Impact Report 2024

# BELLA+CANVAS®





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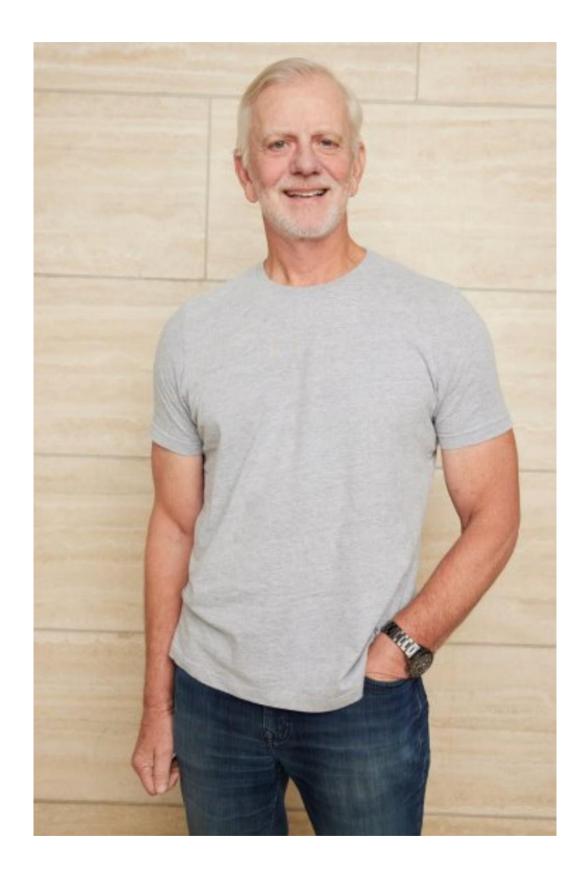
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#### A Letter from Our President



I'm proud to present our inaugural BELLA+CANVAS Impact Report. This marks a foundational year where we established baselines and metrics for advancing our social and environmental progress. The release of this report reinforces our commitment to transparency and accountability over the progress we've made against our key impact pillars.

For over 25 years, BELLA+CANVAS has put social responsibility at the heart of our business operations. We are committed to conducting business in a socially responsible and ethical manner, supporting human rights, and engaging, respecting, and supporting the communities and cultures with which we work. We also recognize the importance of protecting and preserving resources to ensure a healthy future for both our company and for future generations.

In 2024, we maintained our WRAP Certification across our U.S. production facilities and sewing operations owned and contracted by us, while also earning our Fair Labor Association (FLA) accreditation. Our dedicated Social Compliance team, working closely with civil society organizations and industry experts, has elevated our human rights and labor standards programs to address emerging challenges in our rapidly evolving industry. We also hired our first U.S.-based sustainability lead and completed our first greenhouse gas inventory and lifecycle assessment.

Looking ahead, the apparel industry faces intensifying pressure to address climate impacts and ensure supply chain transparency. New regulations and stakeholder expectations require us to be even more rigorous in our approach. While we've made significant progress, we recognize there's much more work to be done.

In early 2025, we saw the catastrophic impacts of climate change in our own backyard when several destructive wildfires broke out in and around Los Angeles. In response, we acted to support our employees and local communities by providing care kits and donations to firefighters and first responders, creating blankets for those displaced by the fires, and more.

We also are expanding our sustainability initiatives in 2025. We're investing in renewable energy across our facilities, launching waste reduction initiatives, and developing emissions reduction targets in response to our baseline assessments. These efforts will require creativity, determination, and collaboration from every member of our team.

As we navigate the challenges ahead, I'm confident that together we'll continue raising the bar in the apparel industry. Our shared passion and dedication inspire us every day, and I am honored to be part of such a remarkable team.

Norm Hullinger, President



We believe that being different — embracing what truly makes you unique — is the key to meaningful self-expression. That's why we don't just produce the highest quality apparel, manufactured in an ethical way — we create blank canvases on which to express our customers' individuality.

#### **About BELLA+CANVAS**

BELLA+CANVAS's story began in 1992 when founders Danny Harris and Marco DeGeorge started screen printing in their garage. After launching a women's line (Bella) in 1998 and men's line (Canvas) in 2000, they merged into BELLA+CANVAS in 2002. Known for innovation, the company introduced industry-first products like the 40 single triblend and Flowy Poly-Viscose fabric. Our new Heavyweight Collection resets the status quo, featuring more exact tailoring and fit, and showcases our dedication to quality & craftsmanship. From garage startup to industry leader, BELLA+CANVAS continues to set new standards in apparel manufacturing.

With a focus on ethical production, modern design, and environmentally-aware practices, we are the brand that decorators, promotional product distributors, businesses, creators and artists look to for quality, craftsmanship, and innovation.



Danny Harris,
Co-CEO & Co-Founder

Marco DeGeorge, Co-CEO & Co-Founder



BELLA+CANVAS brand founded

1998



5,159 employees



Los Angeles<sub>HQ</sub>



10 Manufacturing Sites



3 countries (USA, Nicaragua and Honduras)



