



—
THE
FINE
BEDDING
COMPANY
—

IMPACT REPORT

An aerial photograph of a dense, lush green forest. A light-colored, winding road or path cuts through the middle of the forest, curving from the left towards the right. The trees are tall and closely packed, creating a textured canopy of various shades of green.

WE DREAM **Certified** **BIG**
Corporation

A NOTE FROM CLAIRE

Claire Watkin CEO, The Fine Bedding Company



“This year’s report is about more than recording progress – it’s about how we are challenging our mindset and raising the bar for sustainability across the business. By measuring our full carbon footprint for the first time, we’ve been able to see where our greatest impacts lie, see great progress against our 2018 baseline, and have clarity on how we can confidently deliver our science-based target of halving emissions by 2030.

At the same time, we are making real strides in preferred materials – from GRS-certified polyester and Better Cotton to biodegradable fibres – showing how better choices can dramatically improve our footprint while continuing to deliver comfort and performance for our customers.

But sustainability for us goes deeper than products. It is about working more collaboratively with our suppliers and customers, building transparency through our supply chain, and being supported by a willing and

passionate internal team who are driving change every day.

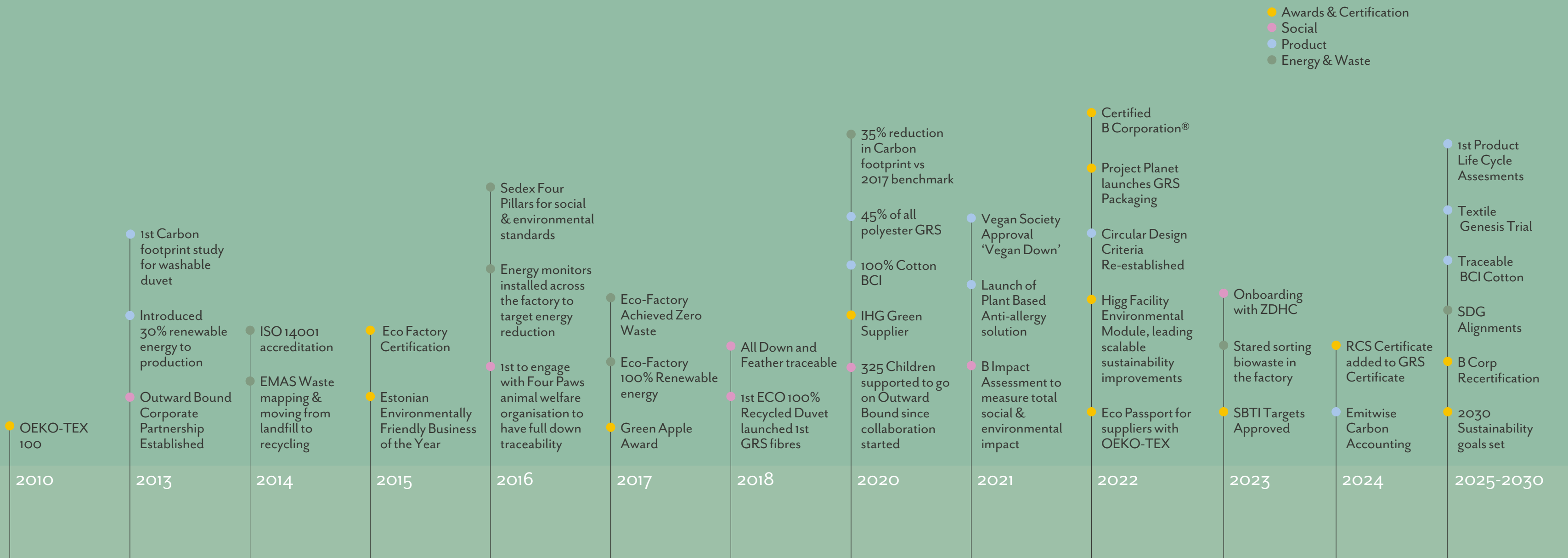
Our impact also reaches beyond our operations. Through our longstanding partnership with The Outward Bound Trust – for which I have been training to run the London Marathon - we continue to support young people in gaining confidence and resilience through outdoor experiences. And in Haljala, the rural community where our factory is based, we are proud to support the local school, host student visits, and contribute to the wellbeing of the community that has been a key part of our story for 25 years.

This report is therefore both a record of progress and a reflection of our values. We are pushing ourselves to new levels of accountability, collaboration and impact – determined to lead with purpose and make a positive difference for people and planet.”

SUSTAINABILITY ROAD MAP

More than a tagline, our focus on sustainability is a thread that has been running through the fabric of our entire ethos for many years.

THERE’S SUBSTANCE TO OUR SUSTAINABILITY



GOVERNANCE

Mission and engagement; ethics and transparency;
governance; mission locked.

IN GOOD COMPANY

Company Leadership: Executive Board

Our executive board hold many years of experience, a wealth of knowledge and passion for the business. They ensure impact is central to how we run the business and make decisions.

Oversight & Governance

Board oversight – Strategic responsibility sits with the CEO and Board of Directors supported by our CSR working group, who are a cross functional sustainability team who meet quarterly to review key initiatives, progress and risk. Our green team leads in each of our locations who oversee implementation.

