



Textile Exchange Annual Report 2021

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Foreword

This year marks a Textile Exchange milestone—it's been 20 years since we started out! For us, this special date has been an opportunity to reflect on everything we have achieved over the past two decades, while beginning to refine our mission and reorientate our strategy.

Building upon our roots in accelerating the adoption of preferred fibers, we're shifting our focus to create powerful pathways to address climate change through fiber and raw material production. We call this strategic direction Climate+, reflecting its emphasis on collective action and interdependent impact areas such as water, soil health, and biodiversity.

With this shift comes an expansion of our programs to better equip our members with clear and actionable guidance for achieving their climate reduction goals. This year, we're rolling out expanded functionality for our tools and resources, including the Preferred Fiber & Materials Matrix, LCA+, Global Fibre Impact Explorer, eTrackit and dTrackit, and much more.

We have also launched our new visual identity and reworked our core messaging to match. Our aim is to share the knowledge and experience we have garnered over the last 20 years in a way that's accessible and applicable to the urgent needs of the industry today. We hope that clear, compelling communication can help speed up the shift towards a new system, rallying our global community behind our collective goals.

As we move towards an era of accelerated action, I want to thank every team member, Textile Exchange member, and supporter that is contributing time, resources, and passion to creating a better tomorrow.

— **La Rhea Pepper**
CEO, Textile Exchange



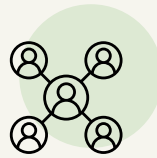
Vision & mission

Textile Exchange is a global non-profit driving positive impact on climate change across the fashion and textile industry. It guides a growing community of brands, manufacturers, and farmers towards more purposeful production from the very start of the supply chain.

Our goal is to help the industry to achieve at least a **45% reduction** in the greenhouse gas (GHG) emissions that come from producing fibers and raw materials by 2030. This is known as Tier 4, and it accounts for 24% of the industry's GHG impacts related to the supply chain.

For real change to happen, everyone needs a clear path to positive impact. That's why we believe that approachable, step-by-step instruction paired with collective action can catalyze change, mobilizing leaders through attainable strategies, proven solutions, and a driven community.

Textile Exchange by numbers



700+

Active members of
Textile Exchange



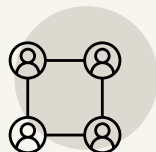
2,400+

Participants across 11
Round Tables



320+

Companies engaged in
benchmarking their use
of preferred materials



1,900+

Industry professionals
convened at our most
recent Conference



48,000+

Sites certified in 98
countries to our 8
active standards



70+

Online educational
events hosted
throughout 2021

Numbers correct as of April 2022.

Our Climate+ strategy

Our strategic direction is underpinned by our overarching goal to drive a 45% reduction in the GHG emissions that come from producing fibers and raw materials by 2030. This aligns with what is needed from our industry to limit global warming to 1.5°C and prevent the most serious impacts of climate change.

We call this strategy Climate+, because it goes beyond accounting for greenhouse emissions. Instead, it is an interconnected approach that swaps siloed solutions for interdependent impact areas like soil health, water, and biodiversity.

Our Climate+ strategy is underpinned by three major areas of impact and opportunity:

- **Materials**
- **Innovation**
- **Rethinking growth**

Materials:

Making preferred fibers and materials the accessible default

First, we're accelerating the adoption of organic, regenerative, recycled, or other more responsible alternatives to conventional fibers. These materials already exist; we want to make them the accessible default by providing global certifications and standards, data-driven tools, and industry-wide benchmarking for brands to measure and manage their sourcing strategies.

Innovation:

Closing the innovation gap through regenerative and circular production systems and scaling "next-gen" materials

Next, we need innovation and out-of-the-box thinking. New business models, circular systems, and even innovative materials. This means collecting better data and facilitating information sharing around how we can scale existing solutions, like regenerative agriculture and textile-to-textile recycling. We do this through our industry reports while bringing leaders together via our round tables, conference, and other platforms.

