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14 American Apparel & Footwear Association. Inc.

15 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
16 **COUNTY OF SACRAMENTO**

17 AMERICAN APPAREL & FOOTWEAR )  
18 ASSOCIATION, INC., )

19 Petitioner/Plaintiff, )

20 v. )

21 CALIFORNIA DEPARTMENT OF )  
22 RESOURCES RECOVERY AND RECYCLING, )

23 Respondent/Defendant, )

24 & )

25 LANDBELL USA INC., )

26 Real Party in Interest. )  
27 )  
28 )

Case No.:  
**VERIFIED PETITION FOR WRIT OF  
MANDATE (CCP §1085), IN THE  
ALTERNATIVE, PETITION FOR WRIT  
OF ADMINISTRATIVE MANDAMUS  
(CCP §1094.5), AND COMPLAINT FOR  
DECLARATORY AND INJUNCTIVE  
RELIEF (CCP §526(a), 1060).**

1 Plaintiff and Petitioner American Apparel & Footwear Association, Inc. (AAFA) hereby  
2 petitions this Court for a writ of mandate under Code Civ. Proc., § 1085, or in the alternative a writ  
3 of administrative mandamus under Code Civ. Proc., § 1094.5, and declaratory and injunctive relief  
4 under Code Civ. Proc., §§ 526(a), 1060, directed to Defendant and Respondent California Department  
5 of Resources Recovery and Recycling (CalRecycle).

## 6 NATURE OF THE ACTION

7 1. California’s Responsible Textile Recovery Act of 2024 (SB 707, Newman, Chapter  
8 864, Statutes of 2024) (Act) is a landmark and ambitious law. It established the first-in-the-nation  
9 extended producer responsibility (EPR) program for textiles and other covered products. Under this  
10 policy, apparel and textile article producers would direct investment to collection, sorting, reuse,  
11 repair, and recycling infrastructure, bolster each of those markets, and incentivize product  
12 stewardship through circular design and manufacturing practices. Through these efforts, producers  
13 would assume certain recycling and waste management responsibilities for their covered products  
14 through the full lifecycle of those products. The goal of the Act is to reduce textile waste and spur a  
15 more circular economic approach.

16 2. AAFA is deeply invested in the success of the EPR program. AAFA and its brand  
17 members actively engaged in the two-year legislative process that created the Act. Through that  
18 process, AAFA recognized that the “EPR program’s successful operation will be vital to supporting  
19 the industry’s circular transition.” American Apparel & Footwear Association, *AAFA Expresses*  
20 *Industry Readiness to Engage with the Responsible Textile Recovery Act of 2024* (Aug. 30, 2024),  
21 <https://perma.cc/5786-8VTJ>. Successful operation will require continued engagement and leadership  
22 from AAFA and its entire membership, including its many diverse producers covered under the full  
23 spectrum of this law.

24 3. A core component of the Act’s operation—perhaps the *most* important element of any  
25 effective EPR program—is the selection of a qualified producer responsibility organization (PRO).  
26 The PRO implements many components of the EPR program. It contracts with service providers,  
27 manages data collection from producers, sets fees for regulated materials, interfaces with regulators,  
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1 and otherwise manages the collection, recycling, and reporting activities required by the Act. As the  
2 name implies, the PRO is an entity formed *by producers* to support themselves as the regulated  
3 community in fulfilling their legal obligations. The PRO’s industry experience is key to program  
4 success, as producers are best situated to understand how to properly collect, transport, repair, sort,  
5 and recycle their products while exercising program oversight to keep costs low.

6 4. The state legislature intended for the PRO to be formed by producers. As the Senate  
7 Floor Bill Analysis states, “EPR programs rely on *industry*, formalized in a product stewardship  
8 organization, to develop and implement approaches to create a circular economy *that makes business*  
9 *sense*, with oversight and enforcement provided by the government. This approach provides  
10 flexibility for *manufacturers*, based on *their expertise in designing products and the systems that*  
11 *bring these products to market*, to design systems to capture those products at the end-of-life to meet  
12 statutory goals.” Senate Rules Committee, Office of Senate Floor Analysis, SB 707 Bill Analysis  
13 (Aug. 29, 2024) (emphasis added).

14 5. Three entities applied to serve as the PRO: Textile Renewal Alliance, Landbell USA,  
15 and Circular Textile Alliance. A copy of LandBell USA’s application is attached as Exhibit A. In a  
16 short decisional memorandum, CalRecycle’s Director approved Landbell USA as the PRO on  
17 February 27, 2026. A copy of CalRecycle’s decision memo is attached as Exhibit B. Under the Act,  
18 no other PRO may be selected until January 1, 2036, at the earliest.

19 6. Landbell USA is not qualified to serve as the PRO under the Act. CalRecycle was  
20 without authority to approve—and abused its discretion in approving—Landbell USA as the PRO.  
21 The statute requires the approved PRO be formed by producers of covered products. Landbell USA  
22 was not formed by producers and does not represent producer interests. Instead, it was formed by a  
23 foreign EPR service provider and management company, Landbell Group. As of the date of this filing,  
24 Landbell USA has not been approved as a 501(c)(3) nonprofit and has not shown that it will operate  
25 in a way consistent with that status. Instead, it represented in its application that it is “part of” the for-  
26 profit business Landbell Group. These representations raise, among other things, serious concerns of  
27 self-dealing and incentives to maximize (rather than minimize) costs that the PRO’s non-profit status  
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1 requirement was intended to avoid. And despite the statutory importance placed on the PRO  
2 representing the apparel and textile industry as a whole, Landbell USA’s governing board does not  
3 reflect the diversity in producers and covered products required of the approved PRO. Selecting  
4 Landbell USA turns the statute on its head—the producer-formed PRO is supposed to select service  
5 providers; here, the service provider is the PRO and is empowered to choose producers for its board.

6 7. Failure to select a lawful and qualified PRO threatens the state’s textile EPR program.  
7 AAFA cannot sit back and watch while Landbell USA is empowered to unlawfully implement the  
8 Act for the next decade through its monopoly status. A new and ambitious program like this requires  
9 public trust. AAFA is compelled to seek relief on behalf of its members to ensure the EPR program  
10 is implemented successfully in accordance with the law. AAFA and its members have significant  
11 experience, expertise, and vested interests in a successful transition to a more circular model.

12 8. CalRecycle’s selection of Landbell USA was unlawful. The Court should vacate the  
13 decision and order CalRecycle to reevaluate the PRO applications using criteria consistent with the  
14 Act.

15 **PARTIES**

16 9. Plaintiff and Petitioner AAFA is a 501(c)(6) not-for-profit trade association. It is the  
17 national trade association representing apparel, footwear, and other sewn products companies, and  
18 their suppliers. Representing more than 1,100 world famous name brands, AAFA is the trusted public  
19 policy and political voice of the apparel and footwear industry, its management and shareholders, its  
20 more than 3.6 million U.S. workers, and its contribution of more than \$523 billion in annual U.S.  
21 retail sales, including in California.

22 10. Defendant and Respondent CalRecycle is a branch of the California Environmental  
23 Protection Agency responsible for overseeing waste management, recycling, and waste reduction  
24 programs, including programs created by the Responsible Textile Recovery Act of 2024.

25 11. Real Party in Interest Landbell USA Inc. is a Delaware corporation that has applied  
26 for recognition as a nonprofit exempt from taxation under Section 501(c)(3) of the Internal Revenue  
27 Code. On information and belief, Landbell USA represents itself as “part of” Landbell Group, a for-  
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1 profit, privately owned company also known as Landbell AG für Rückhol-Systeme based in Mainz,  
2 Germany. Landbell Group includes several for-profit software, consulting, advocacy, and waste  
3 management companies. The exact relationship (ownership, subsidiary, etc.) between Landbell USA  
4 and Landbell Group is not clear.

### 5 **JURISDICTION AND VENUE**

6 12. The Sacramento County Superior Court has original jurisdiction over this proceeding  
7 under Code Civ. Proc., § 1085, or in the alternative, under Code Civ. Proc., §§ 1094.5 and 1060.

8 13. Venue is proper under Code Civ. Proc., §§ 393(b), 395(a), because CalRecycle is  
9 located in Sacramento County, and all or part of the dispute giving rise to this petition occurred in  
10 Sacramento County.

### 11 **STANDING**

12 14. Petitioner is directly and adversely affected by CalRecycle's approval of Landbell  
13 USA as the PRO and has a direct and substantial beneficial interest in CalRecycle's full and complete  
14 compliance with the Act. As detailed below, AAFA was involved in the creation of a competing  
15 proposed PRO, the Textile Renewal Alliance. That application was not approved.

16 15. Petitioner seeks to vindicate the public interest in proper implementation of the Act.  
17 CalRecycle owed a mandatory duty to act in compliance with the Act and all other applicable laws.  
18 CalRecycle erroneously approved Landbell USA as the PRO. AAFA and its members will be  
19 significantly, adversely, and irreparably harmed by CalRecycle's decision unless the Court grants  
20 Petitioner's requested relief. AAFA's producer members are entitled to be subject to a PRO that is  
21 qualified under the Act.

### 22 **PREPARATION OF THE RECORD**

23 16. On March 26, 2026, AAFA, through its counsel, requested that Respondent prepare  
24 the administrative record. A true and correct copy of the request is attached hereto as Exhibit C. A  
25 true and correct copy of the record will be lodged with the Court before the hearing date.

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**EXHAUSTION OF ADMINISTRATIVE REMEDIES**

17. The Act does not provide administrative remedies to challenge CalRecycle’s approval of Landbell USA as the PRO. Accordingly, AAFA has exhausted all available administrative remedies required to be pursued by it prior to bringing this action.

**FACTUAL BACKGROUND AND GENERAL ALLEGATIONS**

**Statutory Requirements**

18. The Responsible Textile Recovery Act of 2024 (SB 707, Newman, Chapter 864, Statutes of 2024) requires producers of covered products (textile articles and apparel) to “form and join” a nonprofit PRO. Pub. Resources Code, § 42984.4(a)(1). A PRO is defined as an “organization that is exempt from taxation under Section 501(c)(3) of the federal Internal Revenue Code of 1986, is formed for the purpose of implementing a plan to meet the requirements of this chapter, and is approved by the department.” *Id.* § 42984.3(t).

19. The application deadline for any proposed PRO was January 1, 2026. Pub. Resources Code, § 42984.4(a)(1). CalRecycle was required to then approve a PRO by March 1, 2026, that “meets the requirements of this chapter.” *Id.* § 42984.4(a)(2).

20. The statute includes several requirements for a successful PRO applicant:

- a. The PRO must be formed by producers. *Id.* § 42984.4(a)(1). Producers may include manufacturers, importers, distributors, retailers, and wholesalers.
- b. The PRO must be a 501(c)(3) organization. *Id.* § 42984.3(t).
- c. The PRO must have “a governing board consisting of producers that are diverse in size and type and that represent the diversity of covered products placed in the market by those entities.” *Id.* § 42984.4(a)(2). The concept or degree of diversity is not defined

1 by statute. However, the set of “covered products” includes a broad range of  
2 “apparel”<sup>1</sup> and “textile article”<sup>2</sup> products.

3 d. Finally, the PRO must “demonstrate[] that it has adequate financial responsibility and  
4 financial controls in place, including fraud prevention measures and an audit schedule,  
5 to ensure proper management of funds.” *Id.* § 42984.4(a)(2).

6 21. The statute does not provide for a hearing, an appeal process, or any other statutory  
7 mechanism to review CalRecycle’s approval of a PRO.

8 22. There are significant stakes to the PRO approval process. All producers of covered  
9 products are governed by the approved PRO. *Id.* § 42984.4(a)(3). Ultimately, “all administrative and  
10 operational costs of the program” will “be borne by participating producers.” *Id.* § 42984.13(b). And  
11 the approved PRO has a monopoly on implementation for the first decade of the program’s operations.  
12 Only after January 1, 2035 can CalRecycle even consider the addition of a second PRO. *Id.* §  
13 42984.4(a)(4).

14 **PRO Applicants**

15 23. By January 1, 2026, three entities applied to be the approved PRO under the Act: the  
16 Circular Textile Alliance, Landbell USA, and Textile Renewal Alliance. Each of the PRO  
17 applications can be found here: <https://calrecycle.ca.gov/epr/textiles/textileproapp/>.

18 24. Petitioner AAFA, the National Retail Federation, and the California Retailer’s  
19 Association collaborated to incorporate Textile Renewal Alliance as a 501(c)(3) nonprofit, propose it  
20 to CalRecycle as the PRO, and otherwise prepare for it to serve as the PRO. Textile Renewal Alliance  
21 submitted its application to CalRecycle on December 31, 2025.

22 25. Circular Textile Alliance submitted an application to serve as the PRO on December  
23 31, 2025.

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26 <sup>1</sup> “For purposes of this chapter ‘apparel’ includes only undergarments, shirts, pants, skirts, dresses, overalls, bodysuits,  
27 costumes, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports  
28 uniforms, swimwear, formal wear, onesies, bibs, footwear, handbags, backpacks, knitted and woven accessories, jackets,  
coats, snow pants, ski pants, and everyday uniforms for workwear.” Pub. Resources Code, § 42984.3(a)(1).

<sup>2</sup> “For purposes of this chapter, ‘textile article’ includes only blankets, curtains, fabric window coverings, knitted and  
woven accessories, towels, tapestries, bedding, tablecloths, napkins, linens, and pillows.” Pub. Resources Code,  
§ 42984.3(ae)(1).

1           26.     Landbell USA submitted an application to serve as the PRO on December 23, 2025.

2     **CalRecycle Approval Decision**

3           27.     On February 24, 2026, Deputy Director of CalRecycle’s Division of Circular  
4 Economy Michelle Martin sent a memo to CalRecycle Director Zoe Heller conveying CalReycle’s  
5 staff recommendation to approve Landbell USA as the PRO under the Act.

6           28.     Director Heller thereafter accepted the recommendation and approved Landbell USA  
7 as the PRO, making a “Director’s Signing Statement” to that effect dated February 27, 2026.

8           29.     Director Heller’s statement provided as follows: “I approve Landbell USA as the PRO  
9 based on the information provided by Landbell USA in its PRO application, CalRecycle’s extensive  
10 experience in oversight of extended producer responsibility programs in California, and the  
11 information and analysis contained in this Request for Action. After reviewing all of the PRO  
12 applications that CalRecycle received, I find that Landbell USA demonstrated that it can most  
13 effectively implement the Responsible Textile Recovery Act.”

14          30.     The seven-page decisional memo is a key milestone, and the next statutory deadlines  
15 arrive soon. All producers of apparel and textile articles—an estimated 30,000-40,000 potential  
16 entities—must now join the PRO by July 1, 2026. Pub. Resources Code, § 42984.4(a)(3). Landbell  
17 USA’s application describes that it will begin charging all producers a flat \$1,000 fee to join the PRO  
18 regardless of size or market position. Landbell USA Appl. at 11. That could constitute a windfall  
19 between \$30,000,000 and \$40,000,000 assuming full registration.

20     **Landbell USA Application**

21          31.     Director Heller approved Landbell USA based on its application and staff assessment  
22 of the same. The administrative record is therefore quite limited. Landbell USA’s application shows  
23 many deficiencies in light of the statutory requirements. Fidelity to the statute is always important;  
24 that is especially true when decisions are rendered through such an opaque process with monumental  
25 economic consequences.

26          32.     Landbell USA was not formed by producers. Its President, John Hayes, is the sole  
27 incorporator of Landbell USA. On information and belief, Mr. Hayes is the Head of North America

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1 Region and Compliance Solutions at H2 Compliance, a compliance consultancy. H2 Compliance  
2 “became a part of the Landbell Group, a group managing 45 PROs around the world,” in 2016.  
3 Landbell USA Appl., App. 11. Neither Landbell Group, H2 Compliance, nor Mr. Hayes are  
4 “[p]roducers of covered products.” Pub. Resources Code, § 42984.4(a)(1). CalRecycle cannot  
5 approve a producer responsibility organization that was *not founded by producers*.

6 33. Landbell USA is not a 501(c)(3) nonprofit. On information and belief, as of the date  
7 of this filing, Landbell USA is not listed by the Internal Revenue Service as a 501(c)(3) nonprofit.  
8 While it has submitted an application to the Internal Revenue Service, the organization’s founding  
9 documents raise serious concerns. Landbell USA has not sufficiently shown that it will abide by the  
10 limitations on the activities of 501(c)(3) corporations in I.R.C. § 501(c)(3), including limitations on  
11 its operations for exempt purposes, campaigning, and dissolution. While its bylaws may profess to  
12 address some of these matters, other Landbell USA organizing documents fail to adequately limit the  
13 corporation’s purposes to exempt purposes under I.R.C. § 501(c)(3) and may be read as empowering  
14 it to engage in activities that are not in furtherance of one or more of those purposes: “The purpose of  
15 the corporation is to engage in any lawful act or activity for which corporations may be organized  
16 under the General Corporation Law of Delaware.” It entirely lacks limitations on campaigning or the  
17 use of funds following dissolution. CalRecycle cannot approve such an organization when it  
18 structurally fails to meet the requirements set in the Act.

19 34. Concerningly, Landbell USA appears to provide substantial benefit to its foreign for-  
20 profit affiliate. The state legislature directed CalRecycle to approve a PRO only if it could  
21 “demonstrate[] that it has adequate financial responsibility and financial controls in place, including  
22 fraud prevention measures and an audit schedule, to ensure proper management of funds.” Pub.  
23 Resources Code, § 42984.4(a)(2)(B). In its application, Landbell USA represents that “Landbell USA  
24 is a part of the Landbell Group.” Landbell USA Appl. at 17. It does not elaborate on that relationship  
25 further. CalRecycle staff similarly note that “Landbell USA is part of the Landbell Group,” and appear  
26 to use the entities and their experiences interchangeably throughout the staff assessment. Exhibit A  
27 at 5 (“Landbell USA is part of the Landbell Group, and its application detailed over 30 years of  
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1 experience developing and implementing extended producer responsibility programs[.]”). On  
2 information and belief, Landbell Group is a for-profit business founded in Mainz, Germany in 1995.  
3 It is an EPR service provider that “supports companies and organisations from all over the world  
4 with environmental and chemical compliance solutions.” <https://perma.cc/95KS-FBRT>. Landbell  
5 Group sells consulting and software services to support those companies’ compliance efforts.  
6 However, it is not clear that Landbell USA has controls in place to prevent impermissible private  
7 benefit or profit for their for-profit affiliate. Landbell USA provides no descriptions of controls in its  
8 application and instead raises several examples of concerning potential for self-dealing. In its  
9 application, Landbell USA boasts of its software including “Sagis KDB.” Landbell USA Appl. at 30,  
10 35, 122-28. On information and belief, this is a product sold by Landbell Group.<sup>3</sup> Landbell USA also  
11 plans to utilize H2 Compliance USA Inc., a “Landbell Group affiliate” for “contract support.”  
12 Landbell USA Appl. at 136. Rather than embody arm’s length transactions that avoid the appearance  
13 of improper benefit, these commitments have the appearance of a non-profit awarding service  
14 contracts to its for-profit affiliate without a competitive process. Landbell Group could not apply to  
15 operate the PRO because it is a for-profit business. Nonetheless, Landbell Group is positioned to  
16 profit off Landbell USA’s decadelong monopoly as the PRO in California. Landbell USA presents as  
17 a wolf in sheep’s clothing, and CalRecycle appears to be playing along. CalRecycle cannot ignore its  
18 mandate to ensure the PRO actually operates as an independent non-profit with adequate financial  
19 controls to ensure proper management of producers’ funds. This is particularly important at a time  
20 when affordability is so critical.

21         35. Landbell USA’s governing board does not meet the Act’s size diversity requirements  
22 in several ways. First, the Act requires the approved PRO to have a board membership “diverse in  
23 size.” Pub. Resources Code, § 42984.4(a)(2). The diversity requirement directly relates to the purpose  
24 of the PRO—to ensure that the interests and experiences of divergent types of producer businesses  
25 are represented and can provide that background to the program design. Senate Rules Committee,

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27 <sup>3</sup> The relationship of Landbell Group to other software products mentioned in the application, such as “Loamist  
28 Validator™,” “Explorer™,” is not clear. However, on information and belief, at least one Loamist, Inc. co-founder  
appears to have relationships with H2 Compliance, a part of Landbell Group.

1 Office of Senate Floor Analysis, SB 707 Bill Analysis (Aug. 29, 2024) (describing that the purpose  
2 of the PRO is to engage producers to bring “*their expertise in designing products and the systems that*  
3 *bring these products to market*, to design systems to capture those products at the end-of-life to meet  
4 statutory goals” (emphasis added)). Different sized businesses will have different interests and  
5 experiences in the marketplace. Different products may require different collection and recycling  
6 infrastructure. Consider, for example, the differences in complexity and materials presented by a  
7 cotton sheet and a hiking boot. Landbell USA’s application describes a board comprised of seven  
8 individuals. Landbell USA Appl. at 68-70. Two members represent industry associations, although  
9 the Act requires the governing board to consist of “producers.” Pub. Resources Code, §  
10 42984.4(a)(2)(A). The five other members represent self-proclaimed small and medium-sized  
11 businesses. Landbell USA Appl. at 24. Altogether, they represent an incredibly small segment of the  
12 global apparel and textile article producer market—only .024 percent. CalRecycle staff erroneously  
13 describe Landbell USA as already having “a diverse board with a few large producers, as well as mid-  
14 sized and small producers.” Exhibit A at 3. The board does not include any large or multinational  
15 businesses. To the extent that CalRecycle is imputing the membership of the industry group board  
16 members or reserved seats for future board members, it did not do so with other applicants. *See, e.g.*,  
17 Exhibit A at 3 (“Textile Renewal Alliance’s board is comprised primarily of large producers.”).

18         36. Landbell USA’s governing board also does not meet the Act’s type and product  
19 diversity requirements. The Act requires the approved PRO to have a board membership diverse in  
20 “type and that represent the diversity of covered products.” Pub. Resources Code, § 42984.4(a)(2).  
21 On the face of the application, all five of the producer board members market a limited set of “apparel”  
22 products, particularly clothing. Landbell USA Appl. at 68-70. One, Everywhere Apparel, has a niche  
23 business that only produces cotton products. Landbell USA Appl. at 24. Only one, Everlane Apparel,  
24 produces any footwear. Landbell USA Appl. at 24, 68. Based on its website, that catalogue is currently  
25 a limited selection of women’s footwear. Everlane Apparel, Footwear (last accessed Mar. 23, 2026),  
26 <https://perma.cc/T9HT-KYDM>. None of the producer board members make the broader set of “textile  
27 article” products, such as blankets and linens. While these board members would be a qualified and  
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1 valuable part of a diverse board, the board as constructed lacks diversity in size and product type.  
2 CalRecycle’s staff analysis did not in any way assess product offering, instead focusing on board  
3 member business size diversity.

4 **FIRST CAUSE OF ACTION**

5 **Violation of the Responsible Textile Recovery Act of 2024**

6 **(Writ of Mandate (CCP § 1085), or in the Alternative,**  
7 **Writ of Administrative Mandamus (CCP § 1094.5))**

8 37. AAFA hereby incorporates by reference the allegations in the preceding paragraphs as  
9 if set forth fully herein.

10 38. Under the Act, CalRecycle has a clear duty to select a PRO using the criteria specified  
11 by the statutory text, and only those criteria.

12 39. CalRecycle did not perform that duty when it selected Landbell USA as the PRO.

13 40. In selecting Landbell USA—an entity formed not by producers of textiles or other  
14 covered products, but by Landbell Group, a for-profit business that operates extended producer  
15 responsibility programs worldwide—CalRecycle violated its clear duty to select a PRO “form[ed]”  
16 by “[p]roducers of covered products.” Pub. Resources Code, § 42984.4(a)(1).

17 41. In selecting Landbell USA, whose governing board lacks diversity in size and covered  
18 products, CalRecycle violated its clear duty to select a PRO with a “governing board consisting of  
19 producers that are diverse in size and type.” Pub. Resources Code, § 42984.4(a)(1).

20 42. In selecting Landbell USA, which was not and still is not a 501(c)(3) organization,  
21 CalRecycle violated its clear duty to select as the PRO an “organization that is exempt from taxation  
22 under Section 501(c)(3) of the federal Internal Revenue Code of 1986.” Pub. Resources Code,  
23 § 42984.3(t).

24 43. CalRecycle’s decision to select Landbell USA as the PRO is an adjudicatory action of  
25 an administrative body because CalRecycle has applied facts to its interpretation of the legal  
26 requirements for selection of a PRO of the Act.



1 **THIRD CAUSE OF ACTION**

2 **Injunctive Relief (CCP § 526(a))**

3 53. AAFA hereby incorporates by reference the allegations in the preceding paragraphs as  
4 if set forth fully herein.

5 54. An actual controversy exists between AAFA and CalRecycle. AAFA contends that  
6 CalRecycle’s approval of Landbell USA was *ultra vires* and contrary to law, while CalRecycle denies  
7 the same

8 55. A stay, temporary restraining order, preliminary injunction, and/or permanent  
9 injunction are also necessary to prevent CalRecycle from taking any action to implement or enforce  
10 the Act until it completes the PRO selection process consistent with the standards the state legislature  
11 provided in the Act. An injunction is necessary and appropriate at this time, as CalRecycle and  
12 Landbell USA are presently implementing the requirements under the Act.

13 **PRAYER FOR RELIEF**

14 **WHEREFORE**, AAFA respectfully requests that the Court enter judgment against  
15 CalRecycle as follows:

16 1. That the Court issue a writ of mandate, or in the alternative writ of administrative  
17 mandamus, directed to CalRecycle compelling it to:

- 18 a. Vacate its decision selecting Landbell USA as the PRO for purposes of the  
19 Responsible Textile Recovery Act of 2024;  
20 b. Reopen the PRO selection process; and  
21 c. Conduct the reopened selection process consistent with the standards the state  
22 legislature provided in the Act and the Court’s order;

23 2. That the Court issue a declaration that CalRecycle’s selection of Landbell USA was  
24 *ultra vires* and contrary to law;

25 3. For temporary, preliminary, and permanent injunctive relief restraining CalRecycle  
26 and Landbell USA from taking any action to implement or enforce the Act until it completes the PRO  
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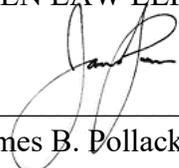
1 selection process consistent with the standards the state legislature provided in the Act and the Court's  
2 order;

3 4. That AAFA is entitled to recovery of attorneys' fees and costs under Code Civ. Proc.,  
4 §§ 1021.5, 1095, and Gov. Code, § 800; and

5 5. For other relief the Court deems just and proper.  
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8 Dated: March 27, 2026

MARTEN LAW LLP

9  
10 By:   
James B. Pollack (Pro Hac Vice forthcoming)

11 FARELLA BRAUN + MARTEL LLP

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13   
14 By: \_\_\_\_\_  
Linda Sobczynski Gilleran

15 Attorneys for Petitioner/Plaintiff  
16 American Apparel & Footwear Association, Inc.  
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**VERIFICATION**

I am the President and CEO of Petitioner American Apparel & Footwear Association and am authorized to execute this verification on behalf of Petitioners. I have read the foregoing Petition for Writ of Mandate and Additional Relief and am familiar with its contents. The facts recited in the Petition not otherwise supported by exhibits or other documents are true of my personal knowledge, except as to those matters alleged in the Petition on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 27<sup>th</sup> day of March 2026, at Pocono Pines, Pennsylvania.



---

Stephen Lamar  
President and CEO  
American Apparel & Footwear Association

# EXHIBIT A

## Responsible Textile Recovery Act Producer Responsibility Organization Application Form

Instructions: Type your responses into this form and save the final version as a PDF document.

