

Everlane Voluntary Carbon Offsets Disclosure in Compliance with California Assembly Bill No. 1305 (AB 1305)

January 1, 2024

Everlane is committed to providing transparent disclosures relative to its climate goals, emissions reductions, and other relevant information. Everlane does not currently market, purchase, sell, or use voluntary carbon offsets as outlined in AB 1305, with two possible exceptions listed below. Neither of these items are taken into account when we prepare our corporate greenhouse gas inventory. As such, our greenhouse gas inventory is not reduced in any way by these offset purchases.

(1) Everlane facilitates its customers' opt-in purchase of voluntary carbon offsets to match the estimated greenhouse gas emissions from shipping their products from our warehouse to their home. These offsets are published on a public registry where any customer or member of the public can learn more about them. A summary of these offsets can be found on our website at <https://www.everlane.com/carbon>, with a link to [this registry](#).

(2) Everlane's freight forwarding partner, Flexport, buys carbon offsets on Everlane's behalf to compensate for the carbon impact of less-than-container load (LCL) shipments from our partner factories to Everlane's distribution center. This includes mitigating the carbon emissions generated during the trucking or rail transportation legs of those shipments. The calculation on the amount of emissions our partner offsets to neutralize these shipments is executed using their greenhouse gas emissions calculator, which is accredited by the Smart Freight Centre in conformance with the Global Logistics Emissions Council (GLEC) Framework. A summary of these offsets can be found on our website at <https://www.everlane.com/carbon>, with a link to [this registry](#).

Everlane's Science Based Targets & Related Disclosure

Everlane has an approved Science-Based Target for reducing GHG emissions in line with the 1.5°C pathway. The Science-Based Target Initiative has approved Everlane's near-term goal to reduce Scope 1 and Scope 2 market-based GHG emissions by 46% by 2030, compared to its 2019 baseline. In addition Everlane has established a corporate goal of reducing its Scope 3 emissions by 55% per-unit produced by 2030, using the same baseline year of 2019. Everlane also has a validated long-term Science Based Target to achieve Net-Zero emissions by 2050.

All of these targets covering greenhouse gas emissions from Everlane's operations (Scopes 1 and 2) and value chain (Scope 3) are consistent with reduction requirements to keep warming to 1.5°C, the most ambitious goal of the Paris Agreement and what the latest climate science has told us is needed to prevent the most damaging effects of climate change.

Scope 1, Scope 2 and Scope 3 GHG emissions are calculated using the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard and the Greenhouse Gas Protocol: A Corporate Value Chain Accounting Standard as references. We report on our comprehensive GHG emissions inventory in our annual [Impact Report](#).

Scope 1 & 2:

Our plan to achieve our Scope 1 and Scope 2 greenhouse gas goals includes energy efficiency, renewable energy credits, capital investment and other strategies. We have an annual recurring goal to purchase high quality RECs for 100% of our HQ and Retail electricity needs. A summary of these RECs can be found on our website at <https://www.everlane.com/carbon>, with a link to [this registry](#).

Scope 3:

Our plan to reduce our Scope 3 product emissions includes: selecting and working with supply chain partners who demonstrate a commitment to reducing their greenhouse gas emissions and other environmental impacts; engaging supply chain partners in Higg FEM adoption to measure, benchmark, and achieve emissions reductions; expanding the use of lower-emission materials, including regenerative and/or organic natural fibers, and recycled content; Reducing air shipments of fabrics/materials and finished products.

Everlane uses a third-party platform called Watershed to prepare our annual greenhouse gas inventory. Watershed works with independent, third party verifiers that perform bi-annual reviews of Watershed's methodology. Everlane has not yet third-party assured our inventory or progress against our targets, though we plan to in the future.