Fair Labor Accredited



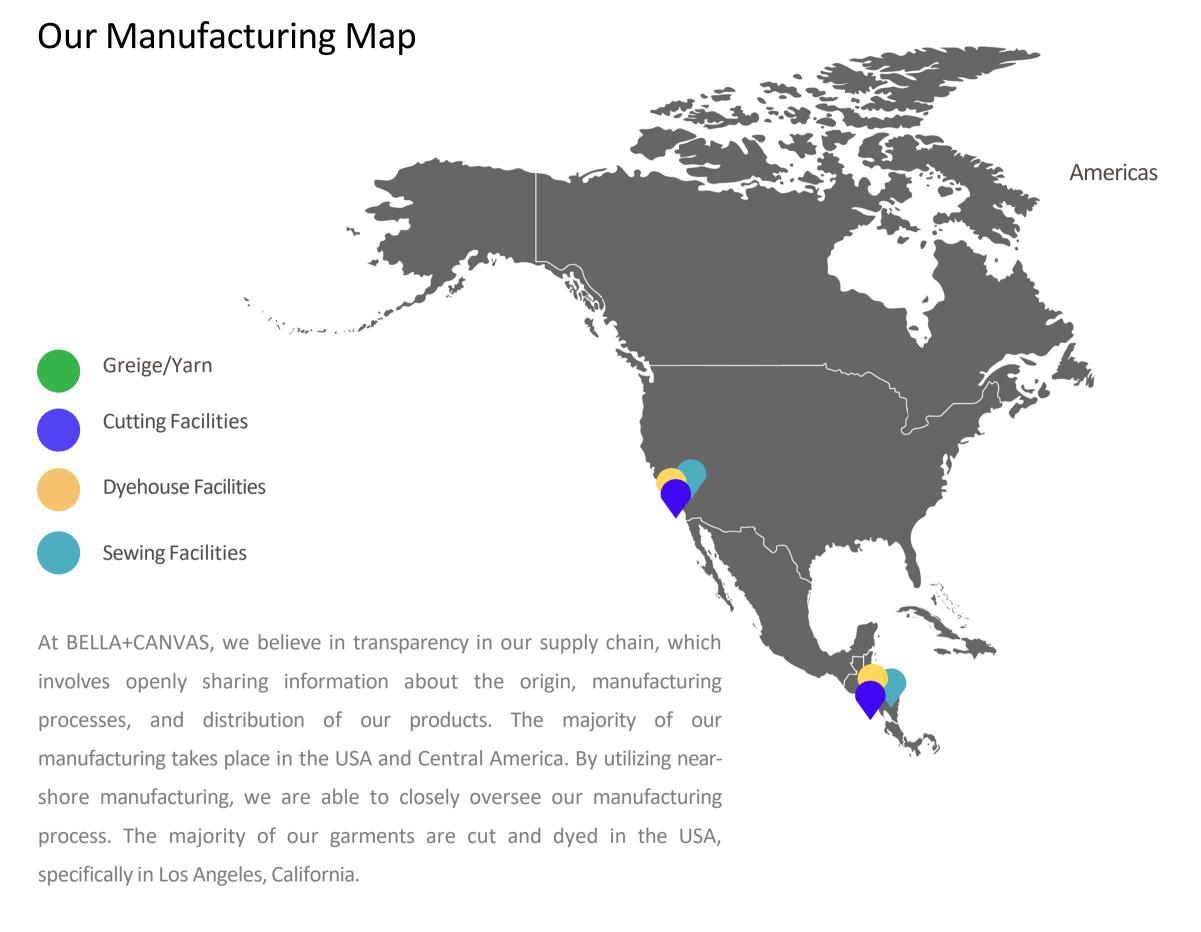
**WRAP Certified** 



**AAFA Member** 



Americas Group Member



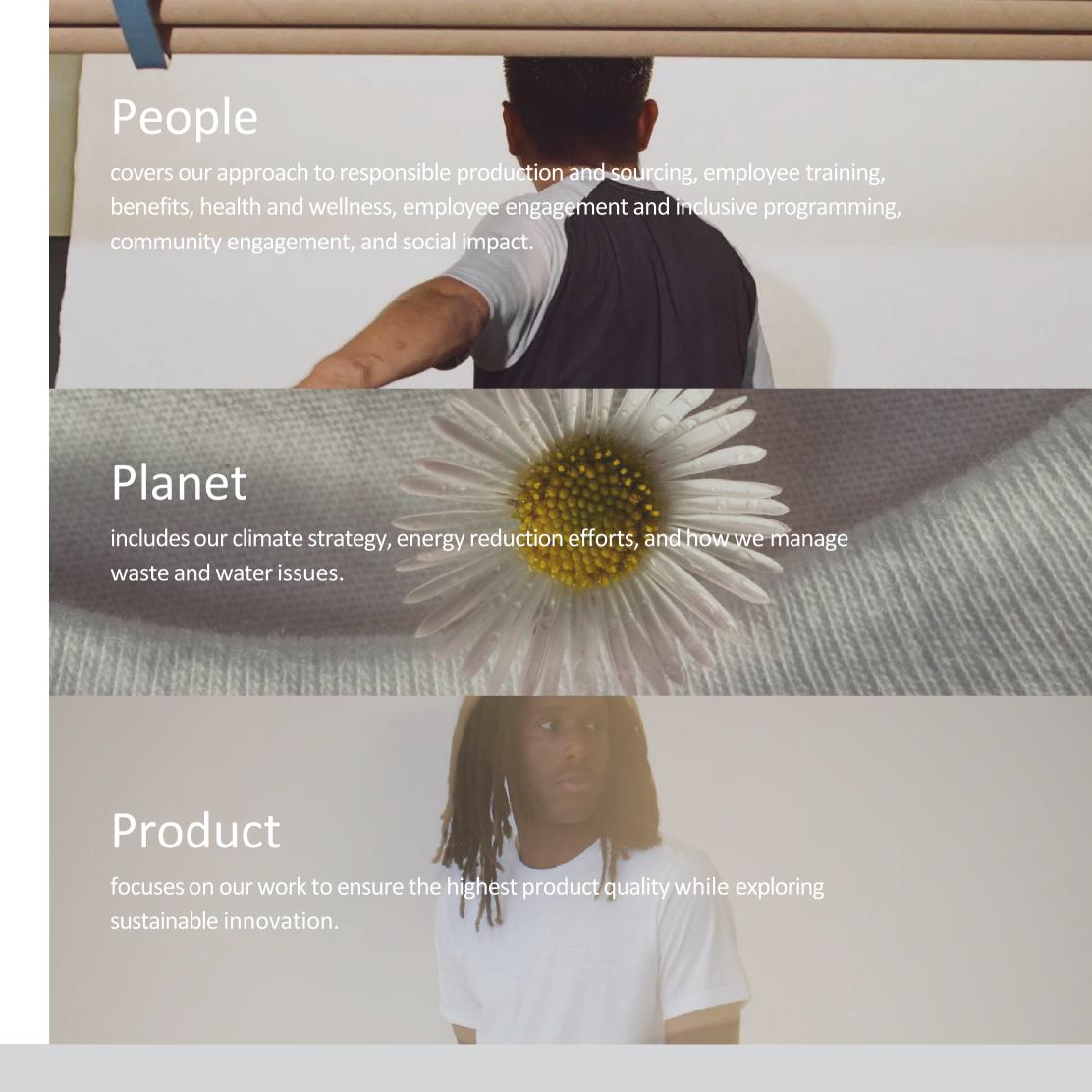


## Our Sustainability Strategy

At BELLA+CANVAS, our sustainability strategy focuses on three pillars: People, Planet and Product. These pillars encompass our commitment to operating in a socially responsible way, being good stewards of the environment, and advancing sustainability through product innovation and durability. These pillars were developed after completing a comprehensive materiality assessment that engaged both internal and external stakeholders. Through this, we work to drive positive social and environmental impact for both our business and the broader community. Our Governance strategy strengthens and supports these three pillars.

This Impact Report represents our commitment to transparency and accountability, documenting our progress while establishing baseline metrics for future improvements. By tracking key performance indicators and sharing both achievements and challenges, we aim to drive positive change within our organization and inspire broader industry transformation toward a more sustainable future.

By sharing our achievements, challenges, and lessons learned, we foster a culture of continuous improvement and collaboration within our organization and across the wider retail sector, driving us closer to our ultimate goal of becoming a sustainability leader in the industry.



## Our Governance Approach



At BELLA+CANVAS, transparency drives our sustainability strategy, with comprehensive reporting of our environmental and social impacts across operations, supply chain, energy use, waste management, and GHG emissions.

Our cross-functional Global Sustainability Committee (GSC) was formed in 2021 to drive impactful change towards sustainability across our operations. The GSC meets regularly to carry out the sustainability initiatives defined within each of our key pillars: People, Planet, and Product.

In 2023, we established our GSC Executive Committee to drive transformative change across our operations. Comprised of senior leaders and key decision-makers, the committee meets quarterly to review sustainability trends, regulatory changes, and Company sustainability metrics, ensuring that sustainability remains central to our business strategy.

The GSC Executive Committee plays a pivotal role in providing strategic direction, leadership, and oversight to ensure the successful implementation of sustainability initiatives across the organization. This governance structure enables us to integrate sustainability initiatives seamlessly into operations, maintain stakeholder accountability, and adapt proactively to evolving global challenges and opportunities. In 2024, we marked several milestones, including hiring our first U.S. sustainability lead, completing our inaugural greenhouse gas inventory, and conducting our first product lifecycle assessment.



NORM HULLINGER
President



MEGAN SPIRE

VP, Sales & Marketing



JOEL LIMENES
EVP, Supply Chain &
Operations



BECCA ARNESON EVP, People



PATRICE BENSON

VP, Planning & Sales Analytics



MARTY MATTHEWS

Chief Financial Officer

## 2024 Sustainability Highlights







## People

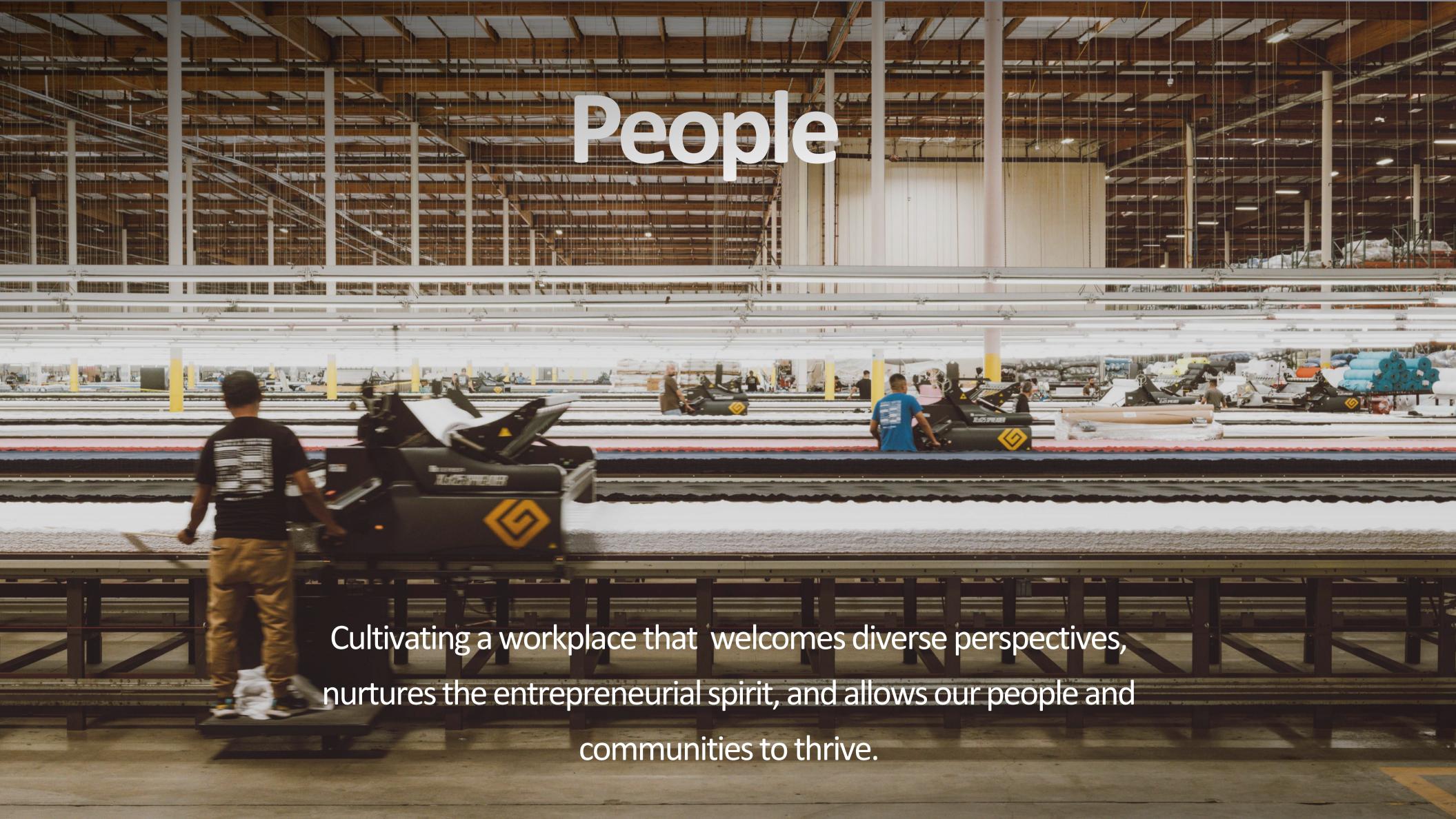
- Earned Fair Labor Association (FLA)
   Accreditation
- Organized First Annual People Day
- Hosted 5 Health Fairs across Central America