All application materials are deemed public records, pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code). To promote transparency, CalRecycle will be making portions of the application publicly available. To help facilitate the process, CalRecycle requests applicants to ensure the following:

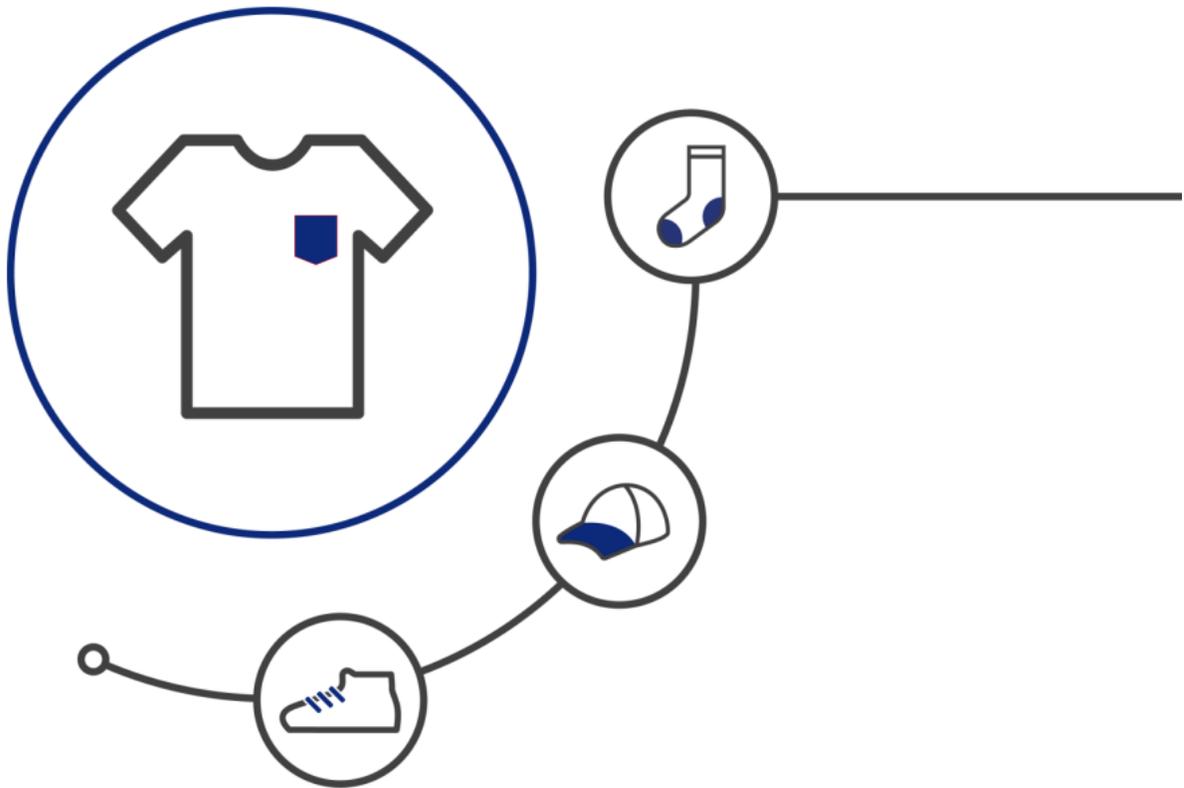
- All documents are in compliance with [Government Code section 7405](#) and the [Web Content Accessibility Guidelines 2.0](#) published in 2008 by the Web Accessibility Initiative of the World Wide Web Consortium at a minimum Level AA success criteria.
- Identify information that is deemed confidential and explain in a cover letter why the information should be kept confidential.

Please submit this form with all other documents to [Textiles@CalRecycle.ca.gov](mailto:Textiles@CalRecycle.ca.gov).

Applications are due on or before January 1, 2026, at 11:59 PM PST. This statutorily mandated deadline will not be extended. Direct any questions to [Textiles@CalRecycle.ca.gov](mailto:Textiles@CalRecycle.ca.gov).

|  |   |                        |
|--|---|------------------------|
| <b>1. Organization Contact Information</b>   |   |                        |
| Organization Name: Landbell USA Inc  |   |                        |
| Employer ID#: NA   | Phone: 858 967 7912   |                        |
| Address: 224 W 35th St Ste 500, #811   | Website: <a href="http://www.landbellgroup.com">www.landbellgroup.com</a>       |                        |
| City: New York   | State: NY   | Zip Code: 10001        |
| <b>2. Contact Person</b>   |   |                        |
| Contact Person Name: Patrick Gibbs   |   |                        |
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| City: Carlsbad   | State: CA   | Zip Code: 92009        |
| I certify under penalty of perjury under the laws of the State of California that to the best of my knowledge and belief, all foregoing and supporting information is true and complete. |   |                        |
| X <i>John Hayes</i>  |   |                        |
| Signature (by a contact authorized to represent the organization)  |   | Date: 23 December 2025 |
| Print Name: John Hayes   |   | Title: President       |

# CA SB 707 APPLICATION



From Landbell USA Inc

Prepared by Patrick Gibbs & John Hayes

31 December 2025

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## Executive Summary

Landbell USA is poised to lead California's textile recycling efforts with the submission of our CA SB 707 PRO application. Landbell USA is a part of the Landbell Group, an organization that manages more than 40 PROs around the world. Of key relevance to CA SB 707, Landbell Group operates one of the first textile PROs in the world through its European Recycling Platform (ERP) Netherlands entity. Details are presented within the application about the effectiveness of this program as well as learnings and best practices that have been applied to the proposed Landbell USA CA solution. Landbell USA has meticulously integrated global best practices from Landbell Group's international operations to sharpen our CA SB 707 strategy. Our model is propelled by a commitment to participant satisfaction, a philosophy evidenced by our industry-leading client retention rates and the enduring trust of our global partners

California's SB 707 law sets an ambitious but practical path to transform how apparel and textiles are managed at end-of-life. The intent is to move away from a linear "take-make-waste" model and to make repair, reuse, and recycling the normal course of action for covered products. Landbell USA Inc., operating as a 501(c)(3) and part of the global Landbell Group, is applying to be the Producer Responsibility Organization (PRO) that will implement this stewardship program statewide. The application presents a system designed to be convenient for residents, practical and fair for producers, and transparent for CalRecycle, with equity and environmental integrity embedded throughout.

This document establishes the fundamental necessity of a Producer Responsibility Organization (PRO) and defines the strategic benchmarks that will characterize a successful implementation for the State of California. There are an estimated 35,000 to 40,000 producers expected to be obligated under SB 707. To support them, the PRO proposes a statewide network of approximately 15,800 collection bins - roughly one bin per 2,500 residents, with exceptions for low population areas. It is proposed that in addition to municipal bins, retailers will serve as collection partners, giving Californians easy and familiar drop-off points and provide an important venue for clear, consistent education. Retailer participation is expected to improve convenience and reduce contamination compared to public collection sites. The program's messaging is intentionally simple and positive – "Mend it. Wear it. Pass it On." This means that residents will understand that repair comes first, reuse follows, and recycling is there when those first two options are not possible.

Landbell Group's qualifications anchor the proposal. With more than 30 years of experience and 42 PROs in 18 countries, the organization brings tested governance, operational discipline, and secure technology. Landbell Group holds an Ecovadis Gold rating, placing it in the top five percent globally for sustainability practices. Landbell Group already operates one of the world's first textile PROs in the Netherlands, with entities established and ready to activate in Italy and Spain when those national rules are

finalized. This experience matters in California, because SB 707 requires both scale and nuance: the program must serve dense urban areas and rural counties, operate in partnership with retailers and thrift organizations, and maintain auditable data flows across a complex supply chain. Landbell USA's digital backbone—Loamist Validator™ and Explorer™, will manage producer registration, brand lists, fee modulation calculations, needs assessment mapping, transportation route optimization, audit logs, and annual reporting. The system is SOC 2 Type II and ISO 27001 aligned, with encryption, multifactor authentication, and immutable backups to protect confidential producer information and program data.

The PRO governance model is built to be representative of California's producer community, technically rigorous, and fully aligned with the SB 707 statute. Landbell USA Inc. is incorporated as a 501(c)(3) not-for-profit to meet statutory neutrality and public-interest requirements. The organization's Board of the PRO, Ex Officio Board, and Advisory Committee work together through clearly defined charters, meeting cadences, and decision-making protocols, all documented and retained for audit.

The Producer Board Members are composed predominantly of California-founded producers. It reflects diversity by company size, type, product range, and covered material categories. A portion of seats will be reserved for large international producers, so the Board benefits from both local and global perspectives. The Board will set strategic direction, approve annual service plans and budgets, endorse fee frameworks and any fee modulation rules and oversee risk and performance. It will meet eight times in 2026 (with at least four in-person sessions with remote participation allowed), and from 2027 onwards holds four meetings per year. Board members serve five-year terms with the possibility of one renewal, and modest stipends begin in 2027 to recognize the time commitment and ensure consistent participation. For Board Members, the stipend proposed is \$40,000 and for Advisory Committee Members, the stipend proposed is \$20,000. Quorum requirements, voting thresholds, and escalation protocols are specified in Board standing orders, so decisions are timely, traceable, and enforceable.

In addition, the Ex Officio Board members include practitioners who operate at the heart of the value chain - collection, sortation, repair, reuse, recycling, and hauling. It also includes technical leaders in covered materials technology, and PFAS, CA EPR legislative compliance, regenerative agriculture and natural fiber—spinning, decentralized manufacturing, fibershed leadership and community workforce development. Its role is to give expert advice, stress-test operational designs, and challenge assumptions before they reach the Producer Board for formal approval. The Advisory Committee bring in additional perspectives from policy and legislation, municipal outreach, eco-design and digital product passports, footwear deconstruction, academic curriculum reform, spinner

innovation, and community creative hubs. Advisory members help translate statute into practical targets, convene sector peers where collaboration is required, and contribute best practices that shorten learning curves during pilot and statewide rollout. Of note, The Director of Advocacy of the CPSC (the main sponsor of SB 707) will act as an ex officio member of our board. CPSC Leadership has also provided Landbell USA with a letter of support for this application, a copy of which is provided in Appendix 8A.

Several functional committees ensure the program remains compliant, transparent, and performance oriented. The Oversight Committee meets quarterly and keeps strategy and risks in focus, including long-range planning, the risk register, and corrective actions. The Finance Committee produces at least four formal reports per year and reviews monthly accounts, drafts annual financial statements, reserve adequacy, auditor letters, and will provide recommendations to adopt the company accounts. The Governance & Ethics Committee addresses conflicts of interest, transparency, anti-corruption controls, gifts and intermediary's policies, and ethics training. The Stakeholder Committee focuses on operational targets such as collection convenience standards, equity coverage, route design, and repair/reuse performance. The Audit Committee monitors the effectiveness of internal controls and the independence and performance of external auditors and tracks the closure of findings. An Ad Hoc Committee is in place to convene on cross-cutting topics such as diversity, equity and inclusion, cybersecurity, ESG matters, and coordination with other California waste stream PROs, notably packaging and carpet, where shared routes, co-located collection points, and waste material downcycling synergies make sense.

A Register of Interests will be maintained for Board and Committee members, and potential conflicts are managed by disclosure, recusal from discussions and decisions, and withholding of documentation for the conflicted items. Decision rights are documented in each charter and reflected in meeting minutes, which capture motions, votes, rationales, and action owners. The decision-making process is consistent across bodies: identify the issue, gather relevant data, develop one or more options, evaluate options against the mission, values, statute, and program KPIs, select, implement, and review. All governance documents—including agendas, packs, minutes, resolutions, conflict disclosures, and action logs—are retained according to our rigid records management policy to satisfy audit requirements and statute.

Governance is anchored in measurable outcomes. The Board will receive regular dashboards on producer onboarding progress, bin deployment and collection coverage, contamination rates, prepared-for-reuse and recycling yields, retailer participation, equity of access across counties, PFAS screening volumes and routing outcomes, route efficiency and emissions, budget versus actuals, and risks and

mitigations. The Oversight and Finance Committees review these dashboards in detail so the Board discussions can focus on strategic choices rather than diagnostics.

The governance model embeds the organization's code of conduct, anti-corruption, anti-fraud and anti-money laundering controls, whistleblowing and grievance channels, and transparent reporting expectations. Information security controls are treated as governance guardrails: encryption in transit and at rest, multi-factor authentication, immutable and geo-redundant backups, role-based access, logging and monitoring, endpoint protection, and penetration testing. A Business Continuity Plan defines activation and suspension criteria, assigns responsibilities during incidents, prioritizes critical activities over essential ones, governs external communications to customers, suppliers, and media, and requires post-event reviews so lessons learned are captured and applied.

The Program Timeline aligns to statute and is deliberately phased. Producers must join the PRO by July 1, 2026. The initial Needs Assessment will be submitted by March 1, 2027, and it is planned to extend it iteratively through 2030 to refine targets, infrastructure, and performance standards as better data becomes available. CalRecycle will adopt detailed rules by July 1, 2028; the PRO will submit its EPR Plan by July 1, 2029; statewide implementation begins on January 1, 2030. Between 2028 and 2029, it is proposed that a pilot runs in five counties—Alameda, Calaveras, Fresno, Monterey, and San Francisco - representing roughly ten percent of the state's population. The pilot tests routes, bin placements, collection frequencies, retailer engagement, contamination reduction, and consumer education tactics. It also informs how repair and reuse are best scaled, how thrift organizations can be supported without being disadvantaged by parallel collection streams, and how mechanical and chemical recycling capacity should be contracted and staged.

The Program design prioritizes reuse and repair. The goal is to prepare a significant share of collected covered materials for reuse and repair, with retailer and community-based organizations making repair services visible and accessible. Thrift organizations are integral, and the plan proposes financial support to ensure they remain whole during transition and ultimately implementation of the program. Where domestic markets are constrained, the PRO budgets transitional export shipping support for unsold goods while working to expand in-state end markets. Recycling is the third step in the hierarchy, with mechanical recycling directed to domestic hubs such as regenerative cotton spinning facilities, and chemical recycling deployed for blends and harder fractions under clear safety and yield obligations. Transboundary shipments follow ISO guidance for second-hand exports and comply fully with OECD and U.S. rules. Throughout, Loamist will maintain traceability and chain of custody evidence.

Auditing and sampling are defined by a Technical Specification that sets minimum standards for permits, EHS practices, training, records retention, inbound and outbound documentation, calibrated scales, inventory reconciliation with tight discrepancy tolerance, and downstream mapping. The specification includes social responsibility requirements—no child or forced labor, equal pay for equal work, grievance processes, occupational medicine provisions, PPE, emergency planning, and on-site waste management aligned to the waste hierarchy. Sampling studies run during the pilot and statewide rollout to measure composition, contamination, urban and rural differences, retailer versus municipal performance, and process yields at sorters and recyclers. These audits and sampling activities feed into continuous improvement and are presented to CalRecycle through immutable records and audit ready documentation.

Staffing ramps sensibly across the period. Landbell USA's leadership team—CEO, CFO, and COO – will set strategy and delivery. Government Relations ensures effective coordination with state and local agencies. Membership and Compliance support is sized for small producers who might have limited regulatory experience, as well as larger companies and marketplace sellers. Operations and Supply Chain teams manage contracting and performance from collection through treatment. Data Management and Database Administration teams support producer data capture, validation, analytics, and reporting. IT Administration and Security ensure systems are hardened and resilient. Legal and HR provide ongoing support. As a producer responsibility law, the PRO will finance the CalRecycle staff needed for oversight and administration, ramping from three positions in 2026 to (an estimated) sixteen by 2030. Landbell USA also leverages H2 Compliance USA, a Group affiliate, to provide specialized capacity on demand, minimizing fixed risk while ensuring expertise can be scaled quickly where needed.

The preliminary budget is transparent and phased. In 2030, the total program requirement is estimated at \$387,598,871, which includes a six-month reserve mandated for resilience. Early years focus on setup: governance, software configuration, preliminary needs assessment, and education and marketing groundwork in 2026, followed by expanded administration, technical support, outreach, and committee activity in 2027. The pilot years 2028 and 2029 include bin purchase and maintenance, logistics, treatment, thrift support, and audits. In 2030, statewide operations begin with scaled logistics, treatment capacity, retailer reimbursement, and the reserve fully funded. Revenue starts with a simple membership fee of \$1,000 per producer in 2026 and 2027 to give companies time to prepare their internal systems for put-on-market (POM) data. From 2028 onward, fees are based on pounds placed on the market, using averaged POM data from the three preceding years. By 2030, per pound fees rise to fund full operations and the reserve. The program anticipates that approximately eighty percent of collected fees fund supply chain activity, five to eight percent fund promotion and education, and the remainder covers administration and innovation funding.

Our operational planning is indexed to a California population base of approximately 39.4 million, representing 11.6% of the total U.S. demographic. The Producer count is estimated at 35,000 to 40,000 obligated entities. The proposed framework utilizes a national proxy of one million tons per year to project the total volume of apparel and textiles entering the US market; California's share is assumed at roughly eleven percent as an initial planning baseline, and this will be replaced by California-specific data during the Needs Assessment. Collection convenience is modeled at roughly one bin per 2,500 residents, yielding about 15,800 bins statewide, with exceptions for low-population areas. Retailers are expected to act as collection partners, improving convenience and reducing contamination (compared with public sites) and contributing additional volume.

As mentioned above, the estimated total budget in 2030 is \$387,598,871 and includes a six-month reserve of \$129,199,624 as required for resilience. In 2026, the program focuses on setup: incorporation and governance, core software configuration, preliminary needs assessment groundwork, and early education and PR. The planned expense is \$7,777,750. In 2027, the budget increases as the program expands administration, technical support, outreach, and committee activity while continuing to build data, membership support, and engagement capacity. The estimated spend in 2027 is \$10,403,075. The pilot phase in 2028 (and 2029) includes bin purchases and maintenance, logistics, waste treatment, thrift support, and audits and sampling programs. The estimated spend in 2028 is \$31,731,938, which incorporates logistics of roughly \$9.56 million, waste treatment of approximately \$6.86 million, bin capital expenditure of about \$5.10 million, and Thrift/Goodwill Organizational support of \$5.0 million. In 2029, costs scale with the pilot expansion, continued education and PR, and planned readiness activities; the planned spend is \$46,759,568, including logistics of roughly \$10.01 million, waste treatment and bin maintenance totalling about \$509 thousand, and thrift support of \$5.0 million. During this period, it is estimated that we will collect 7,617 tons and 8,293 tons respectively. In 2030, statewide operations commence with full logistics and treatment spending, retailer reimbursements, audits and sampling, and the reserve fully funded. In 2030, it is estimated that we will collect 91,174 tons of covered products. For this three-year period, it is estimated that the volumes collected through retailer collection will grow from 8 to 15% of the total volume collected. Operating costs are estimated at \$258,399,248 with the reserve bringing the total 2030 requirement to \$387,598,871.

Our revenue approach and timeline are designed to be fair and predictable, giving producers the necessary time to set up their data systems without facing immediate penalties. In 2026 and 2027, a flat membership fee of \$1,000 per producer funds set-up and early administration and outreach. Back-charging is applied to late joiners to eliminate any competitive advantage associated with delayed compliance. Beginning

in 2028 and continuing through 2029, fees will be based on the pounds placed on the market, using the average POM data from the three preceding years to smooth volatility and reflect real-world reporting cycles. By 2030, per-pound fees will be increased to fund full statewide operations and the six-month reserve; the modelled range is approximately \$0.193 to \$0.20 per pound for covered materials, subject to final plan approval and fee modulation rules.

Our 2030 rollout includes fee modulation, ensuring that producers are rewarded for design choices that enhance both system performance and environmental impact. Credits reduce fees, e.g. for mono-material garments, designs that enable repair and disassembly, verified recycled content, accurate labeling, take-back programs and non-hazardous chemistries. Debits increase fees, e.g. for multi-fiber garments with three or more distinct-fiber types, for hazardous chemicals or other contaminants that impede recycling, for known PFAS content, for low repairability, and for patterns of over-production that burden the system. The Eco-Fee Engine inside Loamist Validator™ calculates these factors using rule sets that will be approved in the EPR Plan. It maintains version-controlled logic and a complete audit trail so every computation can be traced from inputs to fee outcome. Modulation is budget-neutral at the pooled level but shifts costs toward harder-to-manage designs and away from circular and repairable designs, creating a clear economic signal. The system is fully auditable, with version-controlled logic and traceable calculations, and it is designed to make sustainable design financially attractive while discouraging practices that raise system costs or undermine circularity efforts and recycling.

Historically across comparable PROs, approximately eighty percent of collected fees fund supply chain activity - collection, hauling, sortation, repair and reuse, and recycling. Approximately five to eight percent funds promotion and education, which are central to behavior change and participation. The remainder covers administration and innovation projects. The Finance Committee monitors monthly and quarterly performance against budget, reviews variances, and recommends corrective actions where needed. Controls include a purchase order system for supplier onboarding and segregation of duties for approvers, dual signatures for payments, reconciliations of pooled membership dues against member payments, project-level budget tracking for special initiatives, and roll-forward of residual balances where appropriate. Independent, external financial audits will occur annually, with the performance monitored by the Audit Committee, and results that will inform the Board's adoption of accounts.

The budget accounts for early-year sensitivity by building financial resilience through a dedicated statutory reserve. Key sensitivities include the pace of producer onboarding,

the accuracy and timing of POM data submissions, contamination rates, route optimization performance, retailer participation, and early recycling yields. The Needs Assessment and pilot programs are designed to surface these sensitivities quickly, and governance processes - the Oversight Committee, the Finance Committee, and Board reviews - ensure corrective actions are taken when performance deviates from plan. The reserve provides a buffer against unforeseen costs or member challenges, so service continuity and statutory compliance are not jeopardized.

Sustainable procurement and public benefits run through the program's DNA. The procurement policy aligns to ISO 20400 guidance, GRI standards, and the UN Global Compact, setting clear supplier requirements, duty of care screening, annual audits, and corrective actions with deadlines. Targets include training coverage, Supplier Code of Conduct acknowledgements, onsite audit rates, engagement participation, corrective closure rates, and adoption of environmental standards such as ISO 14001 among key suppliers. Equity for thrift organizations is maintained through transitional funding and operational tie-ins that help them scale preparation for reuse while preserving revenue. Workforce development is integrated through partnerships with mission driven organizations such as Homeboy Threads and Goodwill, connecting underserved communities to paid pathways in repair, reuse, sortation, and logistics. Innovation is encouraged, including advanced materials that reduce microfiber pollution while retaining recyclability, and local circular manufacturing anchored by prospective regenerative cotton spinning in the Central Valley. Cross PRO synergies with packaging and especially, carpet, are actively pursued to consolidate routes, share collection points, align downcycling markets, and coordinate education.

Risk management, information security, and business continuity are treated as core program controls. The ethics framework prohibits corruption and fraud, establishes gifts and intermediary's policies, and provides whistleblowing channels with nonretaliation protections. Information security includes encryption in transit and at rest, multifactor authentication, immutable backups, air gapped storage, role-based access, logging and monitoring, endpoint protection, and periodic penetration tests. The Business Continuity Plan defines activation and suspension protocols, assigns responsibilities, prioritizes critical over essential activities during incidents, tests backup restoration, and governs external communications with customers, suppliers, and media. Post event reviews capture lessons and update plans.

Consumer education and outreach are central to participation and performance. The program's promise is that it will be free, clear, and easy for residents to responsibly manage end-of-life apparel and textiles. Retail activations will include bins, signage, QR coded locators, and popup repair events, supported by staff scripts and training. Digital campaigns will run on major platforms and connect to a mobile first collection and repair locator, with multilingual content and retargeting. Community engagement will focus on universities, vocational training, farmers' markets, municipalities, and local media in rural

areas. KPIs will track drop-offs per capita, contamination rates, preparation for reuse and recycling yields, first-time versus repeat participation, coverage equity, retailer engagement, and campaign reach and conversion. Beginning with statewide rollout, an annual Impact Report Card will present transparent metrics on collection volumes, diversion rates, preparation for reuse performance, recycling outcomes, fee modulation signals, producer design improvements, and community benefits.

By January 1, 2030, the program's end state is clear and achievable. California will have a convenient statewide covered product collection and repair first system with bins and retailer hubs functioning across all counties, mail-back or mobile options in hard-to-reach areas, and robust domestic recycling capacity. PFAS and other chemicals will be managed responsibly through testing, isolation, and routing standards. Producers will face fair, transparent fees that reward circular design and penalize practices that raise costs or harm outcomes. Data will be machine readable, immutable, and audit ready, giving CalRecycle real time visibility and the public clear annual reporting. Jobs in repair, reuse, sortation, and recycling will grow, particularly where workforce development partnerships are active, and thrift organizations will be integrated and thriving, not sidelined.

The final rationale for selecting Landbell USA is straightforward. The organization combines global PRO execution experience with California grounded partnerships and secure, purpose-built software. The plan is practical and phased, with statutory dates at its core, and it treats equity, public transparency, and data integrity as non-negotiables. Producers can comply with confidence, residents can participate with ease, and the State can oversee with clarity.

In response to the questions raised by CalRecycle, the following table directs the reader to the specific applicable sections.

### Information about the Organization

| # | Question  | Pages                                   |
|---|---|---|
| 1 | Provide a summary of the organization and a description of how the organization is qualified to serve as the producer responsibility organization (PRO).  | 21-58                                   |
| 2 | Explain why this organization is interested in serving as the PRO.  | 21                                      |
| 3 | <p>List the members and titles of the organization's governing board along with the following information:</p> <ul style="list-style-type: none"> <li>• Term lengths for each member and information on whether a board member is eligible for reappointment.</li> <li>• List of the producer(s) that each member represents.</li> <li>• Description of how the governing board represents producers that are diverse in size and type and that represent the diversity of covered products in the market.</li> <li>• List of covered products placed in the market by these entities. Please provide a detailed and specific list of products. Covered products are defined in Public Resources Code (PRC) sections 42984.3(a), (i), and (ae).</li> </ul>  | 59-83                                   |
| 4 | <p>List any ex officio members and titles of the organization's governing board, if applicable, and the following information:</p> <ul style="list-style-type: none"> <li>• Term lengths for each member and information on whether an ex officio member is eligible for reappointment.</li> <li>• Describe how the members are involved in the collection, sorting, repair, reuse, recycling, or management of covered products.</li> </ul>  | 28-29, 71<br>68<br>Appendix 8           |
| 5 | <p>Describe how your organization can most effectively implement this chapter including, but not limited to, responding to the following:</p> <ul style="list-style-type: none"> <li>• Describe the organization's experience implementing textile or apparel collection, reuse, or recycling programs.</li> <li>• Describe the organization's experience establishing and/or operating producer responsibility organizations/stewardship organizations.</li> <li>• Disclose any entities or organizations that the PRO has conducted business with or has any financial or contractual affiliation with.</li> <li>• Provide a list of the producers, including the brands of covered products they produce, who are currently members of or are affiliated with this organization.</li> <li>• Provide any other information to demonstrate that the organization can effectively implement the requirements of the law and is relevant to the organization's qualifications to be the producer responsibility organization.</li> </ul> | 31-35<br>21-23<br>31<br>27-31<br>84-136 |

## Financial Information

PRC section 42984.4(a)(2)(B) requires the PRO to demonstrate that it has adequate financial responsibility and financial controls in place to ensure proper management of funds. Responses to the following questions will assist CalRecycle's evaluation of these requirements.

| # | Question   | Pages   |
|---|--|---|
| 1 | Describe the types of audits conducted and their associated audit schedule.  | 159-172   |
| 2 | Describe what fraud prevention measures the organization has implemented.  | 161-168   |
| 3 | Pursuant to PRC section 42984.10(b)(4), the PRO shall maintain reserve funds sufficient to operate the plan for no less than six months. How will the organization meet this requirement? What policies regarding reserve funding will the organization implement?   | 136-159   |
| 4 | <p>Explain any other ways your organization demonstrates that it has adequate financial responsibility and financial controls in place to ensure proper management of funds. For example:</p> <ul style="list-style-type: none"> <li>• Financial policies and procedures that outline guidelines for financial management, including budgeting, spending, procurement, and reporting, ensuring consistency and transparency in financial operations.</li> <li>• Qualified and trained staff who possess the necessary skills and knowledge to handle financial matters effectively.</li> <li>• Proper oversight of financial matters through regular review of financial reports and approval of budgets and expenses, ensuring the PRO's financial sustainability.</li> <li>• Internal financial controls, such as segregation of duties, multiple approvals for financial transactions, and regular audits or reconciliations, to prevent fraud, errors, and ensure accuracy and integrity of financial data.</li> </ul> | <p>159-172<br/>102-125</p> <p>147</p> <p>159-172</p> <p>159-172</p> |

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# Information about Landbell USA

## Landbell Group Company Summary and Qualifications as a PRO

Landbell USA is a part of the Landbell Group. Landbell Group supports companies and organizations worldwide with environmental and chemical compliance solutions. We are passionately and proactively involved in policy and advocacy on topics of waste management, circular economy and extended producer responsibility.

