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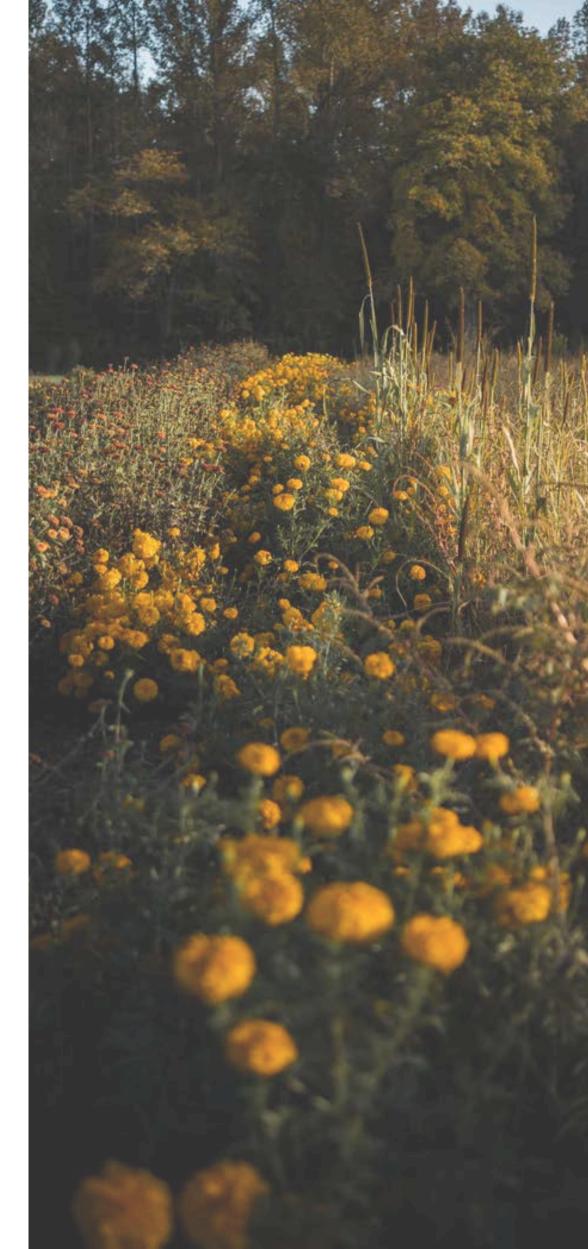
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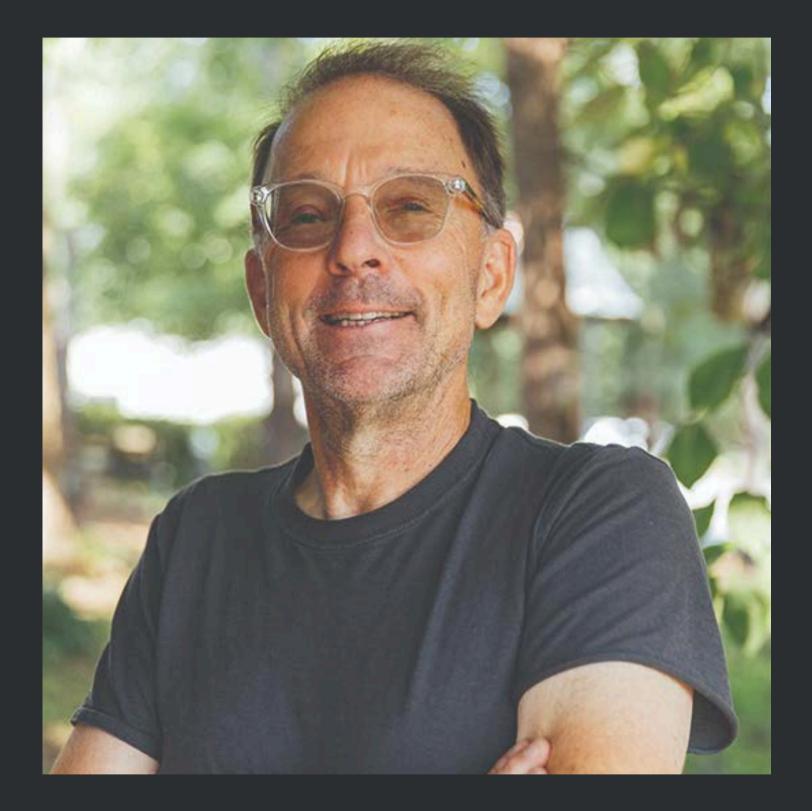
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A Letter From Our CEO



"Sustainability is a journey, not a destination. I'll be on that journey for the rest of my life, both personally and professionally. Not one person has the answer; the answers lie within our communities."

To Our Valued Stakeholders,

It is with great pride that I present to you TS Designs' first ever Sustainability Report. This document is not merely a reflection of what we have achieved but also a blueprint of our commitment to our community and to future generations.

At TS Designs, we are driven by a simple yet powerful philosophy: People, Planet, Profit. These three pillars have guided our journey, pushing us to continually evaluate and elevate our impact on the world around us. As the first certified Benefit Corporation in North Carolina and the pioneering apparel B Corp since 2008, we have set benchmarks for transparency, accountability, and performance that aim to serve and inspire others.

Our approach to sustainability is holistic, and innovation is at the heart of TS Designs. Our dedication to research and development has produced multiple white papers that address critical issues within the apparel industry, fostering a culture of continuous improvement and innovation.

Our commitment extends beyond the environment. We believe in taking care of our people—employees, customers, suppliers, and members of the community like you. Each of you plays a crucial role in our ecosystem, and our success is deeply intertwined with your well-being.