## **Planet**

- Completed first Scope 1-2 Greenhouse Gas (GHG) Inventory
- Invested in renewable energy projects in Nicaragua and Maryland
- Hired first U.S. sustainability manager

## **Product**

- Verified that our dyehouses used only bluesign® approved dyes
- Received Global Recycled Standard (GRS)
   Certification for the EcoMax tee
- Conducted first product lifecycle assessment (LCA)



## Our Approach



Becca Arneson Executive Vice President, People "We are committed to creating a responsible workplace that prioritizes our employees' well-being and broader societal impact. We strive to build an inclusive environment that supports individual growth, celebrates diversity, and empowers our team. Not only do we aim to support our workforce, but also to extend our positive influence into the communities where we live and work."

BELLA+CANVAS takes a human-centric, transparent approach to supporting the people and communities in our value chain. The People pillar covers our approach to responsible production and sourcing, employee training, benefits, health and wellness, employee engagement and inclusive programming, community engagement, and social impact. We build our products on an ethical foundation that respects human rights across our value chain.

In 2024, we focused on strengthening our commitment to ethical and responsible business practices by fostering positive impact with our workforce, partners, and the communities where we live and work. We achieved Fair Labor Association (FLA) Accreditation, strengthened our commitment to human rights, and developed a strategic community program.

The United Nations Sustainable Development Goals (UNSDGs) provide a blueprint for addressing many pressing global challenges. Below we have identified the UNSDGs that align most closely with the goals of the People pillar and plan to use this as a framework to identify relevant targets, measure progress, and communicate our sustainability efforts.





















11 BELLA+CANVAS. People

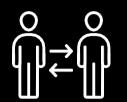
## Achieving Fair Labor Association Accreditation



After a rigorous five-year process, BELLA+CANVAS achieved Fair Labor Association (FLA) accreditation in 2024, validating our commitment to ethical labor practices and worker rights across our global supply chain. This milestone reflects our belief that fair labor practices are fundamental to sustainable business operations and demonstrates our dedication to creating lasting positive impact beyond mere compliance.

Through FLA's comprehensive framework, we continue to enhance workplace conditions and engage with workers, suppliers, and stakeholders to promote more equitable industry standards.





41 third-party audits conducted since 2021



Audited 100% of Tier 1 suppliers in 2024



15,000+hours of compliance training



78% reduction in non-compliance findings from 2022–2024

## Responsible Production and Sourcing

At BELLA+CANVAS, human rights is a fundamental value. We take a comprehensive approach to upholding human rights and preventing modern slavery across our global operations. As a U.S.-based apparel manufacturer with facilities in multiple countries, we have implemented robust policies and procedures, including a Workplace Code of Conduct, Social Compliance Manual, and specific protections for migrant workers. Our Workplace Code of Conduct recognizes the right of employees to freedom of association and collective bargaining and prohibits child labor and forced or compulsory labor within our owned operations and with our suppliers. The implementation of these standards is verified through audits conducted by BELLA+CANVAS staff or mandated third parties.

We own the majority of our sewing factories and cutting facilities, while maintaining direct relationships with dyehouses and mills, allowing for stronger oversight of labor practices. Our approach includes regular social compliance audits, multiple grievance reporting channels, and a commitment to the AAFA/FLA Industry Commitment to Responsible Recruitment, which ensures workers don't pay for jobs and retain control of their documents. BELLA+CANVAS also maintains a "zero tolerance" policy for modern slavery violations and requires written acknowledgment of compliance from all business partners. Our policies are backed by regular training programs and overseen by dedicated social compliance leadership that reports directly to senior management.

BELLA+CANVAS employees also have access to an ethics reporting hotline where employees may address or report any issues on a confidential and anonymous basis. All claims are investigated by members of the Social Compliance Team and Human Resources.



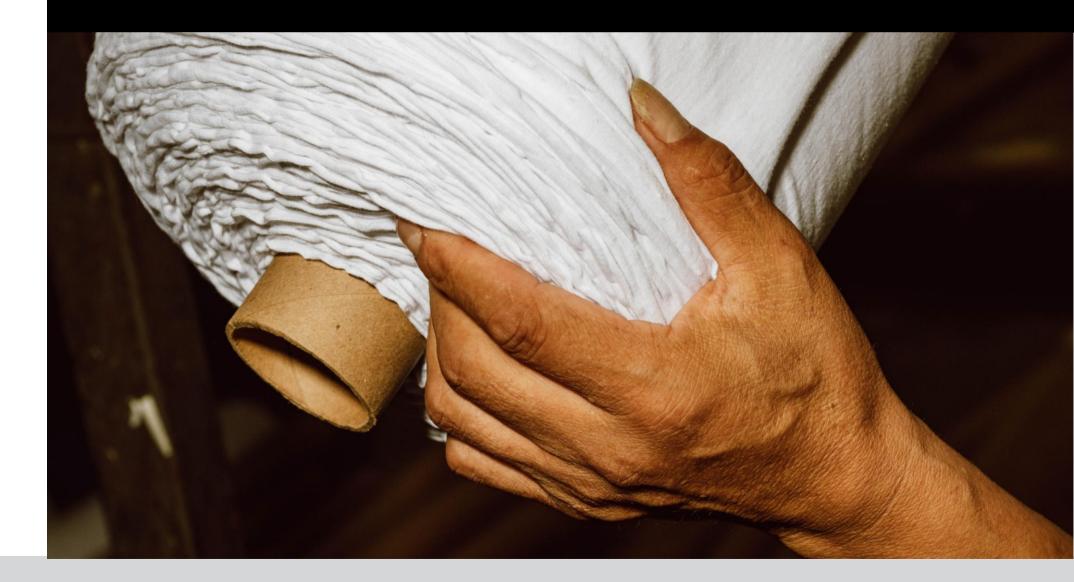
## 2024 Compliance and Certifications

- Achieved **WRAP certification** across our US production facilities and all sewing facilities we own and contract
- Supported **15** supplier audits with **95**% of identified non-compliances resolved within 90 days
- Delivered 15,000+ hours of Code of Conduct training
- Conducted 8 External Audits (WRAP, FLA, etc.)



## **Worker Empowerment**

- Trained **4,500**+ workers and management teams on Code of Conduct and worker rights
- Implemented External Grievance Mechanism with **100**% resolution rate within 30 days



## People Occupational Health & Safety

At BELLA+CANVAS, we prioritize protecting the health, safety, and wellbeing of our workers. Our comprehensive Occupational Health and Safety Management System sets clear objectives and provides safe, healthy working conditions across all operations. We maintain rigorous compliance with national and international safety standards, including WRAP certification and FLA workplace requirements.

Our approach focuses on hazard elimination, risk reduction, and implementing safe work methods across all processes. We also ensure active worker participation in safety dialogues and decision-making, provide regular training and safety awareness programs, integrate safety priorities with productivity and quality goals, and have clear accountability at all management levels.

We're proud to maintain a strong safety culture where every employee, contractor, and visitor's wellbeing is paramount, regardless of operational urgency. This commitment extends beyond basic compliance to create a workplace where safety is everyone's responsibility and a core value driving our long-term success.



## **Training and Education**

BELLA+CANVAS provides opportunities for our employees to advance their professional development through training and education. Many of our employees in Central America have been able to advance their education and develop skills that allow them to improve their economic prospects and reach their full potential in their professional lives. All employees also receive regular performance reviews to ensure they are reaching their full potential.

