It’s been four years since we became a New York State Public Benefit Corporation. In that span of time, we’ve celebrated many successes—and we also faced the most challenging circumstances in our company’s history.

Through it all, our commitment to responsible business practices that support people and planet has remained intact. I would even say it’s the reason we made it through the pandemic—thanks to the loyalty of the customers, business partners and employees who believe that, together, we can make a positive difference.

I’m delighted to say that business signs were positive in 2021. We were able to reinstate our employee wellness program and began hiring for key roles that had been lost in recent years. We also recertified as a B Corporation and maintained our investment in eco-preferred materials. We’re filled with hope for what’s to come. Being a Benefit Corporation means we can do the work ahead while serving all our communities with integrity and authenticity.
We design for simplicity and wholeness—to inspire joy and connection in women around the world.

We are authentic. We thrive in connection. We trust each other. We innovate through creativity. We are committed to the health of the whole. We are united by purpose.
We are committed to designing clothing that creates minimal environmental and social impact.
Product

The EILEEN FISHER design strategy is based on two primary objectives: simplicity and sustainability.

SIMPLICITY  The company designs its clothing line as a system of simple shapes that work together easily to provide options for the diverse body types of its customers. Simplifying the line includes limiting the number of styles produced. This process decreases the number of fabrics and samples developed, helping to reduce waste. In 2021, EILEEN FISHER produced 10% more units with 36% fewer styles compared to 2020.

SUSTAINABILITY  EILEEN FISHER embeds sustainable business practices throughout its operations and supply chains, working with established third party verification partners to validate its sustainability performance. The company maintains its status as a certified B Corporation and uses the Higg Index to help identify and address sustainability risks and opportunities.

SUCCESSES

The Higg Brand and Retail Module (BRM) is a comprehensive assessment tool for holistically evaluating sustainability impacts across an organization’s entire value chain. The BRM measures performance on 11 environmental and 16 social impact categories.

In 2020 EILEEN FISHER engaged independent auditing firm TÜV Rheinland to verify its Higg BRM, reporting a 73.7% score on the Environmental Assessment and 78.3% on the Social Assessment based on a 100% possible score (2021 results are currently under audit).

EILEEN FISHER’s key strengths, as identified by the Higg BRM, include material selection and supply chain transparency. Additionally, the company’s Circular by Design program drove an especially strong score for end-of-use criteria.
CHALLENGES

The BRM assessment included three priority areas for improvement:

**DUE DILIGENCE**  EILEEN FISHER will improve its system for identifying and addressing potential risk factors by conducting a comprehensive social and environmental risk assessment for operations, value chain partners and non-manufacturing business partners. The assessment will include overarching apparel sector risks, sourcing risks, product risks and country risks. Based on the findings, specific remedial programs will be developed and implemented.

**TIMELY DECISIONS AND TRANSPORTATION**  The company will continue to better operationalize sustainability and reduce carbon emissions by committing to production orders in a timely manner, allowing for goods to be transported by sea instead of air. EILEEN FISHER will also engage with its couriers and third-party logistics partners to improve energy efficiencies and identify options for using electrified transportation fleets (see further information in the Carbon section of this report).

**PACKAGING**  While EILEEN FISHER’S garment packaging is made of recycled plastic, its recyclability is challenging for consumers who lack local recycling programs that accept this material. The company continues research and development for ways to reduce packaging, use eco-preferred materials and minimize the end-of-life impacts associated with its packaging (see further information in the Packaging section of this report).
EILEEN FISHER continues to make significant investments in eco-preferred materials. In 2021, we increased transparency across our value chain by doubling the number of suppliers on the public-facing supplier list found on our website and at Open Apparel Registry. The increase primarily comes from Tier 2 and 3 suppliers including mills, wet processing facilities and spinners, where the company also works to identify and eliminate the potential for any use of forced labor.

SUCCESES

ECO-PREFERRED FIBERS & MATERIALS  Cotton, Tencel™ Lyocell and linen were the three most used fibers by volume across the company’s product line in 2021. 98% of all EILEEN FISHER cotton products were either organic or recycled, and 98% of linen products were organic. The company supports farmers transitioning crops to organic, in addition to ensuring that no materials are produced in violation of human rights standards.

Consistent with our commitment to the CanopyStyle initiative to protect ancient and endangered forests, 95% of our regenerative cellulosic fiber comes from suppliers categorized as low risk sources of forest products. Additionally, 77 % of our regenerated cellulosic fiber was Tencel™ Lyocell, a fiber that is produced through a closed-loop process where 99% of the solvent is recovered and reused.

Wool is the next most used fiber by volume in 2021. 70% of the wool in EILEEN FISHER products was certified to the Textile Exchange Responsible Wool Standard (RWS), and 24% of the RWS wool was sourced from farms that support regenerative practices.
KEEPING FORCED LABOR OUT OF MATERIALS  EILEEN FISHER works continuously to ensure, to the best of its ability, that there is no forced labor involved with its supply chain. The company was active with the Coalition to End Forced Labor and does no business in the Xinjiang Uyghur Autonomous Region (XUAR) due to the region’s association with forced labor.

