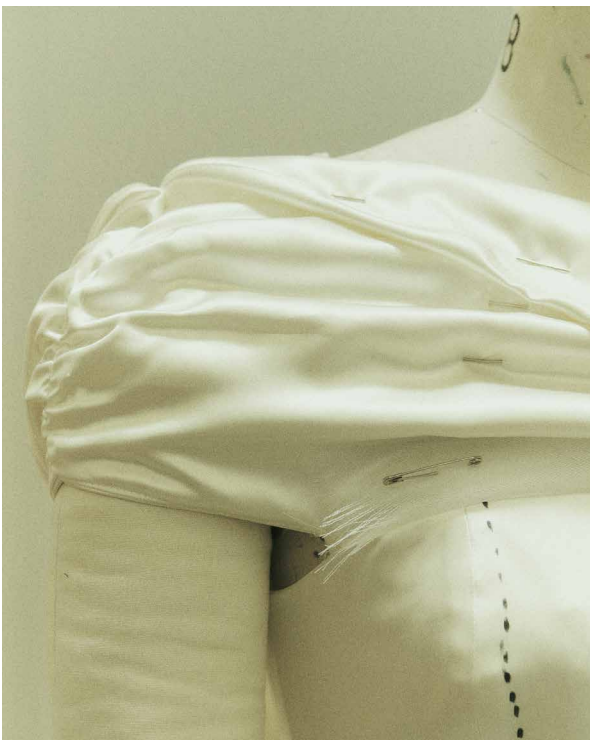
Keep things around through resale and recycling. We're too cute to go to waste.

Here's what that means, based on [Ellen MacArthur Foundation's](#) definition of a circular economy and its three guiding principles.

<p><b>1</b></p> <p><b>Eliminate waste and pollution</b></p> <p>Plan, design, and produce smarter to create less waste in the first place.</p> <p>Design out waste at every stage of production.</p>	<p><b>2</b></p> <p><b>Circulate products and materials</b></p> <p>Keep our stuff around for a long time.</p> <p>Collect textile waste every step of the way, and turn it into new materials.</p> <p>Make cool things out of those recycled materials.</p>	<p><b>3</b></p> <p><b>Regenerate nature</b></p> <p>Shift to more circular models of making, using, and disposing of stuff.</p> <p>Continue to operate in a way that's Climate Positive.</p> <p>Shift to truly renewable and regenerative practices for the virgin materials we have to use.</p>
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## Roadmap

We looked at where we still have gaps in our business model, operations, and product and found twelve things we need to focus on to be circular. Easy. Check them out in our super detailed [roadmap](#).



# Progress

A commitment like this sounds great, but we want to be accountable to actually doing it. So in 2023 we'll use [Circulytics](#), a company-level circularity measurement tool, and start to share key circularity indicators with you in these reports.

Here's what we measured, as a baseline, in 2022:

- **0.5%** of garments were unsold/donated
- **16%** of business volume represented by resale, vintage, rental<sup>7</sup>
- **15%** of our materials were textile-to-textile recyclable<sup>8</sup>
- **68%** materials were recycled, regenerative or renewable
- **17%** materials were deadstock, recycled or next-gen

## RefRecycling

We're taking a big step towards developing a closed-loop, circular system with [RefRecycling](#), powered by our friends at SuperCircle. Since our launch in March 2022, more than 5,900 people have joined the RefRecycling platform, with over 550 people actively recycling their Ref. That has helped us divert over 2,000 pounds of Ref stuff from the landfill. To get in on it, drop off your pre-loved Ref—shoes, denim, sweaters, active, and outerwear—at any of our US retail locations or request a shipping label online. As a thanks for keeping materials around, you'll get Ref credit for every item you bring or ship back. Win-win.

## Hemster

Way before your old Ref stuff needs to be recycled though, we're testing out a way to keep our clothes wearable for longer by helping customers find the perfect fit. With our friends at [Hemster](#), we piloted a program to understand how we can offer simple, custom alterations that would extend the lifespan of a garment and keep it in rotation season after season. We're scaling this program in 2023, so look for it in store or online!

<sup>7</sup> Rental is calculated by looking at the number of times a product is rented and shipped out to a customer.

<sup>8</sup> Percent of textile-to-textile recyclable fabrics is calculated by total fabric yardage for apparel and upper fabric yardage for shoes YTD. This excludes all deadstock materials.

The fashion industry is responsible for somewhere between 4-8% of global carbon emissions and is on track to double that by 2050. Which is scary, but also means that we have the potential to make a change if we work together. That's why we made a commitment to be Climate Positive by 2025.

# Climate Positive





We're defining this as meeting science-based reduction targets and removing more emissions than we produce.<sup>1</sup> Basically, as we grow, we'll work to cut our emissions by about half across our operations and within our supply chain.

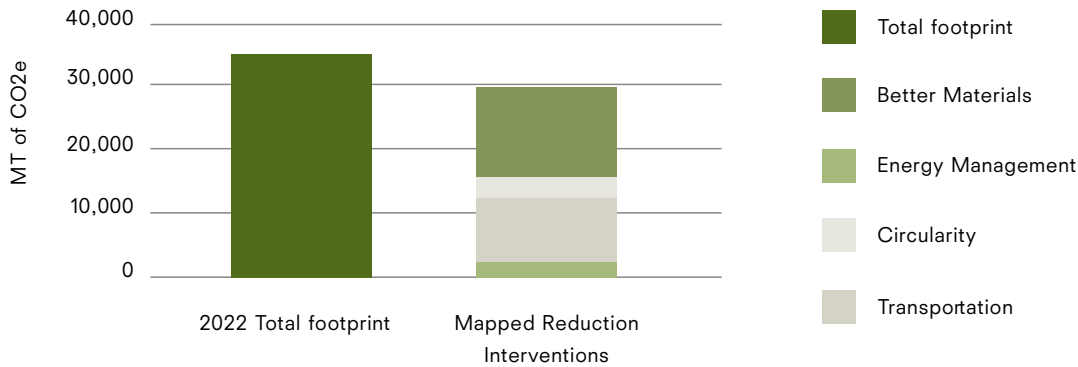
<sup>1</sup> Targets are considered "science-based" if they are in line with the level of decarbonization required to keep the global temperature increase below 1.5°C compared to that of pre-industrial temperatures, as described by the Intergovernmental Panel on Climate Change (IPCC). It's a lot of info, but the good news is our targets are officially confirmed and validated by the Science Based Target Initiative.

# Roadmap

We looked at where most of our emissions come from and identified steps to reduce our footprint in a few key areas: better materials, transportation, energy, and circularity. Check out the detailed [roadmap](#) and our 2022 progress below.

## Expected CO2e reductions based on work we have planned

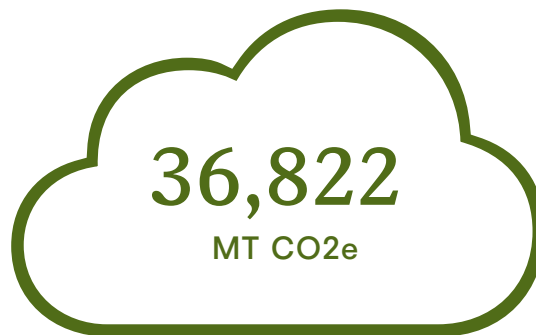
### Expected Reductions



# Progress

To get started on all that, we calculate our total carbon footprint to keep us accountable and see how we're doing. Our footprint measures the total emissions associated with our onsite operations and our entire supply chain. It gives us an idea of our impacts and where we have room to improve.