Rethinking growth:

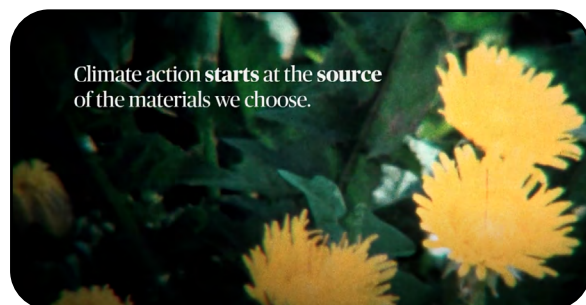
Decoupling resource extraction from value creation

Most importantly, we've got to rethink growth. Slowing down, making less, and producing with purpose. Thinking about how to create business and industry value beyond extracting new raw materials to make new products. Our vision is a new system that works in sync with nature, respecting planetary boundaries while protecting the people that sustain it. To get there, we're keeping our focus holistic and interconnected as we guide our global community in this collective climate strategy.

Our Climate+ strategy

Climate+ in action

We've started taking key steps to put our Climate+ strategy into action and make progress towards our goals. We formed a Climate+ team in 2021 to lead its implementation across the organization and industry. Here's how we've been integrating our strategy across all Textile Exchange tools, resources, and initiatives:



Watch: [Textile Exchange 2030 Strategy: Climate+](#)

- **Standards:**

In July 2021, Textile Exchange began a comprehensive revision of the Textile Exchange Standards framework with the intent to transition all its eight standards into one unified standard. The aim of one unified standard is to meaningfully embed our Climate+ strategy into our standards, to streamline our system linking practices more directly to outcomes and creating stronger communication at the consumer-facing level.

- **Research and reports:**

Standout reports in 2021 included our inaugural Biodiversity Insights Report and the Regenerative Agriculture Landscape Analysis (published early 2022). Our reports provide holistic information critical to accelerating the uptake of more sustainable raw materials and closing the innovation gap, focussing across our core Climate+ impact areas like water, soil health, and biodiversity.

- **Fiber and materials tools:**

In November 2021 Textile Exchange acquired the Global Fiber Impact Explorer tool (GFIE), gifted by tool creators Google and WWF. The GFIE assesses fiber portfolio risks and hotspots by region and by fiber type across key categories: air pollution; forestry; biodiversity; climate; and water usage. The GFIE tool utilizes a combination of data sources, including from the UN, the WHO, the Google Earth Engine Data Catalog, and others. Another Textile Exchange tool, the Preferred Fiber and Materials Matrix (PFMM), provides a holistic view of the impacts of fibers and materials creation, using both qualitative and quantitative indicators to define preferred materials. A beta version of the PFMM was launched to members in 2021, with further development ongoing.

- **Events:**

The 'plus' in Climate+ is an acknowledgment of the importance of partnerships, as Textile Exchange cannot achieve the 2030 goal on its own. In 2021, we hosted the annual Sustainable Apparel Coalition conference together with our Textile Sustainability Conference. We also hosted regular round tables and webinars to advance knowledge and collaborate toward solutions.

- **Industry initiatives:**

Change starts when we work together. That's why Textile Exchange has joined forces with organizations from different stages of the fashion value chain to unite in collective action through the Fashion Conveners and Apparel Alliance.

Our Climate+ team is also working to support the industry's needs in cross-cutting issues including impact data and Life Cycle Assessments, innovative topics such as regenerative agriculture, and policy work.