The Landbell Group was founded in Mainz Germany in 1995. We have had over 30 years to scale our operations and to mature into a worldwide leader in EPR and compliance initiatives. Our company was created with a sense of purpose, a north star: We advocate for a global ruleset that promotes proper waste Management & EPR which stimulates investment into infrastructure and innovative technologies which promote the circular economy. Today Landbell Group operates 42 PROs in 18 countries managing e-waste, waste batteries and waste packaging. We also operate a textiles PRO in the Netherlands, which is one of the first Textiles PROs in the world. A full list of PROs operated by Landbell Group is provided in **Appendix 1**.

In addition to PRO operations, Landbell provides:

- Global EPR regulatory consulting to help companies identify and meet obligations worldwide.
- Bespoke and specialised voluntary sustainability programs on a worldwide basis for many companies. These global take back programs go beyond regulatory compliance. In addition, this specialist team provides circular economy consultancy on end-of-life management across many waste streams.
- Expert chemical regulatory support across global markets.
- Specialized software solutions for producer declarations, reporting, and PRO operational needs.
- Strategic partnerships with governments, PROs, and industry associations.

For a complete list of materials and countries covered by our services, see **Appendix 2**. Landbell Group holds strong sustainability ratings and has supported numerous global initiatives, demonstrating our established governance, operational rigor, and expertise across complex EPR regimes — including textiles. Landbell Group recently received **Ecovadis Gold** reflecting our strong commitment to the Environment, Labor & Human Rights, Ethics and Sustainable Procurement. This places among the top 5% of leaders in corporate social responsibility and being a trusted partner in sustainable business.

As the textile sector transitions from a lightly regulated model to one governed by ambitious circular economy targets, Landbell USA is leveraging decades of experience in packaging, e-waste, and battery stewardship to build compliance solutions for this new waste stream. Based on extensive engagement with industry stakeholders and government agencies, we have identified significant gaps across the value chain — including collection, sorting, repair, reuse, education and recycling. These challenges require coordinated, system-wide actions. Our strategy is to build collaborative, integrated solutions that ensure feedstock availability and economically viable end-of-life pathways for textiles. We work closely with our partners, to fully understand their businesses so that we can give the right incentives and information. This helps businesses transform and grow so that higher recycling and reuse targets can be met.

Although each PRO operates under its own specific regulatory framework, and each waste stream and jurisdiction has unique characteristics, we have developed **foundational principles** that apply across PRO setups. These principles are adaptable to local context and provide a universal baseline for:

- Governance
- Operations
- Reporting
- Member services

This overarching approach is described in **Appendix 3**. **Appendix 4** provides a more detailed demonstration of how Landbell's approach is used to achieve both high-level and granular objectives and targets for PROs.

Landbell Group's foundational approach centers on:

- Service and business operations development
- Strong member support and satisfaction
- Risk management and compliance excellence
- High-quality monitoring, reporting, and data systems
- Operational and sustainable procurement
- Development and maintenance of holistic, efficient, and cost-effective supply chains

From 2004 through Q4 2024, Landbell-managed PROs handled the following tonnages:

| Waste Stream                          | Tons      |
|---------------------------------------|-----------|
| Textiles (Netherlands to end Q3 2025) | 19,250    |
| Packaging                             | 9,589,982 |
| e-waste                               | 5,563,722 |
| Batteries                             | 168,304   |

**Direct Textile PRO Experience**

Landbell Group operates as a textiles PRO in the Netherlands, which is the closest existing analogue to the proposed California SB 707 covered products PRO. While Dutch textiles legislation is less complex and demanding than SB 707, and Landbell USA's approach and timeline for California will differ, the Netherlands program has provided:

- Milestone mapping for a covered products PRO setup
- Readiness exercises for stakeholders
- Tools and processes to help producers meet covered product -specific EPR obligations
- A roadmap for effective educational and marketing programs

In addition, in preparation for end-of-life textiles legislation in **Italy and Spain**, Landbell Group has already established PRO entities that will become operational once national regulations are fully in place. When those programs launch, Landbell Group will operate **44 PROs**.

Support the Landbell USA’s Incorporation and Governance

**Establish and Manage a Working Group**

Using our extensive teams in Landbell Group and the infrastructure that successfully manages multiple PROs, Landbell USA will build strong partnerships and maintain open, transparent communication among stakeholders that is essential to the success of the California SB 707 PRO. Landbell Group has extensive experience establishing highly functional working groups across all our PROs and these groups typically include representatives from:

- Municipalities
- National and regional governments
- Retailers and brands
- Collection and sorting organizations

- Reuse and repair entities
- Supply chain partners
- Recycling organizations
- Industry associations
- Textile fiber producers
- Sustainable, regenerative farmers
- Underserved community workforce development organizations
- Textiles material technology specialists
- Stewardship councils and advisory bodies

These consortia help structure organizations, develop funding models, implement effective governance, encourage open and authentic communication, and ensure continuity across all critical PRO initiatives. Landbell USA will bring this proven approach to California, forming a structured working group aligned with SB 707 objectives. Landbell Group will support the program through the formation phase to the operational phase. Landbell Group will provide key guidance and expertise to assure the success of the program.

### **Incorporation of Landbell USA Inc.**

Landbell USA Inc. has been incorporated as a **501(c)(3) not-for-profit corporation**, which will serve as the statutory Producer Responsibility Organization for SB 707.

- The **Articles of Incorporation** and **Bylaws** are included in **Appendices 5 and 6** respectively.
- The not-for-profit structure aligns with the legislative requirements for a PRO and ensures transparency, neutrality, and public interest governance.

### **Established Industry Relationships**

Landbell USA's Team Lead, **Pat Gibbs**, has developed strong working relationships with key U.S. covered product sector entities, including:

- Covered product recyclers
- California-based haulers, collectors and sorters
- Reuse and repair organizations

- CA regenerative yarn spinners (e.g Sierra Spinning)
- Global and national brands
- Community and local CA sustainable producer coalitions, such as the Made in LA Coalition Made in LA: Celebrating Authentic Los Angeles-Made Brands – Made In L.A.
- Advanced Textile technology companies (e.g. Intrinsic Advanced Materials and Ciclo) advancing the reduction of microfiber pollution.
- CA Fibershed Organizaion
- Sustainable fashion experts
- Existing CA EPR waste stream PROs
- CA organic farmers specializing in extra-long staple cotton (e.g Bowles Farming).
- Hospitality and Health Care Organizations

These relationships will help convene subject-matter experts into a comprehensive California working group and streamline communication between the PRO, California governing bodies, and statewide stewardship councils.

## California SB707 Approach and Timeline

Landbell USA's approach to creating and managing the PRO for California SB 707 is designed to:

- Provide a sustainable and robust solution to minimize the impact of end-of-life textiles and covered products on the Californian environment while ensuring circularity of the feed stream through repair, reuse and recycling
- Ensure that participating producers can fully comply with all legislative requirements
- Deliver compliance in the most efficient, way possible
- Minimize costs and administrative burden on producers
- Support robust collection, sorting, repair, resale, and recycling systems

We also recognize the critical role that covered products and second-hand garments play in the **thrift and reuse sectors**. Our program design anticipates that funding will be used to ensure that thrift organizations are not disadvantaged by separate covered product collection pathways and can maintain or enhance their role in the circular covered product ecosystem.

## Key SB 707 Milestones and Landbell USA Activities

| <b>SB707 major milestones and activities to meet them</b>   | <b>deadline</b>   |
|---|-------------------|
| <b>All producers join the PRO</b>   | <b>01.07.2026</b> |
| Producer (membership) contract development  |                   |
| Reporting guide development   |                   |
| Producer registration and reporting software development and launch   |                   |
| Set-up fees development, approval and producer invoicing  |                   |
| Development of a process to reveal and report free riders (this will occur after efforts are made to onboard all producers)   |                   |
| <b>Submission of the initial needs assessment by the PRO to CalRecycle</b>  | <b>01.03.2027</b> |
| Establishment of a working group for needs assessment purposes  |                   |
| Demographic factors assessment and forecasting  |                   |
| End-of-life covered products composition and contamination levels assessment at a variety of collection arrangements and sorting facilities   |                   |
| Full assessment of servicing for key categories of covered product consumers, including all relevant operators, costs analysis related to end-of-life covered products collection and hauling                 |                   |
| Assessment of sorting, repair, second-hand covered products market situation, recycling capacities, including mapping all relevant operators, and corresponding financial aspects of the mentioned operations |                   |
| The collection, sorting, repair and recycling services availability gaps assessment and analysis  |                   |
| Evaluation of opportunities and costs of various methods to increase collection and recycling rates of covered products   |                   |
| Analysis of additional infrastructure needed to meet convenience standards, increase collection, reuse and recycling rates for covered products   |                   |
| Market conditions and opportunities for the use of recycled covered products in manufacturing new covered products (in California and abroad)   |                   |
| Education needs in California   |                   |
| Submission of developed needs assessment  |                   |
| Evaluation of CalRecycle's feedback, finalization of the needs assessment   |                   |
| Pilot program development and planning  |                   |
| <b>Adoption of regulations by CalRecycle with details on EPR plans and other requirements</b>   | <b>01.07.2028</b> |
| Collaboration with CalRecycle and other stakeholders, event and working groups participation  |                   |
| Providing comments and opinions on legislative developments   |                   |
| Ongoing needs assessment and pilot program  |                   |
| <b>Submission of an EPR plan by the PRO to CalRecycle for approval</b>  | <b>01.07.2029</b> |
| Establishment of a working group for the plan development purposes  |                   |

| <b>SB707 major milestones and activities to meet them</b>  | <b>deadline</b>   |
|--|-------------------|
| Ongoing needs assessment and pilot program   |                   |
| Fee structure for a fully operation EPR program, including modulation of fees based on producers and covered product's properties which comport with aligned fee modulation factors. Structure will include malus fees as well   |                   |
| Statewide collection with a corresponding convenience level for consumers and full coverage of the State   |                   |
| Sorting, repair and recycling arrangements   |                   |
| Supply chain operators, participating local authorities and stakeholders contracting and reporting arrangements, including corresponding reimbursement   |                   |
| Collection, repair and recycling targets   |                   |
| Investments needed for statewide collection coverage and meeting reuse and recycling targets   |                   |
| Activities to encourage usage of secondary fibers in manufacturing of new covered products   |                   |
| Statewide participation, consumer awareness, education campaign  |                   |
| Measurement, auditing and reporting processes  |                   |
| Submission of a developed plan   |                   |
| Evaluation of CalRecycle's feedback, finalization of the plan  |                   |
| <p data-bbox="418 957 1060 993" style="text-align: center;"><b>Start of implementation of the approved plan</b></p> <p data-bbox="201 995 1281 1108">From January 2030, Landbell USA will implement the approved EPR plan statewide, building on pilot learnings, Needs Assessment results, and stakeholder input.</p> | <b>01.01.2030</b> |

**Producer Board of the PRO**

Landbell Group has assembled a Producer Board of the PRO to provide governance, ensure ethical operations, provide strategic direction and oversight, and represent the varied producer interests in guiding the PRO to successfully enable all SB 707 covered product producers to effectively comply with the requirements of the legislation.

Most of our current Producer Board members represent California founded companies and are headquartered in California. SB 707 is California-legislation, and local companies should have a substantial governing position. This localization will drive a vigorous passion to ensure the success of the California PRO, foster equitable, effective community outcomes and incite a team spirit that will set the example for other States. These California founded companies also have an expansive customer base stretching across the U.S and International markets.

We are proud to include some of the most committed sustainable apparel and textiles producers in California on our governing board that practice responsible, local sourcing

of preferred materials, employ local manufacturing, prioritize circular, durable designs, ethical labor practices, operational transparency and waste minimization. Most are woman (founded or co-founded) and minority founded and managed businesses.

Following the guidance of the legislation, our Producer Board of the PRO consists of producers who represent a diversity in size, of type and a diversity of covered products put onto the market. Everywhere Apparel is a woman co-founded small producer local to LA whose products are produced with 100% recycled cotton. Regent Apparel (founded in 1921 in San Francisco) is a woman owned small business that manufactures its own brand of workwear and who's customer base includes commercial laundries and the hospitality and healthcare markets. Reformation (woman founded), Everlane and WayToBe are medium sized producers with a strong sustainability foundation- selling a wide variety of covered materials. The Made in LA Coalition and the California Outdoor Recreation Partnership (CORP) represent many different producers who collectively market a massive swath of covered materials and widely vary in producer size. Our producer board of the PRO collectively puts onto the California market approximately 90% of the covered material categories of apparel and textiles defined in Public Resources Code (PRC) sections 42984.3(a), (i), and (ae) of the legislation. All details of each producers covered material put into market are specifically detailed in the attached **Appendix 7**. All our producer board members resolutely support the provisions, the spirit and the intent of the CA SB 707 legislation, and many actively contributed to and helped shape the law's current formulation.

To further support this strong, dynamic producer Board of the PRO which is representative of all categories of SB 707 covered materials, Landbell Group is reserving 20% of our producer Board PRO positions for large international producer representation.

### Ex officio Board of the PRO

Landbell USA has mindfully enlisted a highly functional ex officio board of the PRO. The ex officio board will provide expertise and guidance through key aspects of the PRO's legislative compliance and sustainability initiatives for the SB 707 covered materials value chain. The members will form a working group of well-established California professionals, representing the collection, sortation, repair, reuse, recycling, hauling and other core aspects of the management of covered materials. This includes consumer engagement, California textiles EPR legislative expertise, advanced textiles materials(bio-degradable) technology, land stewardship, regenerative agriculture, de-centralized manufacturing, natural fiber production, responsible apparel overstock liquidation, goodwill representatives and underserved community workforce initiatives.

The ex officio board will play a critical role in the organization's leadership strategies and tactical actions. They will help navigate challenges with specialized knowledge and experience, communicate existing resources for the PRO to responsibly connect, scale and work towards a more circular textiles system. Additionally, the members will offer constructive criticism and feedback, foster a collective, iterative effort to lead to more informed decisions and to advance collaboration on the PRO's plan for implementing sustainable initiatives, material flows, recycling targets, circularity operations, environmental impact reduction pathways, and legislative compliance assurance

The members of our ex officio board team have been engaged in California covered materials sustainability programs for many years. Some are the foundational pioneers and backbone of these efforts - both legislatively and operationally. Many of the members have been collaboratively working with each other for many years on these initiatives inspiring a similar "team spirit" in the DNA of the group that also exists in the Producer Board of the PRO.

The ex officio board will work closely with the Producer Board of the PRO as a collaborative team to communicate concerns, ideas, technical knowledge, practical visions and guide best practices. This will help to ensure the PRO is enabling the producers to meet the requirements of the legislation, reduce the environmental impacts of the fashion industry and to launch the various sustainability initiatives that the statute communicates.

**Appendix 8** describes each member and how they are involved in the collection, sorting, repair, reuse, recycling or management of covered products.

## Advisory Committee of the PRO

Advisory committees are most effective when they include experienced voices from across the various sectors of the value chain. Landbell USA has carefully curated a group of CA SB 707 relevant professionals representing distinct operational objectives of the statute, each with a track record of commendable experience and success. The charter of the committee will be to share best practices, and to provide expert advice, guidance and insights in their field- specific proficiencies to the CA PRO, and the ex officio and covered Producer Boards of the PRO.

Members include Rey Banatao. Rey is a Director at X, the Moonshot Factory (a division of Google), which specializes in the earliest stages of innovation and commercialization of hard technologies. Rey is a serial entrepreneur and serves as the Project lead for Mattered, X's Moonshot for the Circular Economy of materials, including textiles. Mattered is focused on breakthrough technologies, data, and AI to accelerate cost effective textile

circularity, from waste collection, to sortation, recycling, reuse and repair across the entire value chain.

Teddy Stray of CARE (Carpet America Stewardship Program), a long-established California Organization working on carpet stewardship will also be a member of our Advisory Committee. It is anticipated that the SB 707 Covered Products PRO and the Carpet PRO will experience significant cross-over and lead to symbiotic and cross-functional opportunities in downcycling waste streams and consolidation of hauling routes. Other experts include Heidi Sandborn, Founding Executive Director of the National Stewardship Action Council, The Stewardship Action Foundation (SAF), and Founding Director (2006-2018) of the CPSC. With 35 years of leadership in the solid waste, recycling and environmental policy fields, Heidi is widely recognized as the foremost U.S authority on EPR and a key architect of modern circular economy policy. Other specialists include a 17-year textile fabric engineer for Target and a venerable CA regenerative farming company CEO specializing in extra-long staple cotton. Another member is Dr. Emily Oertling, who is rewriting the curriculum for the Fashion Merchandising and Management Program at Sacramento State University. Her work outlines the value of apparel production in sustaining community relationships. Also, the Larry Rowbs Foundation which is operating in Uganda, Africa focused on the mission of helping underdeveloped countries by empowering them with key resources and capital to start up their own apparel recycling facilities, and to be otherwise able to responsibly contain, repair and reuse used products ending up in landfills and on the shorelines of Africa and other underdeveloped countries.

Other representatives include René Gauthier, a CA textile cotton spinning mill and recycling hub facility designer and futurist, who specializes in forward-looking circularity of CA cotton-rich textile and apparel waste. Tanita Gray, the CEO of Shoe Waste LLC, an education and outreach company that focuses on footwear recycling and recovery through professional and community-based training. Her company has developed foundational models for material recovery by using comprehensive footwear deconstruction to reveal how waste from shoes can participate in the circular economy. Zack Zimmerman, A municipal waste outreach coordinator, educating the public on textile waste service and diversion resources, while also coordinating franchise agreements with local municipalities. Amandine Richard is the founder of Recurrence, a company focused on eco-design of apparel, digital product passports, and fee modulation guidance. Shira Lane CEO is the founder of Atrium 916, a Sacramento-based marketplace and studio program supporting over 150 creative CA entrepreneurs, many of whom produce textile-based products including apparel, using second-life materials. Finally, Shiloh Uhler, VP of Innovation at Ceramony of Roses, a Sony Music Entertainment producer of promotional products, including apparel and multiple SB 707 covered

materials. Shiloh is brining circularity and sustainability innovation to a \$250M portfolio of products.

As with both our ex officio and Producer Boards of the PRO, the members of our Advisory Committee vigorously support the spirit and intent of CA SB 707 and are authentically passionate about contributing to its success. Similar to our Boards, our Advisory Committee members personify that "California Team Spirit" that will be integral to the success of the CA PRO.

**Appendix 9** describes each member of the Advisory Committee and how they are involved in the collection, sorting, repair, reuse, recycling or management of covered products.

### Describe the organization's experience implementing textile or apparel collection, reuse, or recycling programs

Landbell Group, through **ERP Netherlands (ERP NL)**, has established a textiles PRO that began operations in 2024. This represents one of the first textile PROs in the world. The approach and timeline used for the Netherlands textiles PRO are presented in **Appendix 10**. This experience is reflected throughout this application. The Dutch textiles PRO's development drew heavily on Landbell Group's long-standing experience with other waste streams. For California SB 707 implementation, Landbell USA has:

- Taken key milestones from previous PRO launches
- Compiled key CA stakeholder groups for full-circle representation
- Adapted them for SB 707's structure and requirements
- Aligned them with the approach and timeline described earlier in this application

These milestones fall into several key areas:

- Application process and regulatory approvals
- Industry education and awareness leading to PRO membership
- Needs Assessment development and refinement
- Adoption of detailed EPR regulations by CalRecycle
- Submission and approval of a California-specific EPR plan

Landbell Group will adapt this proven methodology across different regulatory frameworks and waste streams to ensure a robust and effective system is developed in California.

Success depends on a deep understanding of the **environmental, economic, demographic, geographic, and social context**. Landbell USA will:

- Conduct broad engagement with stakeholders (producers, retailers, thrift organizations, municipalities, recyclers, NGOs, etc.)
- Perform mapping and readiness exercises to understand enablers, established resources, and blockers across the value chain
- Use these insights to refine the approach and timeline for SB 707 implementation

Quantitative data is essential to efficient program operation. Landbell will:

- Prioritize collection and analysis of existing data
- Identify gaps and improve data robustness through Needs Assessment activities and pilot studies
- Maintain an iterative approach to target-setting and performance standards and management

The Needs Assessment will be submitted in 2027, but it is proposed to continue through **2030**, allowing for refinement of targets and strategies as new data becomes available.

### **Awareness and Education**

Many stakeholders—particularly smaller entities—may have low awareness of end-of-life covered products management and SB 707 requirements. Landbell Group's experience is informing Landbell USA's strategy, and this includes:

- A broad, multi-channel consumer education campaign
- Targeted outreach and training for producers, retailers, and local authorities
- Tailored support for smaller businesses to help them understand and meet their obligations

### **Financial Planning and Management**

Financial planning is critical to program success. In this application, Landbell USA has:

- Developed an estimated budget through 2030 based on experience from other PROs
- Considered anticipated costs, including infrastructure, staffing, governance, education, and innovation projects
- Proposed a transparent funding model based initially on producer/member fees.
- As the producers gather knowledge and information from their IT systems about the covered products that they place on the market, the charge structure will change to one based on **producer POM tonnages from 2028**.
  - These fees will support the development of the PRO as well as the Pilot Program and ongoing needs assessment.
- It is not intended to incorporate fee modulation factors into the fee structure at this stage.

By 2030:

- The promotion and education program will be fully deployed, supporting high rates of consumer awareness, collection and reuse.
- Fee modulation factors will be introduced, incentivizing more sustainable product design, better operational control, improved producer take-back programs, product labelling etc., and will discourage malus fee triggers like overproduction, multi-fiber (3+) materials and others.

Assumptions used in budget and program design include:

- California population: **39.4 million** across 58 counties (~11.6% of US population).
- Estimated annual textile POM: **1,000,000 tons**, based on published research (e.g., McKinsey 2022).
- Bin deployment: approx. **1 bin per 2,500 residents**, totalling ~15,800 bins (with tailoring for low-population areas).
- Estimated cost per bin delivered: **\$3,200**.
- **Retailers acting as collectors**, capturing an additional ~10% of textile waste, with lower contamination than municipal points.
- **Pilot program** in 2028–2029 in five counties representing ~10% of the California population (~3.98 million residents).
- Gradual **staffing** ramp-up at Landbell USA and CalRecycle between 2026–2030.
- Annual stipends for Board and Advisory Committee members from 2027.

- Office and administrative expenses, including HR and professional services (legal, finance, audit, IT, government relations).
- **Revenue projections** based on membership fees and charges per pound of textile POM, increasing from 2026 to 2030.

Landbell USA assumes that, for budgetary purposes, municipal bins will be purchased; once the PRO is operational, purchase vs. leasing (or a hybrid model) will be reassessed.

Retailer collection is built into the program assumptions, with the PRO collecting end-of-life covered products from retailers and, where appropriate, introducing consolidated “milk-run” style routes over time. It is further planned to support this aspect through the use of our geospatial software that will minimize GHG and emissions.

Landbell Group will provide **financial backing** for the PRO during the early phases, prior to full cost recovery from producer fees. This model has been successfully applied in multiple Landbell PROs worldwide.

### **Stakeholder Engagement Strategy**

Landbell USA, through its affiliate H2 Compliance USA, maintains a dedicated regulatory team based in **Philadelphia, Boulder, and Eugene**, with experienced attorneys providing North American EPR regulatory support to global clients. This team:

- Actively monitors developing and adopted EPR legislation across North America
- Uses the **Knowledge Database (Sagis KDB)**—a specialist regulatory tracking system—to store and analyze legislative information
- This information coupled with the detailed producer education and awareness program presented later in this application will help to assure producers and alleviate any knowledge deficits

### **Process Creation – Identifying, Contacting, and Engaging Stakeholders**

Landbell Group regularly uses specialist software to manage PRO activities. For California SB 707, we will use:

- Internal membership and reporting tools
- **Sagis KDB** for regulatory tracking
- **Loamist** – a specialist geo-spatial software that can supplement and support producers, the PRO operations and optimise logistics. It can additionally take fee modulation into consideration when it is implemented.

These systems:

- Support complex, multi-jurisdictional collection logistics and reporting
- Are specifically designed for circular economy, regulatory supply chain development and EPR schemes
- Will be adapted to the CA covered products PRO and its stakeholders
- Are highly secure and scalable

For the California PRO:

- A dedicated team will run training and instructional sessions to support registrations and reporting.
- This team will also work with CalRecycle to identify and engage free-riders in the system.
- It is imperative that this is coupled with promotion and educational activities to ensure high levels of uptake.

**Disclose any entities or organizations that the PRO has conducted business with or has any financial or contractual affiliation with.**

**In California and the USA:**

- Landbell USA currently has **no contractual or financial relationships** with stakeholders examining the implementation of SB 707.
- We are, however, in active, non-contractual discussions with collectors, sorters, recyclers (mechanical and chemical), textile manufacturers, spinning mills, regenerative farmers, upcycling and downcycling companies, and thrift organizations to inform the design of the program and this application.

**In the Netherlands:**

- Landbell Group has multiple contractual and financial relationships with operators supporting textiles PRO management; however, these entities are not currently present in the USA.
- Additionally, ERP NL has established relationships with many producers who are members of their PRO.

## Program Implementation and the Organization's Qualifications

In preparing to submit this application, we wish to divide the answer to this section into several parts. To do this, we have made certain assumptions which will be clarified once the Needs Assessment is completed. The following are the assumptions that we have made in developing the PRO Program.

- California has a population of 39,431,263 people spread over 58 counties. This represents approximately 11.6% of the total USA population.
- Depending on which documentation is analyzed, the amount of textile sales in California vary. As the basis for our calculations, we have used the annual textile put-on-market (POM) weight of 1,000,000 tons (Closing the Loop: Increasing Fashion Circularity in California, McKinsey, 2022).
- Per Paragraph 42984, the program requires one collection bin per 2,500 residents (with some exceptions for low population locations) resulting in a calculated total of 15,800 bins.
- Estimate that one new collection bin, delivered, will cost \$3,200.
- Expect that Retailers will act as collectors during the Pilot Program and beyond It is estimated that Retailers will collect an additional 10% of covered product waste, with this percentage increasing as the program progresses.". It is also expected that the contamination in these bins will be less than covered product waste collected at municipal collection points.
- Plan to run a pilot program in 2028 and 2029 in five counties (urban and rural) representing a population of 3.98 million people (~10% of the total population of California)
- Build up staff in Landbell USA over the period 2026-2030 Grow staff in CalRecycle to oversee the program (this is further detailed below).
- Estimate costs to provide annual stipends to Board Members and Advisory Committee Members (from 2027)
- Estimate office and office related expenses
- Plan for an extensive promotion and education program (initially in the pilot counties before extending to the rest of California)
- Plan for an extensive education program for affected stakeholders in California.
- Estimate costs for professional expenses (Legal, Finance and Audit, IT Administration, Government Relations Officer, HR)
- Estimate revenue to PRO based on a charge per covered product lb. POM (increasing from 2026 to 2030 to allow full implementation of the program)

## Approach and Timeline

For purposes of this application, we will detail our proposed approach and timeline over the following sections.

### Create A Staffing Plan for CA SB 707 and Other States

The estimated number of members of the PRO is 35,000-40,000. Many of these companies will be small and will likely have limited regulatory experience and knowledge. To plan for this, Landbell USA has discussed the operational planning and staffing with some of our larger Landbell Group PRO affiliates. From these conversations, we believe that the most appropriate structure is the one presented in **Appendix 11**.