105,520

**Annual Training Hours** 

50

Number of employees who graduated from educational degree programs





Junior Antonio Dávila Gaitán Operator, GF Industries S.A.

"I thank BELLA+CANVAS for giving me the opportunity to complete my primary education studies. I feel excited to have achieved another goal in my life. This has had a great impact on my family, as I am the first of my siblings to reach this milestone. I am currently enrolled to continue my studies in secondary education. Thanks to BELLA+CANVAS for believing in their people's talent and allowing us to continue growing personally and professionally."

## Benefits, Health & Wellness

At BELLA+CANVAS, fostering a supportive and healthy workplace allows us to maintain a workforce that is engaged, productive, happy, and healthy. To do this, we engage in various employee wellness programs that advance mental health, women's health, family planning, and even personal finance.

Some of our initiatives include:

#### Mental health programs

Giving employees convenient access to licensed therapists for confidential counseling sessions, empowering them to address personal challenges and improve their mental health.

#### Family planning benefits

Providing employees with inclusive fertility, hormonal health, and family-forming benefits. Employees are given access to personalized guidance from a diverse team of medical experts and specialists, educational resources, vetted healthcare providers, and financial support for their care.

#### **Employee Assistance Program (EAP)**

Offering confidential counseling, resources, and support services to employees facing personal or work-related challenges.

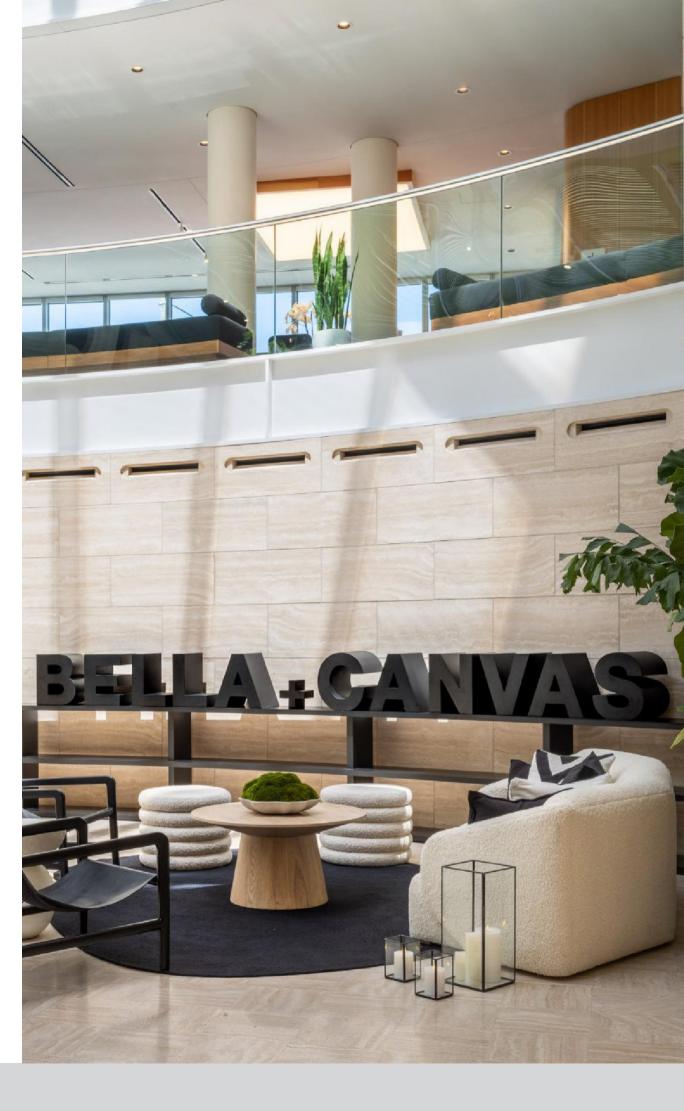
Whether employees are dealing with stress, financial concerns, or other life issues, the EAP provides them with a valuable support system to navigate difficult situations and improve their overall well-being.

#### **On-site health clinics**

Maintaining on-site health clinics at our facilities in Central America staffed with full-time doctors to support preventative care and offer medicine for basic health needs and occupational accidents.

59,446

Number of on-site health clinic visits in 2024



### Benefits, Health & Wellness

BELLA+CANVAS has been mindful to create modern working spaces that preserve and include our natural environment. Employees at our Los Angeles headquarters enjoy use of an outdoor zen garden space, electric car charging stations, free yoga classes, an on-site gym, complimentary beverages and healthy snacks, and dog-friendly offices.



#### **Key Employee Benefits (US Employees)**

- Full Medical, Dental, Vision Coverage
- 401(k) retirement plan
- Flexible Spending Account (FSA) options
- Parking and transit benefits
- Mental health resources
- Employee Assistance Program
- Wellness support services
- Fertility & Family Forming support
- Pet insurance
- Critical Illness, Accident, and Hospital Indemnity
- Short-Term and Long-Term Disability
- Business Travel Accident Insurance
- Identity Theft Protection

## Celebrating People Day 2024

In September 2024, BELLA+CANVAS celebrated our inaugural People Day, a company-wide initiative that united our employees across Los Angeles, Maryland, and Central America in a mission of sustainability, wellness, and community impact. The month-long celebration featured diverse programming that reflected our commitment to environmental stewardship and employee wellbeing.

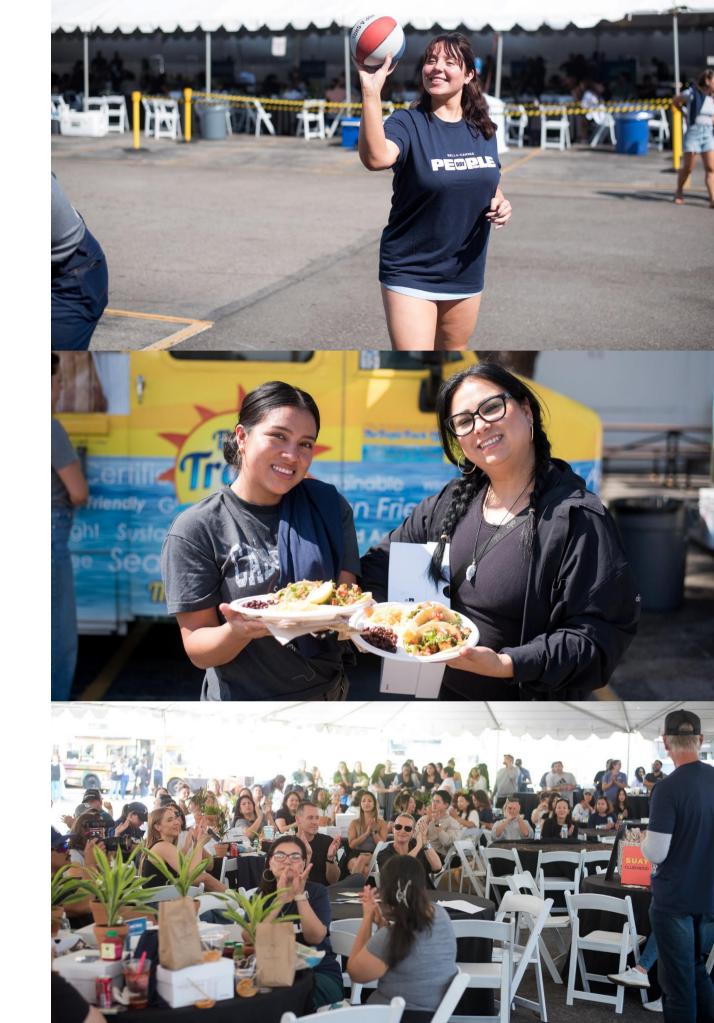
The cornerstone Fill It Forward Challenge demonstrated measurable environmental impact, encouraging employees to reuse and eliminate single-use plastics. This initiative culminated in a US\$10,000 donation to charity: water, supporting a clean water project for a school water system in a developing country.

2,120+

Number of participants in People Day launch event

Across locations, employees engaged in meaningful activities. In Los Angeles, 825 Meatless Monday meals were served throughout the month, and employee participated in sorting 14,900 pounds of produce at the local food bank. In Central America, 570 trees were planted through reforestation efforts. In Maryland, employees filled out and distributed over 100 Kudograms, recognizing the hard work of their fellow employees.

The celebration peaked with signature launch events at each location, including a 250-person gathering in Los Angeles featuring plant-based vendors and upcycling workshops. Throughout our Central America facilities, 805 participants joined in laugh therapy sessions, 118 employees joined the bicycle commute challenge, and 120 children participated in environmental awareness art competitions. Through organized programs like the Zumbaton, sustainability focus groups, and community service initiatives, BELLA+CANVAS demonstrated how corporate culture can successfully integrate environmental responsibility, employee wellness, and community engagement.