Claire Watkin
CEO



Laura Keay
Brand & Marketing Director



Miles Hatton
Chief Operating Officer



Lee Braddock
Supply Chain Director



Craig Reeve
Sales Director



Matt Freir
Chief Finance Officer

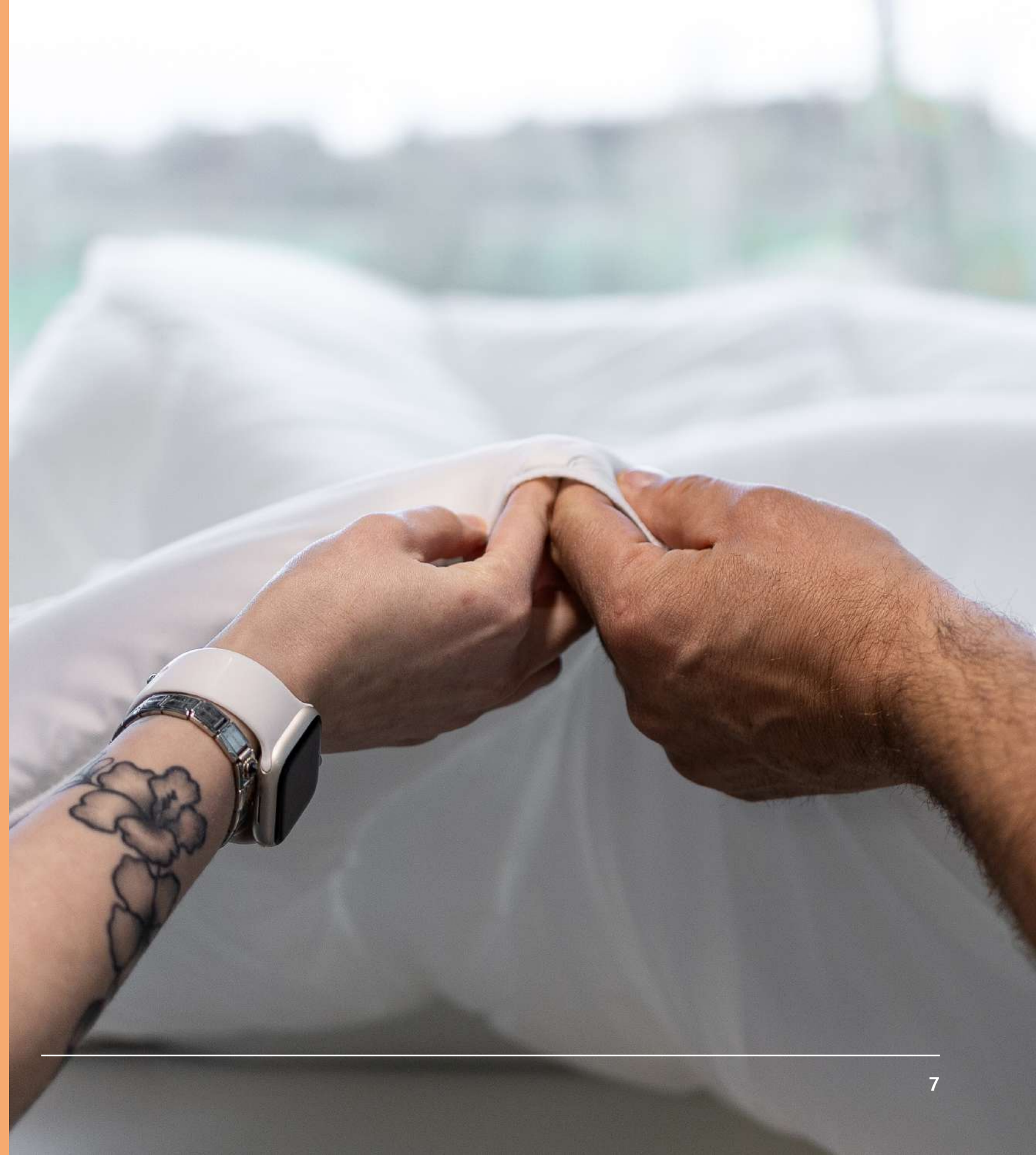


Richard Carryer
Brand Sales Director



MATERIALITY ASSESSMENT UPDATE

We last carried out our materiality assessment in 2021. Since then, our business, the world around us, and the issues that matter most to our stakeholders have moved on. In 2025 we'll be talking to our key stakeholders again to update this assessment and make sure it reflects today's priorities. For now, we've taken the original 2021 topics and given them a fresh look, highlighting the areas that have grown in importance, those that remain central to our work, and a few that have shifted down the list. CSR reporting and biodiversity are climbing in priority, while animal welfare is less relevant in our day-to-day operations as we transition to down alternatives.



		2021 Priority	2024 Priority	Notes & 2025 Plans
CSR / Sustainability Reporting		Medium	High	Increasing regulatory and customer expectations (CSRD, UK Green Claims Code). Will feature more prominently in 2025 report.
Climate Change & Carbon Reduction		High	High	Continues to be a core focus with SBTi target (-50% Scopes 1–3 by 2030).
Energy Efficiency		High	High	Ongoing operational improvements in our Estonian factory and supplier energy reporting.
Supply Chain Transparency & Ethics		High	High	SEDEX audits and supplier emissions data remain critical for customers and certifications.
Materials & Circularity		High	High	Ongoing shift to rPET, BCI cotton, reduced virgin polyester.
Biodiversity		Low	Medium	Growing importance and awareness within stakeholder groups.
Animal Welfare		High	Medium	Operational relevance reduced (lower use of feather/down, shift to down-like polyester) but still valued by stakeholders.
Water Stewardship		Medium	Medium	Policy in place; main impacts in raw material production.
Employee Wellbeing & DEI		High	High	Strong focus on training, diversity, and health & safety.
Community Engagement		Medium	Medium	Consistent approach through charity support and volunteering.

SDG MAPPING: DRIVING IMPACT ACROSS THE GOALS

SDG	How We Contribute	Where to Expand
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	74% GRS recycled fibre & 60% fabric adoption Circularity training & roadmap to 2030 Reusable/recyclable packaging (e.g., duffle bags, FSC cardboard) OEKO-TEX® Class 1 standard for all branded fabric	Include total % of product portfolio meeting circularity criteria and design-for-disassembly. Summarise year-on-year packaging improvement data.
13 CLIMATE ACTION 	SBTi-aligned Net Zero by 2030 11% energy reduction since 2018 Scope 1–3 carbon mapping with Emitwise Renewable energy at Eco-Factory	Add visuals on carbon reductions (e.g. kg CO₂e per product). Detail supplier engagement in scope 3 reductions.
8 DECENT WORK AND ECONOMIC GROWTH 	Living wages in UK, Estonia, and Shanghai SEDEX SMETA 4-pillar certification Career longevity and multi generational workforce Internal sustainability training & appraisals	Consider including workforce diversity statistics and training hours per employee. Detail supplier worker conditions and follow-up audit actions.
5 GENDER EQUALITY 	Majority women-owned Women-led executive team Active participation in purpose-led business networks DEI awareness in HR and factory hiring	Formalise and include your DEI policy commitments. Consider collecting and reporting gender balance across suppliers if feasible.
3 GOOD HEALTH AND WELL-BEING 	Purpose: “Transform wellbeing through better sleep” Vegan Down & hypoallergenic options Donations to hospitals, care homes, refugees Return to Nature™ with biodegradable fibres	Introduce product health certifications (e.g. anti-microbial, asthma-safe) and any consumer wellbeing feedback/surveys if available.
17 PARTNERSHIPS FOR THE GOALS 	Long-term NGO partnerships (Outward Bound, In Kind Direct) Collaboration with Higg, ZDHC, BCI Local school engagement & community skills share Supplier spotlight stories (e.g. Estiko)	Expand on joint-impact outcomes (e.g. of children supported, supplier improvements from collaboration). Include any new upcoming partnerships.