As we look forward, our path remains clear. Sustainability is a journey without a final destination—a journey I am committed to, both personally and professionally, for the rest of my life. We understand that no single individual holds all the answers; rather, it is through our collective efforts and shared vision that we will continue to make significant strides.

This Sustainability Report is an invitation to all of you—our valued stakeholders—to join us in this journey. Let us collaborate, innovate, and inspire. Together, we can create a future where the apparel industry is synonymous with sustainability, equity, and transparency.

Thank you for your continued support and belief in TS Designs. Your trust fuels our passion for responsible business practices. We are excited to share this journey with you and look forward to the opportunities ahead.

Warm regards,

Eric Henry President & CEO, TS Designs

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About tsdesigns

Since 1977, TS Designs has been championing sustainability through multiple innovative and impactful initiatives that resonate with our core values of People, Planet, and Profit. Based in North Carolina, the heart of our business model is the creation of high-quality, sustainable apparel with a transparent and traceable supply chain.

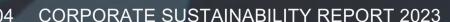
We continuously innovate by launching several endeavors to support our mission and vision of creating more sustainable apparel. One of our initiatives Where Your Clothing.com enables customers to trace their t-shirt's production journey —from the cotton farmers onwards—complete with images and contact details of those involved.

Our flagship brand, Cotton of the Carolinas, is fully produced within a 750-mile radius in North Carolina, USA.

Our company has pioneered new techniques in garment dyeing using both reactive and natural dyes and champions the use of natural fibers like cotton and hemp. We've also déveloped the eco-friendly screen printing process known as REHANCE, which offers a unique no-print texture, alongside offering Direct to Garment printing with water-based inks.

Our retail brand, Solid State Clothing, produces small batches of high-quality t-shirts and serves as a testbed for innovative materials and collaborative projects with local artists and craftsmen. Our other t-shirt lines include Homegrown, Cloud Organic, and American—all products 100% cotton and made in the USA.

Guided by our CEO and President, Eric Henry, TS Designs exemplifies corporate sustainability in fashion. As Eric states, "TS Designs is a custom t-shirt manufacturer and printer focused on creating domestic and sustainably made shirts for environmentally and socially conscious businesses and organizations.



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Our Framework

At TS Designs, we have redefined traditional apparel manufacturing by adopting a more responsible, holistic, and circular approach that is rooted in our founding principles of People, Planet, and Profit.

We recognize that the cost of doing business should not come at the expense of our earth or the communities in which we operate.

Instead, we believe our business should contribute to the sustainability and prosperity of our community, our planet, and our business. Our goal is to create the highest quality, most sustainable t-shirts on the planet.

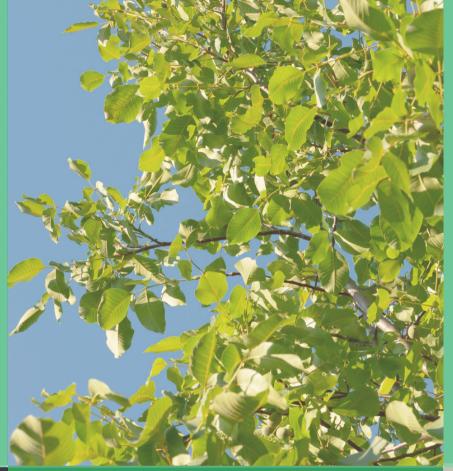
"Our mission is to build a sustainable company that simultaneously looks after the People, the Planet and Profits."

- Eric Henry, CEO TS Designs

People

We conduct our business with integrity, honesty, and transparency. Our responsibility to care for our employees, suppliers, stakeholders, and community is paramount to our mission of creating a sustainable business model.





Planet

Circularity is at the heart of what we do. Our t-shirts are fully compostable and designed with 100% natural fibers and dyes; we utilize eco-friendly print screen technology, source locally to reduce our carbon footprint, and partner with farmers utilizing regenerative agriculture.

Profit

We believe our business should contribute to the prosperity of not only our company but to our people and community at large. Our commitment to local sourcing and production reflects our dedication to helping the communities in which we live prosper.



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100%

US-based supply chain

220

gallons of local black walnuts diverted from waste and used for natural dyes

119,910

shirts made by 100% locally sourced cotton

20+

years of on-site solar-powered operations

100%

of packaging made from recycled or reused materials



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Our Initiatives



Natural fibers

Dedicated to preventing microplastics from entering our ecosystem, we at Solid State Clothing exclusively use natural materials like cotton, hemp, and wool.



Natural dyes

We produce small batches of natural dyes using locally sourced and responsibly harvested plants from our own backyards.



Water-based inks and dyes

We use eco-friendly inks & dyes with no harmful chemicals.



We developed a water-based ink that gives your shirt a seamless, no-print texture. It is consistently applied to un-dyed shirts



Recycle

Pre-consumer scraps are recycled at Material Return or used at our facility. We also dedicate ourselves to manage our post-consumers scraps and composting programs



Pioneering in R&D

Consistently working to bring balance, equity, & transparency to the apparel industry.



Transparency

Trackable supply chain starting with the farmer who grew the cotton via WhereYourClothing.com



B Corp

First apparel B Corporation (since 2008) verified to voluntarily meet high standards of transparency and accountability.



Community Connections

Supplier Engagement

cultivating responsible clothing

Radical Transparency

Empower and Uplift

Our workforce is an essential component of our success. We prioritize treating each individual with the utmost consideration and respect, recognizing the intrinsic value of every person within our organization. Our leadership is dedicated to instilling faith and confidence among all employees and promoting a culture of trust and collaboration.