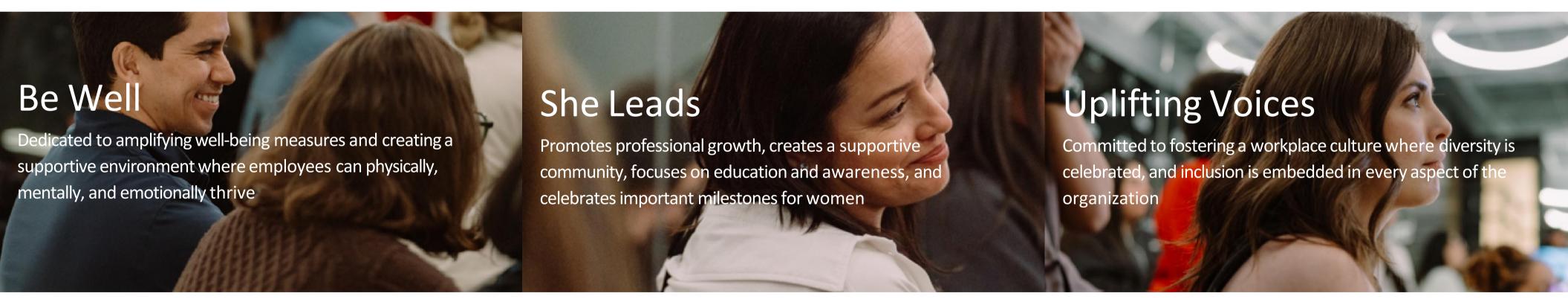


## **Employee Engagement**

In embracing a "Be Different" mentality, BELLA+CANVAS understands the value of recruiting and retaining employees from diverse backgrounds while creating a workplace where everyone feels welcome. Our approach to employee engagement focuses on embedding principles of inclusive programming throughout our business and everyday operations. To further this effort, in 2023, we launched three Employee Resource Groups (ERGs) that represent our commitment to fostering supportive communities within our organization. Together, these ERGs form the foundation of our grassroots approach to building an inclusive workplace where all employees can thrive.

#### **Supporting People with Disabilities in Central America**

In Central America, BELLA+CANVAS has created a program to support the inclusion of adults that have special abilities who traditionally have a difficult time entering the workforce. We provide an opportunity to help them identify and develop marketable skills that allow them to find jobs in our manufacturing facilities. In 2024, we hired 38 employees as a part of this program, and plan to expand the program further in future years.



We are proud that our employee demographics represent our commitment to building an inclusive workplace. Globally, 52% of our employees are male, while 48% are female. In the U.S., 59% of our senior leadership, defined as Director and above, are female, while 41% are male.

## Community Engagement & Philanthropy

At BELLA+CANVAS, we are committed to actively supporting the communities where we live and work. We do this through several initiatives that both empower our employees and create positive impact for our communities. We also support philanthropic causes around the world both through monetary and in-kind donations.



## Health Fair

BELLA+CANVAS organizes multiple health fairs each year for our employees and their families in Central America. These are one-day events where local medical and dental resources are offered at no cost to employees, their families, and the local community. Attendees can receive annual check-ups to mitigate common community illnesses and diseases and receive eye health and dental health check-ups, as well as medication, all of which would normally be costly to them.

5,036

Number of Health Fair participants in 2024



## **Employee Volunteer Days**

In 2024, we held our second annual employee volunteer day in May, partnering with Koreatown Youth Community Center (KYCC) to plant trees along the streets of Los Angeles. To further support our reforestation efforts, nearly 300 volunteers from our factories in Central America helped plant over 8,000 saplings in the Nejapa Lagoon, a nature reserve in Managua. We also held our second annual toy drive in December, where our community came together to donate over 470 toys with a value of over \$7,000 to children in need in the greater Los Angeles area.

\$500,00+ Total monetary and in-kind donations

5,919

Annual volunteer hours



## **School Package Donations**

Every year, we support our local public schools in Central America with the donation of school supplies packages for children from rural areas in Nicaragua, from kindergarten to high school. We also provide school packages for all our employees' children in all Central America locations including Honduras. In total, we donated 10,000 school supplies packages, a contribution of over US\$65,000.

Supporting Refugee Children Through Strategic Product Donations

In 2024, BELLA+CANVAS donated over 43,000 children's t-shirts to UNHCR, the UN Refugee Agency operations in Tanzania. This initiative specifically supported refugee children displaced from the Democratic Republic of the Congo (DRC), where ongoing conflict has created one of the world's most pressing humanitarian crises.

The donation addressed critical clothing needs for Tanzania's refugee population of nearly 242,000 people, with a particular focus on children who make up a significant portion of those displaced. BELLA+CANVAS directed these resources to serve an urgent humanitarian purpose, exemplifying how businesses can align operational efficiency with social impact.





Advancing environmental stewardship by reducing waste, conserving resources, and minimizing our footprint.

## Our Approach



"Our commitment to the environment runs deeper than words — we're taking decisive action to reduce waste, conserve resources, and tread lightly on our planet. By partnering with stakeholders and embracing sustainable practices across our value chain, we're tackling environmental challenges head-on and safeguarding precious ecosystems. This isn't just about today, it's about ensuring that generations to come will inherit a thriving, sustainable world."

Jenny Huynh
Global Sustainability Manager

















In 2024, BELLA+CANVAS established a strong foundation for our Planet pillar by implementing comprehensive measurement systems for energy, waste, and water across operations. Building on this baseline, we're committed to evaluating greenhouse gas (GHG) emissions, water consumption, and energy usage reduction strategies, including renewable energy investments at our owned facilities, enhanced operational efficiency, and employee engagement programs. These efforts reflect our dedication to environmental stewardship while engaging stakeholders throughout our value chain to drive meaningful progress toward our sustainability goals.

#### **Climate Strategy**

As a global business with an international footprint, BELLA+CANVAS recognizes our responsibility to help address the climate crisis by reducing our GHG emissions. Our climate strategy focuses on investing in renewable energy and energy efficiency whenever possible at our facilities in the United States and Central America. We also work to advance climate action in our offices through our workplace sustainability initiatives. Our Los Angeles headquarters uses motion-sensor LED lighting, has 3-stream waste bins, features skylights throughout each building, and maintains electric car charging stations to encourage employees to reduce their environmental impact. We prioritize using natural lighting and sky lights in our Central America factories, and electric powered vehicles for our moving equipment whenever possible.

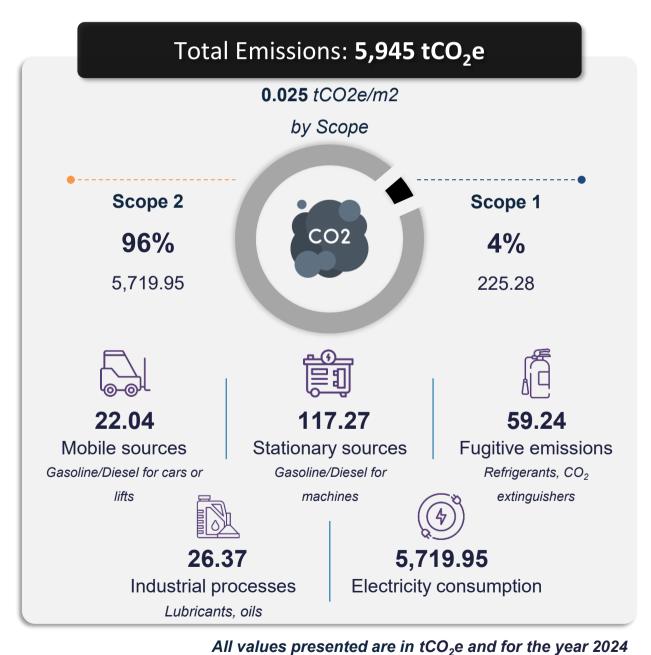
Our Environmental Policy establishes a robust framework for sustainable operations, focusing on regulatory compliance, pollution prevention, and resource efficiency. Through systematic monitoring and continuous improvement, we actively work to minimize our environmental impact while maintaining transparent communication with stakeholders and providing training to our workforce to ensure the policy has been disseminated and understood.

To the left, we have identified the UNSDGs that align most closely with the goals of the Planet pillar and plan to use the SDGs as a framework to identify relevant targets, measure progress, and communicate our sustainability efforts.