WHAT WE HAVE DONE

- We’re shaping our reporting information with reference to the GRI Standards (2021), focusing on the areas that matter most to our business and stakeholders, based on our materiality process.
- Increased reporting and metrics across the company to support benchmarking over time.
- Changed the company name and all documentation to 'The Fine Bedding Company', better reflecting what the company stands for.
- Introduced annual conflict of interest questionnaires for all Board Members to strengthen transparency and governance.

FUTURE GOALS

- Update key policies, metrics, quantitative and qualitative measurement to strengthen our performance and track meaningful progress.
- Align our goals with UN sustainability development goals.
- Work towards EcoVadis certification to independently measure our sustainability performance, validate progress, highlight improvements, and give customers confidence in our standards.
- Commit to supporting our customers by proactively preparing for upcoming regulations, including CSRD, ENDR, the UK Green Claims Code, the EU Green Claims Directive, and extended producer responsibility, ensuring we remain a trusted and compliant partner in their supply chains.

OUR PEOPLE

Championing equity, well-being, and ethical impact through how we treat employees and serve customers.

INTERNAL B CORP CELEBRATION:



LUNCH & LEARN

We celebrated B Corp month with a company wide Lunch & Learn across all sites. We use our lunch and learn as an opportunity to present interesting topics - finishing with a delicious, locally sourced lunch.



EMPLOYEE ENGAGEMENT

We ran a successful month 24 employee engagement survey to measure B Corp awareness across the business. 90% were aware of what it means to be a B Corp Certified business.



B CORP THEMED RAFFLE

In the interest of raising awareness internally, we ran a B Corp raffle celebrating other B Corp brands and products.



GUEST SPEAKER

We were joined on our lunch and learn by a special guest from David Luke uniforms to talk about designing for recyclability and their successful partnership with The Circular Textile Foundation

OUR PEOPLE

CELEBRATING CRAFT, COMMITMENT, AND FAMILY

From day one, Lea Proosa has been part of the FBC story; joined a year later by her sister Anne. Together, they represent the heart and heritage of our journey.

The Proosa Sisters' Journey with FBC

When our factory first opened its doors in 2000, Lea Proosa was amongst the very first to join. A year later, she brought her sister Anne on board. Over two decades later, both sisters remain valued team members; Lea now in packaging and Anne as a duvet roller.



OUR PEOPLE

A SHARED CRAFT BETWEEN
MOTHER AND SONS

Ene has dedicated over 20 years to FBC, and in 2013, her sons Veljo and Silver proudly followed in her footsteps. Together, they represent the heart of our multi-generational workforce - where commitment runs in the family. It is a testament to the loyalty, growth, and family spirit that define The Fine Bedding Company’s legacy in Estonia.



Jana Nurmela
Celebrating 10 years



Larissa Novikova
Celebrating 20 years



CARBON LITERACY

The Carbon Literacy Project is a globally recognised initiative that delivers evidence-based training to help individuals and organisations understand the causes and impacts of climate change, and identify practical actions to reduce carbon emissions.

The training covers climate science, the social and economic effects of climate change, and strategies for taking meaningful climate action both at work and in everyday life.

As part of our commitment to sustainability, 71 employees completed the Carbon Literacy training, gaining the knowledge and confidence to drive positive environmental change across the organisation.



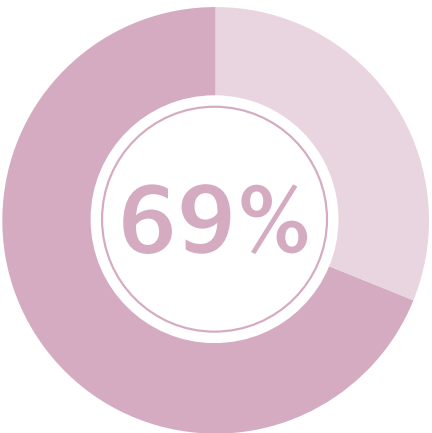
SEDEX SMETA AUDIT

SMETA helps us to identify and address any potential issues, and show transparency to key stakeholders that both our staff and suppliers’ staff are treated ethically without compromising the quality of their work. We ensure that we comply with all applicable laws and regulations, including those relating to labour rights, health & safety, environmental protection and ethical sourcing.

We also seek feedback from all employees in our business and our supply chain on the effectiveness of the SMETA process. This helps us to continuously improve our policies and procedures, so that all workers are treated fairly and paid a living wage.

The audit also gives us an opportunity to assess our suppliers’ sustainability performance, allowing us to identify areas for improvement in order to reduce environmental impacts. We have clear targets in place for improving waste management, reducing energy consumption and minimising water use.

We strive to build long-term relationships with our suppliers based on mutual trust and respect for human rights, so that we can continue to work together in an ethical and responsible way.



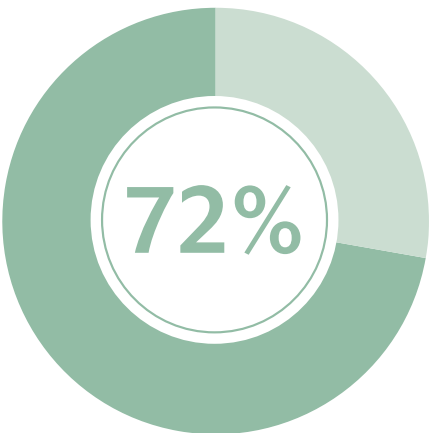
69% of workers in our factory are female

What our factory workers like most about working on site



100%

of our workforce earn above minimum wage



72% of managers & supervisors are female

SMETA | **Sedex**
SMETA the Sedex Members Ethical Trade Audit
All of our suppliers are SEDEX members

91 % of our factory workforce hold Estonian nationality

HEALTH & SAFETY UPDATE

In 2024 a series of measures were introduced to improve workplace safety and comfort while ensuring compliance with health and safety regulations.

Warehouse areas were upgraded with heat pumps, better lighting, and well arranged workstations. Safety shoes became mandatory in production for employees and visitors, alongside a no jewellery policy and requirements for tying back long hair. An external staircase was also added from the canteen to provide a safe evacuation route.

Safety awareness was reinforced by recording both accidents and near misses. This has helped to identify early risks and drive a culture change towards recognising the importance of reporting all types of incidents. Between 2023 and 2024, 24 incidents were recorded.

Regular training continues to be a priority, with employees receiving instruction in fire safety, PPE use, chemical management, and climate awareness. Fire drills are held quarterly, and ongoing policy and procedure training is provided through the QMS system.