We are committed to fostering an inclusive workplace and providing stable employment opportunities to ensure continuity and security for our workforce. Upholding principles of fairness and equity, we provide a living wage, and offer competitive, comprehensive benefits that include healthcare and a 401(k) with a company match to our full-time employees. This commitment not only ensures a healthier, more secure workforce but also reflects our broader values of fostering a positive and supportive corporate culture.

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<u>GOVERNANCE</u>

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Empower and Uplift

Community Connections

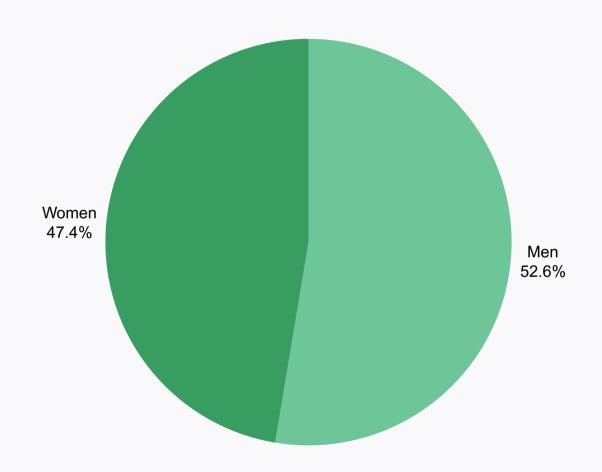
Supplier Engagement

Radical Transparency

Empower and Uplift

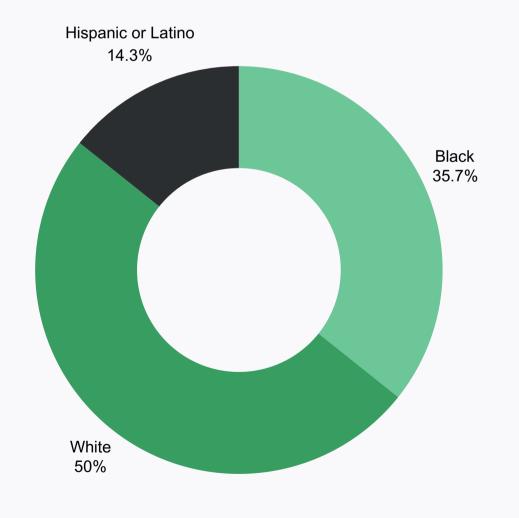
We believe in cultivating an environment where individuals of all backgrounds feel valued and empowered to contribute, resulting in a diverse workforce.

Total Workforce 1



1 Includes full and part-time employees and independent contractors

Workforce Race & Ethnicity Breakdown²



2 Includes full-time and part-time employees



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Radical Transparency

Community Connections

Our commitment to community connections is clear through initiatives like employing local talent which bolsters the regional economy, and featuring our community members in Monthly Customer Spotlights that celebrate and promote local businesses who share our sustainability ethos. We engage in philanthropic projects such as our collaboration on the Black Walnut Project – a partnership between TS Designs and Croatan Institute, an independent nonprofit.

Utilizing Solid State Clothing's 2020 cotton vintage and hundreds of pounds of locally foraged black walnuts that would have otherwise gone to waste, we created the North Carolina Black Walnut T-shirt. The walnuts were cooked by local brewery – Burlington Beer Works, owned in part by our own CEO Eric Henry – to create a beautiful soft brown dye. We take great pride in knowing that a portion of the t-shirt proceeds was donated to support Croatan Institute's mission, which is to build social equity and ecological resilience.

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Empower and Uplift

Community Connections

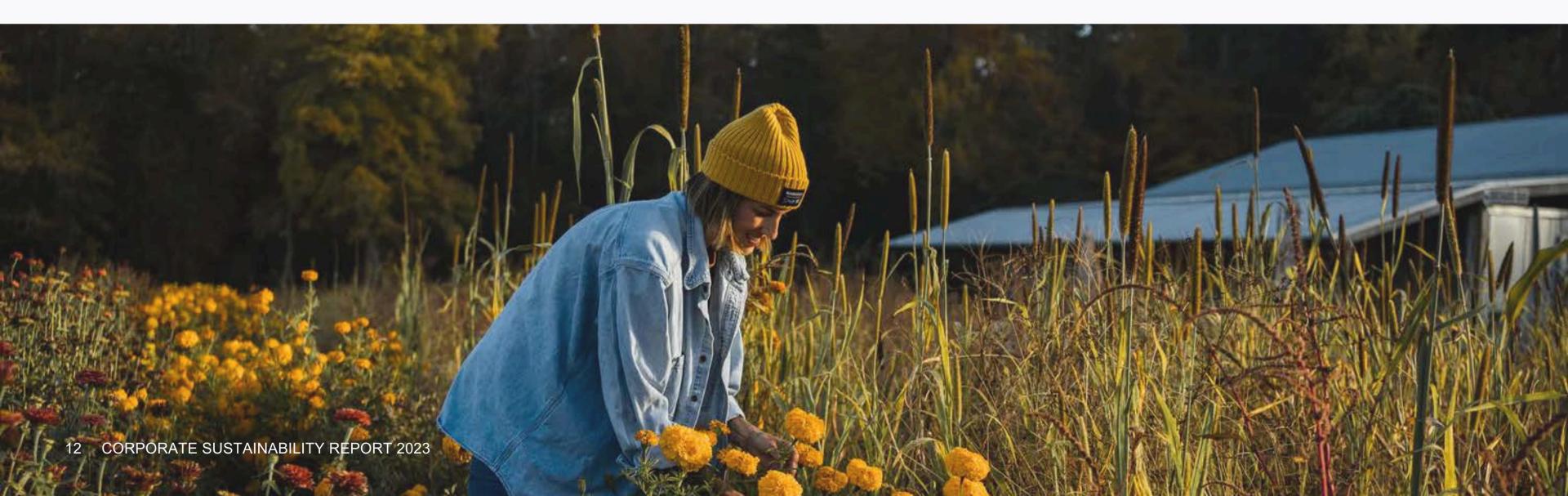
Supplier Engagement

Radical Transparency

Community Connections

Our community is an integral part of who we are. We are honored to collaborate with and support local artisans and entrepreneurs to create pieces that support the revitalization of North Carolina's textile and manufacturing industry.