EXCESS INVENTORY  Sales shortfalls in 2020 resulted in excess fabric and yarn inventory in 2021. Rather than sell off the excess material, the company incorporated it into its 2021 product line and discounted prices accordingly.

GARMENT CLEANING  Washing and drying clothes can have a high environmental impact due to the use of energy, water and detergents. EILEEN FISHER takes this into consideration when selecting materials. 84% of styles in 2021 could be hand or machine washed and line dried, reducing the amount of water and energy required to care for them.

CHALLENGES

Despite a slow but encouraging recovery to the business in 2021, reductions to the workforce and limited financial resources hindered progress on certain priorities. Regenerative agriculture and transparency are two areas where projects were challenged due to resource constraints and supply chain complexity:

REGENERATIVE AGRICULTURE  An important approach to responsible sourcing includes farming practices that restore the land and contribute to carbon sequestration and biodiversity. Due to sourcing challenges and excess yarn inventory from 2020, EILEEN FISHER’s use of regenerative wool declined in 2021. The company anticipates increasing its use of regenerative fiber in 2022 and continues to explore the development of in-transition supply chains to help farmers shift to sustainable practices and earn a premium in association with eco-preferred materials.

TRANSPARENCY  Transparency through to the farm level remains a challenge for the entire apparel industry. EILEEN FISHER relies on third-party certifications for due diligence verification of fiber country of origin, and engages its partners in building traceable supply chains all the way to the farm.

2021 saw important advancements in the requirements for the certification of raw fiber materials by the Global Organic Textile Standard and the Organic Cotton Standard—namely the inclusion of country of origin and, in some instances, the region within a country. While this is important progress, visibility to the farm level is not yet widely attainable in many supply chains, including those for cotton and linen.

There are digital traceability platforms being developed to address concerns around the integrity of certification schemes worldwide. EILEEN FISHER is piloting one such project with Textile Genesis around cellulosic fiber and material. The project’s goal is to increase visibility into the supply chain through forensic audits that verify fiber origin and third-party audits that verify the environmental and social credentials of suppliers, including potential uses of block-chain technology in the textile and apparel industries.
EILEEN FISHER works to avoid using any substances that are known or suspected to be harmful to human health and the environment. Across its value chain, the company focuses on two key impact areas: eco-preferred fiber selection and dyehouse manufacturing processes.

Organic cotton and linen fiber made up 44% of our production. By sourcing from organically managed farms the company is sidestepping the use of harmful chemicals. At wet processing facilities where products are dyed and finished, EILEEN FISHER encourages continuous improvement of supplier chemical management practices and phasing out hazardous substances.

SUCCESSES

TOXIC REDUCTION AT THE FIBER LEVEL  In 2021, 73% of the total units EILEEN FISHER produced were made with fibers that support low toxin inputs (organic or regenerative farming practices) and closed-loop production systems (Tencel™ Lyocell, recycled), the company’s highest percentage to date. Organic farmers take a systems-based approach to increase soil health and biodiversity while reducing the harmful effects from chemicals that may persist in soil, water and air. Tencel™ Lyocell fiber is made of responsibly sourced wood that is processed through a closed-loop production system where 99% of solvents are recovered and reused.
SAFER CHEMISTRY IN OUR MANUFACTURING PROCESS Using safer, more efficient chemistry and avoiding hazardous substances to manufacture products promotes the health of workers, communities and ecosystems. EILEEN FISHER employs a full-time textile chemist who works directly with wet processing facilities to improve their chemistry practices, resulting in an overarching reduction of toxic chemicals across the company’s supply chain operations.

BLUESIGN® AND OTHER CHEMISTRY PROGRAMS 57% of EILEEN FISHER units met safe chemistry standards through our use of materials that are certified by bluesign®, Standard 100 by OEKO-TEX and other industry accepted programs. Two additional EILEEN FISHER vendors became certified bluesign® partners in 2021, and the company continues to encourage its vendors to adopt approved safe chemistry standards.

CHALLENGES

The overall percent of EILEEN FISHER wet processing facilities that met a safe chemistry standard fell by 11% in 2021 due to following factors:

CHANGES IN SUPPLY CHAIN EILEEN FISHER seeks to create long-term partnerships with vendors who meet certified chemistry standards but shifts to our supply chain have impacted this objective.

TRAVEL AND RESOURCE CONSTRAINTS The company analyzed reliable third-party data but could not travel and visit supply chain partners for verification due to pandemic-related restrictions.

LOW VOLUME The company works with certain suppliers with whom it does a relatively small volume of business, limiting its leverage to encourage them to adopt safer chemistry.
Supply Chain

Although EILEEN FISHER’s suppliers were still affected by the ongoing COVID-19 pandemic in 2021, the company maintained strong relationships that produced improved supply chain transparency and social and environmental impact.