In the first instance, this is only focused on the preliminary staffing requirements for California. Following the identification of the three senior managers (CEO, CFO and COO), an organization can be formed underneath these three leaders. It is proposed that the CFO will also be responsible for the day-to-day management of ancillary services such as HR. The COO will be responsible for all aspects of the operation of the organization including member services and support. As noted, many of the members are expected to be small and it is our experience that supporting these smaller members can require a significant amount of time (especially when one compares them to managing larger companies who have regulatory knowledge, proprietary POM data, and experience).

Landbell USA will work with its Landbell Group Affiliate H2 Compliance USA that has an extensive team in the USA covering operational programs, regulatory programs, EPR support and supply chain activities. H2 Compliance USA has been operating in USA since 2009. H2 Compliance USA will engage and expand this team to ensure that a robust program can be implemented. In the period 2026-2030 this team will comprise:

| Role  | 2026 FTE | 2027 FTE | 2028 FTE | 2029 FTE | 2030 FTE |
|---|----------|----------|----------|----------|----------|
| Strategy and Oversight Committee                  | 0.6      | 0.55     | 0.55     | 0.55     | 0.05     |
| Governance Strategy and Programming               | 0.1      |          |          |          |          |
| Covered products Operations                       | 0.15     | 0.1      | 0.1      | 0.1      | 0.1      |
| Covered products Program Lead                     | 0.5      | 1        | 1        | 1        | 1        |
| Covered products Operations and Technical Support | 0.15     | 0.1      | 0.05     | 0.05     | 0.05     |
| Support Management Teams                          | 0.5      | 1        | 1        | 1        | 2        |
| Supply Chain                                      | 0.1      | 0.075    | 0.05     | 0.05     | 0.05     |
| Operations  | 0.025    | 0.025    | 0.025    | 0.025    | 0.025    |
| Regulation Expertise and Tracking                 | 0.3      | 0.225    | 0.225    | 0.225    | 0.225    |
| Data Management                                   | 1        | 2        | 4        | 4        | 6        |

| Role   | 2026 FTE    | 2027 FTE  | 2028 FTE  | 2029 FTE  | 2030 FTE    |
|--|-------------|-----------|-----------|-----------|-------------|
| Database Administration  | 0.5         | 1         | 2         | 2         | 3           |
| Controller   | 0.4         | 2         | 3         | 3         | 5           |
| Operational and Supply Chain Management (from collection to treatment) | 4           | 6         | 8         | 10        | 10          |
| Membership and Compliance Management                                   | 2           | 4         | 4         | 4         | 6           |
| <b>TOTAL</b>   | <b>10.5</b> | <b>18</b> | <b>24</b> | <b>26</b> | <b>33.5</b> |

By working through H2 Compliance USA, Landbell USA minimizes any risk associated with staffing as well as using an expert team that is available on demand. It also allows Landbell USA to stop certain activities and resources should the need no longer exist. In parallel to the staffing presented above, Landbell USA will comprise the following staff (including CalRecycle staff). It is intended that the PRO will finance CalRecycle staff. For the purposes of the budget, we have provided an estimate of the number of personnel and their cost through program implementation in 2030. Additionally, for budget purposes we have included Board and Committee Members as staff, though their costs will not be managed as salary.

| Role                               | 2026 FTE    | 2027 FTE    | 2028 FTE  | 2029 FTE  | 2030 FTE  |
|------------------------------------|-------------|-------------|-----------|-----------|-----------|
| General Management (CEO, CFO, COO) | 2           | 3           | 3         | 3         | 3         |
| PR & MKT (External)                | 0.75        | 1.5         | 2         | 2         | 3         |
| Government Relations Manager       | 1           | 1           | 1         | 1         | 1         |
| CalRecycle Admin                   | 3           | 6           | 12        | 14        | 16        |
| Board Members                      | 20          | 20          | 20        | 20        | 20        |
| Advisory Committee                 | 13          | 13          | 13        | 13        | 13        |
| HR                                 | 0.66        | 1           | 1         | 1         | 1         |
| <b>TOTAL</b>                       | <b>36.5</b> | <b>45.5</b> | <b>52</b> | <b>54</b> | <b>56</b> |

H2 Compliance USA personnel and job descriptions can be referenced in **Appendix 12**.

## Phase Planning

With the team identified above and upon selection as the California SB 707 Producer Responsibility Organization (PRO) on **March 1, 2026**, Landbell USA will immediately implement a proactive, structured, and fully resourced work program to meet all statutory PRO requirements. Building on decades of global EPR leadership, we have developed an implementation framework with clear RACI assignments, defined leadership responsibilities, and robust internal coordination mechanisms to ensure timely and compliant delivery.

The period between **March 1, 2026**, and the first two major milestones—**(1) Producers joining a PRO by July 1, 2026**, and

**(2) Submission of the Needs Assessment on March 1, 2027**

is highly compressed but fully achievable. We have already undertaken significant preparatory work, and these activities will proceed concurrently and efficiently.

*Producers to Join a PRO by July 1, 2026*

- Landbell USA will lead a comprehensive stakeholder engagement strategy to identify, contact, track, and support all obligated producers and retailers. Our approach leverages advanced tools, including **Loamist**, and the **Knowledge Database (Sagis KDB)**, each of which provides secure, scalable, and transparent mechanisms to manage producer registrations, communications, and reporting.
- We recognize that many producers and retailers will face substantial challenges meeting the data, recordkeeping, and systems requirements under SB 707. Many will need to evaluate or recalibrate their internal IT systems, data-capture processes, and documentation workflows. These activities require time, guidance, and ongoing support.
- To mitigate this burden and ensure timely onboarding, Landbell USA will:
  - **Scale producer engagement immediately** upon designation as the PRO.
  - **Hold regular meetings** with producers and retailers beginning March 1, 2026, to understand challenges, provide support, and guide them through the sign-up process—including requirements related to put-on-market (POM) data.
  - Conduct initial meetings with our Governing Board of the PRO and Advisory Committee(s)
  - **Deploy a dedicated Landbell Client Team** to ensure that onboarding is completed as early as possible within the statutory window.
  - **Conduct recurring workshops and training sessions** designed to address questions, provide hands-on support, and help producers establish compliant systems.
  - **Monitor progress through Management Group oversight**, ensuring readiness across all engagement activities.
- This structured engagement program ensures an orderly, transparent, and achievable onboarding process aligned with SB 707 deadlines. This program will be presented in detail later in this application.

**Needs Assessment**

The Needs Assessment will be submitted to CalRecycle by **March 1, 2027**, as required under PRC § 42984.6. This initial assessment will define the procedures, activities, milestones, and investments necessary for covered products to achieve the statutory targets. It will be updated every five years and may be submitted either as individual assessments by product category or as a single, comprehensive document.

Landbell expects that several aspects of the Needs Assessment will continue through **2030**, as permitted, providing ongoing insights to refine and optimize the PRO Implementation Plan.

Landbell Group has extensive experience preparing and delivering needs assessments for PROs across 18 countries. We will apply our proven "umbrella approach," which minimizes producer cost and risk while meeting all legislative requirements.

Much of the work performed during the initial onboarding phase directly supports—and becomes foundational for—the Needs Assessment. The following activities summarize our structured methodology.

#### *Requirements of the Needs Assessment:*

Landbell USA will:

- Track existing state programs, funding resources, and incentives for repair, reuse, recycling, and collection.
- Map the existing collection, sorting and treatment infrastructure including their capabilities to achieve the operational targets of SB707 and the corresponding gap analysis.
- Determine the funding needed to meet SB 707 collection, recycling, processing, and transport requirements.
- Develop equitable fee-reduction mechanisms, including modulated fees, based on sales volumes and design attributes.
- Assess data required for fee modulation. As well as material and chemical matters, consideration will be given to over-production and its impact on sustainability. This should consider planning, late design changes, skipping quality control leading to rework and unsellable stock and inconsistent sizing and poor grading.
- Analyze education needs and identify the most effective outreach strategies.
- Evaluate responsible end markets for recycled products—including markets for materials that cannot be returned to covered product use—and conduct required public-health assessments.
- Examine PFAS and chemical-related risks and propose actions to prevent contamination in recycling pathways.
- Leverage Landbell's chemical and covered product recycling teams for specialized analysis.
- Procure compliant, cost-competitive vendor contracts aligned with state and federal requirements.
- Work directly with CalRecycle to ensure alignment on Needs Assessment expectations.

This integrated approach ensures comprehensive coverage of all statutory Requirements. Further detail is presented below.

### *Gap Analysis: Collection and Sortation Resources.*

Our preliminary review of California's current collection and sortation infrastructure indicates substantial gaps that must be addressed for SB 707 compliance. This is confirmed through the [California Product Stewardship Council \(CPSC\) resource mapping](#).

Landbell USA will:

- **Map an expanded collection and sorting network**, including resource needs required to meet producer obligations.
- **Identify locations, feasibility, and funding pathways** for new infrastructure deployment. Landbell has conducted similar analyzes across multiple countries and PROs.
- **Identify and preliminarily map pilot locations**, which will serve as early data-collection hubs.
- **Assess municipal curbside, mail-back, kiosk, storefront, and thrift-store collection options**, and map pathways to scale each as part of a compliant statewide system.

### *Gap Analysis: Reuse, Repair, Resale, and Second-hand Resources.*

Because SB 707 explicitly prioritizes **reuse and repair**, significant growth in California's available facilities will be required. Current resources remain limited, as shown by [CPSC mapping](#).

Landbell USA will therefore:

- Conduct detailed investigations, mapping, and feasibility assessments of repair, repair, and resale infrastructure.
- Identify opportunities to expand participating facilities and build new repair and repair capacity.

### *Field Study: Covered Product Recycling Facilities*

Covered product recycling capacity—particularly in or near California—is limited. This will be one of the most significant challenges for SB 707 implementation.

Landbell USA will:

- Conduct a field study of U.S. covered product recycling facilities.

- Identify gaps, feasibility barriers, and required investment to achieve statutory recycling performance.
- Analyze opportunities to consolidate sorting and recycling services into centralized hubs—something our preliminary work suggests will be essential for success.
- Establish an Advisory Committee composed of recyclers, sorters, and technical experts to guide optimal system design.

### *Engagement with Waste Hauler Service Providers*

To ensure a fair, inclusive, and scalable system, Landbell USA will:

- Engage with both large and small waste hauler organizations across California.
- Leverage our Board of the PRO member Napa Recycling and Hauling as a resource
- Conduct a feasibility study to determine necessary infrastructure and network scaling.
- Conduct route planning and optimisation assessment (including Loamist Software).
- Ensure small and medium haulers have equitable opportunities to participate in the program.

### *Gap Analysis: Consumer Education Resources*

Consumer education is a core requirement of SB 707. Landbell USA will:

- Map existing education programs and identify opportunities to expand outreach.
- Deploy Landbell USA marketing team and Advisory Committee educational specialists to conduct on-the-ground field research.
- Develop a preliminary education and outreach blueprint including:
  - A communications strategy for consumers, retailers, wholesalers, distributors, and local jurisdictions
  - Materials explaining proper handling and improper handling of covered products
  - Information materials guiding consumers to sustainable apparel and covered products purchasing behaviours and the logic of their benefits.
  - Guidance on where consumers may purchase repaired or reused products
  - A metrics and evaluation framework for program effectiveness

- Coordination plans for a joint statewide website and toll-free information number

These activities will begin during the pilot phase and scale statewide in 2030.

#### *Evaluation of Covered Products and Categories:*

To meet statutory requirements, Landbell USA will:

- Produce annual reports on covered products disposed to landfill by product type, material composition, and volume.
- Report recovery volumes for reuse, repair, and recycling.
- Conduct a full evaluation of hauling systems, including additional repair and collection opportunities.
- Use Landbell's audit methodologies and software platforms to maximize operational efficiency and minimize avoidable transport emissions.
- Assess end-market viability and identify gaps requiring investment.

All data will be maintained in a fully auditable and traceable manner.

### Pilot Program Set-Up and Implementation.

Pilot projects will provide critical insights to refine infrastructure design, supply-chain coordination, and stakeholder engagement. Pilot activities will also inform KPIs, performance standards, cost modelling, and statewide rollout requirements.

Landbell USA's extensive relationships with collectors, sorters, recyclers, reuse organizations, and retailers provide a strong foundation to launch coordinated pilot programs.

Retailers are expected to play a key role as **collection partners**, and the pilot phase will establish mechanisms for tracking and evaluating their participation.

### Selection of Pilot Sites and Scaling

Landbell USA has identified **five counties**, representing approximately **10% of California's population**, for pilot deployment in **2028–2029**. These counties offer a balanced mix of urban and rural environments. Key planning considerations include:

- Estimated bin allocations based on population density.
- Twice-monthly collection schedules (with lower frequency for rural areas).
- Advanced coordination with county officials for site placement.
- Early bin manufacturing beginning in 2027 to meet program timelines.

- Preliminary operational budgets and driver-cost estimates for pilot and statewide scaling.
- Detailed modelling of retailer participation and collection tracking.
- Incorporation of pilot learnings into the 2030 statewide model.
- Targeted communications focused on pilot counties.
- Detailed mid-phase reporting and continuous optimization.
- Emphasis on sustainable, cost-efficient collection practices supported by Loamist's routing and logistics optimization tools.

Pilot results will guide the selection of operational models for statewide expansion.

## Auditing and Sampling

To ensure that the program operates with maximum efficiency and integrity, Landbell USA will implement a comprehensive **auditing and sampling program** based on the Landbell *Technical and Management Requirements for Textiles and Textile Waste* ("Technical Specification" or "TS").

The TS defines the minimum requirements to be fulfilled by a textiles PRO and establishes baseline criteria for control visits, checks, and audits at facilities that are part of Landbell USA's **covered product** waste management network. This framework enables Landbell USA to verify that all activities are conducted in line with:

- Applicable legal and statutory requirements
- Industry best practices
- Contractual obligations between Landbell entities and their operators

The TS applies in any market where Landbell manages, or intends to manage, collection and treatment operations—either directly under its own PRO or through bespoke solutions for individual customers. It also extends, where relevant, to other countries where downstream sorting or treatment facilities are located. All audits are conducted against this TS.

## Key Definitions

For the purpose of the auditing and sampling program, the following definitions apply:

- **Disaster**  
A serious disruption of an organization's operations, with negative consequences

(e.g., material and environmental losses, business interruption, threats to human life) that exceed the organization's capacity to cope using its own resources.

- **Disposal**

Any operation other than recovery, even if reclamation of substances or energy occurs as a secondary consequence (e.g., landfill, incineration without energy recovery).

- **Downstream Operators**

Operators to whom output fractions resulting from the sorting and grading of covered product waste are sent, regardless of the operation undertaken as the next tier in the supply chain.

- **Energy Recovery**

Processing of materials to generate and capture energy, such as incineration of material to create steam and drive electrical turbines.

- **Subcontractor**

Any service provider that conducts operations or services related to covered products and their waste, or their fibers/materials pursuant to a contract or similar arrangement between a treatment operator and a Landbell entity.

- **Transboundary Shipment**

Any movement of covered product waste from an area under the national jurisdiction of one country to an area under the national jurisdiction of another country.

- **Treatment**

Operations including pre-treatment (e.g., screening, removal of contaminants), sorting, repair, recycling, energy recovery, other recovery types, and final disposition, as well as preparations prior to recovery or disposal, in accordance with applicable law.

- **Waste**

Substances or objects which are disposed of, are intended to be disposed of, or are required to be disposed of under national law.

The following sections from the Technical Specification describe the aspects against which Landbell USA will audit the program. Audit questionnaires have been developed for each area.

## Legal & Liabilities

### LEGAL & LIABILITIES

| Legal and Contractual Obligations   |  |
|---|--|
| Minimum Requirements  | Additional Requirements  |
| Record and keep available and up to date all required permits/licenses/authorizations for all the sites, infrastructures, and operations.   | Including, as applicable, the following: <ul style="list-style-type: none"> <li>▪ Textiles and textile waste collection,</li> <li>▪ Textiles and textile waste transport,</li> <li>▪ Storage of textiles and textile waste,</li> <li>▪ Sorting of textiles and textile waste,</li> <li>▪ Repair of textiles and textile waste,</li> <li>▪ Reuse of textiles and textile waste,</li> <li>▪ Recycling of textile waste.</li> </ul> |
| Identify, ensure access, and comply with all applicable laws, regulations, authorizations, permit rules and contractual/customer requirements that pertain to your business. This includes any applicable obligation related to, but not limited to, EHS&SR, human rights, domestic transport, import and export, security, and labour. | When and where: <ul style="list-style-type: none"> <li>▪ Local national law does not provide adequate guidance, Landbell applies its own requirements as described in this TS and further contract clauses,</li> <li>▪ If applicable legal requirements conflict with the principles in this TS or any further contract agreements; the law always prevails.</li> </ul>  |
| Frequently verify conformity with legal, regulatory, and contractual/customer requirements.   | The evaluation results (of legal, regulatory, contractual and customer requirements) shall be recorded, updated at least yearly and readily available.   |

| Insurance and Risk Management   |   |
|---|---|
| Minimum Requirements  | Additional Requirements   |
| Possess adequate and up-to-date insurance coverage to accommodate both legal, regulatory, and contractual requirements.   | Insurance coverage needs to be appropriate to the risks and liabilities, namely to infrastructure, size, volume, nature, and operations of the operator.  |
| Maintain insurance to cover, at least, the following liabilities: <ul style="list-style-type: none"> <li>▪ Bodily injury and illness (employees, subcontractors, and visitors),</li> <li>▪ Loss and damage to material property.</li> </ul>   |   |
| Keep updated a documented risk/impacts assessment, covering EHS and human rights aspects and considering normal, abnormal, and emergency conditions.<br>Risks/impacts assessment shall include as a minimum: <ul style="list-style-type: none"> <li>▪ Risks/Impacts identification,</li> <li>▪ Risks/Impacts evaluation,</li> <li>▪ Preventive and remediation measures.</li> </ul> | The risks/impacts assessment shall include risks/impacts caused directly by operations and activities as well as risks/impacts indirectly linked with operations, products and services.  |
| Seek to prevent and mitigate, firstly, the most severe risks/impacts.   | Remediation should be effectively integrated across appropriate functions within the organization and using adequate resources (human, financial and material).<br>Evidence of the remediation follow-up, closure and effectiveness shall be available. |

Management System

| MANAGEMENT SYSTEM    |                         |
|----------------------|-------------------------|
| Code of Conduct      |                         |
| Minimum Requirements | Additional Requirements |

|   |   |
|---|---|
| <p>Define, communicate, and keep updated an EHS, Social Responsibility and Human Rights code of conduct, available to all employees, as well as to the public and cascaded down to subcontractors and downstream vendors.</p> | <p>The code of conduct must include, as a minimum, the following commitments:</p> <ul style="list-style-type: none"> <li>▪ Compliance with all applicable legal, statutory, and contractual requirements,</li> <li>▪ Pollution prevention,</li> <li>▪ Employees H&amp;S protection,</li> <li>▪ Fair work practices and a dignifying work environment,</li> <li>▪ Ethical behavior and fair business and competition practices,</li> <li>▪ Continual improvement.</li> </ul> |
|---|---|

**Expertise, Qualifications and Training**

| Minimum Requirements   | Additional Requirements  |
|--|--|
| <p>Ensure that personnel have the necessary expertise, skills and knowledge for the responsibilities and tasks they undertake and the EHS risks/impacts to which they are exposed.</p> | <p>Training documentation and support information should be available and easily accessible to all to employees.</p> <p>Depending on the activities and operations, the following qualification and/or training records shall be available:</p> <ul style="list-style-type: none"> <li>▪ Textiles and textile waste composition and characteristics,</li> <li>▪ Handling and treatment of textiles and textile waste,</li> <li>▪ Operational control processes,</li> <li>▪ Equipment operation and maintenance,</li> <li>▪ Health and safety practices,</li> <li>▪ Emergency rules.</li> </ul> |

**Records Management**

| Minimum Requirements   | Additional Requirements   |
|--|---|
| <p>Record and retain documentation and records associated with the control of the operations as appropriate to demonstrate fulfilment of legal, statutory, and contractual requirements, in accordance with industry practice.</p> | <p>Falsification of records or records showing an intended distortion of facts shall not be tolerated.</p>                            |
| <p>Retain critical records for 5 years unless a higher period is specified by applicable law/contractual requirements.</p>   | <p>Critical records are all the ones needed to demonstrate full conformity with the legal, statutory and present TS requirements.</p> |
| <p>Records shall be concise, discernible, legible, available and/or easily retrievable in hard copies or digital format.</p>   | <p>Maintain adequate and periodical backup. Digital copy backups shall be kept off-site or performed on a cloud platform.</p>         |

**Track & Trace**

**TRACK & TRACE**

**Collection**

| Minimum Requirements   | Additional Requirements  |
|--|--|
| <p>Undertake the collection of textiles and textile waste at authorized locations.</p> | <p>Collectors shall ensure that means of collection carry suitable identification and are fit for purpose.</p>   |
| <p>A collector may have textiles and textile waste acceptance conditions.</p>          | <p>If applied, acceptance conditions shall adhere to any applicable law, clearly documented and communicated to textile users (e.g., visible and available on the website and/or at a collection point).</p> |

| Inbound Transport  |   |
|--|---|
| Minimum Requirements   | Additional Requirements   |
| Ensure care and appropriate handling during collection, transport, loading, and unloading of textiles and textile waste to avoid damage to the loads, unnecessary EHS impacts and/or undermining their subsequent reuse and recycling potential. | Hold a valid carrier/transport licence/permit if engaged in the collection and transport of textiles and textile waste.   |
| Transport inbound textiles and textile waste loads with a shipping document, as per local legislation.   | The shipping document shall allow retrieval of at least the following information: <ul style="list-style-type: none"> <li>▪ Origin,</li> <li>▪ Materials transported and, if applicable, waste codes,</li> <li>▪ Collection and inbound delivery dates,</li> <li>▪ Quantity.</li> </ul>   |
| Outbound Transport   |   |
| Minimum Requirements   | Additional Requirements   |
| Ensure care and appropriate packaging during transport, loading and handling of textiles and textile waste outbound loads to avoid damage, unnecessary EHS impacts and/or undermine their subsequent repair and recycling potential.             | Used textile and textile waste outbound loads need to be labelled with: <ul style="list-style-type: none"> <li>▪ Classification,</li> <li>▪ Name and address of the destination (user/customer/treatment facility),</li> <li>▪ Sale document ID or donation declaration,</li> <li>▪ Quantity,</li> <li>▪ Date.</li> </ul>   |
| Transport outbound textiles and textile waste loads with a shipping document, as per local legislation.  | The shipping document shall display at least the following information: <ul style="list-style-type: none"> <li>▪ Origin and destination,</li> <li>▪ Material and, if applicable, waste codes,</li> <li>▪ Quantity,</li> <li>▪ Date.</li> </ul>  |
| Transboundary Shipment   |   |
| Minimum Requirements   | Additional Requirements   |
| All textiles and textile waste export, intended for direct landfill or incineration, is prohibited, within or outside the USA.   | Second-hand textile trade and export should follow the guidelines of ISO 20245:2017.<br>Transboundary shipments of textile waste must be done in compliance with applicable legislation.  |
| Check specific regulations, in both the exporting and importing countries, before conducting any transboundary shipment.   | Any required written notifications, authorizations, or consents, for transboundary movements of textiles and textile waste must be secured before shipment.   |
| Ensure no export, directly or indirectly (via brokers or dealers), of textiles or textile waste from (an OECD member) to non-OECD member countries without prior treatment.  | Export of textiles and textile waste, without being treated to non-OECD countries, would be allowed only when exporters are able to demonstrate, for any shipment that: <ul style="list-style-type: none"> <li>▪ Destination holds permits to accept and treat the relevant materials.</li> <li>▪ Full traceability and control of the textiles and textile waste supply chain from origin to destination (including a deep understanding of the recycling ability of the destination and the proof that the treatment conditions are equivalent and compliant with the origin country's legislation).</li> </ul> |
| Traceability   |   |
| Minimum Requirements   | Additional Requirements   |

|   |   |
|---|---|
| Weigh all loads entering and leaving the site and reconcile with the information stated on the related transport documentation.   | Weighing of the input and output loads shall be done by a calibrated scale.   |
| Maintain an updated and functional database to track inbound and outbound flows of textiles and textile waste.  | The origin of each load of input textiles and textile waste needs to be recorded.   |
| Maintain a systematic inventory and identification process which allows traceability of textiles and textile waste entering the site upon receipt and during each step.   | Records for tracking and accountability of all textiles and textile waste transferred to and from the site and destined to downstream operators' markets must be available. |
| Conduct periodic reconciliation inventory (at least annually) to balance the inbound textiles and textile waste material received at the site, and the outbound textiles and textile waste leaving the site and sent to downstream operators, as well as materials still stored at the site, either treated or waiting for treatment. | The difference between the input and the output weights shall be equal or have a discrepancy of less than 5%.   |

## Processing

| <b>PROCESSING</b>   |  |
|---|--|
| <b>Treatment Infrastructure</b>   |  |
| <b>Minimum Requirements</b>   | <b>Additional Requirements</b>   |
| Conduct treatment operations at fixed premises.   | Maintain an appropriate level of housekeeping on site, both in operations and storage areas. Treatment sites and facilities shall be kept in order and tidy.   |
| Provide a safe, clean, and healthy working environment.   | When applicable, arrange safe, clean, healthy, and dignifying residential facilities.  |
| Ban eating, drinking, and smoking in storage and operations areas.  | Drinkable water, dining facilities (for food preparation, intake and/or storage) and clean toilets should be available permanently to workers.   |
| Protect, properly, the site premises (including the storage areas) from unauthorized access and egress to prevent theft, losses, damages, unintended use and removal or unauthorized resale of any textiles or textile waste. | Protection systems should be implemented based on the degree of risk and may include security controls on: <ul style="list-style-type: none"> <li>▪ Infrastructure (e.g., fences, gates, security guards, CCTV, alarm sensors, coded locks, lighting),</li> <li>▪ HR processes (e.g., recruitment, criminal check, training),</li> <li>▪ Business processes (e.g., badging, access control, inventory control, loading and unloading controls, processing in a timely manner to avoid stockpiling),</li> <li>▪ Transport equipment (e.g., seals, truck security, routes assessment and GPS tracking).</li> </ul> |
| Store all textiles and textile waste with care and under weatherproof covering or in containers. The storage conditions shall avoid any unnecessary EHS risks and not undermine the subsequent reuse and recycling potential. | Respect maximum storage capacity and duration defined by permit requirements. When storage capacity requirements are non-existent, the total of textiles and/or textile waste stored on-site shall not exceed the maximum sorting installed capacity of a 12-month period.   |
| <b>Maintenance</b>  |  |
| <b>Minimum Requirements</b>   | <b>Additional Requirements</b>   |
| Keep in good condition and well-maintained collection vehicles and any logistics equipment, as well as building infrastructures, machines, and tools.   | Ensure that all operating and controlling/monitoring equipment are performing according to specifications and limiting the EHS risk/impacts.   |

|   |   |
|---|---|
| <p>Implement routine inspection and preventive maintenance to avoid corrective maintenance practices.</p> | <p>Maintenance activities shall be:</p> <ul style="list-style-type: none"> <li>▪ Adequate, regular, and conducted in accordance with manufacturer’s recommendations (both in frequency and type),</li> <li>▪ Planned, programmed, and supported by documented evidence,</li> <li>▪ Able to keep downtime to a minimum.</li> </ul> |
|---|---|

|                  |  |
|------------------|--|
| <b>Treatment</b> |  |
|------------------|--|

|                             |                                |
|-----------------------------|--------------------------------|
| <b>Minimum Requirements</b> | <b>Additional Requirements</b> |
|-----------------------------|--------------------------------|

|   |   |
|---|---|
| <p>Treat all textiles and textile waste treatment as per legal requirements, in facilities with the relevant permits and using the appropriate technology to manage safely and effectively each one of the output fractions and the associated EHS risks.</p> | <p>The hierarchy of waste management should be respected (reuse/repair, recycling, and disposal).</p> |
|---|---|

|   |   |
|---|---|
| <p>Textiles and textile waste landfill and incineration without undergoing sorting and subsequent treatment is forbidden.</p> | <p>A sorting operator shall define and implement a documented process to sort, screen and grade each piece of textiles and/or textile waste and determine its processing route:</p> <ul style="list-style-type: none"> <li>▪ Reuse and repair</li> <li>▪ Recycling, (insuring compliance with SB 707 Authorized vs. Prohibited recycling).</li> <li>▪ Energy recovery,</li> <li>▪ Disposal in case the options above are not applicable.</li> </ul> |
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| <p>Operate the sorting facilities efficiently with high throughput to process large volumes of input textiles and textile waste.</p> | <p>Sorting facilities shall be able to accurately identify different types of textiles and textile waste and separate them accordingly (either by visual inspection, automated sorting technologies or a combination of both).</p> <p>Sorting, screening, and grading process may include the segregation by the following criteria:</p> <ul style="list-style-type: none"> <li>▪ By stream (e.g., clothing, home textiles, footwear).</li> <li>▪ By material (e.g., wool, cotton, synthetic).</li> <li>▪ Type (e.g., dress, shirt, trousers).</li> <li>▪ Color.</li> <li>▪ Judgement on wearability (reusability), repairability, and recyclability.</li> <li>▪ Future destination market.</li> </ul> |
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| <p>Traceability of prepared-for-reuse textile units/load shall be ensured up to a point of reuse.</p> |  |
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| <p>Any product sold or donated after the sorting needs to be correspondingly referred to and identified.</p> | <p>Textile waste that doesn’t pass the reuse suitability criteria (e.g., worn out, damaged, wet, too low quality) shall not be exported without corresponding shipment documents and shall be recycled on appropriate sites, respecting the applicable legal requirements.</p> |
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| <p>Traceability of textile waste loads for recycling and/or recovery processes shall be ensured.</p> | <p>Keep on record all textile waste loads sent to recycling or received at a recycling facility.</p> |
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| <p>Work processes are set up, executed and managed.</p> | <p>Procedures have been developed, documented, and are being kept up to date and if necessary, are available at the workplace.</p> |
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| <b>Performance, Monitoring and Reporting</b> |  |
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| <b>Minimum Requirements</b> | <b>Additional Requirements</b> |
|-----------------------------|--------------------------------|