In 2023, our Marigold Beanie won the Style Award for Our State Magazine Made in NC. In a collective effort between Solid State Clothing, Innovaknits, FontaFlora Brewery, and Opportunity Threads, our Marigold Beanie was produced using 100% recaptured wool that was saved from landfill. The beautiful, vibrant golden hue was created using natural dye techniques with locally grown marigold flowers, all within 135 miles.



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Radical Transparency

Supplier Engagement

Our approach to building our business has been one of partnership and collaboration.

From Dirt to Shirt

At TS Designs, we are deeply committed to sustainability and community support, as demonstrated by our flagship brand, Cotton of the Carolinas. Cotton of the Carolinas is designed to promote local economic activity and reduce environmental impact by ensuring that the entire life cycle of our t-shirts — from the cotton fields to the final product — is contained within a 750-mile radius. This significantly reduces carbon emissions when compared with traditional apparel manufacturing supply chains, which are expansive and fragmented. The average t-shirt, by comparison, travels over 13,000 miles.

This initiative supports the local economy by employing farmers, textile makers, and other workers within North Carolina. It also fosters community engagement and resilience by ensuring that economic benefits are felt locally. Our approach aligns with the global goals for sustainable development, emphasizing responsible production and consumption patterns across our operations.

Cotton of the Carolinas also exemplifies our commitment to radical transparency. Consumers can trace the origin and journey of their garments through our dedicated platform, enhancing their understanding of our production processes and the people behind their clothing. This level of openness is crucial in building trust and accountability, setting a new standard in the apparel industry.

Empower and Uplift

Community Connections

Supplier Engagement

Radical Transparency

Supplier Engagement

10,000 Pounds of Cotton Project

In line with our sustainable sourcing goals, we emphasize direct purchasing relationships with cotton farmers. In 2020, we launched the 10,000 Pounds of Cotton Project, which aims to give cotton farmers a seat at the table in determining fair value compensation for their product.

Agreeing on a reasonable price for cotton before the seed goes into the ground supports the financial stability of the farmers, protecting them from the volatility of commodity markets. We believe this empowers farmers to make necessary investments in regenerative agriculture and gain the financial security they deserve.

Our goal is to set the standard for others in the textile industry to rethink supply chains and combat inequities in the cotton and apparel markets.



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Supplier Engagement

Radical Transparency

Radical Transparency

We ensure transparency in our supply chain with the creation of whereyourclothing.com. This innovative platform is designed to give consumers a comprehensive look at the life cycle of their clothing. By simply scanning the QR code found on the printed neck label of our shirts, customers can trace the journey of the garment, from where and how the cotton was grown to the various stages of production spinning, knitting, cutting, sewing, and dyeing—leading up to the finished product.

This level of detail allows consumers to verify our sustainability claims by providing a window into our sourcing and manufacturing processes. It empowers the customer to make informed decisions based on the ecological and social impact of their purchase. Moreover, this initiative puts a face to the various stakeholders in the supply chain, highlighting the farmers who cultivate the cotton and the workers who craft the garments, thereby humanizing the entire process.

Supporting local economies and promoting diversity are core aspects of our supplier engagement and radical transparency strategies. We give preference to local suppliers within a 50-mile radius of our operations and to businesses owned by women and people of color. This policy helps foster local economic development and supports diverse communities, creating a more inclusive and resilient supply chain and increasing transparency by allowing us to forge personal relationships with our supply chain partners.



Circularity

Materials

Waste

Sustainability Technology

Circularity

We design and manufacture our t-shirts with the goal of minimizing the environmental impact of our products throughout their life cycle.

At TS Designs, we strive to create a **closed-loop system**. We envision an apparel and textile industry where products are designed, produced, used, and then recycled or upcycled back into the system.

Because of this belief, we make sure that any textile waste generated during manufacturing serves a purpose. Scraps are utilized to balance our dye tubs, while the remainder is sent to Material Return for recycling into new products. In 2023, we recycled an impressive **11,254 lbs** of cotton waste through this process!

Adopting a circular business model requires deliberate design choices from the outset. That's why our four brands of t-shirts are crafted entirely from natural cotton and hemp fibers, including the threads used in stitching. Unlike many counterparts, which use polyester thread, our approach ensures that the cotton can be composted without introducing microplastics into the environment.

Additionally, our dyes and inks are designed to break down harmlessly, further contributing to sustainability efforts.

Supporting Textile Recovery and Circularity

Our TS Designs t-shirt scraps that come from our wholesale t-shirt waste are made of superior weights of cotton. We resell our scraps to our consumers, who enjoy turning them into upcycled projects and crafts for patching, quilting, and pet bedding.



Circularity

Materials

Waste

Sustainability Technology

Materials

We are passionate about finding practical solutions to keep microplastics out of our ecosystem. Our approach is our commitment to responsible materials sourcing by only focusing on natural materials such as cotton, hemp, and wool. We use cotton grown in North Carolina or other US farms whenever possible.