SUCCESES

CONTINUOUS IMPROVEMENT ON SOCIAL AND ENVIRONMENTAL ASSESSMENTS The company monitored suppliers’ progress on social and environmental issues using the Higg Index Facility Environmental Module (FEM) and the Higg Index Facility Social and Labor Module (FSLM). Social data for facilities in Indonesia and Vietnam is collected through the ILO Better Work program.

Fourteen apparel manufacturing facilities have completed the FEM within the reporting period, accounting for 88% of EILEEN FISHER’s total units produced. 40% of those facilities have been verified by a third party.

Ten apparel manufacturing facilities have completed the FSLM or Better Work program within the reporting period, accounting for 62% of the total units EILEEN FISHER produced.

The chart below shows the percentage of product produced by apparel manufacturing facilities that have completed and verified their assessments as noted. Some suppliers are still in the process of verifying their 2021 assessments.
The 2021 report revealed that EILEEN FISHER has improved year-over-year since 2018 in four key categories: planning & forecasting, design & development, cost & cost negotiation, and management of the purchasing process. The potential for squeezing suppliers on cost, over-forecasting and under-buying, and creating unclear expectations is well-documented to have a harmful effect on social and environmental measures. Crucially, 100% of suppliers reported that no conflicting demands were made between EILEEN FISHER’s expectations for social and environmental standards and its order placement.

The company uses this information to evaluate its design and sourcing practices and plans to improve its Technical Pack accuracy. The Tech Pack is a blueprint of all the technical specifications and design details for a product. It helps improve workflow for manufacturers so that they can maximize time and efficiency, which also benefits worker well-being and reduces environmental impact.
To improve the clarity of social and environmental expectations across manufacturing functions, the company will ensure that its suppliers have the opportunity to review and sign EILEEN FISHER’s Social and Environmental Implementation Guide following an in-progress update.

**MOBILE PHONE SURVEY**  To complement the assessments highlighted above EILEEN FISHER is partnering with Labor Solutions, a firm that helps companies identify, prevent and remediate human rights risks throughout their supply chains. A mobile phone survey is planned to better understand three key pieces of supply chain workers’ daily experience: gender, pay and benefits. The company worked with Labor Solutions to draft the survey, which will be conducted with Tier 1, 2 and 3 suppliers that choose to participate. The results, which are expected in 2022, will help the company better understand key areas where it can support its suppliers and their workers.

**LIVING WAGE BENCHMARKS**  To promote the availability of living wage benchmarks, EILEEN FISHER provides financial support to the Global Living Wage Corporate Sponsor Program. This program uses the Anker Method, which recruits teams of social scientists including economists, sociologists and local experts to establish regionally specific living wage benchmarks. The benchmarks analyze the most relevant family size, cost of staple foods and healthcare and housing and transportation fees, among other factors, to identify the wage workers must earn to meet their needs and put a small amount of money into savings. Supporting the development of these benchmarks will allow EILEEN FISHER to provide living wage guidance to our suppliers.

**TRANSPARENCY**  Between 2020 and 2021, EILEEN FISHER doubled the number of suppliers on its public-facing supplier list from 45 to 90, increasing the emphasis beyond Tier 1 cut-and-sew factories to Tiers 2 and 3—wet processing, mills and spinners.

**CHALLENGES**

**LIVING WAGE**  Two key challenges to the implementation of living wages in the apparel sector are the dynamic nature of regional economies and insufficient data on what constitutes a living wage. In 2021 EILEEN FISHER began efforts to gather more data from suppliers, fund industry-wide research for regional living wage data and engage with industry groups supporting this issue. EILEEN FISHER will also use the mobile phone survey to identify which factories need the most support when it comes to implementing living wages.

**GENDER EQUITY**  Power imbalances and concerns about anonymity when reporting issues can present obstacles to gender equity in apparel manufacturing facilities. The issues that affect women the most can be hard to detect in traditional social auditing or factory assessment models. The mobile phone survey designed in 2021 will help drive gender equity at the apparel manufacturing level in 2022. Through the survey, EILEEN FISHER will be able to compare many aspects of worker well-being between genders as reported by the workers themselves. The ability to meet one’s family’s financial needs, abuse or harassment faced at work and career growth are just a few of the categories that will be assessed on the basis of gender.
WASTE On the whole, EILEEN FISHER suppliers have improved in setting targets to reduce the amount of waste produced, but they still need to work to meet the goal of diverting 90% of discarded materials from conventional disposal methods. A cutting room optimization plan for 2022 will improve the ratio of material purchased to material used, improving progress toward our waste goals.