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| <p>Periodically monitor the key parameters to evaluate the quality of treatment processes conducted at a site.</p> | <p>Regular performance reports for quality control parameters shall be available.</p> |
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| Implement procedures for sampling, monitoring, reporting, evaluating, and responding to: <ul style="list-style-type: none"> <li>Quality controls, such as stream, type, color and composition, sorting results and contamination assessments, and recycling results.</li> <li>H&amp;S hazards and risks.</li> <li>Pollutant releases and resource consumption.</li> </ul> |   |
| Record and retain the results of sampling, monitoring, and quality control activities. This may involve visual inspections, equipment calibration checks, performance testing, laboratory analysis and data analytics.  | Equipment used in monitoring activities needs to be properly calibrated/verified.<br><br>If involved, laboratories used need to be accredited and capable of testing the relevant parameters. |

## Environment, Health & Safety

| <b>Environment, Health &amp; Safety</b>  |   |
|--|---|
| <b>Signage, Warnings and PPE</b>   |   |
| <b>Minimum Requirements</b>  | <b>Additional Requirements</b>  |
| Employ appropriate signs and labels to clearly identify, at least: <ul style="list-style-type: none"> <li>Restricted or hazardous areas and nature of hazards.</li> <li>Emergency equipment.</li> <li>Evacuation routes and assembly area.</li> <li>Required PPE.</li> </ul> |   |
| Make PPE available, at no cost, to workers, and its use shall be enforced where and when necessary.  | The selection and the use enforcement of the appropriate PPE, as well as the degree of protection required, should be a result of the risk assessment.<br><br>To prevent contamination, PPE should be stored in a dedicated container cabinet when not in use.  |
| <b>Occupational Medicine</b>   |   |
| <b>Minimum Requirements</b>  | <b>Additional Requirements</b>  |
| Make appropriate actions to prevent workplace accidents and illnesses.   | Implement a process to identify, investigate, solve, and control incidents and accidents occurring during work hours. Keep and maintain an updated annual log to track EHS incidents and accidents.<br><br>In the case of a work accident or an occupational illness, provide necessary medical treatment and facilitate the employee's return to work. |
| Provide employees with adequate and regular medical surveillance to prevent occupational illnesses.  | Ensure that medical or physical exams conducted on workers or potential workers are not used in a discriminatory way.   |
| Identify the workstations considered hazardous for pregnant, nursing women or workers with a medical condition and accommodate them to a non-hazardous position, while the medical condition is in place.  |   |
| <b>Emergency</b>   |   |
| <b>Minimum Requirements</b>  | <b>Additional Requirements</b>  |
| Keep an updated emergency plan or similar document(s) detailing:   | Perform periodically and document evacuation and other emergency response drills.   |

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| <ul style="list-style-type: none"> <li>▪ Possible emergency scenarios (fires, explosions, medical emergencies, natural disasters, and uncontrolled release of pollutants).</li> <li>▪ Response to each emergency scenario.</li> <li>▪ Responsibilities and roles.</li> </ul> |   |
| Keep in operating conditions (inspected and ready for use) adequate and sufficient response systems to face emergency situations (e.g., alarms, fire extinguishers, spill kits, first aid kits).   | An emergency notification system, to alert workers in case of an emergency, shall be available and operational. |
| Clearly mark emergency exits and escape routes.  | Emergency doors shall be unrestricted, unblocked, unlocked and unobstructed.                                    |

### Waste Produced On-Site

| Minimum Requirements   | Additional Requirements  |
|--|--|
| Respect the waste management hierarchy (reduction, reuse, recycling, recovering and elimination) and develop a waste management plan for the waste produced at the site. | On-site waste burning or uncontrolled waste landfilling are forbidden. |

## Downstream Network

| Downstream Network   |   |
|--|---|
| Minimum Requirements   | Additional Requirements   |
| Do not make any act of misrepresentation of downstream supply chain for textiles and textile waste.  | Textiles and textile waste shall follow a clear and complete supply chain from origin to destination.   |
| Maintain written agreements with all textiles and textile waste collectors and collection points that provide feedstock to a treatment site. |   |
| Maintain signed contracts/agreements with all active subcontractors.   |   |
| Map out the downstream network for textiles and textile waste, until the final destination of materials                                      | <p>Keep an updated and documented process flowchart/diagram or table that outlines the outbound destinations and/or markets (sent for reuse – sold/donated, sent for further processing off-site – preparation for repair, reuse, recycled, or disposed of).</p> <p>The operator shall have available, as a minimum, the following information related to covered products and their waste downstream network:</p> <ul style="list-style-type: none"> <li>▪ Downstream operator name, contacts, and location,</li> <li>▪ Description of the covered products and their waste to be processed/treated,</li> <li>▪ Waste code for covered product waste,</li> <li>▪ Processing/treatment description (e.g., repair, second-hand sales, landfill, incineration, mechanical or chemical or other recycling).</li> <li>▪ Corresponding yields and rates of the processing/treatment (e.g. recycling rate for a recycling process, yields and rates of a sorting process, etc.).</li> </ul> |

|   |  |
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| <p>The operator shall maintain a complete portfolio, for each immediate downstream treatment operator, holding, as a minimum, the following information/documentation:</p> <ul style="list-style-type: none"> <li>▪ Permits for the activities (copy, number and expiration date, materials accepted at the site and a process description).</li> <li>▪ ISO standards certificates and any relevant treatment recycling standard certificates, if any.</li> <li>▪ Insurance policies (copy, number, and coverage details).</li> </ul> |  |
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## Social Responsibility

| Social Responsibility   |   |
|---|---|
| Dignifying Work Environment   |   |
| Minimum Requirements  | Additional Requirements   |
| Do not tolerate any form of harsh or inhumane treatment, discrimination or prejudicial behavior, both for employees and any subcontractors. | <p>No worker shall be subjected to corporal punishment, sexual, psychological, or verbal harassment, or abuse.</p> <p>Workers should have the right to refuse to work in imminent seriously dangerous working environments.</p> |
| Child Labor – Minimum Age   |   |
| Minimum Requirements  | Additional Requirements   |
| Do not tolerate any form of child labour.   | Unless local law stipulates a higher age limit, no person younger than the age for completing compulsory education, or younger than 16, shall be employed.  |
| Do not allow juvenile workers to work overtime, night shifts, or in hazardous environments or to conduct dangerous operations.              | Juvenile workers are under the age of 18 years old.   |
| Working Time  |   |
| Minimum Requirements  | Additional Requirements   |
| Comply with the maximum admissible legal working hours, including overtime.   |   |
| Accommodate the mandated rest days, working breaks, holidays, vacations, and leaves.  | In the absence of local applicable regulations ensure workers are allowed at least to take one day off every seven days.  |
| Keep an attendance list of employees and visitors per day, identifying as well shift start and ending times for non-salary employees.       | On any given working day, it must be demonstrable who was working or visiting a site.   |
| Forced or Compulsory Labor/Modern Slavery   |   |
| Minimum Requirements  | Additional Requirements   |
| Do not tolerate any kind of forced, bounded, or involuntary labor. No employee shall be tied to the labor relation against his/her will.    | Demonstrate that there is in place adequate controls and processes to avoid modern slavery, both within the owned facilities and within the downstream supply chain.  |
| Equality of Opportunity and Treatment   |   |
| Minimum Requirements  | Additional Requirements   |

| Do not allow any form of discrimination. Non-discrimination is applicable, including but not limited to, hiring, advancement, compensation, benefits, training, layoffs, job assignments, terminations and retirements.                 | Any distinction, exclusion, or preference made on the basis of race, color, gender, religion, political opinion, national extraction, or social origin in all aspects of work shall not be applied.   |
|---|---|
| <b>Wages and Benefits</b>   |   |
| <b>Minimum Requirements</b>   | <b>Additional Requirements</b>  |
| Ensure all labor is suitably paid, by matching or exceeding wages as required by applicable law, including overtime and benefits.   | Wages shall not be deducted as a fine or penalty under any disciplinary practice unless regulated under a collective bargaining agreement or recognized by law.   |
| Pay wages at regular intervals, to ensure workers can subsist. Workers shall be free to dispose of their wages as they choose.  | In cases where partial payment of wages is in kind, the value of such allowances should be fair and reasonable.   |
| Provide workers with an understandable pay slip.  | Pay slips should include information on the details of wages and benefits calculations (e.g., overtime, bonuses, deductions).   |
| Apply the principle of equal remuneration, Equal Pay for Equal Work, without discrimination.  | The principle of equal remuneration for men and women workers for work of equal value shall be applied.   |
| <b>Labor Agreements</b>   |   |
| <b>Minimum Requirements</b>   | <b>Additional Requirements</b>  |
| Ensure that all labor relations are covered by a written employment agreement/contract describing the terms and conditions of employment.   | The employment agreement/contract should be written down in a language understandable by the worker, and a fully signed copy given to the worker.<br><br>All amendments to the terms and conditions of employment are fully and freely understood, consented to and documented. |
| Guarantee that all workers can terminate their labor relationship, upon reasonable notice and without a penalty.  | Workers shall not pay for any recruitment or job onboarding fees.<br>No personal documentation (ID cards, passports, visas, etc.) shall be retained from workers.   |
| Comply with the legal limits for usage of temporary, dispatch, and/or outsourced labor.   | Avoid the excessive use of flexible employment contracts (e.g., repeated short-term contracts).   |
| <b>Maternity Protection</b>   |   |
| <b>Minimum Requirements</b>   | <b>Additional Requirements</b>  |
| Women, absent from work on maternity leave, will be entitled to a cash benefit which ensures that they can maintain themselves and their child in proper conditions of health and with a suitable standard of living.                   | Such benefit shall be no less than stipulated in corresponding legislation.   |
| Employment of a woman during pregnancy or absence on maternity leave, or during a period following her return to work, should not be terminated except on grounds unrelated to pregnancy, childbirth, and its consequences, or nursing. | Women returning to work must be returned to the same (if they are physically able) or an equivalent position paid at the same rate.   |
| <b>Migrant Workers</b>  |   |
| <b>Minimum Requirements</b>   | <b>Additional Requirements</b>  |
| Ensure the recruitment of foreign migrant workers who are legally permitted to work.  | Equivalent working conditions during employment should be provided to foreign migrant workers.  |
| <b>Freedom of Expression, Association and Collective Bargaining</b>   |   |

| Minimum Requirements   | Additional Requirements  |
|--|--|
| Respect the right of every worker to freedom of thought, conscience, and religion.   |  |
| Respect the right of every worker to freedom of opinion and expression.  | This includes the freedom to hold opinions without interference and to seek, receive and impart information and ideas.   |
| Respect the worker's right to collectively bargain.  | Allow all workers to exercise their legal rights to form, join or refrain from joining organizations representing their interests as workers.  |
| Honor the workers' right to freedom of peaceful assembly and association.  | No worker shall be compelled to belong to an association.  |
| Right for Privacy or Reputation  |  |
| Minimum Requirements   | Additional Requirements  |
| Respect and comply with privacy and protection of personal data.   | No worker shall be subjected to arbitrary interference with the worker's privacy, family, home, or correspondence, nor to attacks upon the worker's honor and reputation.  |
| Communication, Consultation and Grievance Process  |  |
| Minimum Requirements   | Additional Requirements  |
| Implement a confidential, anonymous, effective mechanism available to all workers for raising concerns without fear of any form of employer retaliation (e.g., unethical, unfair treatment, EHS concerns, legal breaches, modern slavery). | The grievance mechanism must: <ul style="list-style-type: none"> <li>▪ Be clear and concise, defining how to report a concern, and the process for submitting, receiving, tracking, and investigating the concerns.</li> <li>▪ Keep confidential the identity of the worker and ensure no retaliation ensues for reporting any concerns.</li> <li>▪ Investigate reports promptly and thoroughly and take appropriate action to address and correct any wrongdoing.</li> <li>▪ Include an effective system for following up and closing any actions taken to address the concerns.</li> </ul> |
| Facilitate regular and proactive EHS communication with workers, namely employees' participation in risk management and accident investigations.   |  |

## Sampling Programs and Data-Driven Improvement

In addition to audits, **sampling programs** will be conducted throughout both the pilot phase and the full program. These sampling activities will:

- Identify covered product types and composition in the collection system
- Analyze distribution between rural and urban collection points
- Measure contamination rates
- Assess performance of community and retail collection points
- Evaluate collection efficiency and system effectiveness

Findings will be used to improve program design and operations in real time.

Landbell will deploy proven **Tracking and Reporting Systems** that already support multiple PROs. These systems:

- Seamlessly manage complex tracking and reporting requirements
- Are time-tested and auditable
- Can be adapted quickly to the specific requirements of SB 707 and CalRecycle

They will support all data collection and reporting needs during the Needs Assessment phase and for the final submission to CalRecycle, as well as ongoing program monitoring thereafter.

## Establish and Manage a Working Group

Building strong partnerships and maintaining open communication channels between stakeholders is critical to the success of the California Covered Products PRO. Jointly developed action plans, shared goals, and aligned timelines will unify efforts and consolidate energy across the value chain.

Landbell Group has established and managed highly functional working groups for a wide variety of PROs worldwide. These working groups typically include representatives from:

- National and local governments
- Municipalities and local jurisdictions
- Retailers and brands (large and small)
- Supply chain partners
- Governing bodies and stewardship action councils
- Recycling, repair, reuse, and sortation organizations
- Thrift and second-hand groups
- Textile fiber producers, spinners, regenerative farmers and textile circularity organizations
- Promotional product organizations
- California-based Fibershed organizations
- Advocacy and trade organizations
- Educational institutions and leadership entities
- Companies developing advanced textile materials and technologies

- Existing CA waste stream PRO management for carpet

For California SB 707, these working groups will be integrated with and aligned to the PRO's advisory committee. Landbell has extensive experience forming such consortia to:

- Define organizational structures
- Develop sustainable funding models
- Ensure effective governance across multiple EPR regulations
- Support continuity and coordination across all program initiatives
- Ensure state and community perspectives and interests are considered in the PRO decision making process.
- Communicate already existing covered products sustainability resources to enable the PRO to collaboratively scale them.
- Update the PRO on relevant developments in the various stakeholder communities for the establishment of a dynamic and fluid PRO operation.

It is also planned to work closely with CAA and CARE, the Packaging and Carpet PROs respectively.

- At their core, the three organizations will have the need to educate the public on program information and producers on their obligations under the respective laws.
- All three organizations will be managing collection, logistics, recycling and reuse.
- It is incumbent on the three organizations to work closely together and where possible share costs and information
- Align and deploy sensible, joint operations to consolidate hauling and shared waste dispositioning pathways of waste material to reduce GHG emissions and conserve energy.

Scale existing downcycling end markets for common PRO waste material and consolidate resources on closed-loop pathways.

Triangulate with shared recyclers to streamline batch run efficiency and end-market customer satisfaction.

- The collection network for packaging and the treatment of end-of-life carpet may align with that of the Covered Products PRO.

As mentioned in the Governance section, below, it is recommended in the first instance that the Ad Hoc Committee investigate these opportunities through the Covered Products PRO staff.

One model may include a biannual meeting between the PRO and CalRecycle to share latest developments and information that may be of benefit to the other PROs dealing with mattresses, carpet and other waste streams. This could also include topics that were not effective. As each PRO is focused on specific aspects and topics, it is recommended that this meeting is casual and focused (perhaps 2-3 topics only), with each PRO responsible for one element.

# Proposed Governance Structure

## Board of Directors

### **Mission**

The Board's mission is to ensure ~~that~~ the PRO operates effectively, efficiently, and in alignment with SB 707 objectives.

### **Composition**

The Board will:

- Include the PRO Leadership Team (CEO, CFO, COO)
- Include PRO staff as identified by the Leadership Team
- Draw representation from a broad mix of covered product stakeholders, including:
  - Large and small producers (it is suggested that there are 4 large producers on the Board, names to be confirmed)
  - Producer trade associations
  - Thrift and second-hand organizations
  - Recycling and sorting organizations
  - Agricultural and fiber interests

In 2026, the Board will meet **eight times** (four in-person, four virtual). Virtual participation in in-person meetings will be possible; however, Board members will be expected to attend at least **two meetings in person**. From 2027 onward, the number of Board meetings is expected to reduce to **four per year**.

### **Key Responsibilities**

The Board will:

- Track the progress of PRO projects and initiatives
- Assess the effectiveness and impact of PRO activities
- Provide regular feedback and/or performance reports to the PRO
- Oversee financial management and resource allocation
- Monitor risk management plans and adjust them as needed
- Report (significant) risks to the PRO Leadership Team
- Ensure clear and effective communication channels
- Facilitate feedback from PRO stakeholders

- Promote continuous improvement in PRO goals, processes, and outcomes
- Define and clarify organizational responsibilities/authority for all PRO staff

### **Board Membership and Stipends**

To reflect the importance of the Board's role, it is intended that:

- Up to **20 key stakeholders** will be appointed to the Board
- Each Board member will receive an **annual stipend of \$40,000**, beginning in 2027

The Board will be supported by a series of advisory and functional committees; these committees will report to the Board and help implement the PRO's mission.

### **Advisory Committee and Governance Principles**

Advisory Committee will include experts from across the covered products, educational and circular economy ecosystems (e.g., hauling, collection, sortation, reuse, repair, recycling, consumer engagement, circular design). Advisory Committee members will:

- Up to 13 key stakeholders will be appointed to the Advisory Committee
- Receive an **annual stipend of \$20,000** from 2027 onward
- Report into the Board and provide specific expert input and recommendations
- Ensure state and community perspectives and interests are considered in the PRO decision making process.
- Communicate already existing covered product sustainability resources to enable the PRO to collaboratively scale them.

### **Foundational Governance Principles**

The Board and Advisory Committee will operate under the following principles:

- **Transparency**
  - Maintain open communication with all stakeholders, including members, partners, and the public.
  - Share progress, challenges, and financial information regularly.
- **Inclusivity**
  - Engage a diverse range of stakeholders, including businesses, NGOs, community groups, and public entities.
  - Ensure underrepresented sectors and smaller producers have a voice.
- **Accountability**
  - Define clear roles and responsibilities.
  - Establish mechanisms for monitoring progress and holding members accountable for commitments.
- **Sustainability**

- Prioritize practices that promote environmental and social sustainability.
- Focus on reducing covered product waste, improving reuse and repair, and enabling covered product -to- covered product and high-value recycling.
- **Collaboration**
  - Foster partnerships among members and with external organizations to share best practices, resources, and knowledge.
  - Use collaboration to amplify impact and drive systemic change.
- **Fair Treatment**
  - Ensure fair treatment for all PRO members and stakeholders.
  - Provide equitable opportunities for participation in decision-making and in program benefits.
- **Regulatory Alignment**
  - Operate in full alignment with California state law and applicable federal requirements.
  - Support policies that advance circular covered products and responsible resource management.

## Oversight Committee

### Mission

The Oversight Committee ensures that the PRO remains focused on its objectives and manages resources and risks effectively.

### Key Responsibilities

The Oversight Committee will:

- Provide insight and recommendations for strategic planning
- Support the long-term vision and goal-setting of the program
- Evaluate alignment of PRO activities with its mission and SB 707 requirements
- Identify risks and develop mitigation strategies
- Review and approve financial statements and budgets
- Ensure proper use and management of PRO funds
- Oversee regular audits and financial reviews
- Ensure Diversity Equity and Inclusion and social justice principles are represented in all PRO operational staffing and culture

### Composition

The Oversight Committee is expected to include representatives from (final composition to be confirmed):

- Finance

- Governance and ethics
- Goodwill / thrift organizations
- Sorting organizations
- Recycling organizations
- Other agreed entities with relevant expertise

Landbell USA has identified legal representation in California to support the work of the Oversight and other Committees. The PRO's Articles of Incorporation (**Appendix 5**) have been drafted to align with the goals of SB 707.

The Oversight Committee will meet **quarterly**, with ad hoc meetings convened to address urgent issues.

## Governance & Ethics Committee

### **Mission**

The Governance & Ethics Committee ensures that the PRO operates within legal and ethical boundaries.

### **Key responsibilities**

The Committee will:

- Uphold the PRO's ethical standards and values
- Investigate and address ethical concerns and conflicts of interest
- Promote transparency and accountability within the PRO
- Ensure adherence to legal and regulatory requirements
- Monitor compliance with internal policies and procedures
- Address non-compliance promptly and appropriately

### **Composition**

The Governance & Ethics Committee will include:

- Representatives from independent third-party auditors
- External legal counsel

The Committee will meet as needed for reporting, review, and feedback.

## Stakeholder Committee

### Mission

The Stakeholder Committee will:

- Provide strategic guidance related to the PRO's mission, goals, and targets
- Offer specialized knowledge on covered product collection, sorting, reuse, repair, and recycling
- Help identify opportunities and risks across the value chain
- Support decision-making with evidence-based recommendations
- Ensure that state and community perspectives are considered
- Stay current on relevant trends, technologies, and best practices in covered product circularity

### Composition

The Stakeholder Committee will include:

- Relevant industry representatives
- Municipal representatives
- Goodwill / thrift organizations
- Sorting organizations
- Recycling organizations

The Stakeholder Committee will meet **quarterly** for reporting and feedback.

## Finance Committee

While the Board retains ultimate authority for financial matters (e.g., adoption of the annual service plan, borrowing, and approval of accounts), the Finance Committee plays a dedicated support role by reviewing financial information in detail and reporting its findings to the Board.

### Primary responsibilities

The Finance Committee will:

- Report to the Board at least **four times per year**
- Confirm that the CEO is implementing the Service Plan within approved expenditure limits
- Review monthly accounts and ad hoc financial reports provided by the CEO
- Advise the Board on:
  - Accounting policies

- Financial statements and the annual report
- The process for the review of financial statements prior to audit
- The level and treatment of errors identified
- Management's letter of representation to external auditors
- Review and report on the draft Service Plan prior to Board approval
- Recommend whether the accounts should be adopted and signed by the Chairperson

### **Training and capacity**

The Finance Committee will:

- Identify training needs for Committee members
- Work with the CEO to ensure members receive necessary induction and ongoing training
- Keep abreast of best practices and developments in financial management and reporting

### **Financial statement review**

When reviewing draft financial statements, the Finance Committee will consider whether:

- Applicable accounting standards have been followed
- Judgments regarding valuation, disclosure, and materiality are appropriate
- Processes exist to ensure regularity, probity, and propriety
- Issues raised by external auditors have been addressed comprehensively
- The financial statements fairly present the PRO's financial position

As part of this work, the Committee will:

- Review Audit Committee summary reports to confirm that an adequate system of internal control is in place
- Verify that prior period issues have been resolved
- Assess whether the Statement on the System of Internal Control and the Letter of Representation are comprehensive and consistent with its knowledge of the PRO
- Request confirmations and assurances from the CEO as needed

The Finance Committee will also consider whether the annual report and financial statements, taken as a whole, are fair, balanced, and understandable and provide sufficient information for stakeholders to assess the PRO's financial position, performance, business model, and strategy.

## Managing PRO Funds and Membership Fees

### Membership dues

- The membership year will run on a **calendar-year basis (January 1–December 31)** and will be the same for all members.
- Membership agreements will clearly define the annual payment period.
- Members joining late or at nonstandard times may be charged retrospectively for incomplete or missed years to prevent any competitive advantage from delayed compliance.
- Invoices will be issued **30 days prior to the start** of each membership year.
- The Board is responsible for ensuring timely payment of dues, which are critical to PRO operations.
- The Board will encourage lump-sum payment at the start of each membership year; special payment arrangements may be considered on a case-by-case basis.
- Once charges are based on POM lbs, it is not intended to continue using these fees.

### Use of membership dues

- These funds will be used to:
  - Operate the PRO and cover administrative costs
  - Fund day-to-day activities of core programs
  - Support IT infrastructure (hardware and software)
- The annual allocation of membership dues will be clearly documented in the minutes of the PRO's Stakeholder Committee meeting.
- The annual budget should remain stable during the year; any mid-year change must be approved by the Board and, where required, by the Stakeholder Committee with written justification.

### POM-based Fees and Fee Modulation Factors

- Fees for covered products placed on the market (POM) will be defined transparently. One proposed model is:
  - For 2028 fees and moving forward, use the **average POM (in pounds)** from 2024, 2025, and 2026, multiplied by a fixed cost per pound.
  - For 2030 and onwards, use a similar model, with adjustments informed by pilot and needs assessment results.

- Fee modulation will be introduced in **2030**, with a clear system of bonus (credits) and malus (debits) tied to design and circularity attributes. Examples will be provided later in the application.
- Fees will be used to support PRO operations, including:
  - Collection
  - Sorting
  - Repair and reuse
  - Recycling

### **Cost allocation benchmarks**

From Landbell Group's textiles takeback program in the Netherlands and other PRO operations:

- Approximately **80%** of collected fees typically fund supply chain activities.
- **5–8%** of collected fees support promotion and education.
- Innovation projects, particularly those focused on improving end-of-life covered product management, will also be funded from collected fees.
- Remaining funds support PRO administration.

### **Reconciliation and residual funds**

- The Board will reconcile pooled membership dues against member payments **monthly**.
- All special project expenditures will be tracked against specific project budgets.
- Any residual funds from completed projects will be returned to the pooled funds for reallocation.
- Any unspent membership funds at year-end will roll into the following year's budget. Where appropriate, residual balances may be used to reduce future membership fees.

### **Audit Committee**

The Audit Committee will oversee Landbell USA's financial controls and internal audit environment and serve as a link between the external auditors and the Board.

### **Key Responsibilities**

The Audit Committee will:

- Monitor the financial reporting process and year-end procedures
- Monitor the effectiveness of internal controls, internal audit, and risk management systems
- Oversee statutory audits of financial statements
- Monitor and review the independence and performance of external auditors

- Monitor key financial and operational risks impacting Landbell USA and the PRO

In the early stages, the Audit Committee is expected to operate as a standalone committee; over time, it may be combined with the Finance Committee if appropriate and efficient.