All of our cotton is ringspun in the US. Ringspun is the golden standard of yarn production, yielding an exceptionally soft and robust fabric that resists piling and holes, even with extensive use over many years. In 2023, we produced **119,910** shirts, each shirt using approximately half a pound of cotton

In our commitment to sustainable materials, we have developed a number of natural dyes, sourcing colors from a palette provided by nature. We have utilized dyes derived from marigolds, black walnuts, pomegranates, natural indigo, and madder root. These dyes are obtained from responsibly sourced plants and are part of our continuous efforts to reduce our environmental impact. In 2023, we saved **220 gallons** of black walnuts from going to waste by turning them into one of our most recent natural dye colors.

How we ship our products is just as important as how we make our products, which is why we ensure the use of recycled paper for printing and source our smaller packaging materials from **Eco Enclose**, which are made from **100**% recycled material. We also repurpose many of our shipping containers and boxes to keep our packaging materials in use for as long as possible.



Circularity

Materials

Waste

Sustainability Technology

Waste

Up to **100 billion** garments are produced every year, and about **92 million tons** of clothing end up in landfills, degrading ecosystems and emitting heat-trapping gases into the atmosphere. We are actively combatting and reversing this trend by producing natural fiber, fully compostable shirts.

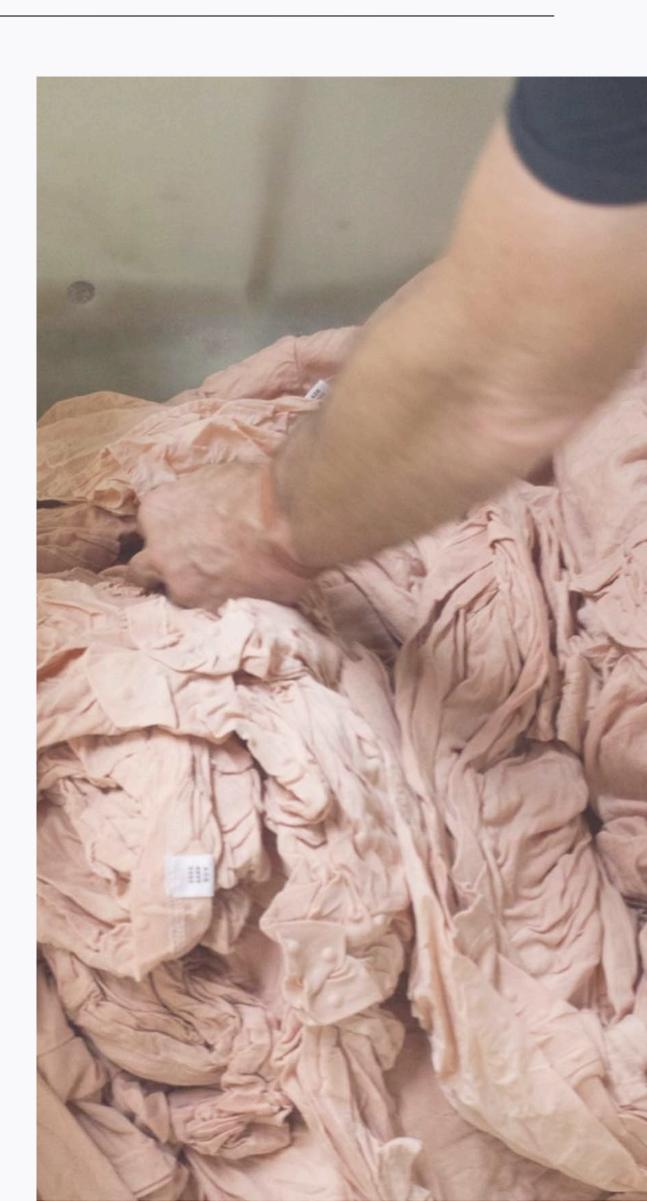
Every effort is made to repurpose and recycle textile waste generated during our manufacturing processes. Shirt scraps are diligently collected and sent to either **Circ** or **Material Return** for recycling, reducing landfill waste and promoting circularity within our supply chain.

Recognizing waste management as a critical component of our sustainability efforts, we integrate comprehensive waste reduction strategies beyond manufacturing and across all levels of our operations. This approach is informed by the principles of the circular economy, aiming to keep resources in use for as long as possible, extract the maximum value from them while in use, and recover and regenerate products and materials at the end of each service life.

Our commitment to environmental stewardship extends to our dye house operations. Our water-based inks leave no environmentally hazardous residue upon disposal that traditional inks made from polyvinyl chloride (PVC) and phthalates do. All wastewater from our dye house is channeled directly to the Burlington Treatment Waste Water facility, ensuring responsible water management and minimizing our ecological footprint.

We also operate a composting program where all food waste is diverted to our compost bin.

All shipping and packaging materials are either compostable or recyclable, further minimizing our environmental impact and fostering a culture of sustainability.



PLANET INTRODUCTION **PEOPLE**

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Circularity Materials Waste

Sustainability Technology

Sustainable Technology

At TS Designs, we are constantly innovating. In the mid-1990s, we pioneered and patented our proprietary REHANCE process, which utilizes water-based inks instead of traditional plastisol to screen print our t-shirts. The REHANCE printing method binds the ink to the fabric molecules, resulting in a print that is more durable and breathable, and it does not compromise the softness of the fabric. This process is emblematic of our commitment to sustainable production methods that do not sacrifice product quality.