TRANSPARENCY For additional information, see the Materials section of this report.
EILEEN FISHER’s approach to global warming is comprehensive and grounded in the interconnectedness of human and planetary well-being. The company’s climate strategy focuses on three key areas:

- The life cycle stages of our product
- Collective action
- Social equity and the vital role of women

Compared to 2019, the company’s overall carbon footprint was cut by approximately 54% in 2021 due to a significant decrease in units produced, a shift in our fiber portfolio and adjustments in the apparel industry’s carbon emissions data.

**2021 PULSE CHECK**

**Global**

<table>
<thead>
<tr>
<th>Part per Million</th>
<th>°F</th>
</tr>
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<tbody>
<tr>
<td>417</td>
<td>+1.53</td>
</tr>
</tbody>
</table>

This is the amount of carbon dioxide in the atmosphere in 2021. Since the beginning of industrial times (1750), human activities have raised the atmospheric CO2 emissions by 50%. Source: NASA Climate

**EILEEN FISHER**

<table>
<thead>
<tr>
<th>Part per Million</th>
<th>°F</th>
</tr>
</thead>
<tbody>
<tr>
<td>116</td>
<td>+1.53</td>
</tr>
</tbody>
</table>

EILEEN FISHER’S Carbon Footprint from raw materials through company operations was approximately 28,013 metric tons of carbon emissions. This is equivalent to 155 railcars worth of coal burned. Source: EPA GHGe equivalency calculator

**TOTAL GREENHOUSE GAS EMISSIONS** The chart below presents EILEEN FISHER’s estimated total greenhouse gas emissions from 2017 through 2021, 95% of which can be attributed to Scope 3 purchased goods & services and upstream transportation. Scope 1 (emissions controlled and owned by the company) and Scope 2 (indirect emissions from purchased electricity) make up 1% and 4% respectively.

![Total Greenhouse Gas Emissions Chart](chart.png)

Note: Total carbon emissions calculations include raw material to distribution center and business operations. It excludes emissions for use phase and next life/end of life. Total carbon emissions were not calculated for 2020.
SUCCESSES

SCIENCE BASED TARGETS In 2017, EILEEN FISHER committed to a 100% reduction in absolute Scope 1 and 2 GHG emissions by 2025 from a 2017 base year. The company also committed to a 25% reduction in absolute Scope 3 emissions from purchased goods & services and upstream transportation & distribution by 2025 from a 2017 base year.

Currently, the company is on track to hit its Scope 3 targets, but Scope 1 and 2 targets have not been met yet. Much of the decrease in emissions can be attributed to a pandemic-driven business contraction. Scope 3, which represents raw material, industrial facilities, upstream transportation, courier services and business travel, saw a 58% reduction in 2021 from the 2017 base year.

<table>
<thead>
<tr>
<th>Scope 3 Carbon Footprint metric tons greenhouse gas emissions; raw material to distribution center &amp; courier, business travel</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
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<tbody>
<tr>
<td>57,782</td>
<td>67,529</td>
<td>50,513</td>
<td>-</td>
<td>24,931</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Weighted Average greenhouse gas emissions per unit (raw material to distribution center; excludes use phase and end of life impacts)</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.82</td>
<td>12.94</td>
<td>11.93</td>
<td>-</td>
<td>9.97</td>
<td></td>
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</tbody>
</table>

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<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>Goal</td>
<td>Baseline</td>
<td>3.125%</td>
<td>6.3%</td>
<td>9.43%</td>
<td>12.6%</td>
</tr>
<tr>
<td>Actual</td>
<td>17%</td>
<td>13%</td>
<td>-</td>
<td>58%</td>
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<tr>
<td>Including Inset Investment</td>
<td>4.1%</td>
<td>24%</td>
<td>-</td>
<td>66%</td>
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</tr>
<tr>
<td>Goal Achieved</td>
<td>X</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Inset Program</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metric tons greenhouse gas emissions reductions through offset/inset</td>
<td>7,220</td>
<td>7,390</td>
<td>6,500</td>
<td>3,500</td>
<td>4,405</td>
</tr>
<tr>
<td>Total Scope 3 metric tons greenhouse gas emissions including offset/inset</td>
<td>50,562</td>
<td>60,189</td>
<td>44,013</td>
<td>-</td>
<td>19,928</td>
</tr>
<tr>
<td>Percentage of greenhouse gas reductions to total carbon footprint</td>
<td>12%</td>
<td>11%</td>
<td>13%</td>
<td>-</td>
<td>18%</td>
</tr>
</tbody>
</table>

INVESTING IN BETTER LAND MANAGEMENT & RESOURCE CONSERVATION

- **REGENERATIVE AGRICULTURE & CARBON SEQUESTRATION** For the last three years EILEEN FISHER has invested in a program with carbon offset provider NativeEnergy and the regenerative farming network Ovis 21 that supports regenerative wool farming and carbon sequestration. The initiative provides up-front capital to ranchers who adopt regenerative land-management practices that foster soil health and sequester carbon.