Together, these steps reflect the company’s commitment to maintaining a safe, healthy, and supportive workplace, while continuously working to reduce risks and prevent accidents.



WHAT WE HAVE DONE

- Carbon Literacy Training has been rolled out across the entire business, equipping all employees with a deeper understanding of climate impact and the role they can play in driving change.
- The Green Team has been re-established, with representatives across sites and functions leading local sustainability actions and engagement initiatives.
- We continued to raise awareness of our sustainability goals both internally and externally, reinforcing our commitment to transparency and continuous improvement in line with our B Corp™ mission.

FUTURE GOALS

- Ensure all employees understand our 2030 company goals and their role within them.
- Achieve 100% Carbon Literacy certification across all business units by 2027, making sustainability a shared baseline of understanding company-wide.
- Embed sustainability into onboarding and role expectations by integrating tailored training for different functions (e.g. supply chain, marketing, production), and tracking completion within 90 days of joining.
- Empower the Green Team to drive measurable impact, with site-level sustainability action plans, targets, and annual reporting shared internally and externally.
- Continue to use B Corp Month in March to educate and engage in our 2030 Company goals, inform on employee-led initiatives, inspire with guest speakers, workshops, and cross-site challenges to encourage engagement and shared learning.
- Introduce a sustainability suggestion and innovation platform to crowd source grassroots ideas from employees and implement at least 3 employee-led projects annually.
- Contribute to thought leadership in our industry, by publishing annual progress updates and case studies aligned with B Corp goals, and participating in external sustainability forums.

WHAT WE HAVE DONE

- We continue to offer fair and competitive pay practices aligned with local standards across our locations. In the UK, we are committed to being a Living Wage employer. In Estonia, our wages exceed the minimum wage by at least 20%. In China, we exceed the Shanghai Living Wage, ensuring our employees enjoy a good quality of life.
- The following measures below demonstrate our commitment to valuing the skills and experience of our workforce while supporting their well-being;
- We launched a Whistleblower policy and an anonymous channel for suppliers to report any concerns.
- We have launched a Menopause Policy to support women in our business.
- Our Internal Promotion rate in 2024 was over 6%, which is above industry average.
- Our business is 70% female, and at a manager level we are 73% female.

FUTURE GOALS

- Continue to train and upskill teams to support wage growth and salaried income.
- Ensure 100% of employees are aware of and have access to the whistleblower channel and report annually on usage and resolution outcomes.
- Sustain internal promotion rate at or above 6% annually, ensuring transparent career development pathways.
- Strengthen transparency and communication around pay policies to build trust and engagement.
- Support career development initiatives that align pay progression with skills and performance.

WHAT WE HAVE DONE

- We are a SEDEX SMETA 4-pillar certified company, demonstrating our commitment to regulatory compliance and ethical supply chain management. This certification enhances supply chain visibility, fosters stronger relationships with suppliers, and provides assurance to customers about responsible sourcing. It also establishes an audit trail to address any ethical concerns promptly.

FUTURE GOALS

- Maintain and continuously improve compliance with SEDEX SMETA 4-pillar standards.
- Strengthen supplier engagement to ensure adherence to ethical, environmental, and labour standards.
- Promote a positive and open working environment for all workers connected to our supply chain.
- Champion women’s empowerment across our supply chain, leveraging our 97.5% women-owned status.
- Integrate feedback mechanisms to promptly address any ethical concerns or issues.
- Align our People Wellbeing Plan with supply chain practices to support worker welfare globally.
- Communicate our ethical sourcing commitments clearly to customers and stakeholders to build trust.

OUR COMMUNITY

In 2024 we contributed to local communities through direct donations, product donations and employee volunteering. These activities support our local commitment to building positive local relationships and addressing social needs such as bedding poverty, skills gaps and environmental awareness

OUR COMMUNITY

UK
CHARITY
DONATIONS

2023-2024

£20,000

ESTONIA
CHARITY
DONATIONS

2023-2024

3418 UNITS ACROSS
32 ORGANISATIONS



Mustard
Tree

Combatting Poverty –
Preventing Homelessness



TREE OF LIFE
CENTRE

Students visit to Haljala Factory

We were pleased to host students from TTK University of Applied Sciences, specializing in finance and human resource management, at our Haljala factory.

During the visit, we introduced them to our factory operations and provided an overview of our company. This was a great opportunity for the students to connect their academic knowledge with practical industry insights and learn more about real-world business operations.



Haljala Primary & Nursery School

We engage in various cooperation projects and make donations to the school. For example, we gifted a sewing machine to the children’s handicraft class, and we also provide fibre and fabric for crafts when needed.

Additionally, the children in the local nursery school received brand-new duvets from us.



Sustainable Living

Haljala School actively promotes sustainable living and educates its students on various aspects of this important topic.

To support this initiative, we invited local teachers to our factory for an educational visit. During the tour, we shared insights into FBC’s sustainability journey, highlighting our achievements and future plans for fostering a more sustainable future.



UK COMMUNITY ACTIVITY

Inkind Direct

As part of our commitment to supporting communities, we proudly contributed to In Kind Direct’s Warmth This Winter campaign in December 2024. Through our donation of essential items including blankets, duvets, eyemasks and sleep gift sets, we helped provide comfort and warmth. Our support contributed to In Kind Direct’s efforts to assist 841 charitable organisations across the UK, helping unlock over £2.5 million in savings.



Mustard Tree

We donated £850 worth of bedding to Mustard Tree, a local Manchester-based charity who are dedicated to combatting poverty and preventing homelessness. Their vision is to make Greater Manchester an area where everyone has the opportunity to be a connected, valued and contributing member of society.



Baby Basics UK

“We have had another fantastic donation from The Fine Bedding Company | B Corp™ of 665 waterproof cot bed sheets. These will be bundled up with our cot beds and distributed to our centres across the UK. Thank you so much The Fine Bedding Company”.



OUR COMMUNITY

OUTWARD BOUND

The Outward Bound Trust is an educational charity dedicated to unlocking the potential in young people between the ages of 9-25 through learning and adventures in the wild. They challenge young people to never give up, to change their perspective and to learn the most important lesson: to believe in themselves.

Through their residential courses, they equip young people with a stronger sense of self-belief, ability to cope better with stressful situations and interact more positively with others. They develop the attitudes, skills and behaviours young people need to make positive changes in their lives.

They never let financial circumstance stand in the way, with 80% of beneficiaries receiving some level of financial assistance to attend a course at one of 6 outdoor centres across the UK.