Further advancing our eco-friendly production, we employ environmentally responsible reactive dyes for garment dyeing. These dyes chemically react with cotton, creating a flexible and colorfast bond, ensuring that the vibrant hues remain intact over time without excessive water or energy use. In our exploration of sustainable materials, we have also delved into the world of natural dyes, sourcing colors from a palette provided by nature. We have utilized dyes derived from marigold, black walnut, pomegranate, and madder root. These dyes are obtained from responsibly sourced plants and are part of our continuous efforts to reduce our environmental impact. The marigold beanie project, in collaboration with Fonta Flora Brewery, is a prime example of this commitment. The project showcases the viability of plant-based dyes in commercial production and embodies a partnership that celebrates community and local resources.



Materiality Assessment

Material Topics

Our Governance

At TS Designs, our values guide everything we do. Those values include serving our customers with the highest quality of service, delivering value in all of our products, providing a high quality of life for all employees, protecting and restoring our environment, and maintaining a reasonable profit. These principles are at the heart of our governance structure.

Our governance anchors the deeper integration of our commitment to sustainability with ethical practices and strategic risk management. This approach ensures that we comply with regulatory requirements while simultaneously fostering an organizational culture that encourages accountability, transparency, and community.

Under the leadership of CEO and President Eric Henry, TS Designs sets the bar for corporate responsibility. By creating an ecosystem of trust, communication, reliability, and mutual understanding, Eric and TS Designs have built sustainable value chain partnerships.

Eric's leadership team includes Lydia Paylor, Doug Murphy, and Keith Klumb, whose primary responsibilities include planning production, art, and dye schedules, ensuring a tightly integrated approach to the company's operations. The governance responsibilities of the leadership team extend into detailed oversight of our People, Planet, Profit Framework. This is reflected in the active involvement of the team in our numerous sustainability initiatives.



Our Governance

Materiality Assessment

Material Topics

Our Governance

Our commitment to ethical sourcing is integral to our corporate responsibility strategy. We strive to create transparent, sustainable, and equitable supply chains through rigorous supplier selection, continuous engagement, and compliance with high standards for environmental and social performance.

Supplier Selection and Standards

We prioritize relationships with suppliers who demonstrate a strong commitment to environmental sustainability and social responsibility. Our selection criteria include adherence to third-party certification standards such as Certified B Corporation, Organic, Fair Trade, and LEED Certified, among others. These certifications ensure that suppliers meet high standards for environmental care and social equity.

Stakeholder Engagement

Governance at TS Designs also involves significant stakeholder engagement, ensuring that the company remains aligned with the values and needs of its employees, customers, suppliers, and the local community. The management's approach to stakeholder engagement is characterized by personalized interactions, which include direct communications and regular visits to suppliers and community events. This hands-on engagement strategy ensures that TS Designs maintains a strong connection with its stakeholders, reflecting its commitment to transparency and ethical practices.

Our Governance

Materiality Assessment

In 2023, we conducted our inaugural materiality assessment to help us identify, manage, and report on the issues that could impact our business and are important to our stakeholders. Our approach to determining materiality topics is influenced by ongoing engagement with our stakeholders.

The assessment engaged stakeholders from both within our organization and externally to determine which topics are crucial for both the short and long term. This collective effort determined 13 material topics, primarily in environmental, social, and governance issues, as most material to TS Designs. We report on the corresponding progress when and to the extent it is relevant, partially based on their significance to us and our stakeholders.

METHODOLOGY

Step 1 - Identifying the material topics based on GRI Standard

We compiled a list of issues through desktop research, utilizing numerous sources such as ESG standards and frameworks (e.g., GRI, TCFD, and SASB), the Sustainable Development Goals (SDGs), peer and industry benchmarking, broader industry and ESG trends, ESG rankings, and ratings, as well as forthcoming and emerging regulations.

Step 2 - Stakeholder Engagement

We carried out correspondences and surveys to gather outward and inward perspectives on TS Design's impacts. Stakeholders engaged in this assessment include our employees, customers, NGOs, local communities, media partners, enthusiastic conscious consumer, and part-time contractors

Step 3 - Scoring & Analysis

We gathered the survey results and decided the score for each scale to quantify the qualitative aspects of the answers according to the importance to us and our stakeholders. These scores then were summed up and ranked from high to low indicating from the issue that is thought to be most creating impacts to the least, to our business.