## Ad Hoc Committee

An Ad Hoc Committee will be established to address cross-cutting or emerging issues that do not fall squarely within the remit of other committees. Topics will include:

- Diversity, Equity and Inclusion. The Committee shall advise the Board to ensure an environment where all individuals, regardless of race, religion, gender, gender identity or expression, sexual orientation, national origin, age, disability, or veteran status, feel valued, respected and heard.
  - The Committee shall advise the Board to ensure equitable opportunities for all individuals by ensuring fair treatment, access and advancement.
  - The Committee will work to identify and dismantle systemic barriers and biases that may obstruct equity within our organization.
- Regulatory and governance developments will be a key focus for the PRO.
  - The Committee will advise on any developments in SB 707 as well as any other relevant legislation.
  - As the PRO grows and the various committees develop, there may be opportunities to enhance the PRO governance structure. This Committee may bring proposals to the Board for consideration.
- Cybersecurity and data protection is a critical aspect of all businesses. It is particularly so for a PRO that will hold and manage highly confidential data on behalf of producers.
  - Data protection will be of key importance as well as ensuring that data is backed up.
  - Backup copies should be kept offline and air-gapped. The backup solution will have immutable backups and should have multi-factor authentication. Copies of backups should be stored in 2 or more geographical locations.
  - Administrators should have different accounts for administrative and non-administrative uses. Standard users will not have administrative rights.

- Endpoint security technology should be used and include antivirus systems and managed detection and response.
  - Other controls against unauthorized access could include logging and monitoring, multi-factor authentication, encryption at rest and encryption of data in-transit.
  - Other aspects to consider include business continuity plans, intrusion detection systems and penetration testing.
- Environmental, Social, and Governance (ESG) topics should be considered throughout the implementation of SB 707. This is not only for the benefit of the PRO but also for the many members of the PRO. The information and data gathered by the PRO may support Producer ESG Programs and anonymised data can be shared as needed. Topics will include:
  - The impact of the PRO operations on the environment and how they are addressed.
  - The impact of the PRO operations on society and how they are addressed.
  - Looking at internal controls for decision-making and business operations including ethical, sustainable, transparent behavior and how they are measured and reported.
- Public relations and reputation management will be monitored by this Committee. Any topics or issues that arise will be brought to the attention of the Board or any of the other Committees if appropriate.
- R&D and innovation projects that look to the future will be considered and where appropriate shared with the Company for consideration.
- Promotion and education matters is a key focus of the PRO. These programs will be developed and expanded by the PRO to ensure that consumers and producers are well informed about any relevant matters. Should any topics or issues arise, these will be brought to the attention of the Board or any of the other Committees if appropriate.
- Textile and covered product EPR developments in other states (e.g., Washington and New York) and jurisdictions (e.g., Refashion in France) will be monitored for best practices and where appropriate, these developments may be brought to the attention of the Board or relevant Committee. It is encouraged that this PRO engages with other similar PROs with a view to improving covered product circularity.
- Engagement with other California PROs:

- CAA (packaging PRO)
- CARE (carpet PRO)

As this PRO develops, it is recommended that it engages closely with the other California PROs that are operating in the packaging and carpet space. Best practices and experience sharing will help to ensure all PROs maximize their learnings, and conserve energy and GHG emissions by shared resources.

The Ad Hoc Committee will also review potential conflicts of interest that may arise in collaborative projects with these entities.

### Conflict of Interest Rules

The process for declaring and managing conflicts of interest in the Finance Committee will mirror the process used at Board level and will be applied similarly across all committees.

- Each member is personally responsible for declaring any potential conflict of interest related to agenda items.
- A **Register of Interests** for Finance Committee members will be maintained by the Board.
- When a conflict arises, the member must:
  - Inform the Chairperson
  - Leave the room for the relevant discussion, if required
  - Refrain from participating in decisions related to the matter
- Meeting documentation relating to the conflicted item may be withheld from the member.
- All declared conflicts and actions taken must be recorded in the minutes.

### Performance Management Arrangements

The Finance Committee will formally report in writing to the Board at least **four times per year**. Its annual report will be aligned with the Board's review of draft annual financial statements.

The Finance Committee will also:

- Conduct periodic self-evaluations and propose improvements to strengthen its effectiveness.
- Ensure that:
  - The Committee is adequately resourced
  - Reports are timely, relevant, and in an accessible format
  - Absences are documented and non-attending members are briefed
  - Regular written reports are submitted to the Board and matters arising are followed up
  - The Committee Chair is involved in the appointment and induction of new members

### Board and Committee Termination Arrangements

- Board and committee appointments will have a **five (5) year term**.
- Terms may be renewed once for a maximum of one additional five-year term, subject to Board approval.
- Members may resign by submitting written notice to the Chairperson of the relevant committee.

### Decision-Making Structure

A clear decision-making process is essential for effective governance and collaboration. The types of decisions that must be made range from the everyday management decisions to key strategic decisions that may affect the organization for many years. These types of strategic decisions should be made while working closely with the management team and the various committees. The Board should approach such decisions in a structured manner to ensure informed and effective decision making. Decision making frameworks usually include the following steps:

- Problem identification
- Data gathering
- Solution development (could be more than one)
- Solution evaluation taking into consideration the organization's values, vision and mission
- Solution selection should also consider the overall goals of the organization
- Should additional expertise be brought in to help the organization make a decision
- Solution implementation and ongoing review

The Board should engage with the Management Team and the relevant committees to ensure that information on the perceived issue is gathered. Once data is gathered for the identified issue, it is possible that no decision is required. The simple act of discussing an issue and the data gathered may mean that no decision is needed by the Board. Should this not be the case, the Board needs to consider the issue and data and how best to manage it. This may not be as simple as a decision, but may require detailed analysis, e.g. through a workshop. The findings of these analyzes can then be shared with the Management Team for consideration and implemented as needed. The Board should also consider resources and expenses.

As any issue management proceeds, the Board should be kept aware of developments and be ready to update advice and any additional findings. It is important to consider the time associated with any decision-making process and not allow decision making to be slowed by slavishly following a process.

### Ex-Officio Members

Landbell USA has worked extensively with stakeholders over the last year to identify and engage stakeholders who can bring specific expertise and knowledge to Landbell USA. From these engagements and in line with the governance structure outlined later in this application, we have invited the following experts to join our Board of Directors and our Advisory Committee. A more detailed copy of their experience is provided in Appendix 8.



*Board of Directors*

| <b>Producer Member of the Governing Board</b> | <b>Member/Title</b>                       | <b>Term Length/ Eligible for Reappointment</b> | <b>List of Covered Producers Member Represents</b>  | <b>List of Covered Products Placed On Market</b>   |
|---|---|--|---|--|
| Irys Placida Kornbluth                        | Co-Founder/COO                            | 5/Yes  | Everywhere Apparel  | Shirts, Pants, Tops, Leisurewear, Athletic Wear  |
| Katina Boutis                                 | Sr. Director of Sustainability & Sourcing | 5/Yes  | Everlane Apparel  | Undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, vests, scarves, tops, leggings, leisurewear, athletic wear, swimwear, footwear, handbags, backpacks, knitted and woven accessories, jackets, & coats.  |
| John Bwarie                                   | Executive Director, Made in LA Coalition  | 5/Yes  | <u>Made in LA Coalition</u><br>Represents:<br>Atelier Saucie,<br>Back Bone Society,<br>Casupo, Clare V,<br>COMUNITYMade,<br>Everybody.World,<br>Galamaar, LA MADE, Lala Land Production & Design, Lezat, Michael Stars, NLA Collection, Ocean & Main, Proclaim, Sante Grace, Stellar Moto | Undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports uniforms, swimwear, formal wear, onesies, footwear, handbags, backpacks, knitted and woven accessories, jackets, coats, everyday uniforms for workwear, blankets, towels, linens, knitted and woven accessories, bedding, tablecloths, and napkins. |

| Producer Member of the Governing Board | Member/Title   | Term Length/ Eligible for Reappointment | List of Covered Producers Member Represents   | List of Covered Products Placed On Market   |
|--|--|---|---|---|
|  |  |   | Brand, The Great, Vena Vena Handbags  |   |
| Lexie Gritlefeld                       | Director, California Outdoor Recreation Partnership (CORP) | 5/Yes                                   | <u>CORP Represents:</u><br>Columbia Sportswear Company, Injinji Inc, NEMO Equipment Company, Peak Design, REI Co-op, Seirus Innovation, Toad&Co, and VF Corporation | Undergarments, shirts, pants, skirts, dresses, overalls, vests, scarves, tops, leggings, leisurewear, athletic wear, swimwear, footwear, handbags, backpacks, knitted and woven accessories, jackets, pants, snow pants, ski pants, towels, and blankets. |
| Alexis Miller                          | Director, Regent Apparel                                   | 5/Yes                                   | Regent Apparel  | Shirts. pants, tops, coats, jackets, uniforms for workwear (healthcare/patient gowns & hospitality uniforms)  |

| <b>Producer Member of the Governing Board</b> | <b>Member/Title</b>                                      | <b>Term Length/ Eligible for Reappointment</b> | <b>List of Covered Producers Member Represents</b> | <b>List of Covered Products Placed On Market</b>   |
|---|--|--|--|--|
| Alan McIntosh                                 | General Partner, WayToBe Promotional Products & Uniforms | 5/Yes  | WayToBe Promotional Products & Uniforms            | Uniforms for workwear, shirts, pants, skirts, vests, tops, jackets, coats, scarves, backpacks, towels  |
| Carrie Freiman                                | Senior Director of Sustainability, Reformation Clothing  | 5/Yes  | Reformation Clothing                               | Undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, vests, suits, scarves, tops, leggings, leisurewear, athletic wear, swimwear, formal wear, footwear, handbags, knitted and woven accessories, jackets |

| <b>Ex Officio Member of the Board of the PRO &amp; Title</b> | <b>Company or Organization</b>          | <b>Term length / Eligible for Reappointment</b> | <b>Description How Member is Involved in the Collection, Sorting, Repair, Reuse, Recycling or Management of Covered Products</b>   |
|--|---|---|--|
| Joanne Brasch, Director of Advocacy                          | CPSC                                    | 5/Yes   | As the Legislative sponsor of SB 707 (Newman), CPSC is invested in ensuring the successful launch of California's first textile stewardship program and in supporting all producers, collectors, recyclers, reuse partners, and community stakeholders working toward a more circular textile system |
| Scott Hamlin, CEO & Founder                                  | Looptworks Textile to Textile Recycling | 5/Yes   | Scott has over 32 years of strategic brand positioning and management, innovative product creation and sustainable supply chain, marketing and sales for global organizations. In 2009, Scott  |

| Ex Officio Member of the Board of the PRO & Title | Company or Organization                  | Term length / Eligible for Reappointment | Description How Member is Involved in the Collection, Sorting, Repair, Reuse, Recycling or Management of Covered Products  |
|---|--|--|--|
|   |  |  | founded Looptworks as a DTC and B2B brand and industry solution for turning excess materials into upcycled products.   |
| Jené D'Ambrosio, President, Co-Owner              | D' Ambrosia Trading                      | 5/Yes                                    | D Ambrosia Trading is an authorized collector and certified closed loop textile recycler that provides an easy way to donate unwanted clothing, shoes, and other soft goods for businesses and residents.  |
| Rebecca Burgess, Founder/Director                 | Fibershed                                | 5/Yes                                    | Fibershed is a California-based non-profit organization dedicated to developing regional fiber systems rooted in regenerative agriculture, land stewardship, and decentralized manufacturing. Through its network of more than 200 members-including natural fiber producers, ranchers, farmers, designers, mills and artisans- Fibershed supports a textile economy that prioritizes ecological health, transparency, and true circularity  |
| Toni Griffin, CEO                                 | Goodwill San Diego and Imperial Counties | 5/Yes                                    | Toni Giffin, President & CEO of Goodwill Industries of San Diego and Imperial Counties, brings over two decades of leadership experience in social enterprise, textile reuse systems, and workforce development, making her and Goodwill uniquely qualified to inform and support the implementation of California's SB 707 (Responsible Textile Recovery Act). Toni Giffin is a respected cross-sector leader with experience convening nonprofits, government, and industry partners and is well-suited to advisory, governance, or implementation roles within a PRO structure. |

| <b>Ex Officio Member of the Board of the PRO &amp; Title</b> | <b>Company or Organization</b>                            | <b>Term length / Eligible for Reappointment</b> | <b>Description How Member is Involved in the Collection, Sorting, Repair, Reuse, Recycling or Management of Covered Products</b>   |
|--|---|---|--|
| Chris Zwicke, CEO  | Homeboy Threads   | 5/Yes   | Homeboy Threads, based in Los Angeles, California, offers reuse and recycling services for apparel and textiles. Homeboy specializes in sorting, grading, preprocessing, and reselling activities. Expansion into 3PL, repair, and related services is underway.   |
| Andrea Ferris, Co-Founder & CEO, Co-Inventor of CiCLO®       | Intrinsic Advanced Materials                              | 5/Yes   | Andrea is a material-innovation and commercialization expert, textile manufacturing specialist, and co-inventor of CiCLO® biodegradable technology for polyester. With more than 20 years of experience across textile R&D, manufacturing, supply-chain operations, and apparel program management, she offers direct expertise in the management of covered textiles under California's textiles Extended Producer Responsibility (EPR) framework.  |
| Tim Dewey-Mattia, Recycling & Public Education Manager       | Napa Recycling, Napa County Recycling, Northern Recycling | 5/Yes   | Napa Recycling & Waste Services is the franchise hauler for the City of Napa and southern Napa County, a locally owned company with roots in servicing the community that stretch back over a century. Napa Recycling services 40,000 households and 1,600 businesses & schools. Napa Recycling and the City of Napa first developed a curbside textile and shoe collection program in 2013. Bagged textiles and shoes are collected curbside by appointment at no charge through Napa's "Recycle More" route. |
| Amrita Bhasin, Co-Founder/CEO                                | Sotira  | 5/Yes   | Amrita Bhasin is the co-founder and CEO of Sotira, an award winning, VC backed company in the \$800 billion reverse logistics space that uses technology and AI to discreetly monetize and facilitate donations for surplus and unsold apparel inventory to a network of vetted private buyers.  |

| <b>Ex Officio Member of the Board of the PRO &amp; Title</b> | <b>Company or Organization</b> | <b>Term length / Eligible for Reappointment</b> | <b>Description How Member is Involved in the Collection, Sorting, Repair, Reuse, Recycling or Management of Covered Products</b>  |
|--|--------------------------------|---|---|
| Deb Zell, Co-Founder   | PlsReturnIt Inc.               | 5/Yes   | PlsReturnIt, Inc, a San Francisco-based software company, offers customizable web-based solutions for materials and trims suppliers, brands, circularity partners (online resellers, repair service providers, collectors and recyclers) and consumers. PlsReturnIt strives to guide consumers toward the most appropriate and convenient disposal options for textiles, electronics and batteries based on item features and an assessment of the fitness or safety of items for mailing vs drop off collection. |

*Advisory Committee Members*

| <b>Advisory Committee Member</b> | <b>Company/Organization Represented</b>       | <b>Description</b>  |
|----------------------------------|---|---|
| Rey Banatao                      | X The Moonshot Factory (A division of Google) | Rey Banatao is a Director at X, the Moonshot Factory (A division of Google), which specializes in the earliest stages of innovation and commercialization of hard technologies. Rey is a serial entrepreneur and also serves as the Project lead for Materra, X's Moonshot for the Circular Economy of materials, including textiles. Materra us focused on breakthrough technologies, data, and AI to accelerate cost effective textile circularity, from waste collection, to sortation, recycling, reuse and repair across the entire value chain. |

| <b>Advisory Committee Member</b>           | <b>Company/Organization Represented</b>  | <b>Description</b>  |
|--|--|---|
| Teddy Stray                                | CARE (Carpet America Recovery Effort)  | Leadership in California EPR: Carpet Stewardship as a Model for Textiles Teddy has spent years at the center of California's most mature and complex EPR system: the carpet stewardship program regulated under AB 2398, AB 729, and AB 863. His role spans regulatory alignment, multi-stakeholder orchestration, and circular market development. He has developed compliance frameworks for more than eighty domestic and international manufacturers, translating CalRecycle enforcement expectations into actionable workflows and retailer education systems. |
| Heidi Sanborn, Founding Executive Director | National Stewardship Action Council (NSAC)                                     | Heidi is the founding Executive Director of the National Stewardship Action Council, The Stewardship Action Foundation (SAF), and Founding Director (2006-2018) of the CPSC. With 35 years of leadership in the solid waste, recycling and environmental policy fields, Heidi is widely recognized as the foremost U.S authority on EPR and a key architect of modern circular economy policy.  |
| Kirk Smithwick                             | 18-year Textile Industry Fabric Engineer/ Target Corp./ Independent Consultant | Kirk Smithwick has spent 17 years with Target Corporation in their retail and sustainability sector as a fabric engineer and technical team lead. Kirk was an integral leader of Target's recycled polyester transition, sustainable cotton initiatives and car seat recycling program.   |

| <b>Advisory Committee Member</b> | <b>Company/Organization Represented</b> | <b>Description</b>   |
|----------------------------------|---|--|
| René Gauthier<br>Founder & CEO   | Ecosystems Holdings/Sierra Spinning     | Sierra Spinning is a new kind of textile facility designed from the ground up for circularity to be a fully integrated cotton spinning mill: Processing California-grown ELS cotton; producing high-quality, traceable combed ring-spun and open-end yarns and creating premium inputs for apparel, home goods, and industrial textiles. Sierra Spinning will also be a dedicated cotton recycling hub (post-industrial + post-consumer) accepting California's cotton-rich textile waste and then mechanically recycling a portion into spinnable fiber, fiber suited for non-woven applications and what remains to compost.   |
| Cannon Michael,<br>President     | Bowles Farming Company                  | Bowles Farming Company is a sixth-generation family farm in California's Central Valley. Bowles Farming manages approximately 11,000 acres of farmland and wetland habitat and produces Extra-Long Staple cotton, organic cotton, processing tomatoes, melons, vegetables, and permanent crops. Natural fiber producers are often underrepresented in discussions about textile circularity. Yet, they have critical insights into fiber quality, material flows, recyclability challenges, and the environmental impacts that begin long before a garment is manufactured. Cannon's work offers a real-world perspective on how agricultural practices impact downstream recycling pathways and how circular strategies can be designed to yield both environmental and operational benefits. |

| <b>Advisory<br/>Committee<br/>Member</b>  | <b>Company/Organization<br/>Represented</b> | <b>Description</b>  |
|---|---|---|
| Emily Oertling,<br>Assistant Professor  | Sacramento State University                 | With a strong belief that the future of apparel and textiles must be built on sustainability, Dr. Emily Oertling is rewriting the curriculum for the Fashion Merchandising and Management program at Sacramento State. She integrates regional fibershed-based learning, systemic thinking, and hands-on making into her courses, ensuring students graduate with a deep understanding of fashion's impact—and the tools to change it. Her doctorate, focused on culturally sustainability, ventured to document cultural expression in a Tz'utujil-Maya community in the Guatemalan highlights. This work recognizes the role of women in maintaining traditions, the value of apparel production in sustaining community relationships, and the potential negative impacts, as well as uses, of the second-hand clothing. |
| G. Linton Sheppard,<br>Director & Founding<br>Member and<br>Secretary Treasurer | The Larry Rowbs Foundation<br>(Uganda)      | The Larry Rowbs Foundation is an international, sustainable fashion Nonprofit organization operating in the U.S and Africa (Uganda), whose mission is to reduce environmental pollution caused by the textile industry by building a full-scale recycling facility and a sustainable fashion school to clean the environment and empower people. The Foundations' mission is to rebuild the fashion industry in developing underdeveloped countries by empowering them with the right resources to start up their factories, and to be able to contain used products ending up in underdeveloped countries and landfills on the shorelines in Africa  |

| <b>Advisory Committee Member</b> | <b>Company/Organization Represented</b>     | <b>Description</b>   |
|----------------------------------|---|--|
| Shiloh Uhlir, VP of Innovation   | Ceremony of Roses/ Sony Music Entertainment | COR sells over \$250M in product annually, representing hundreds of artists and business entities. Sony is committed to becoming net-zero by 2040. Prior to Shiloh joining Ceremony of Roses, merchandise had not been identified as a meaningful contributor to this goal. Since stepping into her role Shiloh is working to embed with the Sony sustainability team to begin evaluating and improving the merchandise supply chain—integrating recycled textiles, exploring alternatives to incineration for unsold goods, and seeking textile focused, climate-forward nonprofits to support. Shiloh represents an integral producer seat on the Advisory Committee   |
| Tanita Gray, CEO                 | Shoe Waste, LLC                             | Tanita Gray is the CEO of Shoe Waste, LLC. Shoe Waste, LLC is an education and outreach company that focuses on footwear recycling and recovery through professional and community-based training. We developed foundational models for material recovery by using comprehensive footwear deconstruction to reveal how waste from shoes can participate in a circular economy. Our mission is to support the local circular economy by offering new reusable material resources. Our vision is to achieve this by training staff, developing new workforce skills, educating the community about shoe waste, and introducing recyclable concepts to local manufacturing. |

| <b>Advisory Committee Member</b>                  | <b>Company/Organization Represented</b> | <b>Description</b>  |
|---|---|---|
| Shira Lane,<br>CEO/Founder                        | Atrium 916                              | Atrium 916 is Sacramento's Creative Innovation Center for Sustainability, dedicated to building local circular economy solutions that reduce waste, strengthen community, and support micro enterprises. Our model combines retail, education, design, fabrication, and economic development, all through a zero-waste lens. Our marketplace and studio program support over 150 creative entrepreneurs, many of whom produce textile-based products including apparel, accessories, and home goods using second-life materials. We actively promote reduction, reuse, repair, and remanufacture as viable business strategies for small producers. |
| Zack Zimmerman,<br>Municipal Outreach Coordinator | Waste Connections-San Luis Obispo       | Zach currently works for Waste Connections where, as the Municipal Outreach Coordinator for the San Luis Obispo area, he strives to educate the public regarding solid waste service and diversion, while interfacing with local municipalities regarding franchise agreements, and collaborating with regional educational groups and nonprofits. He has also participated in a myriad of statewide working groups and technical councils reviewing impending legislation relevant to the solid waste industry.  |

| <b>Advisory<br/>Committee<br/>Member</b> | <b>Company/Organization<br/>Represented</b> | <b>Description</b>   |
|--|---|--|
| Amandine Richard,<br>Founder             | Recurvence                                  | <p>Founder of Recurvence, specializing in eco-design, circular and regenerative design, and stakeholder engagement. Experienced with the French AGEC Law, EU EPR frameworks, and the EU Digital Product Passport (DPP)—the closest international models to SB 707. This informs practical guidance for eco-modulated fees, producer obligations, and upstream waste reduction. Creator of the Circular Textiles Summit at the University of California, Irvine (UCI), convening 100+ participants and forming five new partnerships across academia, industry, recycling, repair, and local government—illustrating the multi-stakeholder coordination needed for a statewide collection and sorting system.</p> |

## Governance Conclusion

This governance model—combining a representative Board, specialized committees, and clear decision-making processes—ensures that:

- Decisions are made collaboratively, transparently, and ethically
- Diverse perspectives from across the value chain are integrated
- The PRO remains focused on its goals and the statutory requirements of SB 707
- Stakeholders can trust the governance of the California Covered Product PRO and its long-term trajectory

## Develop the Organization's PRO Branding and Launch

Landbell USA, leveraging Landbell Group's global expertise, is well positioned to design, launch, and grow the brand for the California Covered Products PRO.

We will:

- Develop a clear, compelling brand and visual identity for the PRO (name, logo, visual system, messaging).
- Tailor the brand to California's digitally engaged population, where over 70% of residents are active on major social platforms.
- Align messaging with California's culture of sustainability, innovation, and early adoption.

### Digital presence and launch

Landbell USA is prepared to:

- Develop a search-optimized, user-friendly website and resource center for consumers and producers.
- Launch and scale digital PR and communications within approximately three months of designation.
- Support continuous PR, social media, and outreach throughout the build-up to full implementation.

### Public Relations Strategy

Landbell USA's PR strategy is designed to:

- Announce and reinforce the PRO's role under SB 707
- Build reputation and stakeholder trust
- Engage key audiences through earned media, partnerships, and targeted communications

Our local marketing leadership has:

- Extensive experience launching brands across multiple US industries, including EPR services
- Deep familiarity with California's media landscape, influencers, and specialized publications

- A network of relationships with environmentally focused and community-driven platforms

This capability will help accelerate awareness and adoption of the California Covered Product PRO.

### *Stakeholder Engagement, Communications and Tracking*

Landbell USA's approach is grounded in:

- Clear, consistent communication
- Robust tracking and measurement

We will:

- Use scalable infrastructure for distributing timely information to stakeholders
- Apply analytics tools (e.g., Matomo, Google Analytics, Google Search Console) to monitor campaign performance
- Use data-driven optimization to refine outreach, improve engagement, and support reporting to CalRecycle and stakeholders

### **Consumer Education and Outreach Strategy**

Landbell Group supports over **35,000 companies in 59 countries** in managing diverse waste streams, including textiles, and has built substantial expertise in:

- Search engine optimization (SEO) and keyword strategy
- Email marketing and newsletter campaigns
- Organic and paid social media (including Meta Ads and Google Ads)

For California, Landbell USA will:

- Deploy a multi-channel consumer awareness program
- Ensure messaging reaches a broad, diverse, and digitally engaged population
- Align education with the repair → reuse → recycle hierarchy

A **pilot marketing program (2026–2028)** will be launched alongside operational pilots. Results will be used to inform the statewide marketing program going forward.

### **Consumer-Facing Platform Concept**

**Tagline:** “Mend it. Wear it. Pass it On.”

### **Core Consumer Promise:**

“We make it free, clear, and easy to responsibly manage every piece of apparel and textile in your home.”

To support the Landbell USA effort to reshape covered product disposal habits through a Consumer Education & Outreach Program focused on repair, reuse, and recycling, a pilot take back program in 5 Counties (supporting the Needs Assessment) will run in parallel to the Consumer Education & Outreach Program.

### **Program Objectives:**

- Divert post-consumer covered products from landfill
- Turn households into active participants in California's circular economy
- Support SB 707 compliance through behavior change and infrastructure use

### **Phased Approach:**

#### **1. Phase 1 (2026–2028): Pilot Program**

- Five pilot counties
- Test and refine messaging, tactics, and infrastructure

#### **2. Phase 2 (2029–2030): Statewide Rollout**

- Scale successful approaches to all 58 counties
- Integrate pilot results and the 2029 takeback pilot program

By 2030, covered product circularity will be normalized through scaled resources, convenient access points, clear messaging, and transparent reporting.

### **PHASE 1: Pilot Program (2026–2028)**

**Pilot Counties:** Alameda, Calaveras, Fresno, Monterey, San Francisco

### **Objectives:**

- Educate residents on:
  - Repair-first practices

- Sustainable purchasing
- Covered product recycling pathways and requirements
- Engage consumers with convenient collection points, online tools, and repair opportunities
- Measure participation and refine campaign design

### 1. Retailer Partnerships

#### Strategy:

Leverage retail locations as:

- Highly visible, convenient collection points
- Education hubs for repair, reuse, and recycling
- Behavior-change touchpoints at point of purchase or disposal

#### Tactics:

- **In-store collection bins and signage**
  - Place clearly marked bins in high-traffic locations (entrances, near fitting rooms) in selected retailers.
  - Use clear "Fix-It-First" and "Everything is Accepted" messaging.
  - Provide larger volume receptacles in centralized locations (e.g., mall back-of-house / management spaces).
  - Ensure preservation of repairable materials through staff training
- **Retail staff training**
  - Train staff to answer questions like "What can I drop off?" and "How do I repair this?"
  - Provide reference materials and a simple script.
- **Pop-up repair and awareness events**
  - Partner with tailors, community groups, and universities to host repair workshops and collection drives.
  - Use these events to demonstrate repair skills and encourage participation.