“Thank you for giving me this opportunity. I feel like all the things I have learnt I can take on board and will help me later down the line”.

Ella, age 13

TO DATE
WE HAVE
SUPPORTED
599
CHILDREN

VOLUNTEERING

Recently, two of our team - Nicole McCulloch and Sophie Stevens, took part in a week-long residential trip with Flixton Girls' School and **The Outward Bound Trust!**

2023 marked 10 years that we've been ambassadors for the trust, and every year our staff dedicate a week of their time, to take part in the trip. From abseiling to sea kayaking and even jumping 6ft into the sea from a jetty! Here's what Nicole and Sophie said about their week away

'Being able to see the young people grow even through such a short amount of time was so rewarding.'

Sophie

'Volunteering with Outward Bound at their beautiful Aberdovey Centre was an absolute privilege. It was a pleasure getting to know some of the young people from Flixton Girls, and see their confidence, determination and teamwork grow over the week!'

Nicole



OUR COMMUNITY

COMMUNITY SKILLS SHARE

We proudly participated in the B Corp Month: Community Skills Share event at SISTER in Manchester, a collaborative initiative hosted with Macc and the Greater Manchester Mayor's Charity.

This inspiring afternoon brought together a vibrant network of B Corps from across Greater Manchester who volunteered their expertise to support local community groups and charities. Attendees had the opportunity to receive free, one-to-one advice on a wide range of topics including fundraising, finance, marketing, social impact, project management, and more. The event also encouraged cross-sector collaboration with community groups.

We're especially proud that our CEO, Claire Watkin, generously volunteered her time and expertise, offering guidance and support to those working to make a positive impact in our communities.

We look forward to continuing to strengthen the bonds between purpose-driven businesses and community organisations across Greater Manchester.



WHAT WE HAVE DONE

FUTURE GOALS

We actively support our wider community, with long-term partnerships including our corporate sponsorship of The Outward Bound Trust since 2013. As of 2024, we have supported 683 children to attend Outward Bound courses, including 325 through targeted access programmes.	- Expand our impact through our ongoing corporate sponsorship of The Outward Bound Trust and similar youth development programmes. Continue supporting and promoting The Outward Bound Trust to drive awareness and encourage other businesses to engage. Our CEO will be running the London marathon in 2026 raising £2.5K for The Outward Bound Trust. - Champion the importance of outdoor learning and youth development as part of our community impact commitment.
Provided in-kind product donations to homes for the elderly, hospitals, and vulnerable families in the UK and Estonia. Participated in local clean-up initiatives such as litter picking to enhance local environments and biodiversity.	- Grow Community Partnerships with continued product donations to vulnerable groups and expand school partnerships in Estonia & UK to promote sustainability awareness and workplace readiness. - Increase community collaboration in Estonia, especially with schools, to support youth education and understanding of the workplace. - Organise environmental actions such as tree planting in Estonia and biodiversity projects in the UK.
Reviewed policies and procedures to ensure fairness and inclusivity. Initiated cooperation with schools and the unemployment office in Estonia to introduce young people to workplace opportunities and raise awareness of career paths.	Support in developing future talent through apprenticeship opportunities and co-develop education projects with schools to engage future generations on topics such as impact, sustainability, and production waste.

ENVIRONMENT

Driving sustainability and regeneration by minimising our footprint and prioritising the planet in every decision we make.



ENVIRONMENT

ENVIRONMENTAL HIGHLIGHTS



We have increased the use of GRS materials across the business. 74% of our fibres are GRS and 60% of our polyester fabric is GRS certified



Recent investment in Emitwise carbon accounting to measure, track and reduce scope 1,2 and 3 upstream.



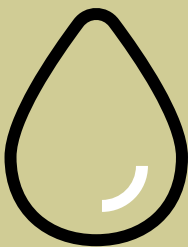
We have updated our Oeko-Tex certifications to the highest standards available (Class 1 and Class 1 Recycled) across all fabric products. Recently quoted by auditors as “going beyond Standard 100 requirements”, we work towards our long-term goal of eliminating Class 2 certification.



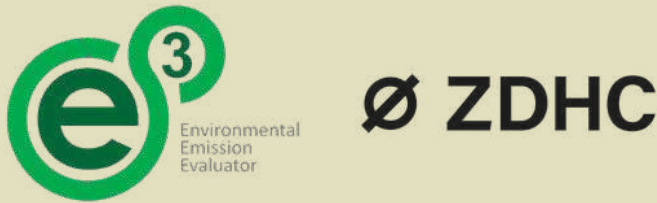
We became members of HIGG in 2022, a comprehensive tool designed to provide companies with an easy way to measure their environmental footprint.



We have been members of BCI since 1st June 2019. 100% of the cotton we use is BCI certified.



We dont use water in our production and we have set up systems to use our domestic water sustainably. We have added taps with motion detection to avoid the taps being left on. We have eliminated bottled water stations and ensured clean tap-water with cooling for drinking.



We are currently onboarding to a digital platform uniquely designed for the textile industry; a tool designed for chemical inventory management and evaluating environmental emissions.

ZERO WASTE

We continue to work to the zero waste standard in our factory in Estonia

MAPPING OUR CARBON FOOTPRINT

Since 2018, we have reduced our Scope 1 and 2 emissions by 35%, although they represent only 1.4% of our total footprint in 2024. The greatest opportunity for impact lies in Scope 3, particularly emissions from purchased goods and services and the transportation of products and materials.

Our original 2018 baseline was not a full value-chain assessment, capturing only selected raw materials for Scope 3. We are now reconstructing this baseline to better reflect total emissions and to account for reductions already achieved through material changes and process efficiencies.

The year-on-year increase between 2023 and 2024 primarily reflects improvements in data accuracy, including supplier-reported figures, rather than underlying emissions growth. A 2% rise in Scope 1 and 2 during 2024 was driven by increased fuel use in stationary equipment and company vehicles in Estonia.



Year	3rd Party & Accounting	Scope 1 & 2 (tCO ₂ e)	Scope 3 (tCO ₂ e)	Total Emissions (tCO ₂ e)	% Change Vs. Base Year	Carbon Intensity tCO ₂ e / £
2018	Valpak	606	37,112	37,718	Base year	1.91
2023	Emitwise	385	~23,817	24,202	-35.8%	
2024	Emitwise	391	~28,035	28,426	-24 %	0.92

Between 2018 and 2024, our carbon intensity fell from 1.9 tCO₂e per £1,000 revenue to 0.92 tCO₂e per £1,000 revenue, a 52% reduction. This improvement has been driven by process efficiencies, renewable energy adoption, and significant raw material shifts from virgin polyester to GRS-certified recycled polyester and from conventional to BCI-certified cotton. In revenue-based terms, this positions us at the lower end of typical textile manufacturing performance ranges, where intensities often sit between 1.5 and 3.0 tCO₂e per £1,000 revenue.