## Here's our 2022 footprint:



41% Materials

28% Transport

13% Other purchased goods & services

5% Capital goods

4% Garment care

2% Commuting

1% Electricity

1% Business travel

1% Waste & end of life

<1% Fuels

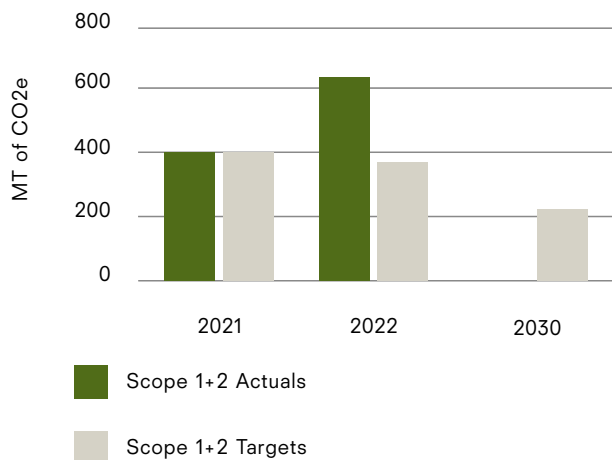
<1% Manufacturing

## Reductions

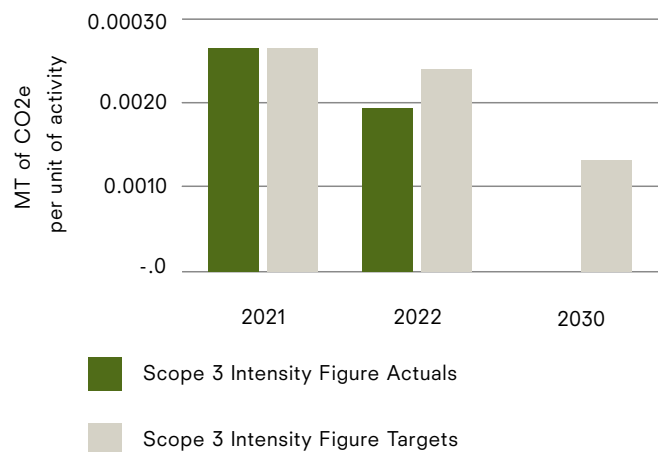
Our official science-based targets (SBTs) are to reduce absolute scope 1 and 2 GHG emissions by 42% and scope 3 emissions by 48% per value added by 2030 from a 2021 base year. Reformation also commits to continue annually sourcing 100% renewable electricity through 2030.

### 2022 Actuals vs our SBTs:

#### Scope 1 & 2



#### Scope 3

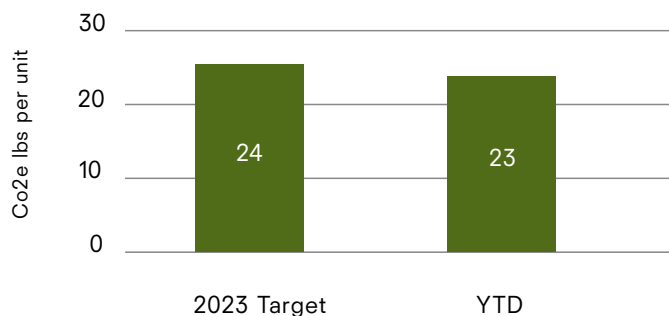


Scope 1 & 2 emissions represent <2% of our total emissions. Given we already sourced 100% renewable energy in our baseline, achieving the absolute reductions for Scope 1 & 2 will be hard. But we have a new EV shuttle, are focusing on energy efficiency in our facilities, and will be electrifying as much of the infrastructure we can in new stores. So even if we continue to miss the target here, we feel confident we can and will make up for the emission reductions in Scope 3.

## More sexy math

[RefScale](#) tracks our product environmental footprint by adding the pounds of carbon dioxide emitted and gallons of water used. Then we calculate how much Reformation saves compared to conventional clothes bought in the US. The whole equation follows the lifecycle of clothes—everything from growing textile fibers and making fabric, dyeing, transporting materials, manufacturing, packaging, shipping, garment care, and even recycling clothes when you're done with them. While this doesn't capture all our business emissions, it's another helpful way to look at our footprint. Plus, it helps us track our real-time reduction progress, because we can't practically measure our complete footprint more than once a year. So, here's a summary of the impact of our products so far in 2023:

### Carbon intensity of products



# Q1 2023 Product Footprint



Carbon dioxide (Metric tons)  
 Ref footprint: 5,353  
 Conventional footprint: 8,526  
 Savings: 3,173



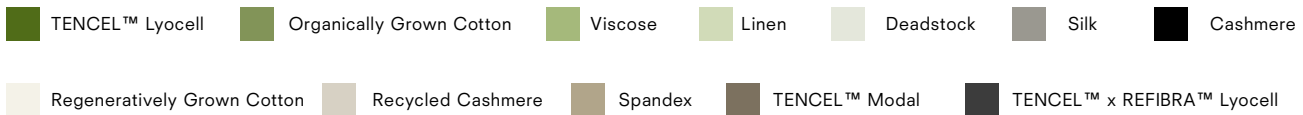
Water (M gallons)  
 Ref footprint: 1,786  
 Conventional footprint: 2,762  
 Savings: 976



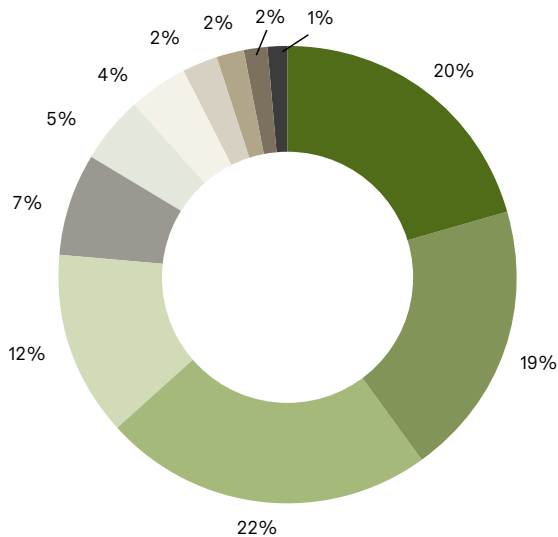
<sup>3</sup>CO2 equivalency comes from the EPA Greenhouse Gas Equivalencies Calculator and Water from the Patagonia Alliance.

## Better Materials

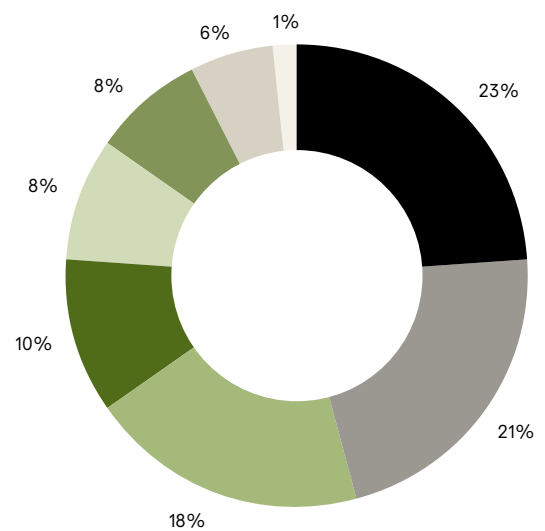
Moving away from higher impact fibers like conventional cashmere, silk, viscose, and leather is a super important part of our Climate Positive Roadmap. Here's how much of that, and other stuff, we sourced plus associated emissions from 2022:



### Material sourcing

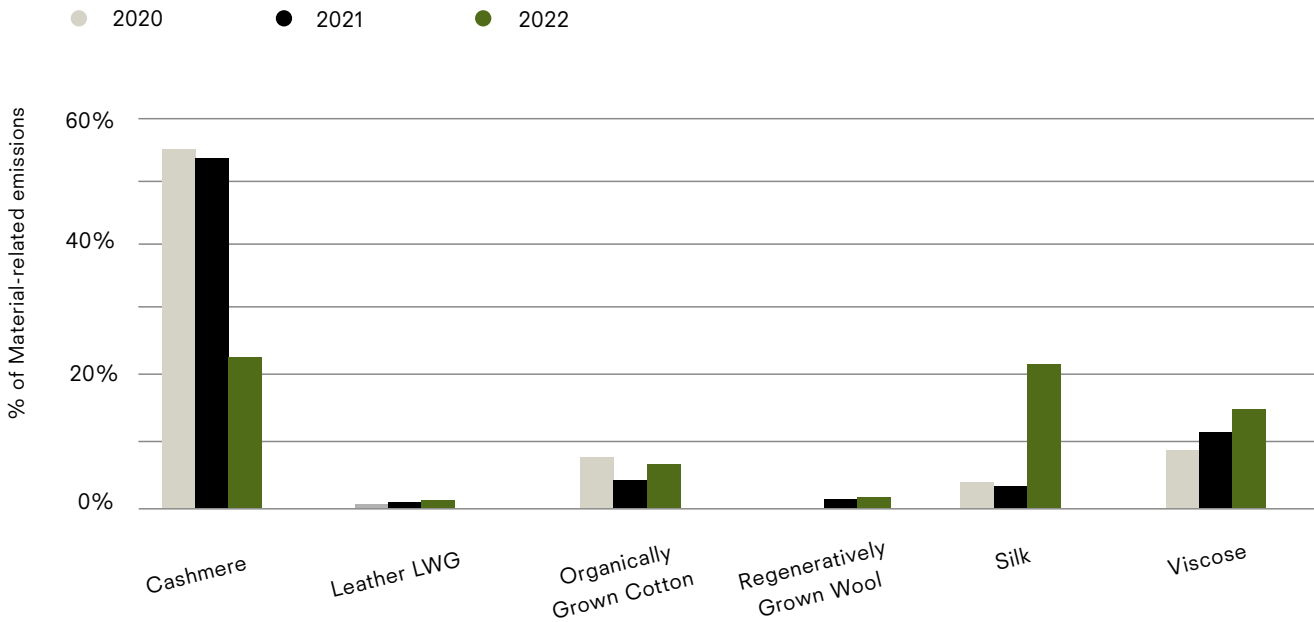
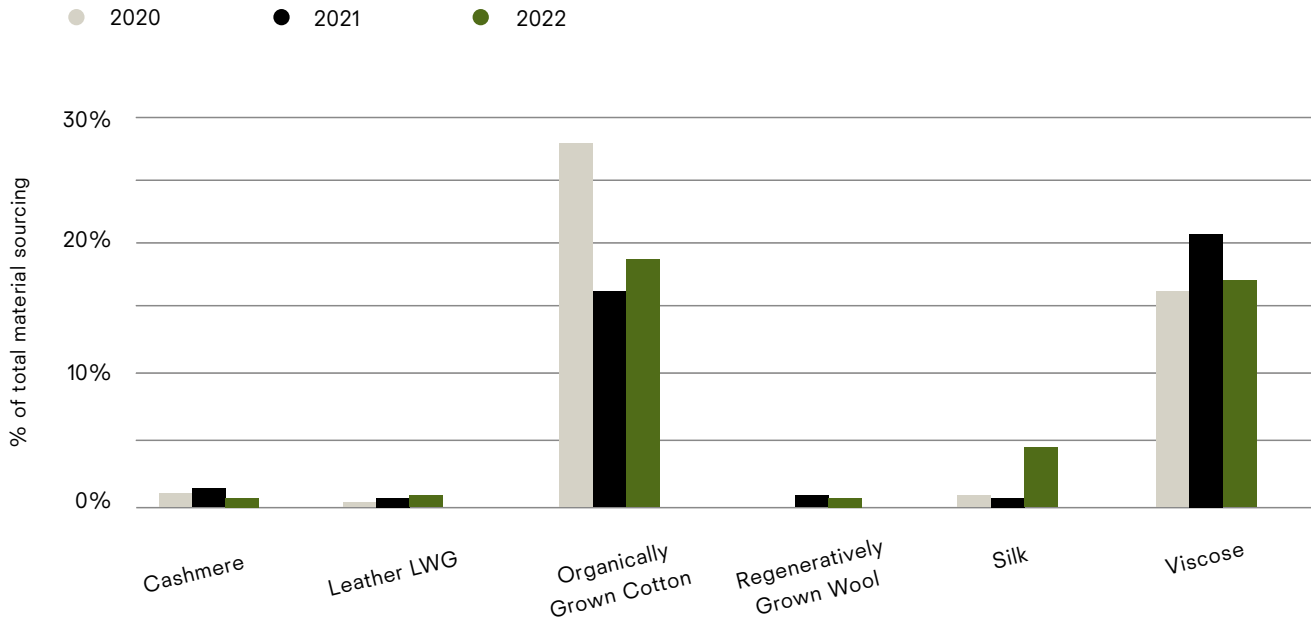


### Carbon emissions by materials



\*Percentages rounded up to the nearest whole number. Graph includes all fibers >1% of total sourcing.

## Here is a look at the change over the years:



Overall, we made a lot of progress toward sourcing better materials in 2022, especially in recycled cashmere and regeneratively grown wool. But progress has been slower for silk and viscose, and we actually saw an increase in silk in 2022 compared to our plans. In 2022 we started to test new alternative fabrics like our Eco Satin, but it hasn't scaled yet to truly offset silk. So we will keep a focus on material innovation—particularly for these fibers. And we can't wait for you to try some of our new, cute innovations in 2023.

## Priority Changes in Material Mix 2020 vs 2023 and beyond

2020		2023		Impact
Viscose	→	Next gen Viscose	→	-47%+ less carbon
Silk	→	NAIA™ Renew Acetate	→	-91% less carbon
70/30 Cashmere	→	90/10 Cashmere	→	-59% less carbon
Organic Cotton	↗	Regeneratively Grown Cotton	→	-17% less carbon
	↘	Recycled Cotton	→	-11% less carbon
Wool	↗	Regeneratively Grown Wool	→	-8% less carbon
	↘	Recycled Wool	→	-84% less carbon

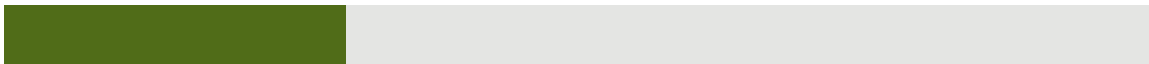
We have our own Ref Fiber Standards that are as holistic as possible, taking into consideration water input, energy input, land use, eco-toxicity, greenhouse gas emissions, human toxicity, availability, and price. We also look at garment care implications, like microfiber shedding. We want 95% of our fabric sourcing for apparel to always meet our top ratings. We are coming just shy of our target due to a higher amount of silk than planned. So we will need to have this be a focus in 2023 as we scale silk alternatives.

# 93% of our fabrics meet our A/B ratings<sup>4</sup>

<sup>4</sup>Fiber performance is calculated by total fiber volume usage YTD. Leather and deadstock are measured by total material volume usage. Percentages have been rounded up. If Spandex is needed for construction, the percentage per fabric can go up to 15%. For other e-rated fibers, the percentage can go up to 10%. The e-rated fibers that fall under these thresholds are excluded from this graph.

## A - All Stars 25%

Key fibers: Tencel™ Lyocell, Recycled cotton, Regeneratively grown cotton, Deadstock



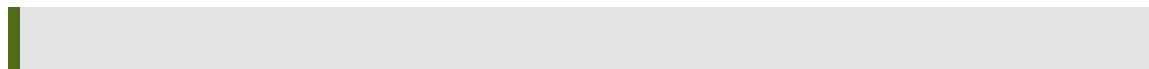
## B - Better than most 68%

Key fibers: Linen, Organically grown cotton, Better Viscose, Modal, NAIA™ Acetate, Recycled Cashmere



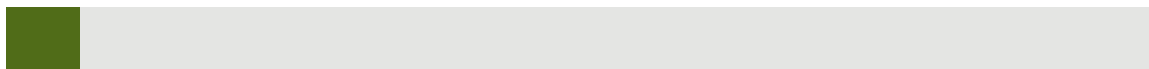
## C - Could be better <1%

Key fibers: Econyl® Regenerated nylon, REPREVE™ polyester, EcoLycra



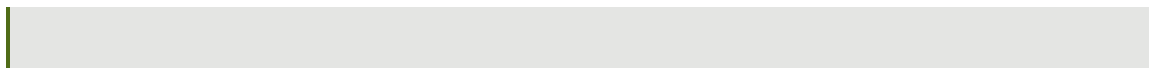
## D - Don't use unless certified 7%

Key fiber: Silk, LWG Certified Leather



## E - Eww, don't use <1%

Key fibers only used in blends: Spandex, Cashmere, Polyester

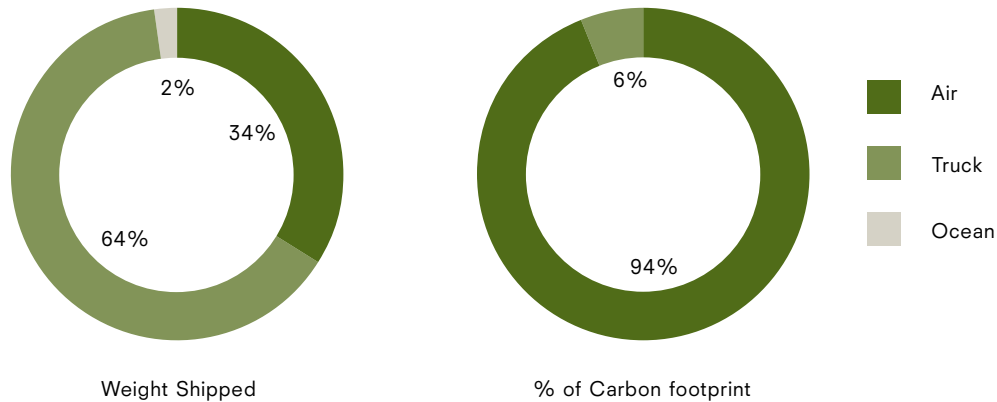


[Learn more about Ref fiber standards](#)