- **ORGANIC & RECYCLED FIBERS** Organic cotton and organic linen are core fibers for EILEEN FISHER. While the organic farms that supply fiber for EILEEN FISHER product are not certified to a regenerative standard, the practice of eliminating persistent
pesticides creates healthier soil. Additionally, the company continues to research and pilot production methods to incorporate more recycled content in its materials, thereby reducing the natural resources needed for virgin materials.

TRACKING APPAREL MANUFACTURERS’ ENERGY SOURCES. EILEEN FISHER encourages its supply chain partners to transition to less emissions-intensive energy sources. It is beginning to track suppliers’ energy use with the Higg Facility Environmental Module (FEM).

Listed below are various energy sources used at 13 apparel manufacturing facilities comprising 90% of EILEEN FISHER’s production volume in 2021. Eleven of these facilities have established carbon reduction goals and track their progress.

Each supplier has its own power configuration depending on the age of their buildings, local availability and other factors. None of the facilities use renewables exclusively, and some use both renewable energy and fossil fuels. This is emblematic of the transition to a sustainable energy mix, and EILEEN FISHER continues to evaluate organizations that can help its suppliers research and invest in renewable energy.

ENGAGING WITH CUSTOMERS THROUGH A PRODUCT’S LIFE CYCLE. EILEEN FISHER leverages many touch points with the customer to help extend the life of a garment:

1. The line is designed as a system, which lets customers build a wardrobe that works from season to season and year to year.
2. Timeless designs have enduring appeal, and they are made to last using eco-preferred materials wherever possible.
3. Low-impact care instructions, including hand or machine washing and line drying, are provided to help customers reduce their use of water and energy.
4. The company offers a repair program to extend the life of EILEEN FISHER garments.
5. The company offers a take-back program to incentivize customers to return unwanted pieces.
6. EILEEN FISHER operates several branded business lines that make use of returned product, including a resale program (Renew), a remanufacturing program (Resewn) and a recycling program (Waste No More), each extending the life of the original product and the material used to produce it.
POLICY  See the Benefit 4 section for EILEEN FISHER’s engagement in advocacy and policy.

CHALLENGES

NATURAL GAS AND PROPANE  In 2021 EILEEN FISHER began Scope 1 accounting to track the use of these energy sources at its retail stores and corporate space. Currently, the company does not have a plan in place to transition to renewable alternatives.

ELECTRICITY USE AND RENEWABLE ENERGY CREDITS  Since 2013 EILEEN FISHER has purchased renewable energy credits (RECs) for 100% of its electricity consumption (Scope 2). In 2021 the cost of RECs tripled due to increased market demand, and the company has postponed the purchase of RECs while it researches the feasibility of on-site or off-site renewable energy projects.

EILEEN FISHER’s electricity usage declined from 2020 to 2021 due to the closure of a company office and retail stores as their leases expired. The company’s Scope 1, 2 and 3 emissions are detailed in the chart below.

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>SCOPE 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Vehicles</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8</td>
<td>10</td>
<td>9</td>
<td>6</td>
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<tr>
<td>Gas &amp; Propane</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>279</td>
</tr>
<tr>
<td>SCOPE 1 TOTAL</td>
<td>8</td>
<td>10</td>
<td>9</td>
<td>285</td>
<td></td>
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<tr>
<td>SCOPE 2</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Building Spaces</td>
<td>1,805</td>
<td>2,030</td>
<td>2,169</td>
<td>2,091</td>
<td>2,154</td>
<td>1,616</td>
<td>852</td>
</tr>
<tr>
<td>SCOPE 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw Material to Factory</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>46,726</td>
<td>54,629</td>
<td>39,717</td>
<td>-</td>
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<tr>
<td>Inbound Logistics</td>
<td>13,680</td>
<td>10,260</td>
<td>10,148</td>
<td>9,428</td>
<td>7,684</td>
<td>3,051</td>
<td>4,703</td>
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<tr>
<td>Outbound/ Courier Services</td>
<td>1,285</td>
<td>1,241</td>
<td>906</td>
<td>1,782</td>
<td>2,291</td>
<td>1,521</td>
<td>951</td>
</tr>
<tr>
<td>Business Travel</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,690</td>
<td>821</td>
<td>92</td>
<td>4</td>
</tr>
<tr>
<td>Transmission &amp; Distribution Losses</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>48</td>
</tr>
<tr>
<td>SCOPE 3 TOTAL</td>
<td>15,065</td>
<td>11,501</td>
<td>57,782</td>
<td>67,529</td>
<td>50,513</td>
<td>-</td>
<td>24,331</td>
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<tr>
<td>SCOPE 1,2,3 TOTAL</td>
<td>16,870</td>
<td>13,331</td>
<td>59,951</td>
<td>69,628</td>
<td>52,677</td>
<td>-</td>
<td>25,468</td>
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<tr>
<td>RECs (converted to GHG)</td>
<td>1,805</td>
<td>2,030</td>
<td>2,169</td>
<td>2,091</td>
<td>2,154</td>
<td>1,616</td>
<td>-</td>
</tr>
<tr>
<td>Offsets / Insets</td>
<td>7,600</td>
<td>7,600</td>
<td>7,220</td>
<td>7,390</td>
<td>6,600</td>
<td>3,500</td>
<td>4,406</td>
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<tr>
<td>TOTAL GHG EMISSIONS</td>
<td>7,465</td>
<td>3,901</td>
<td>50,542</td>
<td>60,147</td>
<td>44,023</td>
<td>-</td>
<td>21,063</td>
</tr>
</tbody>
</table>