#### **Greenhouse Gas Emissions**

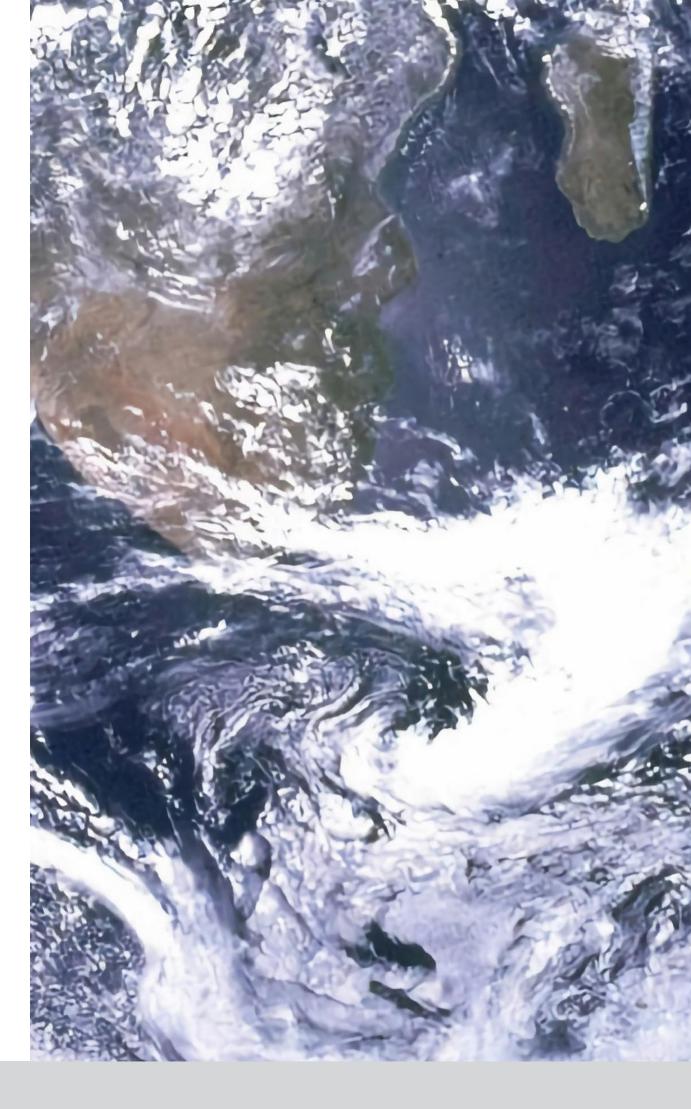
We are committed to understanding our environmental impact. In 2024, we launched our first GHG inventory to measure carbon emissions from both direct and indirect sources. Our reporting, as described below, is rooted in a market- and location-based approach and follows the Greenhouse Gas Protocol Corporate Standard methodology.

We are pleased to disclose our Scope 1 and Scope 2 emissions in the tables below. As we better understand and verify the emissions in our supply chain, we plan to disclose Scope 3 in a future report.









## Climate Strategy | Energy

## Maryland Community Solar Project

In 2024, BELLA+CANVAS partnered with Altus to advance a 1.1 MWh community solar project at our Maryland distribution center, one of our primary warehouses that receives, stores, packs, and ships products to fulfill customer orders. When the project is completed in mid-2025, over 3,500 solar panels will cover 120,000 square feet of our facility's rooftop. The energy produced will be made available to the local community at a discounted rate through the Community Provider Program.

## Investing in Solar at our Nicaragua Facility

In 2024, we neared completion on a 1 MWh solar project at one of our cutting and distribution centers in Nicaragua. Once completed, over 1,500 solar panels will cover nearly 70,000 square feet of our facility's rooftop. Recognizing the abundant solar potential of the region, we are leveraging renewable energy to power our operations and reduce our carbon footprint. This demonstrates our commitment to environmental stewardship while advancing renewable energy in Nicaragua, fostering local economic growth, and creating greater energy independence.

On average, ten of the BELLA+CANVAS best-selling products utilize

30% less

fossil fuel resources compared to their conventional counterparts



## Climate Strategy | Waste

Our waste management processes comply with all regulations related to waste management and environmental protection. In our facilities, employees sort waste at the source and establish processes to efficiently collect, transport and recycle waste, ensuring that recyclable materials are delivered to appropriate facilities for processing.

We minimize the waste directed to disposal through reduction, reuse, and recycling practices. However, certain types of waste, particularly non-recyclable materials, must be directed to landfill or other disposal methods. We closely monitor and manage our waste to ensure that disposal is carried out responsibly and in compliance with local regulations.

We accumulate fabric waste scraps in our factories and utilize the scraps to create new garments, such as our EcoMax Tee, or partner with vendors to recycle or repurpose them into useful items such as bibs, dog bed filling, or stuffing for upholstery. We have also partnered with nonprofit organizations such as El Taller de Noel in Nicaragua, an institution that teaches deaf, hard of hearing people, single mothers and children to make handcrafted goods with textile waste, allowing them to create an income for themselves. Among the articles being produced are purses, necklaces, key rings, and hammocks.

We do not utilize hazardous materials in our operations. During the year, we recorded zero significant spills. Our operations did not experience any uncontained release of hazardous materials that would pose a risk to human health, the environment, or nearby communities.

On average, ten of the BELLA+CANVAS best-selling products produce

51% less

textile waste during production compared to their conventional counterparts



## Climate Strategy | Water

BELLA+CANVAS advances water stewardship through two primary strategies: increasing efficiency and improving sustainability and safety in our operations. We are proud to use water-efficient processes for dyeing. Our primary dyehouse in Los Angeles and our dyehouse in El Salvador use Swiss technology and "ultra-low liquid ratio" dye equipment, meaning they use a dyebath of four-to-one (water to fabric) — four liters of water for each kilogram of fabric. This is half of older technology that has an eight-to-one ratio.

To improve water sustainability and safety, our primary dye house is a bluesign® manufacturing partner and was the first dye house in the USA to use only bluesign® approved dyes, chemicals, and softeners, signifying our commitment to minimize the use of hazardous chemicals and environmentally harmful substances in our fabrics.

The bluesign® system is a comprehensive framework that manages harmful substances through several approaches, including:

- Monitoring Input stream;
- Conducting chemical manufacturer audits,
- Enforcing resource efficiency in dyehouses;
- Tracking environmental metrics;
- Encouraging innovative technologies like carbon dioxide dyeing;
- Establishing criteria for materials and processes; and,
- Collaborating with brands to drive market demand for approved sustainable materials.

Through these coordinated efforts, bluesign® helps transform the textile supply chain to be more environmentally responsible and safer for workers and consumers.

On average, ten of the BELLA+CANVAS best-selling products require

## 33%less

water use compared to their conventional counterparts, taking local water scarcity into account



## **Community Reforestation**

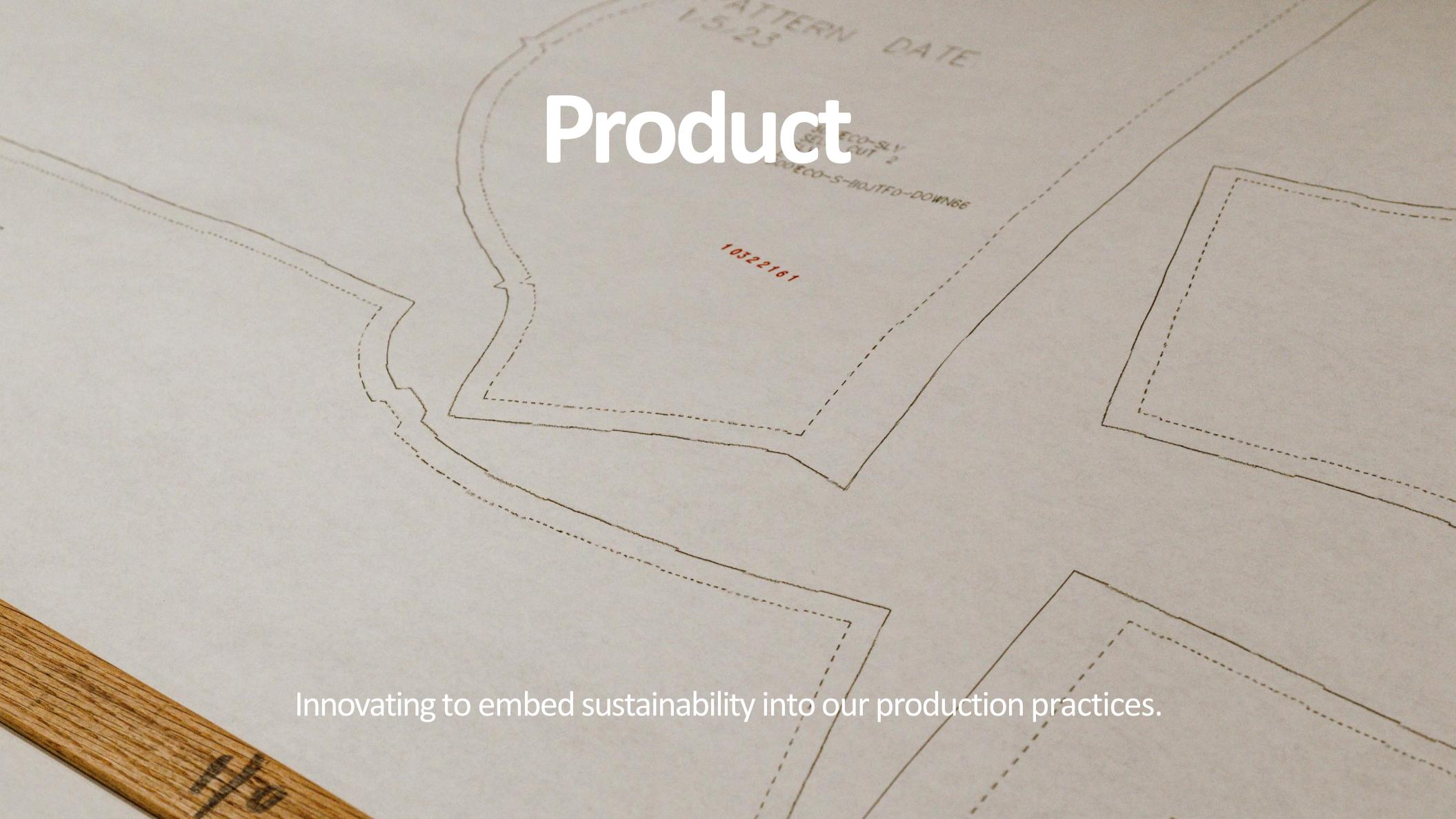
As BELLA+CANVAS works to reduce our greenhouse gas emissions through increased use of renewable energy and energy efficiency, we also recognize the need for advancing carbon sequestration efforts such as reforestation. To date, we have planted over 12,000 trees to support reforestation in communities where we operate.