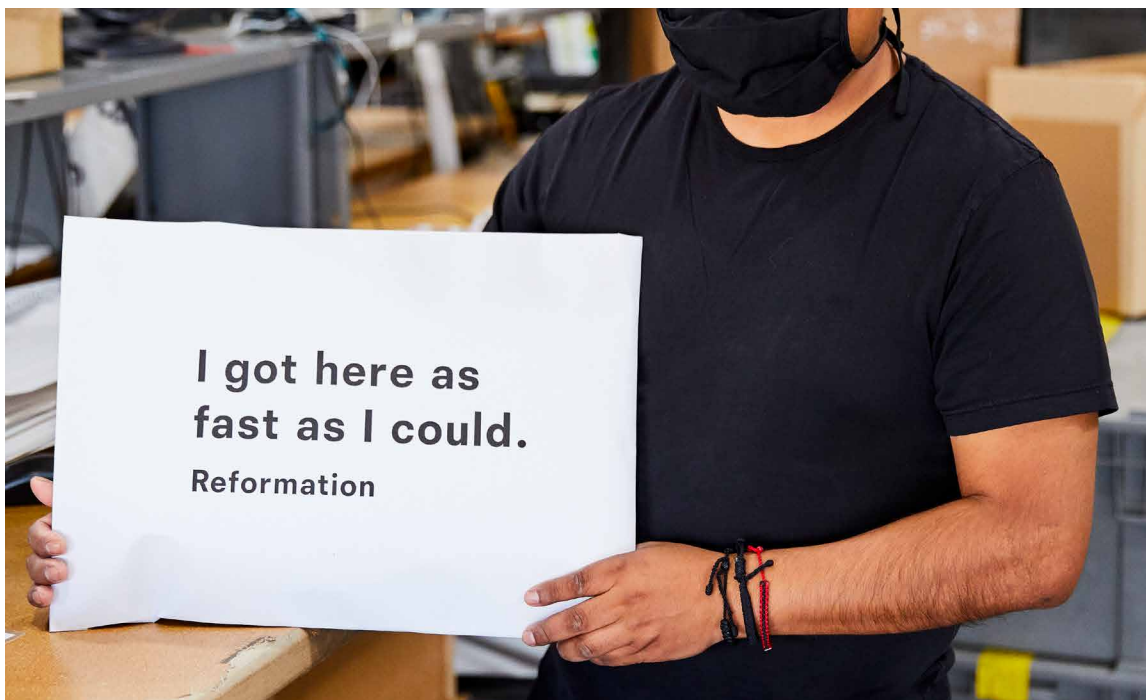
## Transportation

Transporting our raw materials and finished goods to our warehouses, retailers, and customers takes a lot of fuel. It represented about 28% of our total emissions in 2022. To move all of this around the world and to you on time, we use air shipping for about 34% of our stuff. But we need to fly a lot less if we want to hit our carbon reduction targets—air transport is around 20-30x more carbon-intensive than using a cargo ship. We need to start moving as much of our stuff via ocean, ground, or carrier pigeon transport as possible.

### Transit Mix



So we kicked off a task force that includes members from our Supply Chain, Merchandising, Planning, Operations, Design, Tech, and Sustainability teams. Basically everyone who moves stuff. We're working on refining our data and creating innovative solutions that balance the business needs for flexibility, quality, and sustainability. One good example—since we like short lead times (producing the right amount of product when you want it, avoiding waste), we're looking for other places in the product life to save time and make up for longer transit cycles. And we're finding specific product categories or collections that we can plan way ahead. Get ready for lower-emission, still really fast transport this year.





## Energy

### WTF is an inset + Factory Forward

Approximately 2/3 of our total carbon footprint comes from our supply chain. So reaching our Climate Positive goal means influencing real action within our supplier relationships more than anything else. That's why we're insetting, AKA investing in carbon reduction within our own supply chain. Last year, we launched Factory Forward, a whole suite of programs for our suppliers that help them get better at measuring, reporting, and assessing the biggest opportunities for reducing business and environmental costs, and then actually do it, with solutions like on-site renewables, energy/water efficiency, wastewater treatment, and clean chemistry.

We started with industry tools like the Higg Facility Environmental Module (FEM) to establish baseline data for all facilities and find growth opportunities. So far, we've rolled out the Higg FEM with key Tier 1 & Tier 2 suppliers (that represents over 40% of our Tier 1 and 60% of our Tier 2 partner facilities) and will be getting more partners involved every year. Using this info, we can better connect our partners to the programs that will really help their operations.

We've also partnered with the [Apparel Impact Institute \(Aii\)](#), a non-profit that works to identify, fund, and scale proven environmental impact solutions in the apparel and footwear industries, and [South Pole](#), a company that repowers supply chains through the development and implementation of emission reduction strategies. Basically, they're gonna help our suppliers transition to renewable energy.

The big picture of Factory Forward is to strengthen environmental management systems, increase resource efficiency, and transition energy sources to renewables like solar and wind. Our participating suppliers, who represent about a third of our production, completed a Carbon Tech Assessment to report on their energy use and set a baseline for their reduction targets. They also attended a supplier workshop series hosted by South Pole to learn more about their regional renewable energy markets.

### Factory Forward participants

**5 factories**

**47% of Tier 1 production and**

**21% of Tier 2 production**

**6,738,749 kWh potential per year**

## Renewable energy for Ref

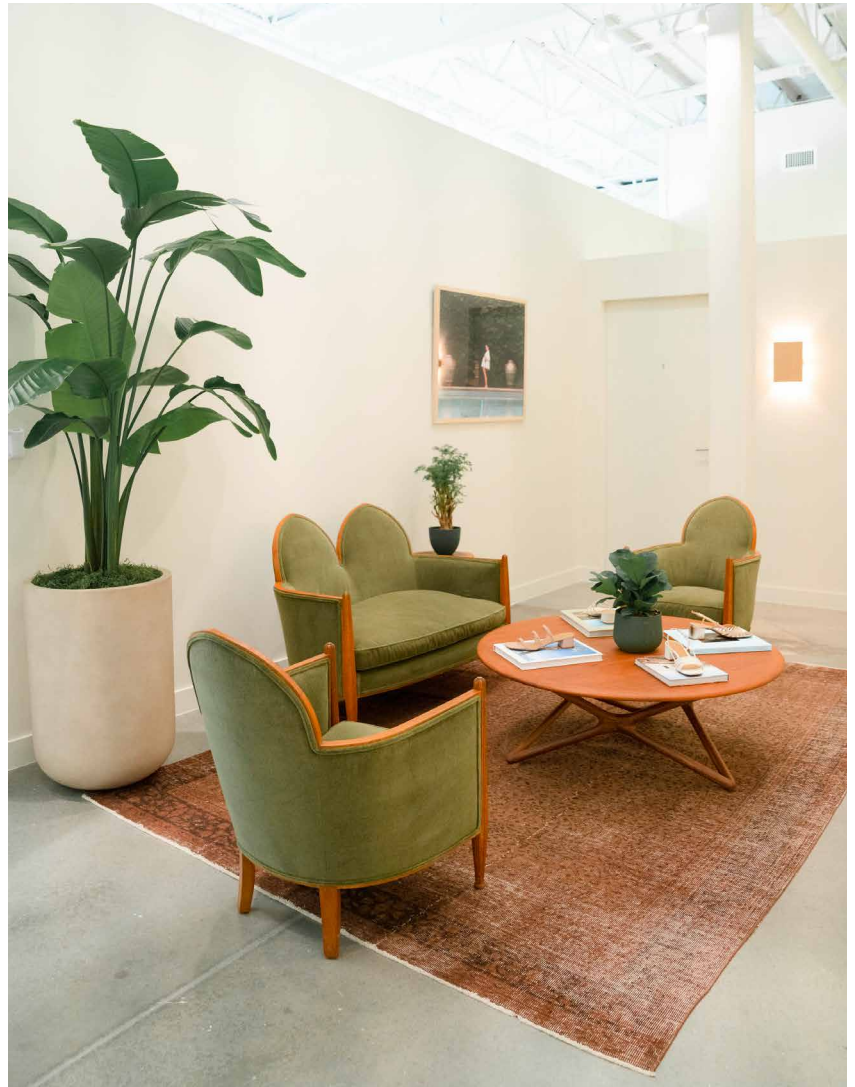
We already purchase renewable energy credits (RECs) to offset 100% of the energy we use in our factory, offices, and retail facilities. In 2022, we looked into installing solar panels at our Factory. Since we currently lease all of our spaces, we weren't able to reach an agreement to complete the project. Landlords, we know. It's frustrating, but it was a great lesson in the complexities that we all face to make an impact. We'll update our future lease agreements to be way more flexible.