Annual Carbon Emission by Scope for 2015-2021
INBOUND TRANSPORTATION  While the majority of inbound product is shipped by ocean freight, there was an 8% increase in units shipped by air, primarily due to pandemic driven supply chain and global logistics delays, and also due to EILEEN FISHER’s business decision to commit to styles later in the established production cycle.

DATA ACCURACY  Measuring progress requires metrics and data that are valid and reliable. The company relies on secondary industry Life Cycle Assessment and proxy data to calculate its carbon impact, and such data may not entirely reflect its supply chain. EILEEN FISHER is aware this may result in imprecise carbon accounting and continues to work on improving data integrity in its internal processes, as well as with industry partners that can help gather more precise primary information.

Correction note: The company’s 2020 Benefit Report included a data error in equivalency calculation on page 8. The equivalent railcars of coal burned for 44,023 metric tons of GHG emissions should be 234, not 890 as stated in the report.
EILEEN FISHER minimizes waste with a strategy focused on three product stages: pre-consumer, consumer and post-consumer. Continued collaboration with industry organizations is a key aspect of the work happening at the pre- and post-consumer stages to support this circular initiative.

1. Pre-consumer stage
   - Prevent waste through intentional design practices.
   - Reduce waste by optimizing operations within EILEEN FISHER and its supply chain facilities. Some information about pre-consumer waste can be found in the Product and Supply Chain sections.

2. Consumer stage
   - Extend product use through the company’s repair program.
   - Encourage customers to return their unwanted EILEEN FISHER garments through the Renew take-back program.

3. Post-consumer stage
   - Used garments are sorted, cleaned and resold through the company’s website and retail stores. Garments that cannot be resold are either donated, upcycled through EILEEN FISHER’s innovative Waste No More program, recycled into new materials or downcycled for another use. The illustration below demonstrates the sorting criteria for the Renew take-back program.
SUCCESSES

RENEW

- Initiated a partnership with Tersus Solutions to sort and clean used garments using waterless and dryerless cleaning technology.
- Extended the Renew product offering to include shoes, sandals and boots.
- Introduced a Mended Sweaters collection in partnership with Refugee Artisan Initiative (RAI), a local nonprofit that supports living-wage work for women. The artisans create visible mends on slightly damaged sweaters, producing beautiful, one-of-a-kind, upcycled items for resale.

WASTE NO MORE

- Partnered with Parsons MFA program to host student interns. The students use the company’s smaller felting machines to create their own designs.

CHALLENGES

INVENTORY  The Renew program currently has more inventory coming in than going out. The company continues to research and develop partnerships with textile recycling companies to create scalable and profitable circular systems. It is especially challenging to identify solutions for fabrics with blended synthetic content. Additionally, the pandemic disrupted EILEEN FISHER’s annual pop-up shops, resulting in a backlog of product at the Renew warehouse.

OPERATIONS  The company needs improved IT systems to better manage its inventory of incoming garments and outgoing Renew and Waste No More pieces. EILEEN FISHER is also researching and developing more scalable solutions for bringing products to market.
An Inclusive Workplace: We are committed to creating an inclusive workplace that respects and honors differences in gender, age, race, ethnicity, religion, sexual orientation and political views.
2021 was a year of recommitting to the values that are foundational to the company’s identity and operating philosophy. The Inclusive Workplace Statement (below), created the prior year, was a powerful reminder of how the company can—and should—continue to lead in this new decade:

At EILEEN FISHER, we strive to create an inclusive and respectful workplace. We all benefit when we work in an environment where our differences are valued. We all succeed when we are respected, supported and valued for who we are. We all thrive in a culture of inclusion.

Our values—we are authentic, we thrive in connection, we trust each other, we innovate through creativity, we are committed to the health of the whole and we are united by purpose—pave the way to a culture of inclusion, but we must also work to nurture and safeguard our culture.

Here is a snapshot of the people at EILEEN FISHER in 2021:
SUCCESSES

On top of regaining its financial footing in 2021, the company made similar progress in reaffirming and integrating its core values. Here is a snapshot of actions taken in 2021 to further embed inclusivity into company workplace practices.

- EILEEN FISHER added Our Commitment to an Inclusive Workplace Free of Discrimination + Harassment policy to the Employee Handbooks (retail and corporate).