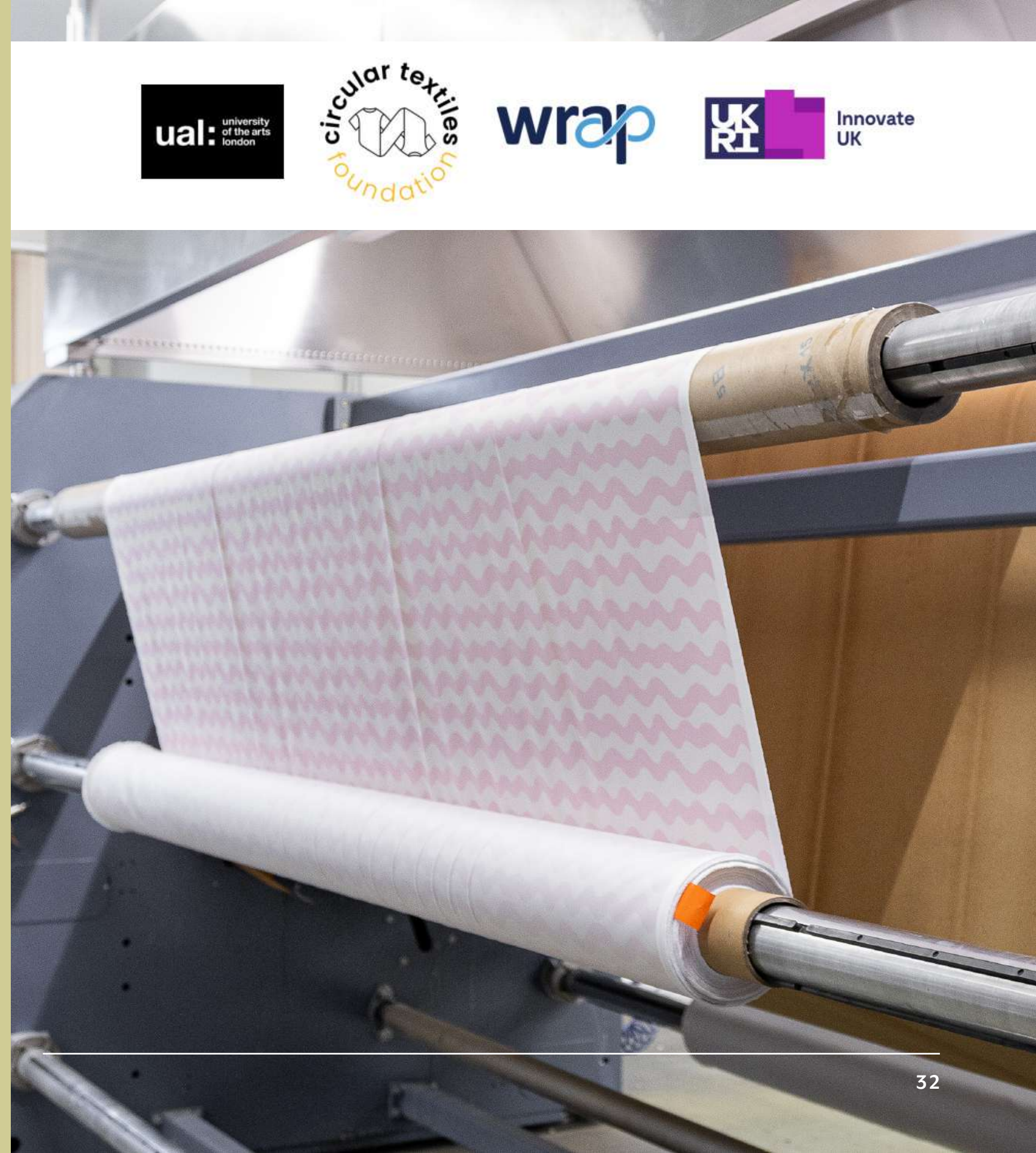
DESIGNING FOR CIRCULARITY STUDY PARTICIPATION

Project Name: Quantifying Circularity

Date Of Study: February 2024

As part of the Quantifying Circularity project, we submitted data to UAL in February 2023 on our Night Lark range, covering around 11 tonnes of textiles. By weight, 22% of our products had no disruptors, 32% had light or removable disruptors, and 45% had heavy or non-removable disruptors. The results, reviewed in February 2024, are helping inform our approach to designing for recyclability.

The results from the study showed that, if all in-scope items were designed for recyclability, and successfully recycled, this could achieve a 19% reduction in emissions of in scope garments.





The Higg Facility Environmental Module (Higg FEM) is a comprehensive tool designed to provide companies with an easy way to measure their environmental footprint. By providing organizations with detailed data on the impacts of production and operations, Higg FEM helps facilitate sustainable sourcing and manufacturing practices. This ensures that companies are taking steps to reduce waste, improve energy efficiency, mitigate risk, meet regulations, and drive sustainability initiatives.

The Higg FEM assesses

- Environmental management
- Energy use
- Greenhouse gas emissions
- Water use
- Wastewater
- Emissions to air
- Waste management
- Chemical use and management

Our Estonian factory Higg FEM KPI's 2024

Energy use	1035868 kWh. The average use is about 85.500 kWh per month so its exactly below our target range.
Water use	877 m3. As we use only domestic water that makes about 74 m3 in a month and with the number of people working here it's a good result.
Waste water	Our waste water is settled and aerated in our bio-station and the sludge is taken to a third party treatment plant.
Air Emissions	We have no air-emissions.
Waste management	207.607 t (96% of it went to recycling). We have found partners to help recycle our waste. We are improving yearly production waste.
Chemical use and management	We use 2 chemicals in our production and we have been improving our Chemical Management System to ensure they are monitored with great care.

SUPPLIER SPOTLIGHT

We’ve worked in partnership with Estiko Packaging Solutions - one of the Baltic region’s leading packaging manufacturers, since 2018.

A family-owned business with over a century of experience, Estiko was founded more than 102 years ago and is based in Tartu, Estonia.

Beyond packaging, Estiko has built a diverse portfolio spanning plastics, solar energy, and real estate.

We source a significant portion of our printed GRS poly bags from them, and they are also a trusted supplier to the food industry, certified to produce food-grade packaging.