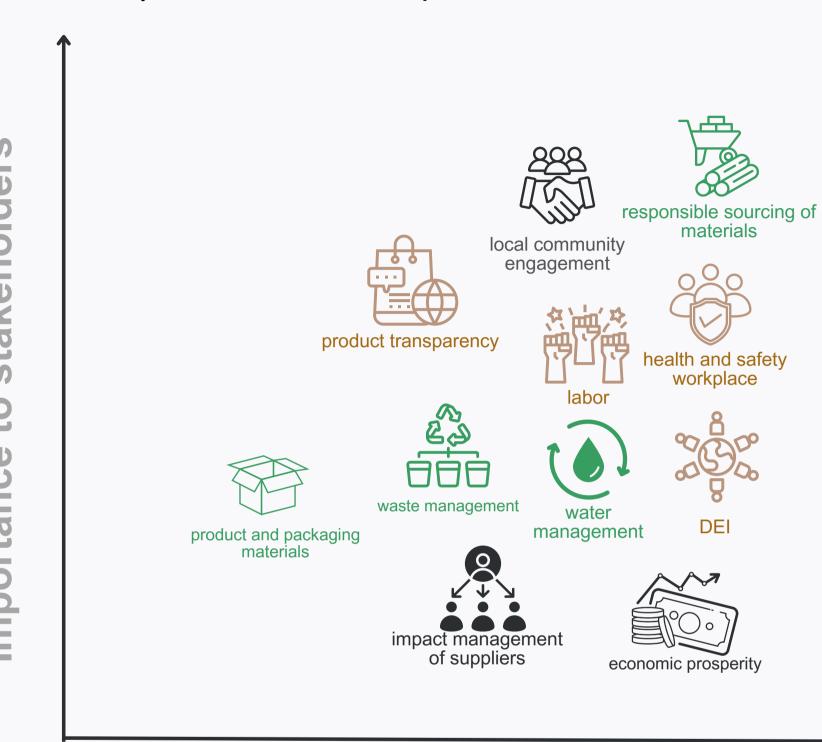
Step 4 - Recommendation

The proposed list of ranked material topics then are discussed within the company to finalize the top 13 material topics that we choose to focus on this year. We created the material topics matrix which visualizes all these 13 topics respective to the level of importance to us and our stakeholders. We divided them into Environmental, Social, and Governance criteria as the GRI Standards suggest,

Our Governance

People Planet Governance

takeholders **Materiality Matrix** S **t**0 mportance



Material Topics

Importance to the company

GRI 204: Responsible and ethical sourcing

GRI 303: Water consumption and

management of wastewater

and packaging

GRI 301: Materials for products

GRI 308: Managing environmental impacts with suppliers

GRI 306: Managing operational

waste and implementing circularity

GRI 409: Preventing forced or compulsory labor

GRI 413: Positive engagement with local communities

GRI 417: Transparency of product information and labeling to ensure consumers are well-informed about the sustainability attributes of their products



Global Reporting Initiative (GRI) Disclosures

Disclosure Number and Title

2023 Response

GRI 2: General Disclosures

2-1 Organization details

TS Designs is a private apparel company headquarted at 2053 Willow Springs Ln, Burlington, NC 27215. TS Designs specializes in the manufacturing, printing, and dying of t-shirts. Solid State Clothing is the retail brand of TS Designs. TS Designs sells four flagship t-shirt brands: Cotton of the Carolinas, Homegrown, Cloud Organic, and American.

2-2 Entities included in the organization's sustainability reporting

There are no external entities included in this sustainability report, and TS Designs does not consist of multiple entities.

2-3 Reporting period, frequency and contact point

This report represents TS Design's first sustainability report. This report covers the 2023 calendar year.

Key contact points:

Eric Henry, CEO

https://meetings.hubspot.com/eric792 and https://tsdesigns.com/contact/

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Chengze Yu, Sustainability Consultant

cy2701@columbia.edu

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		Global Reporting Initiative (GRI) Disclosures		
2-4 Restatements of information	There are no restatements of information. TS Designs has not released a sustainability report in the past.			
2-5 External assurance	TS Designs has not sought external assurance of the information provided in this report.			
2-7 Employees	See <u>Meet the Team</u> .			
2-8 Workers who are not employees	ndependent contractors. These contractors perform tasks related to marketing, o design, bookkeeping, dyes and finshes for products, and quality control.			
2-9 Governance structure and composition	TS Designs is overseen by CEO Eric Henry. Management also includes Lydia Paylor, Doug Murphy, and Keith Klumb; their role is to plan our production, art, and dye schedules. For more, see <i>page 22.</i>			
2-22 Statement on sustainable development strategy	At TS Designs, we work diligently to have a positive impact on people and the planet by looking at our business and all its impacts through the triple bottom line lens. We have set out to do our part for sustainable development by aiming to make the highest quality and most sustainable t-shirts on the market. Our business is designed to contribute positively to SDGs 12, 14, and 15; we developed water-based screen printing process, use only natural dyes, recycle pre-consumer cotton, and earned the statuas the first apparel Certified B Corporation in the state of North Carolina back in 2008. In our facilities, we have incorporated energy efficiency measures and installed an electric vehicle charging station to align with SDG 7.			
		rts in sustainable development, see <u>Driving Sustainability: A Glimpse into Our</u> <u>People + Planet</u> and <u>About Us</u> .		
2-28 Membership associations	Certified B Corporation, Textile Exchange, Carolina Textile District, and Alamance Chamber.			

2-29 Approach to stakeholder engagement

At TS Designs, we engage with a variety of stakeholders, including our customers, employees, suppliers, and the local community. Each of these stakeholders is an integral part of how we do business, and they were identified for this reason. The purpose of our stakeholder engagement is to ensure that those supporting our endeavor to make the most sustainable t-shirt on the market is a truly shared purpose, and we at TS Designs are committed to making a positive impact on the local community and in the lives of all who support our products.

To engage these important stakeholders, we maintain regular communication with our employees and suppliers and actively include them in our sustainable business initatives. We also regularly publish blogs, podcasts, and reports. These include Customer Spotlights, Supplier Spotlights, and a Year in Review. For more see our <u>blog</u>, <u>podcast</u>, and <u>publication</u> pages.

GRI 3: Material Topics 2021

3-1 Process to determine material topics

We began determining materiality by identifying the topics most material to TS Designs and the textile and appareal industry; this was done by familiarizing ourselves with ESG frameworks and standards including GRI and SASB, as well as the UN Sustainable Development Goals (SDGs). Additionally, we conducted industry peer benchmarking and followed ESG trends and regulations closely to create a list of potentially material topics. Then, we engaged with our stakeholders, including employees, customers, our contractors, nonprofit partners, and the local community by conducting a survey about our initial material topics list. Based on our engaged stakeholders' responses, we used importance scores from the survey results and insights from our internal team of sustainability experts to incorporate the mission of TS Designs and purpose of this report in the creation of our final, prioritized list of material topics. For more, please see <u>pages 24-25</u> of this report.