- The company incorporated Sustainability and Diversity, Equity + Inclusion (DE+I) into its annual Development Dialogues (the EILEEN FISHER performance review process) and added the following areas for discussion:
  - In what ways could your role support EILEEN FISHER’s work around Diversity, Equity and Inclusion?
  - In what ways could your role support work around Sustainability (Human Rights and Environment)?

- The company redesigned and launched the New Hire Orientation (NHO) Program, whose overarching theme is Weaving Connections. This virtual NHO, which brings together both corporate and retail new hires, is designed to create and foster connections through an interactive session around these topics:
  - Values + Behaviors
  - DE+I
  - Sustainability
  - Line as a System (the design strategy for the line) + Social Media
  - Company Structure

- EILEEN FISHER’s Seattle Renew store started a book club to have active community engagement around DE&I issues. This program is to foster an increased awareness, knowledge and participation around anti-racism action.

- At the July company meeting, the company shared workforce demographics (which had not been shared internally before) and announced that, in 2022, its goal is to ensure that 50% of new hires are people of color.

- EILEEN FISHER celebrated Juneteenth as a company-observed holiday, having added it to our annual holiday calendar in 2020.

- The DE+I Team sponsored the commemoration of Juneteenth, PRIDE and Hispanic/Latinx month with educational resources on fishnet (company intranet) and employee gatherings.

- The company rolled out Managing Bias training to the employee community, as well as Harassment training.

- The company sent out company-wide messaging on its support of reproductive freedom and signed on to the “Don’t Ban Equality” statement in Texas.

- The Black Employee Resource Group was established to gather Black employees throughout the organization. It serves as a place for employees to raise questions and concerns, and to provide education, advocacy and career development.
• The company selected a vendor for company-wide anti-racism training for leaders of people within the organization.

CHALLENGES

While EILEEN FISHER made significant progress in rebuilding an inclusive culture in 2021, there were some important challenges:

• As an organization that continued to function primarily remotely, the company needed to figure out how to work and gather in new ways. This included determining the appropriate cadence of meetings, the rhythm for its DE+I work and how best to gather people for collaborative work.

• There was a substantial amount of upheaval related to personnel change in 2021. Many of the prior DE+I Team members left the company—rebuilding the team required thoughtful consideration of how to help people balance their regular work with that of the DE+I Team, and how to help the team as a whole find its rhythm going forward.

• With the “newness” of the anti-racism movement subsiding, the company needed to work hard to keep the internal momentum alive beyond the headlines and truly build it into the everyday fabric of the workplace.
The key themes in 2021 were: persevering through challenges, restoring key aspects of benefits including the company’s Wellness Reimbursement program, and adapting employee benefits to the new reality, notably remote work. The company worked hard to hold onto the most important aspects of its benefits. Even with rising costs, employee contributions to the medical and dental plans did not increase in 2021. Additionally, the company developed an incremental payback program to allow furloughed employees a variety of means for making up missed contributions to the health plan.

**SUCCESSES**

- **EILEEN FISHER** reinstated its long-term Wellness Reimbursement program in August 2021. Expenses incurred back through January were admissible.
- The company offered a 2021 summer bonus and announced a year-end profit sharing bonus.
- The company offered a shared salary increase program in October 2021.
- In May 2021, the company restored salaries to 100% of pre-COVID salaries.
- The company developed a payback program for people who were furloughed in 2020, to pay back benefits over time. This allowed employees to use paid time off (rather than cash) to offset employee contributions owed in 2020 benefits.

**CHALLENGES**

- The company was not able to reinstate the Service Award program, which had been put on hold in March 2020 and discontinued at the end of 2020.
- Financial constraints prohibited a 401(k) matching contribution in 2021.
Benefit 3

Business for Good:
We believe in conducting business in ways that empower women and girls, support the fair treatment of all people and preserve the environment.
While the company could not reinstate its grant and sponsorship budgets in 2021, EILEEN FISHER Renew provided clothing to several organizations that serve women in need.

**SUCCESSES**

Here’s a snapshot of the organizations supported by EILEEN FISHER Renew’s Irvington (NY) and Seattle (WA) operations:

**NEW YORK METROPOLITAN AREA**
- Community Center of Northern Westchester
- St. Bartholomew’s Church
- Family-to-Family
- Roosevelt Island Senior Center
- Women’s Rights Information Center
- American Red Cross

**SEATTLE/PACIFIC COAST AREA**
- Lifelong Thrift
- Ryther
- WHEEL (Women’s Housing Equality & Enhancement League)
- Big Brothers Big Sisters
- Dress for Success
- Habilitat Hawaii
- Hawaii Lemon Salvage
- Queen It’s a New Day
- Young Women Empowered

**CHALLENGES**

Because 2021 continued to be a year of conservative spending, the company remained unable to resume monetary grant-making and sponsorships. Additionally, remote working arrangements and bandwidth issues impeded the company’s ability to carry out collaborative volunteer efforts. There is hope that, in the coming year, some elements of the company’s community support will be reinstated as the business continues to regain financial strength.
Benefit 4

We strive to work collaboratively and transparently with other companies in the fashion industry to advance ethical business practices.
EILEEN FISHER has long recognized the role it can play in advancing and strengthening practices that serve the greater good. 2021 was no different, with partnerships at all levels of the EILEEN FISHER value chain regaining momentum toward a common goal.