ABOUT ESTIKO

Estiko have various sizes of extruders to produce different sizes of bags and can add up to 5 colours.

Sustainability has always been a fundamental mission for Estiko. They buy both virgin plastic using a biomass scheme, and PCR (Post Consumer Recycled) plastic. PCR is more expensive than virgin, as there is high demand & supply cannot keep up. Large corporations book their order requirements 2-3 years in advance! To help offset this and to assist with circularity, they also reprocess their plastic waste & cut offs from bag runs into pellets and then put it back into the extruders.



Step 1

Resin pellets are melted in an extruder to form the plastic film used for the bag.



Step 2

Once the liquid is created, the resin is then forced into a circular die.



Step 3

It is blown upward to create a thin, long balloon of plastic.



Step 4

Extrusion melts resin pellets into plastic film for the bag



Audit completed: 11/01/2024

Audit purpose: Conducted to ensure our operations continue to align with internationally recognised standards for quality, security, and safety, while also identifying opportunities for improvement.

Audit response: Our 2-day re-certification audit was conducted by a team of 3 auditors. We received **0 Non-Conformances**. The auditors confirmed that our processes are clearly defined and well-documented. Our internal audit system was highlighted as a strength proactively identifying minor inconsistencies before they can develop into issues, exactly as intended.



Audit completed: 26/06/23

Audit purpose: The GRS audit ensures compliance with standards for tracking and verifying recycled material content, alongside responsible social, environmental, and chemical practices.

Audit response: We received **0 Non-Conformances**. The auditors commended us for our overall cleanliness, comprehensive worker training, clearly mapped processes, and strong traceability of GRS materials and products throughout our facilities and systems. Our team’s in-depth understanding of the standards we operate under was also recognised as a key strength.

ENVIRONMENT

PRODUCT SPOTLIGHT:
RETURN TO NATURE LAUNCH

Introducing the UK’s 1st duvet and pillow with a biodegradable filling.

Launched in 2023, Return to Nature is crafted from TENCEL™ Lyocell fibres and PrimaLoft® Bio™ fibre technology, to ensure both premium luxury and bedding components that can mostly be returned to nature at the end of its life.

IMPACT REPORT



tencel™ lyocell fibres are certified biodegradable and compostable



Quality meets sustainability: The Wellesley Knightsbridge, a luxury London hotel, overlooking Hyde Park, chose the collection as a more sustainable alternative to their down filling.

QUALITY DOWN-LIKE COMFORT
THAT’S KINDER TO YOU
AND OUR PLANET...



BREATHABLE &
MOISTURE WICKING



SILKY SMOOTH
& SOFT



BIODEGRADABLE*
FILLING



Biodegradable fibres - activate in specific environments such as landfill

SPOT LIGHT STORY:

- **2022-2023** - we started transit trials removing bail bags, plastic clingfilm switching to recycled, removed shake stickers, switch to paper tape, changed printed plastic on AA range to non-woven.
- **2023-2024** - we removed kimble, changed printed plastic to non-woven for TR, re-introduced bail bags for flat packed pillows.

WE SAVED ...

PLASTIC REDUCTION



WHAT WE HAVE DONE

- We are committed to only sourcing products that meet our sustainability standards. Our team is now actively working with suppliers to ensure that they comply to the requirements of the certification, and are providing assistance where needed.
 - Our procurement policy also requires our suppliers to keep up to date records and documentation regarding the source of their materials, certifications held and other relevant information. This is to ensure that we can continue to source sustainable and ethically produced products in the future.
 - We also encourage our suppliers to be transparent about their practices, so that customers can make informed decisions about the items they purchase. This transparency is helping build trust between us and our suppliers, as well as with our customers.
-
- OEKO-TEX Standard 100 is now part of supplier onboarding checklists and purchasing policies, making it mandatory for material suppliers.
 - All our suppliers must be actively engaged in sustainable practices and OEKO-TEX® Standard 100 Class 1 or Class 1 Recycled is mandatory where applicable. This has been a critical step in achieving our target of eliminating harmful inputs within our supply chain.
 - Our procurement team has conducted multiple factory visits to ensure compliance, teaching suppliers how to improve, and these rules are followed when onboarding new suppliers.

FUTURE GOALS

- Align with leading global frameworks including SBTi, UN SDGs, and the Science-Based Targets for Nature.
 - Increase transparency in our reporting, supply chain, and stakeholder engagement.
 - Expand our environmental action with the launch of local biodiversity initiatives, building on our wildlife border and bee projects. Continue to actively participate in regional sustainability events.
 - Advance circularity, including greater recycled content, design for recyclability and waste reduction.
 - Accelerate carbon reduction activity in line with our SBTi approved target of a 50% reduction by 2030.
 - Update our procurement policy and supplier benchmarking to include stronger CSR measures, from ethical and social standards to environmental criteria such as supplier carbon footprints. Ensure our supply chain aligns with our sustainability commitments.
-
- All of our suppliers will have Oeko-Tex Class 1 or Class 1 Recycled certificates covering both Annex 4 and Annex 6.
 - We will continue this auditing plan and will only onboard suppliers who are complying with our standards.
 - Eliminate harmful inputs that negatively impact ecosystems, with a focus on stricter chemical and water usage policies.
 - Create a Chemical Management System to have a better tracking of chemicals used in production and maintenance. Adapt a better MRSL and RSL screening.

WHAT WE HAVE DONE

- We have continued to review our material library and switched materials to increase usage of our preferred materials, circular materials and eliminate virgin materials where possible. For example moving all materials used by a key customers to be GRS certified across their full product portfolio in 2024.
- We underwent our Higg FEM audit at our Estonian factory on 8–9 August 2024. The overall assessment was highly positive, with recommendations primarily focused on enhancing our Chemical Management System. As our production processes involve minimal chemical use, this area has historically been managed efficiently without the need for an extensive system.

FUTURE GOALS

- Achieve 100% Preferred Materials by 2030 with a focus on recyclability and biodegradability.
- Switch to traceable Better Cotton and onboard the Textile Genesis platform with key partners to simplify reporting and transparency.
- Establish LCA data at a product level as we move towards introducing product passports.
- We will have a CMS set up for the few chemicals that we do have by the end on 2025.
- We will continue to onboard all our suppliers to HIGG prioritising those using wet processing.
- We will improve our supplier evaluation process by adding more environmental metrics and collecting more granular data by end of 2026 first quarter.