#### Key metrics

- Number and distribution of collection sites
- Drop-offs per capita in pilot counties
- Retailer participation and staff engagement
- Event attendance and follow-up engagement

#### Why this matters

Retailers are more than collection points; they are trusted consumer-facing hubs. Their participation provides:

- Consistent messaging

- Convenient access
- Reinforcement of repair-first and reuse behaviors

## 2. Digital & Media Campaign (Pilot: 5 Counties)

**Timeline:** Mar 2026 – Dec 2028

| Phase                              | Dates          | Activities   |
|------------------------------------|----------------|--|
| Pre-Launch Awareness               | Mar – May 2026 | Teaser social ads, landing page prototype, SEO preparation                               |
| Launch & Education                 | Jun – Dec 2026 | Social media video series, Spotify/podcast spots, Google Ads, multilingual landing pages |
| Engagement & Iteration             | Jan – Dec 2027 | Retargeting, A/B testing, interactive repair locator, KPI reporting                      |
| Reinforcement & Peak Participation | Jan – Dec 2028 | Seasonal campaigns, storytelling videos, social challenges, mid-pilot survey             |

### Pilot Campaigns

#### A. “Fix-It-First” Campaign

- Goal: Encourage repair before donation or recycling.
- Channels: Social media, website tools, in-store activations.
- Messaging: Empowering, skill-building, and practical.
- Integration: QR codes in-store linking to repair guides and event schedules.

#### B “Everything is Accepted” Collection Campaign

- Goal: Clarify what is included in “covered products” and emphasize that items in any condition are accepted (with appropriate exclusions, e.g., hazardous).
- Channels: In-store signage, PRO website, social, email.
- Messaging: “Torn, Threadbare, or Terrific—Bring It All!”

Visual system suggestion (for internal use and possible public-facing adaptation):

- Green: Ready for reuse
- Yellow: Ready for recycling
- Red: Not accepted (hazardous / contamination only)

#### C. “Locate & Drop” Campaign

- Objective: Make it effortless for residents to find and use collection locations.

#### *Tactics*

- **Interactive Collection Locator:** Mobile-first tool on the PRO website and landing page; searchable by address or zip code.
- **Geo-Targeted Digital Ads:** Direct users to nearest drop-off sites via Google Maps integration, social media posts, and push notifications. (Eventually we could develop a drop-off location app)
- **Retail Signage / POP:** QR codes linking directly to locator; visual maps of in-store collection points.
- **Email & Social Reminders:** Monthly/seasonal reminders about drop-off sites, highlighting convenience and any special events.
- **Community Activation:** Pop-up “Locator Kiosks” at farmers markets, university campuses, and city events where users can see nearby collection points and drop items immediately.
- **Games:** As California is a very IT centric and sustainability-driven State, games providing points for collection programs could be set up. The user gains points that can be used to support local ESG initiatives (e.g. planting trees, river clean-ups, etc.)

#### *Messaging*

Core tagline:

“Don't Trash It. Drop It... It's Free, Easy, Everywhere.”

Integrate repair messaging:

“If you can't fix it, drop it—any condition accepted.”

#### *Integration*

- Designed to work alongside the “Fix-It-First” and “Everything is Accepted” campaigns.
- Supports pilot KPIs related to:
  - Drop-off conversion rates
  - Locator tool usage
  - First-time and repeat participation

### *High-Level Pilot Budget by Channel (5 Counties)*

The pilot program in five counties will require a multi-channel communications and engagement budget. The allocation by channel is designed to achieve saturation-level awareness, drive collection behavior, and generate robust data for statewide scaling.

#### **1. Digital Advertising (Google, Meta, TikTok, Retargeting)**

##### **Purpose:**

Build awareness, drive website traffic, and increase use of the collection/repair locator.

##### **Rationale and cost drivers:**

- High-frequency campaigns in major California DMAs (e.g., San Francisco, Alameda) require **premium spend** due to competitive CPC/CPM rates.
- Budget will support:
  - Saturation-level messaging in core pilot geographies
  - Continuous A/B testing across creative, audiences, and placements
  - Precise geo-fencing and retargeting around drop-off locations
- The objective goes beyond basic awareness, focusing on **behavioral conversion** (actual drop-offs and participation).

#### **2. Video Production (Explainer, Social, Repair Tutorials)**

##### **Purpose:**

Showcase the repair–reuse–recycle model and make it tangible and aspirational.

##### **Rationale and cost drivers:**

- High-quality, professional video content is essential to compete with commercial content in California's media environment.
- A single 60-second professional video can cost **\$15,000–\$50,000** in key markets.
- The budget will support:
  - A "Fix-It-First" tutorial series (multiple episodes)
  - Social-first short video assets for ongoing campaigns
  - Local influencer content partnerships demonstrating repair and reuse
- This ensures a **consistent stream of engaging content** that can be reused across channels.

#### **3. Website and Interactive Tools**

**Purpose:**

Provide a central digital hub for information, collection/repair location services, and engagement tools.

**Rationale and cost drivers:**

- A high-quality website alone should not exceed **\$75,000**, but:
  - The main cost driver is a **custom mobile-friendly experience** with:
    - Integrated collection/repair locator
    - Gamified elements (impact tracker, badges, etc.)
    - Complex backend data integration for reporting and analytics
- The budget covers:
  - Initial build in Year 1
  - Ongoing maintenance, upgrades, and feature enhancements in Years 2 and 3

**4. Retailer / In-Store Signage and Point of Purchase (POP)****Purpose:**

Educate consumers at the point of decision and drive drop-offs directly at retail locations.

**Rationale and cost drivers:**

- Investment in **premium, durable, and, where appropriate, interactive signage**, including:
  - High-quality floor decals
  - Large-format graphics
  - Small digital screens and displays (where feasible)
- Budget also covers:
  - Logistics and fulfillment
  - Installation by specialized vendors
- Ensures **high visibility and consistent messaging** at each partner site.

**5. Community Engagement and Events****Purpose:**

Create high-touch, local engagement and build community ownership of the program.

### **Rationale and cost drivers:**

- Fund **large-scale, frequent, staffed events**, including:
  - University move-out drives
  - Repair workshops with vocational schools and local tailors
  - Pop-up events at farmers markets, fairs, and sustainability expos
- Costs include:
  - Event permits and prime vendor space
  - Dedicated local community specialists
  - Meaningful incentives (e.g., repair vouchers)
- Events provide **direct feedback loops** and local media visibility, critical for pilot evaluation.

### **6. Spotify / Podcast / Local Radio**

#### **Purpose:**

Deliver audio messaging to both urban and rural audiences, particularly during commuting and leisure time.

#### **Rationale and cost drivers:**

- Previous programs have invested approximately **\$25,000 per year**, depending on audience size and reach.
- This channel complements digital and out-of-home efforts and can be targeted by region and language.

### **7. Billboards and Outdoor Media (Bus Wraps, Transit, Digital Boards)**

#### **Purpose:**

Build broad awareness in high-traffic urban corridors and key travel routes.

#### **Rationale and cost drivers:**

- High-cost media, but essential for establishing **visual brand dominance** in priority corridors (e.g., key highways in SF and Monterey).
- Includes:
  - Static and digital billboards
  - Transit ads and bus wraps
- Critical for reinforcing the PRO brand and campaign taglines at scale.

## 8. Print and Local PR

### Purpose:

Reach non-digital households and build trust at the community level, especially in rural counties.

### Rationale and cost drivers:

- Local newspaper ad rates are typically **\$250–\$800 per insertion**.
- Budget will allow for:
  - Multiple insertions per year in **10–15 community papers**, ensuring saturation.
- Additional elements:
  - **Local PR specialist** (part-time) to secure earned media coverage (articles, interviews, local TV/radio).
  - **Community partnership collateral** such as small, recycled-paper pamphlets with QR codes, placed at schools, libraries, community centers, and partner organizations.
- This avoids the waste and cost of mass mailings while still reaching non-digital populations.

### *Contractor / Marketing Resource Breakdown*

During the pilot phase, the program will rely on a combination of specialized contractors and in-house leadership.

| <b>Role / Contractor</b>        | <b>Purpose</b>   |
|---------------------------------|--|
| Project Manager / Program Lead  | Oversee strategy, timeline, budget, and agency coordination            |
| Website / Interactive Agency    | Build landing page, collection/repair locator, engagement tools        |
| Paid Media Agency               | Plan/execute digital campaigns, retargeting, reporting                 |
| Videographer / Production Team  | Shoot/edit videos, explainer and social content                        |
| Designer / Graphic Designer     | In-store signage, POP, social graphics, infographics, event collateral |
| Copywriter / Content Strategist | Develop messaging across social, print, digital, email                 |

|                                  |   |
|----------------------------------|---|
| Community Engagement Specialists | Execute pop-up repair events, university campaigns, workshops   |
| Analytics / Data Specialist      | Measure KPIs, analyze campaign performance                      |
| PR / Media Outreach Consultant   | Coordinate press releases, local media, influencer partnerships |

*Overview of Resourcing Approach*

**Pilot phase (5 counties):**

- Heavily supported by external agencies and contractors to ensure rapid deployment and specialized expertise.
- Core leadership, strategy, and analytics remain in-house to maintain alignment with Landbell USA and the PRO's goals.

**Statewide rollout (58 counties):**

- Gradual transition to more **in-house roles** for digital media, content, and community engagement to build a permanent, cost-effective team.
- Certain functions (e.g., high-end design, large-scale content production) may remain in a hybrid model with external partners, under in-house oversight.

*3. Community Engagement*

Community engagement is a key component of Phase 1 and will include:

- **University collection drives** aligned with student move-outs
- **Repair workshops** with vocational schools, community colleges, and local tailors
- **Pop-ups** at farmers markets, fairs, and sustainability expos
- **Local media campaigns** using billboards, transit ads, and print press in rural areas

**KPIs:**

- Event attendance
- Volume of covered products collected at events
- Local media coverage and earned impressions
- Partner satisfaction and willingness to continue collaboration

*4. Pilot Evaluation*

**Deliverable: Cover Product Circularity Insights Report (late 2028)**

The report will include:

- Participation and awareness benchmarks across the five counties
- Urban vs. rural comparisons (collection rates, engagement, access)
- Contamination rates and collection efficiency metrics
- Financial KPIs
- Assessment of the most effective messages, channels, and tactics
- Recommendations for statewide rollout and fee modulation messaging

## PHASE 2: Statewide Rollout (2029–2030)

### Infrastructure and Accessibility

- Scale retailer partnerships to **2,500+ locations** statewide.
- Introduce **mail-back and mobile collection options** for rural and hard-to-reach areas (recognizing their higher cost). Opportunities to partner with UPS or other carriers will be explored to reduce cost and environmental impact.
- Deploy “**Covered Product Recycling Ambassadors**” in all 58 counties to support local outreach, education, and coordination.

### Statewide Education Campaign

Key themes:

- “**The Ultimate Convenience**” – Free, easy drop-offs across California.
- “**Know Your Power**” – Emphasize that up to **95% of covered product are reusable or recyclable**.
- “**Fix-It-First**” – Promote repair as the most valuable action.

Primary channels:

- Digital Ads & Social Media (Google, Meta, TikTok, retargeting)
- Retailer / In-Store Signage & POP
- Community Engagement / Events (universities, markets, repair pop-ups, local groups)
- Spotify / Podcast / Local Radio
- Billboards / Outdoor Media
- Print & Local PR

A yearly “**Impact Report Card**” will be published to provide transparency on:

- Collection volumes and diversion rates
- Preparation-for-reuse performance
- Progress on eco-modulated design improvements and producer behavior

**Key statewide KPIs:**

- Total collection rate (kg per capita, by region)
- Preparation-for-reuse and recycling rates
- Producer participation and design improvements (fee modulation indicators)

*High-Level Budget Allocation (Illustrative)*

| <b>Channel</b>             | <b>Pilot (5 Counties)</b> | <b>Statewide (58 Counties)</b> |
|----------------------------|---------------------------|--------------------------------|
| Digital Advertising        | 50%                       | 40%                            |
| Retail Partnerships & POS  | 20%                       | 20%                            |
| Community Engagement       | 10%                       | 10%                            |
| Billboards / CTV / Print   | 5%                        | 25%                            |
| Website & Video Production | 15%                       | 5%                             |

**Develop a Communication Matrix and Information Packets for Onboarding & Promotion Strategy**

*Reaching & Educating Producers: Leveraging the SB 707 Mandate*

SB 707 context confirms that Producers are legally required to join the approved PRO by July 1, 2026 (or risk civil penalties commencing July 1, 2030, or sooner).

The Producer Onboarding Strategy must, therefore, be highly authoritative, data-focused, and centered on simplifying the mandatory legal and data submission requirements outlined in the bill, particularly those related to Section 42984.4 (Mandatory PRO membership) and Section 42984.5 (Brand list submission).

*Legal & Formal Communication (The Mandate Delivery)*

The initial contact must be perceived as a regulatory requirement, not a marketing pitch.

- **Official Compliance Notice**

- **Action:** The notice will be delivered via a Formal Email sent directly to the CEO, Head of Legal, and CFO of the obligated producers. These details can be obtained (in the first instance) from CalRecycle, Trade Associations and California Business Councils, etc.
- **Content:** This document will be a PDF on official letterhead, serving as the legal replacement, citing SB 707, Chapter 864, Section 42984.4, detailing the July 1, 2026 mandatory joining deadline and the \$10,000/\$50,000 per day penalty (Sec. 42984.21).
- **Education:** Package includes a "Compliance Quick-Start Guide", a one-page document detailing the three steps to register and the two required data submissions (PRO Registration and Brand List submission per Sec. 42984.5).
- **Targeted Follow-up Email(s):**
  - **Action:** Send a high-priority, plain-text email follow-up from the Landbell USA Program Director to the same contacts, confirming the mailing and providing digital links.
  - **Education:** The email provides direct access to the Required Data Submission Template (Excel/CSV) for the Brand List (Sec. 42984.5), making it clear what specific data is needed immediately.

#### *Data and Technical Education (Facilitating Enrollment)*

The greatest barrier is often the complexity of data submission required for PRO registration and fee calculation (related to the future fee modulation under Sec. 42984.10(b)).

- **"PRO Data Requirements" Webinars**
  - **Action:** Host frequent, expert-led webinars targeting Sourcing, Sustainability, and IT teams.
  - **Education:** These are not general Q&A sessions, but highly specific walkthroughs of:
    - **Material Definitions:** Clarifying the difference between "Apparel" and "Textile Article" exclusions (Sec. 42984.3).
    - **Turnover Exemption:** Explaining the \$1,000,000 aggregate global turnover calculation (Sec. 42984.3(s)(8)) to determine obligation.

- **Data Mapping:** Showing how to extract volume/weight/material composition data from ERP/inventory systems into the Landbell USA template.
- **Interactive Data Validation Tool**
  - **Action:** On the Landbell USA enrollment website, provide a simple data upload checker that producers can use to test their CSV file against the required format.
  - **Education:** The tool instantly highlights missing fields or incorrect data types, allowing the producer to fix issues *before* submitting, preventing rejection delays.

### *Strategic Industry Outreach (Peer Pressure & Clarification)*

Leverage industry networks to normalize the process and answer shared technical questions.

- **Joint Compliance Advisories with Industry Bodies**
  - **Action:** Work with the trade associations, e.g. AAFA, California Retailers Association, Sustainable Apparel Coalition (SAC), and California-based business councils, etc. to issue joint "Compliance Advisories."
  - **Education:** These joint publications lend credibility and utilize the associations' established communication channels, providing clarification on technical aspects of the bill's definitions and ensuring alignment across the supply chain.
    - Co-publish "Compliance Alert" announcements with partners. The message will explain the consequences of non-compliance, notably that retailers may be fined and prohibited from selling non-compliant products once the PRO plan is approved.
- **Online Marketplace (OMP) Collaboration**
  - **Action:** Prioritize outreach to major Online Marketplaces (OMPs), e.g. Amazon/eBay/Shein/Goodwill etc.
  - **Education:** OMPs are required to provide information on third-party sellers with over \$1M in sales to the PRO. Landbell USA will actively train OMP compliance teams on the PRO registration process and provide a comprehensive Seller Compliance Package, effectively turning them into secondary educators for their high-volume third-party sellers.

### *Dedicated Compliance Support (Removing Roadblocks)*

Providing specialized support to ensure the final step of registration is successful.

- **PRO Onboarding Specialist Team**
  - **Action:** Dedicate a team of internal Landbell USA staff whose sole job is to field questions, call, email, and schedule time with the compliance contacts of the obligated producers who have opened the enrollment portal but not yet submitted the final data/fee.
- **PRO Compliance Hotline:** Establish a dedicated toll-free phone number and priority email staffed by experts to provide critical last-mile technical support on data and agreement signing.
  - **Education:** This team acts as a concierge, walking producers through the final steps of fee calculation and agreement signing, focusing specifically on preventing the "end of any three-month period" delay that triggers non-compliance reporting (Sec. 42984.7(f)(1)).
- **Dedicated Web Page for Bill Text & Implementation Timeline**
  - **Action:** Create a clear, easily navigable section on the Landbell USA website that features the full SB 707 bill text and an officially branded implementation timeline.
  - **Education:** This page serves as the single source of truth for producers to reference the legal deadlines, eliminating confusion.
  - **FAQs:** Develop and update FAQs document on a regular basis to provide information and possibly reduce hotline contacts

### *Delayed Onboarding and Free Riders*

For Producers who miss mandatory deadlines or fail to respond to initial enrollment messaging, our strategy shifts from educational facilitation to targeted, escalating enforcement. Landbell USA will leverage the compliance and penalty provisions of SB 707 to convert these "free riders."

- **Escalated Digital Targeting:** We will employ highly geo-targeted digital ads within California (especially on platforms like LinkedIn) focused on "Compliance," "Legal," and "Operations" job titles within non-compliant companies. The ad content will be direct and authoritative, directing them straight to the Enrollment Portal.
- **90-Day Warning of Enforcement Referral:**

Following the initial deadlines, further legal notices will be sent to Producers who remain non-compliant. This notice will formally inform the producer that they are now delinquent and that Landbell USA is obligated to notify CalRecycle (Sec. 42984.7(f)(3)) if compliance is not achieved within a 90-day grace period.

- **Targeting Retailers of Non-Compliant Brands:** Once the PRO Plan is approved and penalty enforcement commences, Landbell USA will provide major California retailers with the official CalRecycle list of compliant producers (Sec. 42984.22). The objective is to educate retailers that selling non-compliant products creates a risk to their own liability, encouraging them to pressure their suppliers (the free riders) to register immediately with Landbell USA.
- **Public Transparency Report and Reputation Risk:** In collaboration with CalRecycle and the Governing Board of the PRO, we will ensure the public list of non-compliant producers is highly visible and frequently updated. Landbell USA will amplify this by issuing press releases and communications to the press and consumers (integrated with the Phase 2 consumer campaign) highlighting companies failing to meet their mandatory California environmental obligations, thereby driving significant reputational risk for non-compliers.

This Producer Onboarding Strategy is designed as an authoritative, multi-channel mechanism to ensure full, timely compliance with the SB 707 mandate. Our approach emphasizes legal clarity through direct formal communication and frictionless enrollment by simplifying technical requirements for all producers. By partnering with industry bodies and Online Marketplaces, we are establishing PRO membership as the undisputed industry standard. Ultimately, this strategy ensures Landbell USA rapidly secures the entire obligated producer base, thereby establishing the robust financial and operational foundation necessary for California to successfully launch its statewide covered product circularity program.

## Conclusion

Landbell USA's approach combines:

- Robust infrastructure and convenient collection options
- High-impact digital and offline communication channels
- Deep, localized community engagement
- Strong governance, financial oversight, and clear producer communication

By 2030, “**Mend it. Wear it. Pass it On.**” will be embedded as a household norm across California, connecting residents to a comprehensive repair, reuse, and recycling ecosystem.

In parallel, a targeted, well-structured producer communication and education program will ensure that obligated companies are informed, supported, and able to comply with SB 707 efficiently and equitably.

# Sustainable Procurement Program

## Background

Landbell Group operates over 40 PROs worldwide, including:

- A textiles PRO in the Netherlands
- Newly formed textiles PROs in Spain and Italy in preparation for waste textile legislation
- PROs for packaging, e-waste, and batteries

To support these programs, Landbell Group has developed a **Sustainable Procurement Policy**, which will serve as the foundation for the California PRO's procurement activities. This ensures:

- Standardized, ethical procurement procedures
- Sustainable supply chain practices
- Robust governance and risk management
- High performance from waste management suppliers and operational partners
- Development and scaling of responsible end-markets for covered materials waste

Landbell's sustainability impacts extend across the entire supply chain, especially in waste management services involving collection, transport, and end-of-life operations. Because supplier performance directly influences environmental and social outcomes, Landbell's procurement program emphasizes responsible sourcing, supplier oversight, and transparent evaluation.

The Sustainable Procurement Policy was developed through a comprehensive **materiality assessment** involving internal and external stakeholders. Its objectives include:

- a. Minimizing negative environmental and social impacts through responsible procurement
- b. Advancing the broader sustainability goals of Landbell Group and its customers
- c. Encouraging innovation and sustainable outcomes across the supply chain

The policy applies across all Landbell Group entities globally and is guided by:

- **ISO 20400:2017 – Sustainable Procurement Guidance**
- **Global Reporting Initiative (GRI) Standards**
- **UN Global Compact – Ten Principles**

- Landbell Group's Corporate Sustainability Strategy

It was co-developed by the Sustainability Office and the Global Supply Chain Management team, reviewed by senior leadership, and endorsed by the Chief Procurement Officer. It is publicly available at [www.landbell-group.com/sustainability](http://www.landbell-group.com/sustainability)

The policy is routinely reviewed and updated to reflect evolving regulatory requirements and sustainability priorities. Further information is available via the Sustainability Office at [sustainability@landbellgroup.com](mailto:sustainability@landbellgroup.com).

## Supply Chain Sustainability Impacts

Implementing SB 707 will require Landbell USA to work with hundreds of suppliers annually, including:

- Collection service providers
- Hauling companies
- Repair, reuse, and resale entities
- Sorting and preprocessing facilities
- Covered product recyclers (mechanical and chemical)
- IT, logistics, and other service partners

Because both direct and indirect procurement will represent most PRO operating costs, the most significant sustainability impacts—environmental, economic, and social—will originate in the supply chain.

To manage these impacts effectively, Landbell Group has:

- Identified sustainability impacts and risks through a comprehensive mapping of the value chain
- Conducted due diligence and engaged relevant stakeholders
- Documented impacts and risks
- Prioritized actions across procurement categories

This structured approach ensures that procurement decisions reflect environmental protection, emissions reductions, fair labor standards, diversity, equity, inclusion (DEI) and circular economy principles.

## Sustainable Procurement Framework

To address key sustainability issues, Landbell Group employs a **Sustainable Procurement Framework** that will be applied to the California PRO.

Key elements include:

### **1. Procurement Guidelines**

For **direct procurement**, clear sustainable procurement criteria and specifications ensure that suppliers:

- Meet applicable environmental, health, safety, and social standards
- Are aligned with Landbell's sustainability objectives
- Provide transparent documentation and performance reporting

### **2. Supplier Requirements**

Supplier selection, contracting, and performance monitoring will be based on:

- Regulatory compliance
- Ethical conduct
- ESG performance
- Innovation potential (e.g., low-emission vehicles, energy-efficient equipment, circular solutions)

### **3. Indirect Procurement**

Sustainability criteria are integrated into category-specific guidelines, including:

- Mobility
- Travel
- IT
- Professional services

This ensures that even indirect spending adheres to sustainability principles.

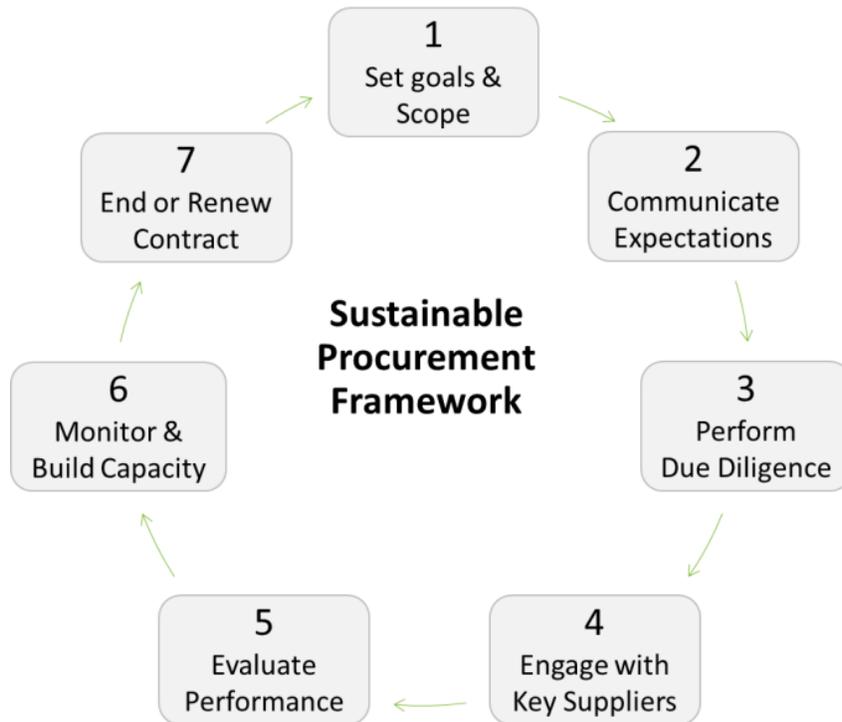


Figure 1 Landbell Group Sustainable Procurement Framework

## Goals and Scope

In alignment with the qualitative objectives and scope of this policy, Landbell Group has set the following targets for direct and indirect procurement

| Direct Procurement |   |      |      |
|--------------------|---|------|------|
|                    | Target  | 2025 | 2030 |
| 1                  | Procurement employees trained in sustainable procurement  | 85%  | 100% |
| 2                  | Suppliers acknowledgement rate of the Supplier Code of Conduct  | 75%  | 100% |
| 3                  | Key Suppliers covered by on-site audits as per our Corporate Audit Guideline                                      | 50%  | 80%  |
| 4                  | Participation rate of key suppliers in the Engagement Program   | 70%  | 80%  |
| 5                  | Closure rate of corrective actions arising from suppliers' audit  | 90%  | 95%  |
| 6                  | Key suppliers holding sustainability ratings and adhering to recognized environmental standards such as ISO 14001 | 60%  | 100% |

| Indirect Procurement |  |      |      |
|----------------------|--|------|------|
|                      | Target   | 2025 | 2030 |
| 1                    | Monitor business travel and related emissions on a groupwide level digitally | 90%  | 100% |
| 2                    | Usage of cloud services provider following climate goals                     | 90%  | 95%  |
| 3                    | EPEAT Gold Label or equivalent for newly purchased IT devices                | 70%  | 100% |
| 4                    | Office supplies (organic coffee, recycled paper, etc)                        | 70%  | 80%  |
| 5                    | Implement local sustainable procurement                                      | 100% | 100% |
| 6                    | Train procurement employees involved in sustainable procurement              | 75%  | 90%  |

### Communicate Expectations

Landbell Group clearly communicates expectations to its supplier base through the **Supplier Code of Conduct** and accompanying **Terms & Conditions**, which are shared with every supplier upon entering a business relationship. These documents outline:

- The supplier's role in supporting Landbell's sustainability and procurement objectives
- Expectations related to environmental and social performance
- Requirements to provide relevant operational or sustainability data upon request, within reasonable scope
- Compliance obligations tied to permits, certifications, ethical practices, and legal standards

The **Sustainable Procurement Lead** acts as a key interface between the supply chain and the sustainability function, ensuring consistent communication, coordination of sustainability measures, and maintenance of up-to-date documentation.