**SUCCESSES**

Much of the company’s efforts in 2021 prepared EILEEN FISHER for collaborative work the following year. For example, exploratory conversations with Labor Solutions laid the foundation for supply chain mobile phone surveys to take place in 2022. And EILEEN FISHER joined the Global Living Wage Coalition’s Corporate Sponsor Program to support advancements in benchmarking living wages around the world.

In 2021, EILEEN FISHER worked with the following 23 organizations to advance its environmental and social impact work:

- American Sustainable Business Network
- B Lab
- Better Buying Initiative
- Better Work Vietnam and Indonesia
- bluesign®
- Brown and Wilmanns Environmental
- Canopy
- Ceres Business for Innovative Climate and Energy Policy (BICEP)
- Coalition to End Forced Labor in the Uyghur Region
- Fordham University’s Responsible Business Coalition
- Higg Inc.
- NativeEnergy
- Nest
- Open Apparel Registry
- Organic Cotton Accelerator
- Preferential Tariff Project
- Savory Institute
- Science Based Targets Initiative
- Social Accountability International
- Sustainable Apparel Coalition
- Textile Exchange
- Tersus
- Trove

**BRAND AND STUDENT CONVERSATIONS** Company efforts to share best practices and create mutual learning opportunities with like-minded organizations continued in 2021. Staff conducted 15 brand-to-brand conversations during the year, to provide insights into EILEEN FISHER’s work and/or to explore potential collaborations. In addition, they held
four quarterly webinars for college/post-graduate students and early career professionals seeking to learn about Social Consciousness practices.

**ADVOCACY** EILEEN FISHER recognizes the opportunity for meaningful systems change through engagement with policy makers and advocacy organizations. To that end, the company took action on several key issues throughout 2021.

January  
Co-signed, along with 152 companies and 50 trade associations, a letter to the White House **opposing potential tariffs on Vietnam.**

February  
Endorsed **California’s Garment Worker Protection Act (SB62),** which expands liability for garment worker well-being, prohibits piece rate work and authorizes investigations for wage theft.

Signed “America is All In” statement (together with 1,700 other organizations), calling for national mobilization on climate and recovery—and timed to coincide with rejoining the Paris Agreement.

April  
The **Climate and Community Investment Act** was formulated to be a companion to the 2019 Climate Leadership and Community Protection Act (CLCPA). It provides for a polluter penalty that would fund community-led and owned climate solutions, create green jobs and professional training and lend support to low- and moderate-income New Yorkers impacted by the energy transition. EF’s General Counsel, Elizabeth Richman, participated in the panel discussion, which provided insight into the business case for supporting the CCIA from the perspective of New York.

November  
At COP26, joined over 50 other fashion and textile companies backing Textile Exchange’s request for policy to **incentivize the use of environmentally preferred materials.** This request supports TE’s aim to accelerate progress towards its industry goal of a 45% reduction in greenhouse gas emissions from textile fiber and material production by 2030, in line with the Paris Agreement.

EILEEN FISHER was a signatory of a Statement of Intent in support of procurement of renewable energy worldwide, under the US Department of State’s **Clean Energy Demand Initiative.** This letter was organized and shared by representatives from the Renewable Energy Buyers Alliance (REBA) at COP26.

December  
Signed the **Don’t Ban Equality** Statement in Texas to help create an economy and a world that allows all people to participate equally and restrictions on access to reproductive care are in direct conflict with that goal.
SPEAKING AND CONVENING  One of the primary ways that EILEEN FISHER connects, shares and mobilizes action is to speak publicly at industry gatherings and college classes. In 2021, the Social Consciousness team and colleagues participated in 20 public speaking events. These included Babson College, DesignTex, Be Social Change and the League of Intrapreneurs, among others.

CHALLENGES

Although EILEEN FISHER continued to operate with limited staffing and resources, staff focused their efforts on areas of critical importance to the company: equity and climate. Operating as “lean and mighty” allowed the company to find strength in an otherwise challenging economic environment.
Final Word

During the past two years, EILEEN FISHER has asked itself, “How big is big enough?” It was during this time period that the company settled into a new (smaller, leaner) size—while staying true to its underlying principles of great design and being a force for good. EILEEN FISHER staff have learned something vitally important: They can accomplish great things when they stay focused and collaborate with others in this world who share their ideals. This is the energy that will help us move forward into 2022 and beyond.

Thank you for supporting EILEEN FISHER’s vision and for joining us on this journey. The company can’t wait to see what lies ahead.