#### **Product**

## Our Approach



Tara Black
Director of Production and Operations

"We strive to advance sustainability across our production processes and embrace innovation and continuous improvement of our products' social and environmental impacts. This is how we honor our core value of 'Be Different' while constantly working to develop products that both delight our customers and advance sustainability principles."

At BELLA+CANVAS, we understand that sustainability drives product innovation and quality. We strive to identify and implement new opportunities for improving the sustainability of our products — from the materials we source, to the manufacturing techniques we employ, to how we design products. We believe that by integrating sustainability into our innovation process, we can both reduce environmental impact and deliver superior quality products that resonate with consumers.

Core to our innovation strategy is a relentless pursuit of excellence in product quality. We uphold stringent quality standards throughout the product development lifecycle, from concept ideation to final production. By prioritizing durability, functionality, and performance, we ensure that our products not only meet but exceed customer expectations, fostering long-term satisfaction and loyalty.

Below we have identified the UNSDGs that align most closely with the goals of the Product pillar and plan to use the SDGs as a framework to identify relevant targets, measure progress, and communicate our sustainability efforts.









#### Product

#### The EcoMax Tee

#### The EcoMax Tee

BELLA+CANVAS believes that fashion should be both stylish and comfortable and sustainable and ethical. Our commitment to environmental responsibility and ethical manufacturing led to the creation of the EcoMax Tee made from 100% recycled materials. The shirt is crafted from a blend of recycled Airlume combed and ring-spun cotton scraps and recycled PET bottles and uses colored yarn without consuming water. With the EcoMax, we have helped redefine the landscape of sustainability-focused apparel, offering a range of premium-quality t-shirts crafted from recycled cotton and recycled materials.





100% Recycled

Recycled Airlume Cotton Scraps





Recycled Polyester

**Dyed Without Water** 



#### Earning GRS Certification for our EcoMax Tee

BELLA+CANVAS has earned Global Recycled Standard (GRS) certification for the Eco Max Tee through a focused sustainability initiative that began with repurposing our own internal fabric scraps, primarily cotton. Working closely with suppliers, we developed a unique recycled fabric blend combining these reclaimed cotton scraps with recycled polyester. The certification process required extensive documentation, material verification, and supply chain audits to validate our recycled content claims. To maintain GRS certification, BELLA+CANVAS implements ongoing monitoring of our supply chain and recycled content while participating in periodic re-certification audits, demonstrating our commitment to sustainable manufacturing practices through our EcoMax product line.

#### Sustainable Advantage

Compared to a conventional 65% Polyester, 35% Cotton T-shirt, the BELLA+CANVAS EcoMax Tee has:







lower carbon footprint



less fossil fuel resources used



less water use

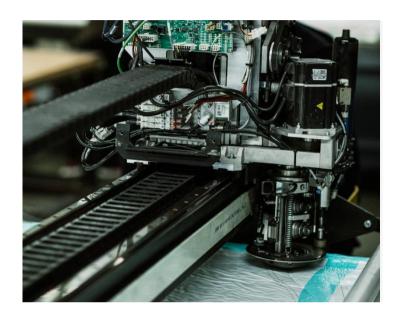


## **Production Highlights**



## Combed and ring-spun cotton

We use combed and ring-spun cotton, which results in a softer, more durable fabric compared to standard ring-spun or open-end cotton.



## Laser guided Cutting

We operate one of the largest automated cutting facilities in the world. 100% of our production is laser guided, and the cutting process is optimized to use the most amount of fabric possible.



## Side-seam Design

We construct our t-shirts using a side-seam design rather than a tubular construction. Side-seam t-shirts maintain their shape and fit better over time, while tubular t-shirts can start to twist and distort after washing.



## **Water Efficiency**

Our process advances water efficiency in the dyeing process by using "ultra-low liquid ratio" dye equipment.



## Recycling

We recycle our internal fabric scraps and irregulars and sell them to third parties or incorporate them into products like our EcoMax Tee. All of this allows us to prioritize quality, durability, and sustainability in how we manufacture our t-shirts, going beyond just the materials used to the overall construction and production methods.

#### Product

## Chemicals Management

BELLA+CANVAS takes a comprehensive approach to chemicals management, which includes certification, transparency, and continuous improvement. We manage compliance with chemical regulations through a chain of custody approach, ensuring transparency and accountability across our supply chain. Compliance is enforced through a supplier declaration process, where all Tier 1 and Tier 2 suppliers must certify that they adhere to the requirements of our applicable standards, which includes specific laws covering chemicals. This ensures that all materials and components meet regulatory standards such as REACH, Prop 65, CPSIA, and other applicable global frameworks.

We utilize bluesign® approved dyes, chemicals, and softeners, signifying our commitment to minimize the use of hazardous chemicals and environmentally harmful substances in our fabrics.

We are also currently focused on gathering data and disclosures from our dyehouses on the key facts and KPIs related to energy usage, water usage, and environmental discharge. This will allow us to have a better understanding of the chemical and environmental impacts across our supply chain.



#### **Product**

## Raw Materials Sourcing

At BELLA+CANVAS, we take a balanced approach to raw materials sourcing, utilizing some recycled materials while maintaining a focus on quality and durability with our core cotton products — all while working closely with our supply chain partners. When we explore more sustainable material options, we do so carefully, so as to not make changes that could impact product quality or performance.



















#### **Recycled Materials**

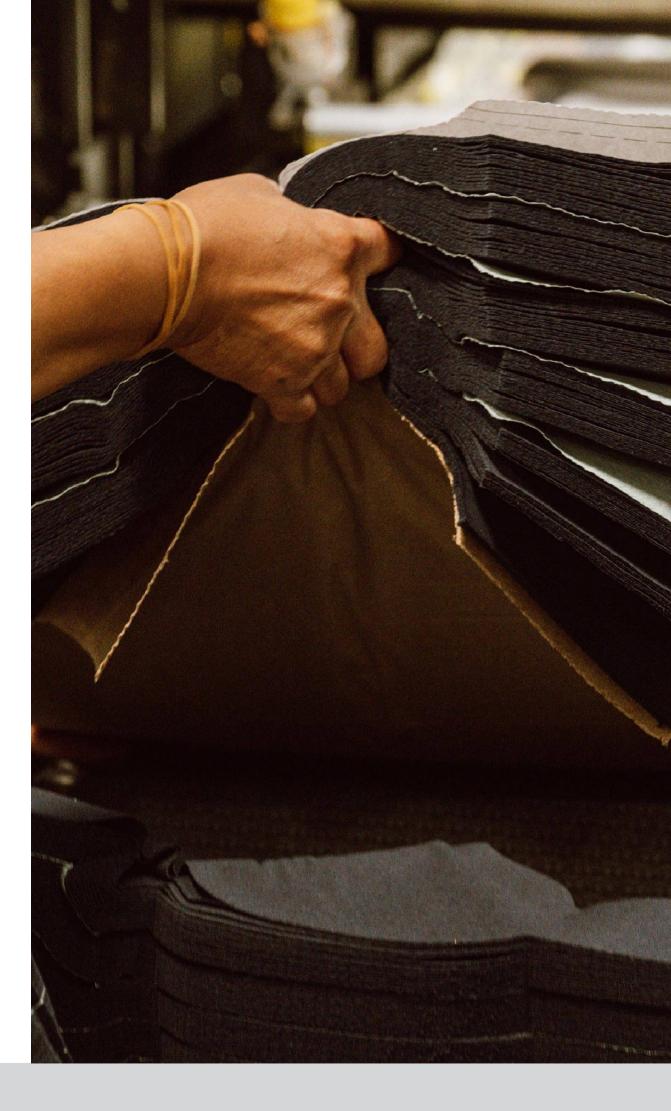
We have developed products like the EcoMax Tee that incorporate recycled cotton made from internal scraps and recycled polyester made from PET bottles.