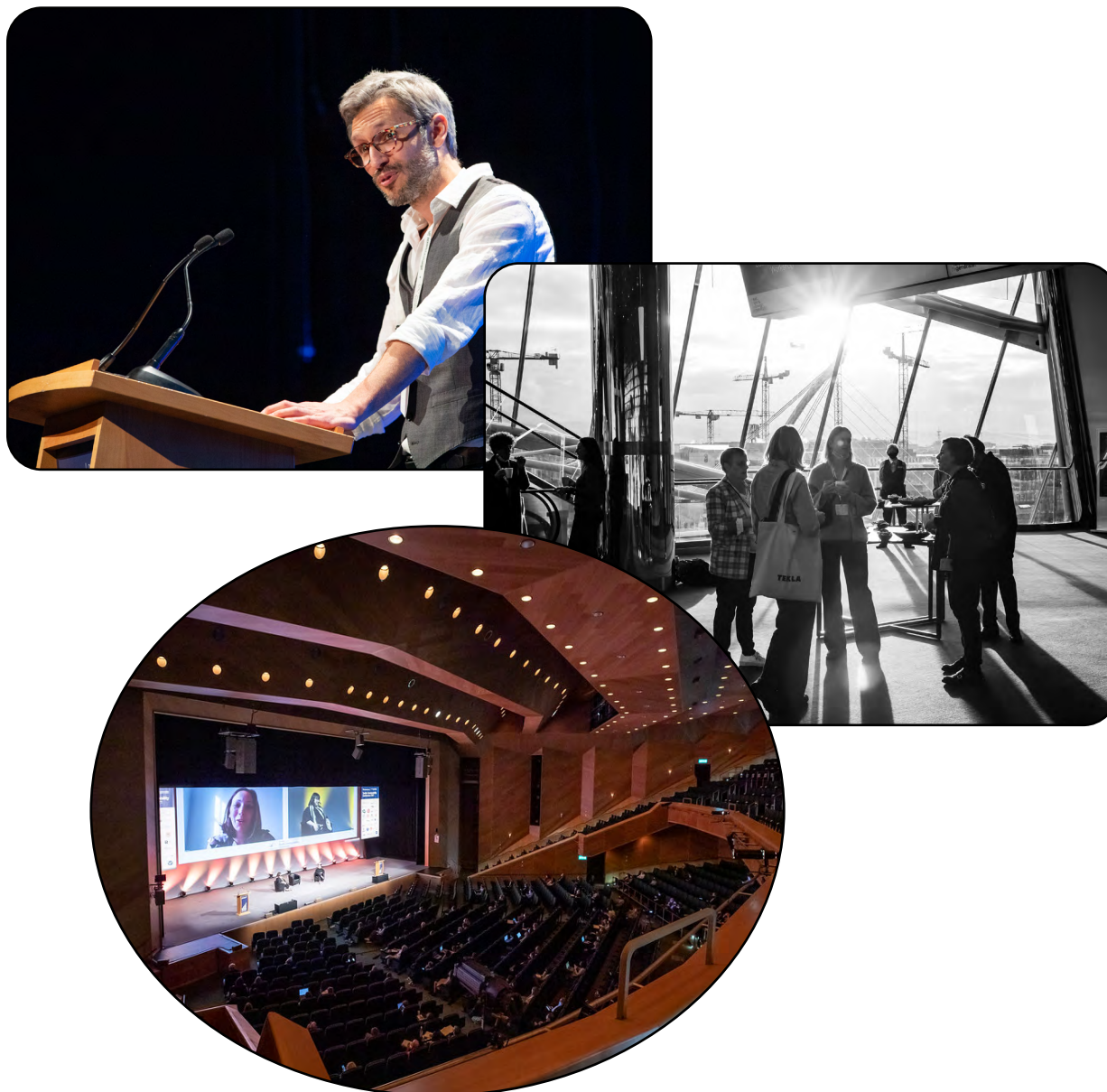
The 2021 Textile Sustainability Conference

The 2021 Textile Sustainability Conference came at a decisive time in the climate conversation. Our world leaders had recently departed from Glasgow after the highly anticipated COP26, and just the month before, the first part of COP15 – the Convention on Biological Diversity – had been held virtually.

With over 1,900 attendees (virtual and in-person), our discussions coincided with heightened calls for an integrated response to climate change and biodiversity loss.

Our five days in Dublin were focused on transforming this awareness into action, bringing together leaders from across the industry to discuss how to transform siloed solutions into a holistic movement.

Together, we covered everything from the essential role of degrowth strategies to achieve carbon reduction, to the need for greater equity in fiber and material supply chains. At the same time, we celebrated the innovative new tools and technology that will help us to coordinate a data-driven response.



2021 webinars

2021 saw Textile Exchange host 35+ webinars with over 7,000 registered participants. Over the course of the year, we worked collaboratively with industry leaders on different fiber types to bring a series of focused webinars to our community.

We teamed up with Canopy to talk about manmade cellulosic fibers, we approached deforestation-free leather with the Leather Working Group, we did a deep dive into the textile supply chain with Sustainable Apparel Barometer, caught up with Policy Hub to cover EU legislation, and more. We also ran three e-learning webinars focused on in-conversion cotton, explaining what it is, why it is vital to a thriving organic sector, and how brands and retailers can support farmers through the years of change.