Ref also has a company-owned van that is used for all kinds of things like transporting product samples between our headquarters, and even an employee shuttle. We were able to get our hands on an electric van which we charge at our Factory—where we also offer free charging for employees. Last year, we expanded our charging capacity and now have 10 dedicated EV charging spots.

## Green stores

Six of our California retail stores and our corporate office are Green Business Certified, which basically means we're operating to improve energy savings, water efficiency, resource stewardship, and reducing CO2 emissions. In 2022, we created our own internal green business checklist modeled after the same framework so we could expand this across our nearly 40 retail stores globally. Our goal is to have 100% of our stores qualify for Green Business Certification. This is where we're at:

71% of  
stores  
meet the  
standards



## Circularity

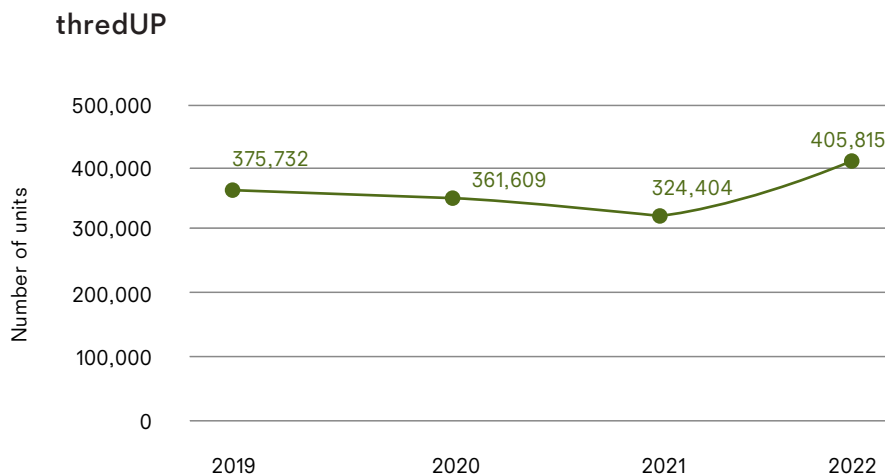
We already went really into circularity, but since it affects our carbon footprint, we'll talk about it here, too. In our Roadmap, we assumed we would keep recycling our manufacturing waste from the Reformation factory, and grow our resale program. Here is the 2022 impact of these programs:

# 36,984 lb

of manufacturing waste from the Ref Factory was recycled in 2022 = 1.66 MT of CO<sub>2</sub>e<sup>5</sup>

# Over 400,000 garments

were resold or recycled via our partnership with thredUP in 2022. The avoided emissions since the launch of our thredUP program = 193 MT of CO<sub>2</sub>e<sup>6</sup>



## Offsets

We are a Climate Neutral Certified company, which means we partner with [Climate Neutral](#) each year to measure our carbon emissions and offset 100% of our footprint. In 2022, we partnered with [BEF](#) on CO<sub>2</sub> reduction projects that support clean energy infrastructure and forest conservation and restoration. We're committed to investing in 100% nature-based or removal projects by 2025. Currently, 12% of our offset portfolio is invested in nature-based projects and we'll keep increasing this each year. It's gonna be hard, and honestly expensive, so we are working on creative solutions that don't just check a box, but really help create new and effective climate actions.

<sup>5</sup> The emission factor for Mixed Recyclables was used from the EPA's 2022 GHG Emission Factors Hub.

<sup>6</sup> Calculations were based on the EPA's Textile Waste Management data.

None of these big picture, save-the-planet goals happen—or matter—without people.  
So here's how we take care of ours.



# Social responsibility

## Supplier practices

Throughout our supply chain, we work with incredible partners who share our values of accountability, transparency, and sustainability. We know we're not perfect, but we always do our best to be transparent and keep pushing for positive change. We require all of our direct cut, sew, and finish manufacturing partners to adhere to our Code of Conduct (basically our requirements for ethical operations). This ensures fair and safe labor conditions and fundamental labor rights, like the prohibition of child labor or forced labor, and the meeting or exceeding of local legal minimum wage requirements.

Our suppliers participate in independent, third-party social assessments to ensure fair, safe, and healthy working conditions. These assessments are conducted not only to ensure that they're meeting our Code of Conduct but to identify areas of progress for improvement. All substandard audit findings must be remediated in a timely manner.

We use a color-coded rating system for our supplier audits and continuous improvement efforts. Our goal is to maintain a "Green" or "Yellow" rating for 95% or more of Tier 1 facilities. This year, we continued to level up our audit protocol to align with the Fair Labor Association standards, so we ended at 22% green ratings. We're confident our partners will adjust to the new reporting requirements and other changes, especially since 91% of our factories met the highest standards ("Green" and "Yellow").

## Supplier ratings

**Green 22%**

**Yellow 69%**

**Orange 7%**

**Red 2%**

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Authorized for production

Authorized for production

Authorized for production  
on a probationary basis

Not authorized for  
production

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Facility meets standards.

Facility has some  
minor/moderate  
issues. Corrective  
Action Plan required.

Facility has safety, health, or  
labor-related violations of our  
standards. Corrective Actions  
and Preventative Actions  
required. Onsite support visit  
or follow-up assessment  
required as needed.

Facility has one or more Zero  
Tolerance Violations and/or has  
failed to remediate major  
safety, health, or labor-related  
violations. Corrective Actions  
and Preventative Actions  
required. Onsite support visit or  
follow-up assessment required.

## Five of our suppliers have attained a social compliance certification like Fair Trade, SA8000, or WRAP.

While certifications are not everything, we're working closely with our suppliers to increase their participation in more social certification programs as an extra way to ensure equitable working conditions for employees throughout our supply chain.

## Better Buying™

Better Buying™'s vision is that buyers and suppliers work together with responsible purchasing practices to achieve shared goals of profitability and social and environmental sustainability. We've used Better Buying's purchasing practices surveys since 2019 so we can get feedback, learn, and take action as a business. So far, we've incorporated feedback about things like lead times, raw material sourcing, product design, product development timelines, sampling and testing, on-time delivery, and a lot more. We've also rolled out internal training for team members involved in Design, Product Development, Production Planning, and Purchasing to ensure everyone is on the same page about responsible purchasing best practices and how we do it at Ref.

## Fair wages

We have aligned our pay strategy to Living Wage for US for all Reformation employees, and are pursuing Tier 1 certification in early 2023. This means we are on track to pay the entry wage for certification, and we'll increase total compensation each year aligned with the Living Wage for US guidelines until we meet living wages for 100% of our team.

In 2022, we also leveraged FLA's Fair Compensation Data Collection Tool to collect wage data from 55% of our Tier 1 finished goods manufacturers and subcontractors. This will help us assess where we are on the journey towards paying a living wage in our supply chain.

## Our factories



# Diversity, equity, inclusion & belonging

We want Ref to be a great place to work and a brand that reflects and respects the diversity of our world.

So we're working to improve representation at all levels of the company and increase our team's sense of belonging and engagement each year. It's hard work, constantly evolving and is not an "HR task." It's not easy, but we're committed to continuing our work in bringing DEIB programs, knowledge & education to enhance the way we think, work, and interact at Reformation.

The most important place to start is with equal hiring practices and tools. In 2022, we hired a Senior Vice President of Diversity, Equity, Inclusion, Belonging and Talent and updated our DEIB strategy. We want to support efforts to increase diverse talent, not just at Ref, but throughout the fashion industry. So in 2022, we continued our partnerships with Creatives Want Change and the Black in Fashion Council, and expanded globally by partnering with the Fashion Minority Alliance and 10,000 Black Interns.