WHAT WE HAVE DONE

FUTURE GOALS

- | | |
|---|---|
| <ul style="list-style-type: none">• In 2023 and 2024 we calculated our first company wide Carbon Footprint covering our UK office, Estonian Factory, Tallinn Warehouse and China office in Shanghai. We expanded our measurements to Scope 1, 2 and 3. | <ul style="list-style-type: none">• We will measure our progress yearly using our Carbon accounting partner Greenly with reduction actions in place. This plan will be built to achieve our carbon emission reduction target of 50% by 2030, inline with SBTIs.• We will continue to improve data preparation, move to a fully volume based evaluation and improve supplier data inputs. |
| <ul style="list-style-type: none">• We continue to only manufacture products that are made to last. We now offer a product life guarantee for all purchases of The Fine Bedding branded products online. This encourages consumers to use our products for longer than expected in our category and helps them reduce waste, which lowers their impact. | <ul style="list-style-type: none">• We will extend our product life guarantees to all our brands. |

WHAT WE HAVE DONE

- We continue to redesign our duvets and pillows with end-of-life recycling in mind for example we’ve updated our Night Lark coverless duvets to be a 100% monofibre product. This will enable products to be easily separated into component parts at end of life, allowing for a much more efficient recycling process.

FUTURE GOALS

- We will continue to redesign and innovate our branded products to be suitable for end of life recycling.
- To ensure complete product end of life process with minimal environmental impact, we aim to implement a consumer take back scheme. This will allow all customers to return branded products when they are ready to replace and be put into the recycling stream creating a circular system for bedding.
- We understand that this is an important issue for our customers and will strive to implement the take back scheme across both our web and retail channels in order to ensure maximum convenience.
- We will run our first trial with Plan B textile to textile recycling project using factory seconds waste collected in Estonia with the aim to use the upcycle stream as part of our factory’s zero waste plan.
- We will continue to support our customers in developing circular solutions with a particular focus on the Hospitality Market.

WHAT WE HAVE DONE

- The Fine Bedding Company product packaging is now made from GRS recycled materials, in durable bags that are encouraged to be re-used.
- Night Lark duvet packaging is made from either BCI cotton or GRS certified polyester, and designed as a durable multi-use duffle bag.
- Polybags are a minimum 30% recycled content and are fully recyclable.
- All of our cardboard is FSC Mix certified.
- Successful packaging program completed with a major customer resulting in a 9,711KG reduction in plastic.

FUTURE GOALS

- We will continue to find better and more sustainable options for packaging materials with a target of 100% of our packaging to be either reuseable or recyclable by 2030.
- Continue to renovate product packaging to achieve 100% recycled materials on our branded products.
- We will continue working on packaging improvement programs with our largest customers to increase use of recyclable and recycled materials whilst reducing unnecessary packaging where possible.
- We will create LCA's with our new Carbon Accounting partner Greenly, for key packaging formats to better understand and inform impact reduction opportunities.

WHAT'S NEXT?

We're continuing to push for smarter choices, lower impact, and meaningful changes across every part of our business.

B Corp Recertification

In 2025, we'll undergo B Corp recertification, with the aim to exceed our previous score and raise the bar for responsible business.

Carbon Footprint

We've begun measuring our carbon impact with Greenly, enhancing our data accuracy by shifting to a volume based measurement approach. This will support a clear, science led reduction plan to guide our next steps.

Sustainable Procurement

We're expanding use of GRS-certified polyester and developing the next generation of low-impact fibres. Our goal: better materials, by default.

Factory Investment

We're upgrading production to reduce impact; investing in capability, consistency, and circularity across our supply chain.

Sustainably Superior Foam

We're launching a breakthrough memory foam with 50% less carbon than standard, using biomass balance technology and renewable feedstocks.

EcoVadis

In 2025, we aim to achieve Gold. EcoVadis is a globally recognised sustainability rating platform that assesses companies on their environmental, social, and ethical performance - helping benchmark progress and drive continuous improvement.

Designing for Recycling

We're redesigning our products for end-of-life from easier disassembly to long-term solutions with specialist recycling partners.

Supplier Engagement

In 2025, we'll go deeper into our supply chain, engaging directly with partners through to the fabric finishing mills to improve quality and efficiency.

THIS IS PROGRESS WITH PURPOSE. WE'RE PROUD OF WHAT'S NEXT AND COMMITTED TO MAKING THE NEW STANDARD.

APPENDIX

GRI Content Index

The Fine Bedding Company Impact Report 2023/24
(Prepared with reference to the GRI Standards 2021)



This Impact Report has been prepared with reference to the GRI Standards 2021. The disclosures included reflect the topics most material to The Fine Bedding Company and supported by evidence in this reporting period. Some disclosures (e.g. GHG intensity metrics, new employee turnover, average training hours) are not yet reported but are planned for inclusion in future reports as our data collection matures.

GRI Disclosure	Description	Location in Report
102-1	Organisation name	p. 3,6 (Introduction)
102-14	CEO statement	p.3 (Note from Claire)
102-40, 102-43	Stakeholder engagement	p.7–8 (Materiality & Governance)
102-46, 102-47	Defining report content & material topics	p.7–8 (Materiality Assessment)
102-50	Reporting period	p.3 (Cover, July 2023–Dec 2024)
102-54	Reporting with reference to GRI	p.10 (Governance)
103-1, 103-2, 103-3	Management approach for each material topic	Throughout (Governance, People, Environment, Community sections)
301-2	Recycled input materials used	p.31–33 (GRS polyester, BCI cotton, circular design, material library)
302-1	Energy consumption within the organisation	p.33 (Higg FEM energy data)
305-1, 305-2, 305-3	Scope 1, 2 & 3 GHG emissions	p.30 (Carbon Footprint mapping)
305-5	Reduction of GHG emissions	p.30–31 (35% reduction since 2018; SBTi targets)
308-2	Supplier environmental assessment	p.40 (Supplier procurement policy & audits)
401-2	Benefits provided to employees	p.18–20 (Living Wage commitments, menopause policy, whistleblower channel, internal promotion)
403-1	Occupational health & safety management system	p.16–17 (Health & Safety, SMETA audits)
404-2	Employee training and skills development	p.15, 18 (Carbon Literacy training, Green Team programmes)
405-1	Diversity of governance bodies & employees	p.8 (Executive team, women-led ownership) & p.18–20 (gender balance, DEI focus)
413-1	Local community engagement	p.22–28 (Donations, Outward Bound, volunteering, skills share)
414-2	Supplier social assessment	p.16, 20, 40 (SMETA, SEDEX 4-pillar, ethical sourcing commitments)



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BEDDING
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FINE BEDDING TERE TÄNAKAST 25 WELCOME

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years of excellence

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