View our webinar archives:
textileexchange.org/webinar-archives



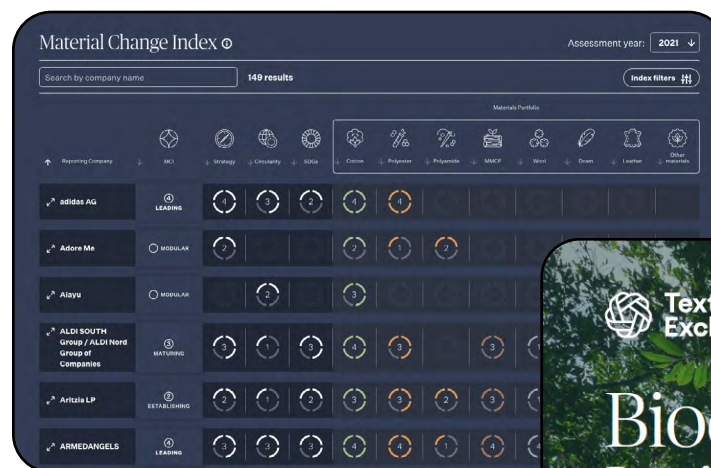
Quick links to 2021 achievements

2021 Milestones

- We launched the [Leather Impact Accelerator 0.1](#)
- We completed our inaugural [Biodiversity Benchmark](#)
- We launched the [Content Claim Standard 3.0](#)
- We launched the [2025 Recycled Polyester Challenge](#) with Fashion Industry Charter for Climate Action
- We launched the [Responsible Alpaca Standard \(RAS\)](#)
- We announced the release of our [eTrackit](#) program with TextileGenesis
- We hosted the first [Ryan Young Climate+ Awards](#)
- We attended COP26 and presented our [fashion industry trade policy request](#)
- We took on ownership of the [Global Fiber Impact Explorer](#)

2021 Reports and resources

- [Organic Cotton Demand Insights Report](#)
- [Material Change Index & Insights Report](#)
- [Organic Cotton Market Report](#)
- [Preferred Fibers Market Report](#)
- [2025 Sustainable Cotton Challenge Annual Report](#)
- [Biodiversity Insights Report](#)



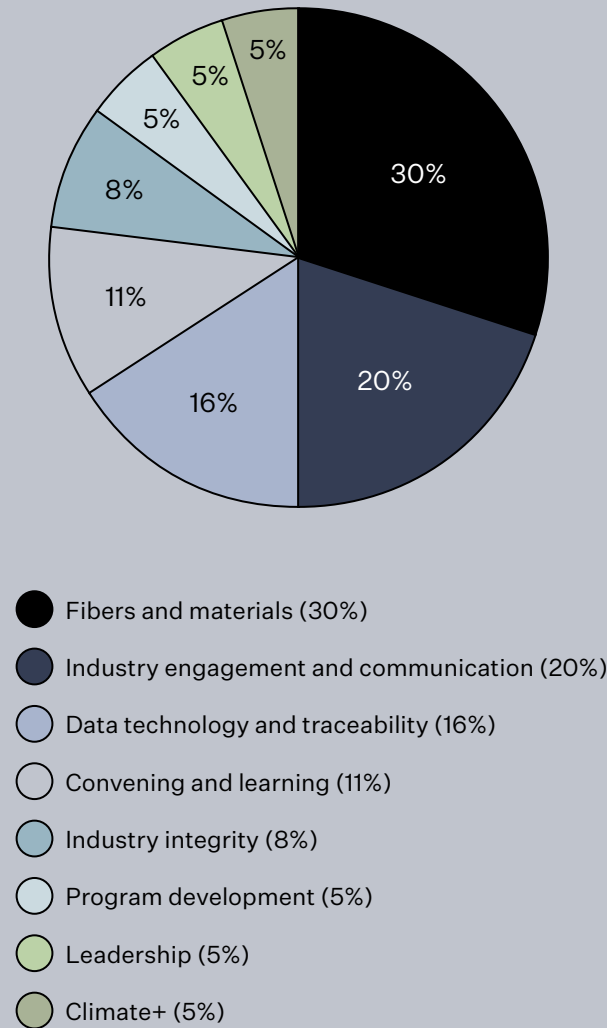
Financial overview

Revenue sources

Textile Exchange is a global non-profit driving positive impact on climate change across the fashion and textile industry. It guides a growing community of brands, manufacturers, and farmers towards more purposeful production from the very start of the supply chain. This year, our total revenue was \$14,088,174.79, minus expenses totaling \$9,955,065.12, which was primarily generated from services and fees from our standards, followed by membership and the annual conference; this model allows us to invest and leverage grant and program funds.