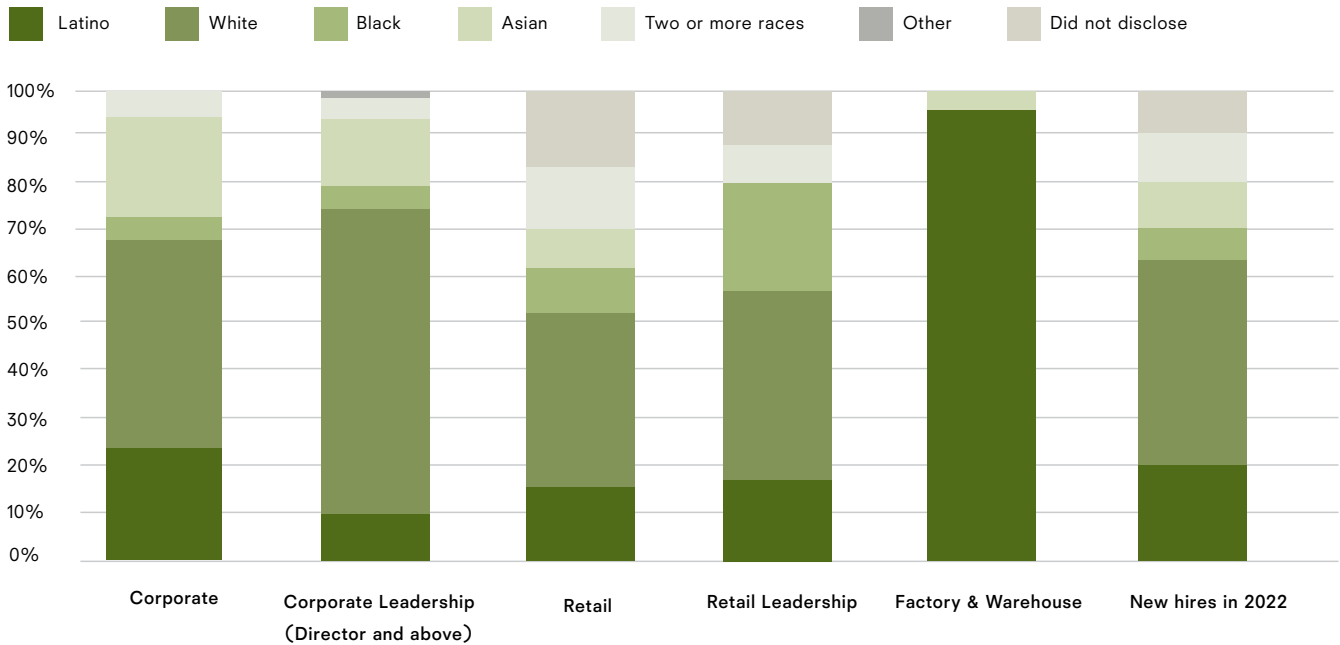
We also launched initiatives that reduce bias in the hiring process last year. Hire by Design is a certification that all Ref hiring managers complete before they begin the recruiting process. We have a 100% completion rate so far, which if you've ever tried to get people to do something via email, is great. We also launched a Micro-Messaging and Unconscious Bias training, and so far have trained about 20% of all Refs. Plus, we host regular DEIB Office Hours that allow Ref's personal time to talk about all things DEIB. We are excited for our 2023 DEIB training schedule to kick off, starting with DEIB Inclusive Leadership program for all of our Directors and above. We'll keep holding the training until all Refs have a chance to complete it.

We're really proud to have diverse representation across our team:

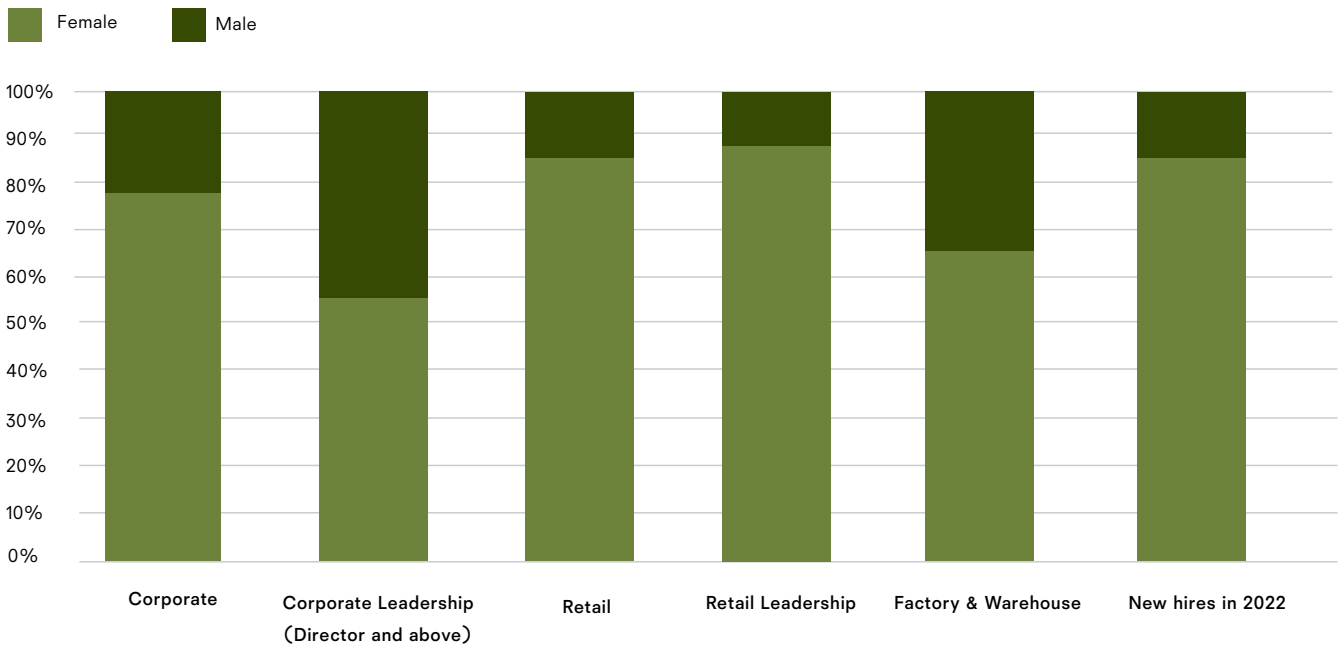
**63%** of our US employees are from an underrepresented race or ethnic group and **77%** identify as female

# Here's our 2022 end of year snapshot of team demographics:

## Race



## Sex



## Board

BIPOC 2/7



Female 5/7



\*Values rounded to nearest whole number; US employees only based on EEO categories and voluntary/self-identified data.



# Community engagement

## Better together

We want Ref to continue to be a leader in sustainable fashion, and help create a community around that movement. So we are involved in the Textile Exchange, Fashion for Good, the Sustainable Apparel Coalition, the UN Fashion Charter and other initiatives. We want to be industry cheerleaders, friends, provocateurs, leaders, and generally just keep pushing for better things together.

## Taking action

In 2022 we used our brand voice and platform to advocate for really important and relevant campaigns like Don't Ban Equality, Reclaim Our Vote, and for effective regulation like the Fashion Act and the Fabric Act.

Voting is a big way to protect the rights of people and the planet, so we got out the vote with our Ref team all over the US during the 2022 midterm elections. We always give employees time off to vote and volunteer. Through [Reclaim Our Vote](#), a non-partisan voter outreach campaign, we sent more than 1,200 handwritten postcards to empower voters in states with documented voter suppression.

It's our responsibility to help create safe, healthy, and equitable working conditions for the workers throughout our supply chain. So we were super excited to see the progress made by landmark legislation like California's SB62, but we know there's a lot more work to be done. We're supporting the FABRIC Act to build on efforts to raise workplace protection standards at a national level. This bill has the potential to realize ethical working conditions and the wellbeing of garment workers across the US, with impacts way beyond that.

We also joined forces with like-minded brands and labor unions to show our support for the Fashion Sustainability and Social Accountability Act, aka the [Fashion Act](#). If passed, the bill would hold fashion brands doing business in NY accountable for impacts on both people and the planet. We're into this because it's an important signal of what consumers want from the industry and gives us a chance for us to raise standards.

Starting local is also super effective, and we've seen California bills create widespread change. So we also signed a letter of support for [SB 1187](#). It was signed into law in 2022, and greenlit a pilot project to study and report on the feasibility of recycling fabric in partnership with garment manufacturers in LA and Ventura counties. It might not sound exciting, but it's an important step in building a municipal system to responsibly divert textile waste from our landfills. Hot.