#### **Combed and ring-spun Cotton**

We focus on using high quality combed and ring-spun cotton for improved durability and softness. We also source 20 million pounds of cotton from the USA annually.

#### **Supplier Partnerships**

We work closely with our dyehouse partners to understand the chemicals and materials they use and ensure they meet sustainability certifications like bluesign® or OEKO-TEX.





In 2024, we began our first lifecycle assessment (LCA), marking a significant milestone in our sustainability efforts. This comprehensive evaluation examined the environmental impacts across our products' entire lifecycle—from raw material extraction through production, distribution, use, and end-of-life management. We partnered with an independent consulting firm, Hedgehog, to compare ten of the BELLA+CANVAS best-selling products against conventional alternatives. The study followed internationally recognized standards (ISO 14040 and ISO 14044) and was independently reviewed by an expert panel to ensure accuracy, in accordance with ISO 14071.

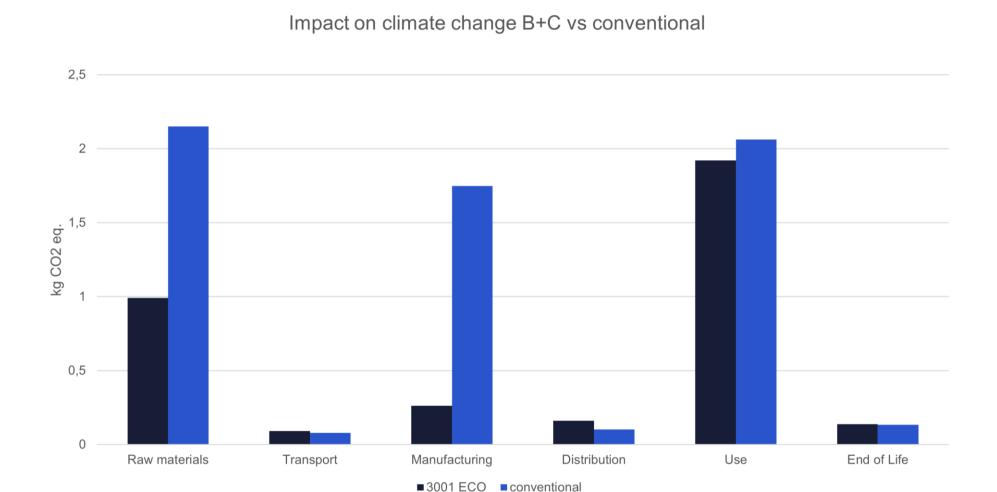
#### **Key Findings**

Compared to their conventional counterparts, on average the 10 BELLA+CANVAS styles assessed:

- Produce **51%** less textile waste material during production;
- Have a **27**% lower carbon footprint;
- Use **30%** less fossil fuel resources; and
- Require 33% less water use, taking local water scarcity into account

#### **Sustainable Advantage**

The results of the LCA study confirm that the BELLA+CANVAS products assessed offer a lower impact alternative to conventional options, with significant potential for continued improvement through innovation and optimization.



Products incorporating recycled materials deliver even greater environmental benefits, using less fossil fuel resources and water. Our 3001 ECO t-shirt—made from 65% recycled polyester and 35% recycled cotton— shows a dramatically lower environmental footprint than its conventional counterparts, particularly in water consumption and fossil fuel resource depletion.

## About This Report

This inaugural impact report marks our initial step towards improving the transparency of our sustainability progress and commitments. Performance metrics include our main locations — USA, Nicaragua and Honduras — and cover the period January 1, 2024 through December 31, 2024, unless otherwise noted. We intend to report on our sustainability efforts and performance annually moving forward.

The report was developed using the recommended disclosures of the Global Reporting Initiative (GRI) Framework and Sustainability Accounting Standards Board (SASB) and we have provided GRI and SASB Indexes on pages 38-40.

The activities and performance detailed in this report refer to BELLA+CANVAS' global operations, unless otherwise stated. "BELLA+CANVAS," "we," "us," "our" and "the Company" refer to BELLA+CANVAS.

We welcome your questions about this report and our sustainability efforts via email to sustainability@bellacanvas.com.



## **GRI Index**

BELLA+CANVAS has reported the information cited in this GRI content index for the period January 1, 2024 through December 31, 2024 with reference to the GRI Standards.

GRI STANDARD	DISCLOSURE	REPORT REFERENCE
GRI 2: General Disclosures 2021	2-1 Organizational details	Introduction > About Bella+Canvas
	2-2 Entities included in the organization's sustainability reporting	Introduction > About Bella+Canvas
	2-3 Reporting period, frequency and contact point	Introduction > About Bella+Canvas
	2-6 Activities, value chain and other business relationships	Introduction > About Bella+Canvas
	2-7 Employees	Introduction > About Bella+Canvas
	2-22 Statement on sustainable development strategy	Introduction > A Letter from our President
	2-23 Policy commitments	People > Responsible Production and Sourcing
	2-24 Embedding policy commitments	People > Responsible Production and Sourcing
	2-25 Processes to remediate negative impacts	People > Responsible Production and Sourcing
	2-26 Mechanisms for seeking advice and raising concerns	People > Responsible Production and Sourcing
	2-27 Compliance with laws and regulations	People > Responsible Production and Sourcing
	2-28 Membership associations	Introduction > About Bella+Canvas
	2-29 Approach to stakeholder engagement	Introduction > Our Sustainability Strategy
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Introduction > Our Sustainability Strategy
	3-2 List of material topics	Introduction > Our Sustainability Strategy
	3-3 Management of material topics	Introduction > Our Sustainability Strategy
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Product > Raw Materials Sourcing
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Planet > Climate Strategy > Energy
	302-4 Reduction of energy consumption	Planet > Climate Strategy > Energy
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Planet > Climate Strategy > Water
	303-5 Water consumption	Planet > Climate Strategy > Water

## **GRI Index**

GRI STANDARD	DISCLOSURE	REPORT REFERENCE
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Planet > Greenhouse Gas Emissions
	305-2 Energy indirect (Scope 2) GHG emissions	Planet > Greenhouse Gas Emissions
	305-4 GHG emissions intensity	Planet > Greenhouse Gas Emissions
GRI 306: Effluents and Waste 2016	306-3 Significant spills	Planet > Climate Strategy > Waste
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Planet > Climate Strategy > Waste
	306-2 Management of significant waste-related impacts	Planet > Climate Strategy > Waste
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People > Our Employees > Benefits, Health & Wellness
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	People > Our Employees > Occupational Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	People > Our Employees > Occupational Health and Safety
	403-3 Occupational health services	People > Our Employees > Occupational Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	People > Our Employees > Occupational Health and Safety
	403-5 Worker training on occupational health and safety	People > Our Employees > Occupational Health and Safety
	403-6 Promotion of worker health	People > Community Engagement & Philanthropy
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	People > Our Employees > Training and Education
	404-2 Programs for upgrading employee skills and transition assistance programs	People > Our Employees > Training and Education
	404-3 Percentage of employees receiving regular performance and career development reviews	People > Our Employees > Training and Education
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	People > Our Employees > Employee Engagement
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	People > Responsible Production and Sourcing
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	People > Responsible Production and Sourcing
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	People > Responsible Production and Sourcing
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	People > Community Engagement & Philanthropy

## SASB Index

The following index provides ESG information for the 2024 calendar year, aligned with the 2023-12 "Consumer Goods Sector – Apparel, Accessories & Footwear" Standard, Sustainable Industry Classification System® (SICS®) under the stewardship of the International Sustainability Standards Board CG-AA.

#### TABLE 1. SUSTAINABILITY DISCLOSURE TOPICS & METRICS

TOPIC	METRIC	REPORT REFERENCE
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	Product > Chemicals Management
	Discussion of processes to assess and manage risks or hazards associated with chemicals in products	Product > Chemicals Management
Labor Conditions in the Supply Chain	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	People > Responsible Production and Sourcing
	(1) Priority non-conformance rate and (2) associated corrective action rate for suppliers' labor code of conduct audits	People > Responsible Production and Sourcing

#### TABLE 2. ACTIVITY METRICS

METRIC	REPORT REFERENCE
Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Introduction > About Bella+Canvas

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