We had 28 certifying bodies for our eight standards this year, with over 48,000 sites certified in 98 different countries. Our membership saw a record year increase from 508 to over 700 companies. Over 200 new companies have joined in the last year, and we have held a strong retention rate. The conference continues to progress, with total revenue and attendees at our hybrid event in 2021 with over 1900 attendees from 500+ companies and 46 countries.

Expense sources



Looking ahead to 2022

Standards:

As we move towards one unified standard system, we will be building out our Unified Standard Working group. The focus of the standards will be on the fiber and material production level, in line with Textile Exchange's Climate+ strategy, but we are also interested in exploring how to link facility-level certification or practices with our chain of custody. This scope decision will be made with feedback from stakeholders.

Data and technology:

Our data team has two exciting projects in the pipeline. First, we're reinforcing the chain of custody we use for our standards by moving from a disaggregated to a centralized approach to managing our certification data. We're doing this through two new programs, dTrackit and eTrackit, that are aimed at increasing traceability and harnessing new technology for this purpose. Additionally, we're working towards the release of our Shared Measurement System (SMS). It's a collective platform to report on progress towards Textile Exchange's Climate+ goal, creating a system for standardizing and harmonizing the way sustainability data is collected across the fashion and textile industry, allowing us to aggregate information from different sources and create a clearer picture of what is happening in the sector.

Fiber and materials:

Both the Preferred Fiber and Material Matrix and Global Fiber Impact Explorer tools complement the work already underway at Textile Exchange to support and accelerate the adoption of lower impact fibers and materials and achieve our Climate+ goal. The aim is to make both tools available for use by the close of 2022.

Industry accountability:

Over the next two years, the Industry Accountability team will be reviewing the Corporate Fiber & Materials Benchmark program to align more closely with our Climate+ goals. We have started the stakeholder consultation phase of our program review, consulting both participating brands and the wider program.

Convening and learning:

This year, the Textile Exchange Conference theme will be Materials Matter: A Pathway to Positive Impact. Sessions will specifically focus on building a holistic pathway to achieving a 45% reduction in the emissions that come from producing fibers and raw materials by 2030, with the following topics taking center stage: biodiversity, business models, circularity, deforestation, degrowth, GHG reduction in Tier 4, impact measurement, policy as it relates to Tier 4, regenerative agriculture, soil health, traceability, and water in Tier 4.

Communications:

Our updated identity is the first step in a rebranding journey that aims to sharpen our purpose and make the information we have garnered over the last 20 years more accessible to all. We are now working on a website restructure which we hope will make it easier for change makers at all levels to find the resources they need to make a positive impact.

The Board

Board members

Amit Shah, Spectrum

Ben Mead, Hohenstein Institute

Florian Heubrandner, Lenzing Fibers

Giovanni Schneider, The Schneider Group

Harsha Chenna, VF

Heather Canon, Target

Heinrich Schultz, OrganiMark

Helen Crowley, Pollination Group

Karla Magruder, Fabrikology

Marci Zaroff, ECOfashion Corp

Matt Dwyer, Patagonia

Neil Munro, Nike, Inc.

Orlando Rivera, Bergman Rivera SAC



Team

Adolfo Lemus Pineda, Standards, Specialist

Alexandria Beyer, Corporate Engagement, Coordinator

Alixandra Hunter, Membership Coordinator

Amber Young, Finance, Cash Flow, Manager

Amish Gosai, Supply Network and South Asia, Senior Manager

Ana Garzon, Assurance and Operations, Manager

Andrea Patane, Data and Technology, Coordinator

Anna Heaton, Fiber & Materials Strategy Lead: Animal Materials

Anne Gillespie, Impact Acceleration, Director

Anne Vance, Fundraising Manager

Anne-Kathrin Gantner Frazier, Standards, Senior Manager

Ashley Gill, Standards and Stakeholder Engagement, Senior Director

Audra Bright, HR and Internal Systems, Senior Manager

Beatrice Murray Nag, Copywriter, Manager

Beth Jensen, Climate+ Strategy, Director

Bonolo Madibe, Fiber and Materials, Senior Coordinator

Callie Weldon, Standards Engagement, Manager

Candace Benson, Website, Senior Coordinator

Céleste Lilore, Global Membership and Corporate Engagement, Director

Chiara Isola, Membership and Corporate Engagement Coordinator, The Americas and Africa