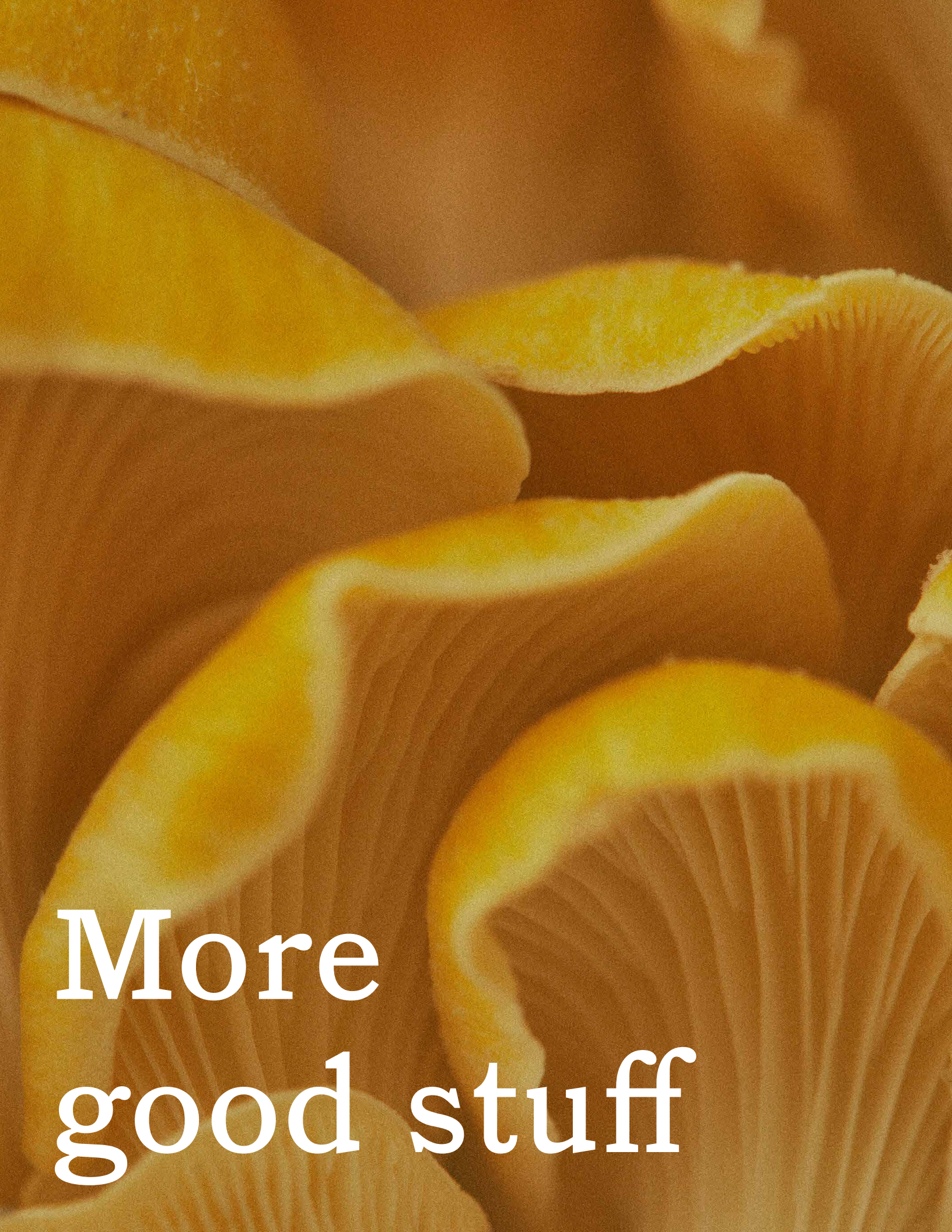
## Giving back

On Earth Day, we launched Climate Tees to help raise awareness and funds for climate action. Turns out you really liked them. More than 1,200 tees were purchased online and across our retail locations. We donated 50% of the proceeds from every tee sold online to our friends at [Canopy](#) to support their work to protect forests, and 50% of the proceeds from every tee sold in our retail stores to local environmental non-profits of the store teams' choice. We also encourage our teams to take paid volunteer time off at least once a quarter. This year, our Community Action Committee created a volunteer database to make it even easier for Refs to get connected to causes that matter most to them. We organized company-wide events like cleanups and composting workshops and worked with food banks and homeless shelters to build care kits and pack lunches. In the month of December, Ref also matched employee donations to community organizations supporting those in need during the holidays.

## Always learning

It's important to us that all Ref team members and our community understand why we do what we do. We offer a Sustainability at Ref training series as well as department-specific Sustainability Scorecard workshops so that team members from across the company can understand our mission better, and most importantly, how their work can support us meeting our impact goals. For a more global context, we partner with The Wardrobe Crisis to offer a Sustainable Fashion 101 training course available to all Refs. The course demystifies the science and the complexity of really important issues like climate change and social justice. The [course is open and available to everyone](#), so you can join too.





More  
good stuff

# Clean Chemistry

## 84% of our dyers and printers have a clean chemical certification<sup>9</sup>

We partner closely with our printers, dye houses, and tanneries to ensure they are using chemical, water, and energy resources responsibly because we want our products to be safe for everyone and everything they touch. Moving forward, we're only partnering with suppliers who are taking a proactive approach to chemical management. We joined bluesign® as a system partner in 2022, and with their help, we're assessing our supply chain to see how we can best meet our clean chemistry goals. We've also aligned our Manufacturing Restricted Substances List (MRSL) with the ZDHC - which stands for the Zero Discharge of Hazardous Chemicals. They're an industry collective dedicated to comprehensive and effective chemical management in the production of textiles. Our goal is to have 100% of our materials come from suppliers with clean chemistry certifications or Level 2 ZDHC MRSL compliance by 2025.

## Traceability

Traceability is about knowing exactly where our stuff comes from. We want to be able to answer "who made our clothes" at every level of the supply chain.

**Our goal is to maintain 100% traceability into our Tier 1 & 2 suppliers**

Tier 1	Tier 2	Tier 3	Tier 4
100%	100%	90%	3%
Finished goods assemblers & subcontractors	Dyers & printers; finishers, weavers, knitters	Fibers, spinners, recycled material collector/processor	Raw material (farm, forest, ranch)

Next up, we'll dig deeper into Tier 4 to influence sustainable practices at the very beginning of our product's lifecycle.

<sup>9</sup> Percent of clean chemical certifications or ZDHC MRSL conformance of Level 2 and higher for dyers, tanneries, and printers is calculated by total fabric yardage for apparel and upper fabric volume for shoes YTD. This excludes all deadstock materials.

<sup>10</sup> Traceability is calculated by total fabric yardage for apparel and by upper fabric volume for shoes YTD. This excludes all deadstock materials.

## Here's where we made our stuff:

China	USA	Mexico	Turkey	Brazil	Pakistan	India
48%	27%	13%	8%	4%	<1%	<1%

\*Based on % volume

Transparency is key to accountability, which is why we disclose 100% of Tier 1 finished goods manufacturers and subcontractors within our supply chain. We aligned with the [Transparency Pledge](#) and are participating in the [Open Supply Hub \(OS Hub\)](#) to expand on the details that are made public so we can be more accountable for the working conditions in our partner factories. We've also signed onto the [Call to Action](#) by The Coalition to End Forced Labour in the Uyghur region. The Coalition's Call to Action is endorsed by over 300 civil society organizations and labor groups who want to end human rights abuses against Uyghur people.

## Low impact care

We consider the full lifecycle of our stuff, so 62% of our garments are designed for low impact garment care.<sup>11</sup> This is up from about 40% in 2019. The biggest blocker to increasing this more are a few core fabrics we use mostly in dresses which require professional cleaning to ensure quality. So as we add more innovative materials, we're focusing on ensuring they are safe for low impact care too. Low impact garment care means keeping your stuff clean is easier on you and the environment. Just changing the temperature of your wash can save as much as 500 pounds of carbon dioxide per year.<sup>12</sup> Low impact garment care methods also make our stuff easier and cheaper for you (bye, dry cleaners).

## Pack it up

We wanna say bye to plastic in our packaging. Right now our packaging is 100% recycled, but we're still working on a 100% plastic-free solution. One of our biggest challenges will be replacing our polybags, which protect our products while they're on the move. We've tried bio-based plastics and compostable materials, but since composting in the US isn't widely accessible yet, we switched to 100% recycled plastic bags with a biodegradable polymer (BDP) that allows them to break down in landfills. And in 2022, we launched a program to collect our own business waste and use it to create new recycled polybags. We've collected around 11,000 lbs of polybag waste since launch so we can work on closing the loop and cutting waste while we work on getting rid of plastic for good.