3-2 List of material topics

See page 25 of this report under "list of topics."

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Global Reporting Initiative (GRI) Disclosures

Material Topics Disclosure

GRI 204: Procurement Practices 2016

3-3 Management Approach

At TS Designs, we develop our supply chains by first purchasing cotton directly from the farmer, and then selecting only local manufacturers to finish the rest of the process.

For more, please see <u>pages 13-14</u> of this report.

GRI 301: Materials 2016

3-3 Management Approach See "Driving Sustainability" in About Us and page 18 of this report.

301-1 Materials used by weight or In 2023, we handled 119,910 shirts, each weighing about half a pound. We used an estimated 59,955 volume pounds of organic cotton. Additionally, we used 220 gallons of black walnuts.

301-2 Recycled input materials used

We print on recycled paper and buy our smaller packaging materials from Eco Enclose, which is comprised of 100% recycled material. We reuse the boxes that our blank shirts are shipped in by shipping our final products in the same boxes. While these boxes are not made of recycled material, they are able to be recycled by the end user.

GRI 303: Water and Effluents 2018

3-3 Management Approach

TS Designs emphasizes sustainable practices across its operations, including the use of water-efficient technologies, the implementation of water recycling and reuse practices, and the treatment of effluents before discharge to prevent pollution and protect water quality. For more, see *About Us*.

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303-2 Management of water discharge-related impacts		Use of Water-Based Inks and Dyes: We have developed and use REHANCE™, a water-based screen printing process that eliminates the need for harmful solvents and chemicals typically used in traditional screen printing. This not only reduces the toxic load on wastewater but also ensures that any water discharge is free from harmful chemicals. For more, see <u>page 20</u> of this report.				
			Our garment dyeing process is designed to minimize water use and prevent potential water pollution. By dyeing garments after printing, we reduce the risk of dye runoff and make efficient use of water resources			
			Additionally, we are passionate about keeping micro-plastics out of aquatic ecosystems, which is why all our products are made entirely of only cotton, wool, and/or hemp.			
GRI 306: Waste 20)20					
3-3 Management Approach TS Designs' management approach to waste emphasizes reduction, reuse, and recyclin environmental footprint. Recognizing waste management as a critical component of our efforts, we integrate comprehensive waste reduction strategies across all levels of our or approach is informed by the principles of the circular economy, aiming to keep resources long as possible, extract the maximum value from them while in use, and recover and reproducts and materials at the end of each service life. For more, see About Us and page				extract the maximum value from them while in use, and recover and regenerate		
306-2 Management of significant waste-related impacts		TS Designs is dedicated to minimizing our waste-related impacts, which is why we have taken measures to reduce waste across the lifecycle of our products. We create small batch natural dyes and utilize local & responsibly sourced plants. All of our shirts are also dyed after printing to ensure there is no excess or wasted inventory. Once the shirts are ready for our customers, the pre-consumer scraps are all recycled at Material Return or repurposed for new use at our facility.				
			compostable food	scraps are sent to Circ or Material Return, textile material recycling companies. 100% of consumed onsite is composted, and other food scraps are brought home by Eric Henry ken feed. 100% of cardboard and plastic that is used in the facility is recycled.		

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GRI 308: Supplier Environmental Assessment

3-3 Management Approach

TS Designs adopts a rigorous management approach to environmental assessment within its supply chain, ensuring that suppliers align with its environmental values and sustainability goals. This approach involves comprehensive criteria that consider the environmental impacts of suppliers' operations, including their use of resources, waste management, and efforts to reduce carbon footprint. Key to this strategy is the integration of environmental considerations into supplier selection, ongoing evaluation, and development processes.

308-1 New suppliers that were screened using environmental criteria

TS Designs aims to include only suppliers who share our passion for environmental sustainability. Every single step in our supply chain happens here in the United States, to keep jobs at home and reduce travel times and distances of our products. By partnering with only environmentally-conscious suppliers, we have achieved a product that travels 95% less than the average shirt across our supply chain.

GRI 409: Forced or Compulsory Labor 2016

3-3 Management Approach

TS Designs implements a direct-to-farmer model, which ensures ethical labor practices by fostering strong, transparent relationships with cotton farmers. Moreover, TS Designs emphasizes its commitment to a transparent and sustainable supply chain through initiatives like "Cotton of the Carolinas," which boasts a fully trackable supply chain that significantly reduces the environmental impact commonly associated with the apparel industry.

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor

TS Designs has no operations or suppliers at significant risk for incidents of forced or compulsory labor. Our supply chain's transparency is ensured through initiatives like WhereYourClothing.com, which tracks the supply chain from the cotton farmer onwards.

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GRI 413: Local Communities

3-3 Management Approach

TS Designs actively involves and engages with the local community. This includes collaborating with local suppliers, supporting community initiatives, fostering a sense of pride, and practicing open hiring. For more, see the *Empower and Uplift* and *Principles* sections of this report.

413-1 Operations with local community engagement, impact assessments, and development programs

"Local", to us, is not defined by a radius. Our Cotton of the Carolinas supply chain is manufactured at the closest geographical range possible, but beyond that, staying 100% domestic is what is important to us. We aim for the ability to confirm where the sources are and create relationships with our suppliers and customers.

Engaging in impact assessments helps us to ensure that our operations help the local community. We perform assessments of both social and environmental impacts through The B Impact Assessment.

Additionally, we engage with our community in many ways. This includes doing monthly spotlights of our customers on our social media platforms and website, visiting our suppliers once every year, taking part in community events as often as possible, speaking at local events and colleges, and hiring 1-2 interns from Elon University every summer.