Claire Bergkamp, Chief Operating Officer

Cristina Airado, Fiber Crops Technical Program Manager

David Rushforth, Finance, Senior Manager

Dawn Kearns, Administrative Assistant

Deepak Vaghela, Assurance Specialist

Dinelle Salvador, Membership and Corporate Engagement Manager, The Americas and Africa

Donna Worley, Convening and Learning, Director

Eleni Thrasyvoulou, Climate+ Impact Data, Senior Manager

Elizabeth Mamo, Internal Communications, Coordinator

Emma Slade, Executive Assistant to COO

Evonne Tan, Data and Technology, Director

Grace Lorig, Industry Engagement, Specialist

Hanna Denes, Climate+ Strategy, Senior Manager

Hayley Warren, Corporate Benchmarking, Senior Manager

Hope Foster, Junior Graphic Designer

Jack Tan, Data and Technology, Data Analyst

Jessica Garcia Lama, Corporate Benchmarking, Program Manager

Kate Riley, Fiber and Materials Strategy Lead: Synthetics

Kathleen Murphy, Executive Assistant to CEO

Katie Pearce, Assurance and Operations, Specialist

Konstantinos Lazarou, Marketing and Communications, Director

La Rhea Pepper, Chief Executive Officer

Larysa Valachko, Impact Incentives, Coordinator

Laura Kohler, Deputy Director, Standards

Liesl Truscott, Corporate Benchmarking, Director

Linda Sisco, Membership and Corporate Engagement, Administrator

Lisa Barsley, Data Intelligence, Manager

Madeline Heun, Corporate Benchmarking, Coordinator

Matilda Donaldson, Organic Cotton Program Coordinator

Megan Stoneburner, Fiber and Materials, Director

Melanie Slosser, Convening and Learning, Events, Senior Coordinator

Nicholas Brown, Membership and Corporate Engagement, Community Manager

Nicole Lambert, Leather, Manager

Ömür Suner, Ambassador Regional Assistant for EMENA and Central Asia

Pe-Jae Brooks, Marketing and Communications, Manager

Phil Bettany, Graphic Design, Manager

Prerna Pandey, Corporate Benchmarking, Program Coordinator

Renske Koster, Membership and Corporate Engagement (Europe, Middle East, and APAC), Coordinator

Team

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Rita Luppino, Global Partnerships, Senior Manager

Robert Tyler, Assurance and Operations, Senior Director

Rodrigo Fonseca, Standards Assurance, Coordinator

Rose Johnson, Learning Manager

Rui Fontoura, Fiber and Materials Strategy Lead: Cotton & Crops

Sandra Marquardt, Fiber Crops and Reports, Senior Manager

Sergio Lopez Monaco, HR, Administrator

Sharon Whitley, Finance, Administrator

Siena Shepard, Climate+ Strategy, Manager

Siobhan Cullen, Human Rights Strategist

Sophia Opperskalski, Data Intelligence, Senior Manager

Sophie Ridler, Synthetics, Coordinator

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Steven Roettger, Internal Systems, Administrator

Suet Yin Siew, Data Analytics, Manager

Susanna Lehmann, Impact Incentives, Senior Manager

Tarun Dhingra, Data and Technology, Technical Program Manager

Taylor Jones, Standards, Coordinator

Terry Hyde, Convening Services Manager

Theresa Hamilton, Corporate Benchmarking, Analyst and Reporting Manager

Val Colden, Standards Assurance, Manager

Ambassadors & contributors

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Jun Zhao, Ambassador, China

Kathleen Wood, Climate+ Consultant

Lazare Yombi, Regional Fiber and Materials Ambassador- Africa

Leonard Mtama, Regional Fiber and Materials Ambassador- Africa

Marissa Balfour, Corporate Benchmarking, Biodiversity Strategist

Sarah Compson, Organic Cotton, Specialist

Scott Leonard, Partnership Ambassador

Silvere Tovignan, Regional Fiber and Materials Ambassador- Africa

Silvio Moraes, Regional Fiber and Materials Ambassador- Latin America

Valentina Zarew, Ambassador and Strategist, Oceania