<sup>11</sup> Includes garments that are safe for machine wash cold or hand wash

<sup>12</sup> Source: World Wildlife Fund, Green Tips



Geek out  
on more  
details

## Sustainability Development Goals alignment



The fashion industry has a major impact on the global economy and the environment. That's why we 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.

The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.

## Sustainability Accounting Standards Board (SASB) disclosures table

Code	Accounting Metric	Category	Unit of Measure	Reformation's Response
<b>Management of Chemicals in Products</b>				
CG-AA-250a.1	Discussion of processes to maintain compliance with restricted substances regulations	Discussion and Analysis	N/A	Please refer to our Commitments page (MRSL and RSL section) and our Sustainability at Ref page (Made Smarter section).
CG-AA-250a.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	N/A	Please refer to our Commitments page and our Sustainable Partners Guidebook (pages 21-24).
<b>Environmental Impacts in the Supply</b>				
CG-AA-430a.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual	Quantitative	Percentage (%)	All sites must ensure that they comply with and possess up-to-date certifications, permits, licensing, and/or registrations pertaining to all local and national environmental laws. (1) All Tier 1 suppliers must be audited on an annual basis to maintain authorization for production with Reformation. This assessment process includes a review of all the required permits and respective compliance for the facility. (2) We are expanding our supplier assessment requirements into Tier 2 in 2023, starting with our strategic suppliers. Suppliers are also expected to expand their EMS to move beyond compliance and begin identifying and tracking all significant environmental impacts and develop a long-term strategy aimed at minimizing those impacts. Reformation recommends the use of the Higg Facility Tools to support this work. For additional information, please refer to our Sustainable Partners Guidebook.

Continued →

Code	Accounting Metric	Category	Unit of Measure	Reformation's Response
CG-AA-430a.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition's Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	Quantitative	Percentage (%)	<ol style="list-style-type: none"> <li>Approximately 43% of our annual production was completed by Tier 1 facilities that completed the FEM in 2022.</li> <li>Approximately 60% of our materials were sourced from Tier 2 facilities that completed the FEM in 2022.</li> </ol> <p>*Please note that Tier 1 business volume was calculated using FOB \$ production volumes and Tier 2 business volume was calculated based on the annual yardage of material produced by each facility on behalf of Reformation and divided by total yardage sourced in that year.</p>

#### Labor Conditions in the Supply Chain

CG-AA-430b.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	Quantitative	Percentage (%)	<ol style="list-style-type: none"> <li>100% of Tier 1 suppliers were audited in 2022.</li> <li>8% of Tier 2 suppliers were audited in 2022.</li> <li>100% of audits are conducted by third-party auditors.</li> </ol>
CG-AA-430b.2	Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	Quantitative	Rate	<p>The Priority Non-Conformance Rate (PNCr) and Corrective Action Plan rate (CAP) are critical metrics that we monitor in our supplier Workplace Code of Conduct audits. We use a color-coded system to indicate compliance status and assign severity ratings to non-conformities. Remediation of priority and zero-tolerance non-conformities should be completed within 30 days, unless otherwise agreed upon.</p> <p>For additional information, please refer to our Sustainable Partners Guidebook subsections: Assessment Rating/Matrix and Remediation and Continuous Improvement, (pages 15-20).</p>
CG-AA-430b.3	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	Discussion and Analysis	N/A	<ol style="list-style-type: none"> <li>Greatest Labor risks: weekly overtime, grievance mechanisms, and record keeping.</li> <li>Greatest Environmental, Health, and Safety risks: exits, electrical &amp; chemical management, and PPE.</li> </ol>

#### Raw Materials Sourcing

CG-AA-440a.1	Description of environmental and social risks associated with sourcing priority raw materials	Discussion and Analysis	N/A	Please refer to our Fiber Standards and our methodology.												
CG-AA-440a.2	Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, by standard	Quantitative	Percentage (%) by weight	<table border="1"> <thead> <tr> <th>Certification</th> <th>% of total uptake</th> </tr> </thead> <tbody> <tr> <td>FSC</td> <td>44%</td> </tr> <tr> <td>GOTS</td> <td>13%</td> </tr> <tr> <td>GRS</td> <td>4%</td> </tr> <tr> <td>OCS</td> <td>5%</td> </tr> <tr> <td>Bluesign</td> <td>28%</td> </tr> </tbody> </table>	Certification	% of total uptake	FSC	44%	GOTS	13%	GRS	4%	OCS	5%	Bluesign	28%
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CG-AA-000.A	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	N/A	<ol style="list-style-type: none"> <li>Tier 1: 54 facilities in 2022</li> <li>Tier 2: 73 facilities in 2022</li> </ol> <p>For additional information please refer to our Factories page.</p>
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## Corporate Fibers and Materials Benchmark (CFMB) disclosure

The Material Change Index (MCI) is a key component of Textile Exchange's Corporate Fiber & Materials Benchmark (CFMB) program and is the largest peer-to-peer comparison initiative in the textile industry built on voluntary company disclosure. Here at Ref we have completed this questionnaire since 2019 and would like to share our most recent MCI Progress card for the calendar year of 2021.

[2022 Progress card](#)

## Sustainable Apparel Coalition Brand and Retail Module (BRM) disclosure

As a member of the Sustainable Apparel Coalition, we complete the Higg Brand & Retail module on an annual basis. As you know we believe in oversharing, we are therefore also committed to sharing our BRM score every year. In 2022, we completed our self-assessment for the calendar year 2021 and got it verified by a third party. Please see our overall BRM score for 2021 below.

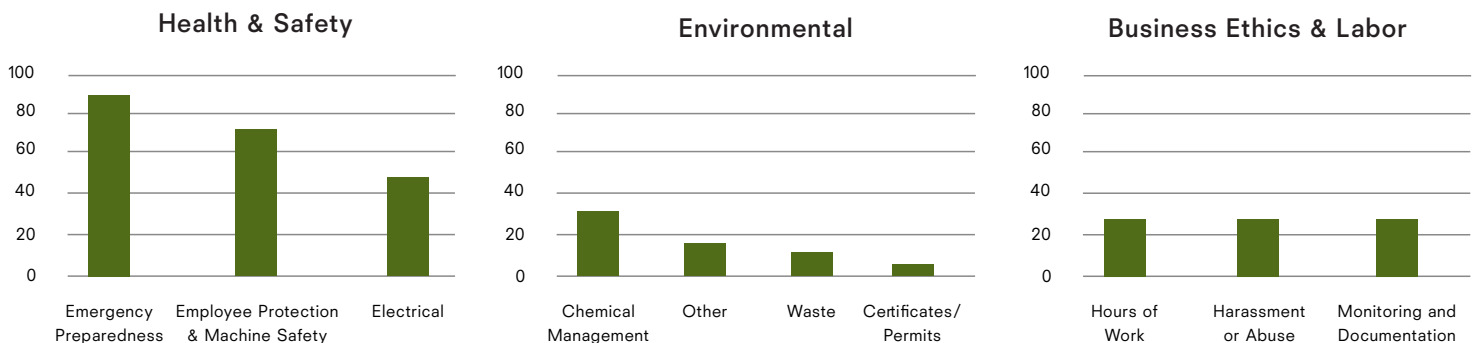
### Overall Scores



## Corrective Action Plan trends

### Top Trends 2022


CAP Trends identify the most common findings noted during third-party assessments at our partner factories. Findings are based on various categories (i.e., health & safety) and help determine what corrective actions, root cause analysis and additional assessments are required.



\*% per category is based on findings across all third-party assessments conducted in 2022.

### Top by Country

- Pakistan: Emergency Preparedness, Employee Protection & Machine Safety
- Mexico: Electrical Safety, Emergency Preparedness, Employee Protection & Machine Safety
- China: Hours of Work, Wages & Benefits
- Brazil: Emergency Preparedness, Employee Protection & Machine Safety
- India: Emergency Preparedness, Health & Safety General
- United States: Electrical Safety, Emergency Preparedness, Employee Protection & Machine Safety

A close-up photograph of several large, vibrant green leaves, likely from a plant like a banana or similar, filling the entire frame. The leaves are layered, with some in sharp focus and others slightly blurred in the background, creating a sense of depth. The lighting is natural, highlighting the texture and veins of the leaves.

Okay,  
that's all  
for now

**Reformation**

**[Learn more](#)**