### Perform Due Diligence

Landbell Group conducts a comprehensive **duty of care process** as part of its Waste Management & Procurement Guideline. Due diligence is:

- Performed **before services commence** with any potential supplier
- Repeated **annually** for suppliers under multi-year contracts
- Conducted by trained operations and procurement officers

Each supplier undergoes screening that includes, at a minimum:

- Verification of required permits, licenses, and authorizations
- Review of insurance coverage and financial solvency
- Confirmation of certifications relevant to the waste stream
- Assessment of corporate social responsibility practices

Landbell's due diligence also includes screening for **potential adverse human rights impacts**, such as:

- Child labor
- Forced labor or modern slavery
- Unsafe working conditions

Environmental impacts—including emissions, waste handling practices, and use of hazardous substances—are also included in the due diligence review.

### Engage with Key Suppliers

Landbell Group recognizes that suppliers play a crucial role in delivering sustainable outcomes. Supplier engagement is therefore a dedicated section within the Waste Management & Procurement Guideline.

Key components of Landbell's supplier engagement approach include:

- **Relationship Management**

Structured initiatives with critical suppliers support strong, transparent, and mutually beneficial relationships.

- **Supplier Training**

Landbell provides training on:

- Business practices
- Regulatory expectations
- Sustainability and operational requirements
- PRO-specific processes and reporting

- **Audits and Corrective Action**

Audits are used to:

- Evaluate supplier performance
- Identify opportunities for improvement

- Develop corrective action plans with clear timelines

This structured approach ensures suppliers are aligned with PRO objectives and SB 707 requirements.

### Evaluate Performance

Landbell Group has identified key sustainability impacts across all waste streams it manages (textiles, packaging, batteries, and e-waste). For direct suppliers, these impacts are:

- Defined
- Measured where applicable
- Documented using a consistent set of metrics

Currently:

- **Key suppliers** are evaluated annually using a comprehensive Supplier Questionnaire
- The evaluation scope will expand to cover **75% of suppliers by volume treated**, ensuring that most of the operational impact is assessed

Annual evaluations will help identify trends, improvements, gaps, and risks in supplier performance, supporting continual improvement across the supply chain.

### Monitor and Build Capacity

Landbell Group is committed to improving the sustainability performance of key suppliers over time. To achieve this, Landbell:

- Combines findings from supplier engagement and performance evaluations
- Conducts regular audits and site visits (where applicable)
- Provides ongoing training and capacity-building activities
- Holds recurring check-ins with critical suppliers
- Documents progress annually

Each audit includes:

- A detailed list of non-conformities
- A corrective action plan with firm deadlines
- Proposed solutions and improvement pathways

Non-conformities and improvement plans are thoroughly discussed with suppliers to ensure shared understanding and commitment.

### End or Renew Contract

Contract renewal decisions are based on a full review of supplier performance, including:

- Audit findings
- Responsiveness to corrective action plans
- Compliance with sustainability, legal, and operational requirements
- Contribution to PRO objectives and continuous improvement

Landbell integrates all information gathered throughout the year to make informed decisions about:

- Contract renewal
- Contract termination
- Contract modification or scaling
- Supplier development plans

This ensures only compliant, reliable, and sustainability-aligned partners remain within the supply chain.

### Sustainable Procurement Governance

Landbell's Sustainable Procurement Policy is embedded at the highest level of the organization. Governance responsibilities include:

#### **Chief Procurement Officer (CPO)**

- Member of the Global Leadership Team
- Ensures strategic oversight of sustainable procurement across the Group

#### **Global Supply Chain Management Team**

- Coordinates with the Sustainability Office
- Supports all Group entities in policy implementation
- Manages procurement guidance and consistency across regions

#### **Sustainability Office**

- Collaborates with the Sustainable Procurement Lead
- Oversees execution of sustainability measures

- Supports monitoring, reporting, and continuous improvement

### **Sustainable Procurement Lead**

- Key point of contact for direct procurement
- Supports execution of the procurement strategy
- Coordinates documentation, training and supplier engagement and conformity

### **Procuring Individuals & Category Owners**

Responsible for implementing the policy in their respective areas:

- **Direct procurement:** Managed by procuring individuals in coordination with the Sustainable Procurement Lead
- **Indirect procurement:** Guided by category policies (e.g., IT, mobility, office supply), managed by category owners

### **Group-Wide Data Collection Platform**

Landbell Group uses a centralized procurement data platform to collect and monitor:

- Environmental, social, and governance metrics
- Supplier documentation and contractual data
- Procurement performance indicators

Procuring Individuals and Category Owners upload required data, and the Global Supply Chain Management Team and Sustainability Office:

- Analyze the data
- Consolidate findings
- Report into Group sustainability disclosures

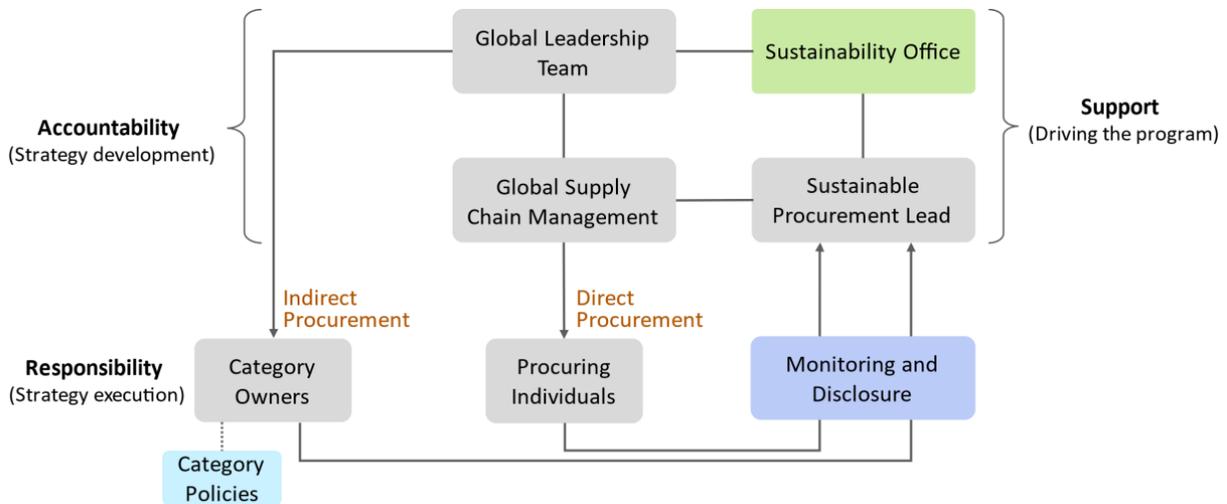


Figure 2 Procurement Office

## Roles and levels of accountability for sustainable procurement

All Landbell Group entities align local procurement practices with the Global Sustainable Procurement Policy. The **Sustainable Procurement Lead** works closely with:

- **Procuring Individuals** (direct procurement)
- **Category Owners** (indirect procurement)

to harmonize procurement practices, ensure consistent application of sustainability criteria, and maintain alignment with the Group's overall sustainability commitments.

The policy undergoes **annual review**, coordinated jointly by the:

- Global Supply Chain Management Team
- Sustainability Office
- Global Leadership Team

These groups evaluate progress toward environmental and social goals, assess performance data, and update the policy to reflect best practices, regulatory developments, and strategic priorities.

## Related Documents

To support the Sustainable Procurement Program, the following documents and short-form processes have been established. These documents define the expectations for suppliers, support risk mitigation, and ensure consistent operational standards across all PRO activities.

## *1. Supplier Code of Conduct*

The Supplier Code of Conduct sets minimum requirements and expectations for all suppliers, including:

### **Environmental Responsibility**

- Transparent documentation of material flows and waste routes
- Maintenance of all necessary permits, approvals, and permissions
- Assurance that subcontractors also meet environmental requirements

### **Pollution Prevention**

- Minimization or elimination of pollutant emissions at the source

### **Resource Consumption**

- Safe management of chemicals and controlled substances
- Responsible resource use and waste prevention

### **Climate Action**

- Commitment to reducing greenhouse gas emissions and energy conservation
- Providing emissions data when requested

## *2. Corporate Audit Guideline*

This guideline ensures the integrity and consistency of Landbell's audit processes across all PROs and waste streams:

- Audit planning aligns with Sustainable Procurement Policy commitments
- Scope, objectives, and procedures are clearly communicated to auditors
- Audits are conducted in a controlled, repeatable manner, independent of location or auditor
- External auditors (3PASP) are held to the same standards as internal auditors
- Auditor performance is regularly evaluated
- Identified gaps and improvements in the Landbell Group Audit Program and Protocol are implemented promptly

### *3. Supplier Questionnaire*

A standardized Supplier Questionnaire is used to:

- Gather data necessary for supplier assessment
- Create a **supplier risk profile** for each key supplier
- Assess environmental, social, safety, and operational risks relevant to procurement activities

The questionnaire is adapted for each supplier program to ensure relevance and accuracy.

### *4. Environmental Policy*

Landbell Group shares its Environmental Policy with suppliers to ensure alignment of environmental objectives and commitments, including:

- Pollution prevention
- Resource efficiency
- Climate goals
- Circular economy principles

### *5. Terms and Conditions*

Standardized Terms & Conditions ensure consistency and compliance in all supplier arrangements and define:

- Contractual obligations
- Reporting expectations
- Quality and performance commitments
- Regulatory compliance requirements

### *6. Waste Management & Procurement Guideline*

Landbell Group's global guideline governs the procurement and management of waste services across all PROs. It includes:

- Supplier selection and onboarding criteria

- Duty of care procedures
- Contract management practices
- Risk assessment processes

This guideline will form the backbone of the procurement framework for the California SB 707 PRO.

### *7. Risk Management Guidance*

For suppliers classified as “high risk,” the guidelines require:

- Clear documentation of identified risks
- Mitigation strategies (e.g., audits, insurance requirements, secondary/back-up suppliers)
- Recommended actions for supplier onboarding, performance monitoring, or rejection
- Maintenance of supplier accountability through regular review and preventive controls

### *8. Duty of Care*

The **Duty of Care (DoC) Process** is a core part of supplier onboarding. It includes:

- Collection and analysis of required documentation
- Review of permits, licenses, insurance, certifications, and compliance credentials
- Assessment of human rights safeguards and environmental controls
- Verification that the supplier can provide compliant, safe, and effective services

### *9. Management Requirements for Human Rights*

This technical specification establishes minimum human rights requirements for any waste management operator providing services to Landbell Group. It applies to activities involving:

- Transport
- Handling
- Storage

- Sorting
- Treatment

Its objective is to prevent adverse human rights impacts and ensure that every supplier adheres to international labor standards, safety expectations, and responsible business conduct.

### Additional Public Benefits and Program Enhancements

The Sustainable Procurement Program directly supports the public interest by:

- Reducing carbon emissions through reuse, repair, and recycling
- Supporting workforce development initiatives, especially those benefiting underserved communities
- Scaling the reuse and recycling labor market through partnerships with mission-driven organizations

Landbell USA proposes to work with organizations such as:

- **Homeboy Industries (Homeboy Threads)** – A social enterprise in Los Angeles focused on apparel collection, resale, reuse and recycling
- **Goodwill and other thrift store chains**
- **Community-based repair and reuse organizations**

These partnerships:

- Create under-served community workforce training and employment opportunities
- Reduce compliance costs for producers by leveraging public sector and philanthropic funding to subsidize wages
- Shift labor costs into social impact benefits
- Strengthen California's circular covered product economy

### *Supporting Thrift and Reuse Sectors*

Several Advisory Board Members—are actively contributing to the development of a comprehensive thrift store strategy. This strategy will:

- Integrate existing reuse infrastructure into the PRO system

- Ensure thrift organizations remain financially whole
- Support second-hand markets, including those dependent on overseas demand
- Capture best practices from reuse leaders and incorporate them into the PRO model

We propose to include partnering with workforce development organizations which employ underserved communities such as Homeboy Industries. Homeboy Industries (a 501(c)3 company) operates an apparel collection, reuse and resale social enterprise called Homeboy Threads in Los Angeles. Other groups include Goodwill and other thrift store chains. Doing so can turn negative perceptions around the high cost of labor into a positive job training and circular economy story. Public sector and philanthropic funding may also be available to subsidize wage costs, reducing compliance costs for covered producers. Throughout the PRO operation, we anticipate a high level of partnership and collaboration with these industries and organizations.

Another key investigation that will occur during the Needs Assessment is the availability of repair workshops. As the PRO develops, it is expected that the PRO will engage with the various Goodwill organizations and Community Groups to scale the capacity and capability of this sector. There may also be an opportunity to expand the capacity and capability of these organizations to support bin management following collection, likely in collaboration with the hauling organizations. Within the budget discussed later, bin repair is identified as an ongoing requirement. This may be an opportunity not only for revenue opportunities for the Thrift and Community Organizations, but also a training opportunity for community workforce development.

### *Innovations and Circular Textile Technologies*

It will be a foundational focus of our PRO to reasonably and responsibly scale implementation of innovative materials technology and processes for sustainable production to drive significant, transformative change. Eco-conscious manufacturing will represent a significant shift towards sustainable integration of “drop-in” solutions that shift innovations to mass production.

Members of our Board of the PRO and Advisory Committee are advanced textiles technology experts who have commercialized proven, scalable and nature-based technologies intended to reduce microfiber pollution.

Way To Be (**producer Board of the PRO member Alan McIntosh**) invented CiCLO technology, which enables virgin or recycled polyester to remain durable during its useful life, biodegrade if it pollutes the environment, and retain recyclability at end-of-life. Way To Be currently provides uniforms for approximately 7,400 McDonald’s restaurants in the

U.S. and all 1,500 restaurants in Canada. Way To Be is used by major brands such as Walmart, Target, Oakley, Hanes and Costco

**Andrea Ferris is a member of our ex officio Board of the PRO.** She is an innovation and commercialization expert, textile manufacturing specialist, and co-inventor of CiCLO technology, Co-Founder and CEO of Intrinsic Advanced Materials (IAM) and Co-Founder of Intrinsic Textiles Group, Andrea led the development and global scaling of CiCLO® technology.

Andrea is a well-known contributor to the advanced materials sector and co-author of this contribution to the Textile Institute World Conference Proceedings.

### **CiCLO Tech Andrea Ferris Author.pdf**

Our Advisory Board member **Kirk Smithwick** has spent 17 years with Target Corporation in their retail and sustainability sector as a fabric engineer and technical team lead. Kirk was an integral leader of Target's recycled polyester transition, sustainable cotton initiatives and car seat recycling program.

Through our diverse PRO leadership teams our intent is to drive the industry towards new material technologies and advanced manufacturing methods that minimize the harmful effects that the industry has on our environment.

### **Circular Economy and Closed-Loop Supply Chain Initiatives**

An additional focus of our PRO will be to sensibly scale closed loop and circular economy manufacturing systems which minimize waste by reusing recycled materials. We will seek to incentivize an increased shift from the linear "take-make-dispose" model to a circular economy approach which keeps materials in use through reuse, repair and recycling. We have assembled our leadership teams to represent the complex variety of stakeholders which will enable a deployment of cost-effective, efficient and scalable closed-loop and circular economy systems which appropriate the already established resources developed in CA and enhance them.

Our CA SB 707 PRO Board and Advisory team represent some of the most established, influential members of the CA hauling, collection, sortation, reuse and repair, recycling, spinning, regenerative farming and materials technology sectors. With these resources we intend to focus on raw materials as valuable commodities to be sustainably reused, repurposed and regenerated into a circular economy model that is resilient and establishes a future-ready pathway which sets the example for producers and other states to adopt.

## **CA Fibershed, Regenerative Farming and Cotton Spinning**

With a team of CA regional experts on our Board of the PRO and Advisory Committee, our PRO formation intends to integrate these strong resources into supporting and responsibly scaling a truly circular model for regenerative farming, spinning and production in CA, which connects producer brands with these established local resource networks to encourage more sustainable manufacturing processes. There are 3 core representatives:

**CA Fibershed (led by ex officio board member Rebecca Burgess)** is a nonprofit based in Point Reyes Station, CA that promotes soil-to-soil and place-based textile systems. They advocate for the production of natural fibers, the development of regional economies, and climate-beneficial farming practices. Fibershed supported the development of SB707, recognizing that recycling myths distract from deeper, systematic change. Their model connects fiber farmers, mills, dyers, artisans, and designers, demonstrating that an ethical circular textile system isn't just possible; it's already happening.

CA Fibershed is developing regional fiber systems that expand opportunities to implement climate beneficial agriculture, rebuild regional manufacturing, and educate the public about the benefits of soil-to-soil fiber and dye systems.

CA Fibershed drives investment in climate benefiting agriculture, delivers technical support for rebuilding regional manufacturing, links end-users to material sources through experiential, skill-sharing education, and provides expert guidance in soil-to-soil fiber systems to policymakers across regional, state, and federal levels. \*

\* Sources: [The Myth of Textile Recycling: Q&A - Fibershed](#), [Mission & Vision - Fibershed](#)

**Sierra Spinning (led by our PRO Advisory Committee members Rene Gauthier and Andy Harris)** is building North America's first regenerative cotton spinning mill with integrated cotton-to-cotton recycling, located in California's Central Valley. This facility is purpose built to deliver the infrastructure that SB707 mandates.

Sierra Spinning is a new kind of textile facility—designed from the ground up for circularity to be a fully integrated cotton spinning mill: processing California-grown ELS cotton; producing high-quality, traceable combed ring-spun and open-end yarns and creating premium inputs for apparel, home goods, and industrial textiles. Sierra Spinning will also be a dedicated cotton recycling hub (post-industrial + post-consumer) accepting California's cotton-rich textile waste and then mechanically recycling a portion into spinnable fiber, fiber suited for non-woven applications and what remains to compost.

Sierra Spinning provides:

- A local recycling pathway for cotton-rich waste
- A domestic end-market that turns recovered fiber into new yarn
- Infrastructure to absorb PRO-directed feedstock tonnage
- Lower-carbon, traceable circular yarns for California manufacturers
- A way for brands to meet recycled-content and circularity obligations
- A system that keeps California cotton in California

Sierra Spinning is designed as a living system, inspired by California's own ecological networks. Instead of the old "take-make-waste" model, we build relationships between farms, recyclers, cutters/sewers, fabric mills, brands, waste haulers, and communities—ensuring that each part strengthens the others.

This approach enables:

- Long-term viability of circular feedstock flows
- Reduction in landfill dependency
- Local manufacturing jobs
- Lower transportation emissions
- Community-centered economic development

As part of the advisory committee, Sierra Spinning brings

- a) technical expertise in spinning, fiber preparation, and textile recycling
- b) Infrastructure capacity essential for PRO compliance pathways
- c) Farmer and manufacturer partnerships across the state
- d) A commercially viable outlet for PRO-collected fibers
- e) Ground-truthing on what is technologically and economically feasible

Sierra Spinning's goal is straightforward, to help California shift from a wasteful, linear textile system to a regenerative, circular one—and to ensure SB707 succeeds on the ground, not just on paper. \*

\*Source: **Sierra Spinning Andy Rene.pdf**

### **Bowles Farming (President and CEO Cannon Michael is a member of our PRO Advisory Committee)**

**Bowles Farming Company** is a sixth-generation family farm in California's Central Valley. Bowles Farming manages approximately 11,000 acres of farmland and wetland habitat and produces Extra-Long Staple cotton, organic cotton, processing tomatoes, melons, vegetables, and permanent crops. Natural fiber producers are often underrepresented in discussions about textile circularity. Yet, they have critical insights into fiber quality, material flows, recyclability challenges, and the environmental impacts that begin long before a garment is manufactured. Michael Cannon's work offers a real-world perspective on how agricultural practices impact downstream recycling pathways and how circular strategies can be designed to yield both environmental and operational benefits.

Michael Cannon is currently collaborating with UC Merced to evaluate the feasibility of incorporating post-consumer textile waste into our composting process. This research investigates the safe reintroduction of certain textiles particularly those made from natural fibers into agricultural systems, thereby avoiding disposal. It aligns directly with our philosophy that agrarian landscapes can play a significant role in California's broader circular economy and that innovation at the farm level can complement the objectives of SB 707<sup>1</sup>.

#### *Internal Compliance Auditing for Member Services*

Landbell's internal compliance auditing program ensures:

- Members meet all regulatory requirements
- Data submissions are accurate and complete
- Operational performance is verified

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<sup>1</sup> Source: Bowles Farming Company.pdf

- Non-conformities are identified early
- Corrective action plans (CAPs) are agreed and implemented

These audits serve as:

- A quality assurance mechanism
- A compliance safeguard
- A platform for advising members
- A tool for continual improvement of the PRO

Additional public benefits include the avoidance of carbon emissions via reuse, repair, and the recycling of covered products and educational campaigns that spread awareness on how to best modify behavior and participate in the covered product's circular economy.

## Additional Program Strategies and Integration with California Initiatives

### *Management of Chemicals, PFAS, and Hazardous Substances*

While SB 707 does not ban PFAS or other regulated chemicals in covered products, the PRO must anticipate their presence in the waste stream and ensure safe, transparent, and compliant management. Landbell USA will:

- **Integrate PFAS and chemical screening into sorting and recycling workflows**, using test data to inform downstream handling and reporting.
- **Align with Board of the PRO members** Regent and the California Outdoor Recreation Partnership (CORP) to include producer input
- **Develop a PFAS risk mitigation pathway** as part of the Needs Assessment and EPR Plan, outlining how contaminated materials will be managed, isolated, or routed to appropriate disposal or specialized treatment.
- **Collaborate with textile chemistry and recycling experts**, including potential advisory contributions to design a responsible, scalable PFAS management protocol.
- **Ensure data visibility in our digital systems**, enabling CalRecycle and stakeholders to understand PFAS-related volumes, contamination levels, and end-of-life pathways.

This proactive approach ensures that hazardous substances in covered products are managed safely, even in the absence of a statutory ban.

### *Hospitality and Healthcare Collection Strategy*

Covered products flow heavily through **hospitality and healthcare sectors**, including hotels, resorts, hospitals, clinics, long-term care facilities, and institutional laundries. These sectors represent significant volumes of reusable, repairable, and recyclable covered products.

To support SB 707 goals, Landbell USA will:

- **Engage hospitality and healthcare associations** to establish dedicated collection partnerships.
- **Develop specialized drop-off or pick-up systems** tailored to large volume covered product generators.
- **Coordinate with facility management companies and large laundries** to identify aggregation points for efficient collection.
- **Work with sector leaders**, including subject-matter support from experts like Joanne (as referenced), to define best practices and operational models.
- **Incorporate these sectors into the pilot phase**, generating data for contamination profiles, reuse potential, and recycling suitability.

Integrating hospitality and healthcare partners increases recycling rates, improves covered product quality feedstock, and supports equitable statewide coverage.

### *Alignment with California's Carpet PRO (CARE)*

To maximize efficiency, reduce cost, and leverage existing infrastructure, Landbell USA will coordinate with **CARE**, California's Carpet Stewardship Program. CARE operates as California's PRO for carpets and has extensive experience in:

- Hauler contracting
- Large-scale collection logistics
- Downcycling of fibrous materials
- Co-located collection infrastructure

Working collaboratively with CARE and its leadership (including commitment from Teddy Stray of CARE), the SB 707 PRO will explore:

- **Shared collection points** for carpet, covered products, and mattresses where feasible

- **Combined hauler routes and “milk-run” systems** to conserve energy, reduce transport emissions and cost
- **Downcycling opportunities** for low value covered product fractions
- **Knowledge transfer on operating a California waste stream PRO statewide system**

These synergies will improve operational efficiency and reduce costs for producers, while maximizing resource recovery across multiple material streams.

### *Integrating the Fibershed “Weavers-to-Wardrobe” Ecosystem*

California is home to a unique network of regenerative agriculture, local fiber systems, and sustainable textile producers. Under the leadership of **Rebecca Burgess (CA Fibershed)**, the “soil-to-soil” model provides:

- Pathways for local wool, cotton, and specialty fibers
- Regional textile manufacturing networks
- Repair, mending, and community-based reuse programs
- Regenerative agriculture practices that sequester carbon

Landbell USA will integrate this ecosystem by:

- Connecting post-consumer textile feedstock to local manufacturers where viable
- Supporting soil-to-soil recycling models and compostable natural fibers
- Facilitating long-term circularity goals for California-grown and California-made textiles

By linking “weavers to wardrobe,” the PRO strengthens a homegrown circular economy that supports local jobs, regenerative farming, and low-carbon production.

### *Scaling Mechanical Recycling Capacity*

Mechanical recycling will play a critical role in California's long-term recycling targets. Landbell USA will:

- Partner with mechanical recyclers, including guidance from **Scott Hamlin (confirmed ex officio PRO Board Member)**
- Identify California and regional facilities capable of processing cotton, denim, wool, PET blends, and other common textile types

- Encourage investment in mechanical recycling through predictable feedstock volumes from the PRO
- Support equipment upgrades, quality improvements, and contamination reduction through the Needs Assessment
- Integrate mechanical recycling outcomes into the eco-modulated fee structure for 2030

Scaling mechanical recycling increases in-state processing capacity, reduces export dependence, and supports California jobs.

### *California's Green Preferable Purchasing (GPP) Program*

The State of California has established a **Green Preferable Purchasing** (GPP) framework, offering guidance on sustainable covered product and product procurement. Landbell USA will:

- **Promote GPP guidance** in producer, retailer, and institutional outreach campaigns
- **Integrate GPP principles** into consumer education, helping residents identify lower impact covered products and sustainable purchasing behaviours
- **Collaborate with state agencies** to help align recycled-content or repair-first materials with procurement standards
- **Support institutional adoption** of products designed for durability, repairability, and recyclability

This strengthens a statewide shift toward sustainable consumption and production.

# Software

## Loamist Inc

To manage the SB 707 program at scale, Landbell USA will deploy best-in-class digital infrastructure for registration, reporting, collection tracking, and compliance monitoring.

Landbell USA intends to use the Loamist Platform, a leading compliance and waste operations software platform built for:

- **Security** – SOC 2 Type II and ISO 27001 certified
- **Scalability** – capable of supporting millions of transactions
- **Transparency** – aligned with regulatory reporting and audit needs
- **Interoperability** – integrates with field tools, hauler data, and member reporting

Loamist will be used for:

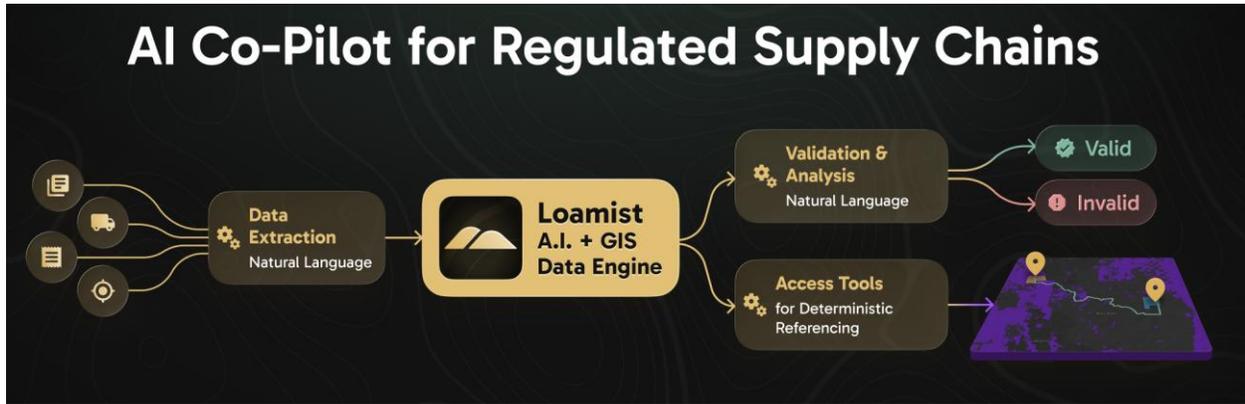
- Producer registration and reporting
- Collection route management
- Contamination tracking
- Sorting outcomes and recycling pathway documentation
- Real-time analytics and dashboarding for CalRecycle
- Loamist software is currently deployed with state, federal and government agencies, and sustainability programs, including California Air Resource Board (CARB), California Office of Land Use Change and Climate Innovation (LUC), California Dept. of Conservation (DOC) to build and manage complex, data-heavy compliance systems for waste management.
- Other notable customers include California's largest utility PG&E, the U.S. Forest Service, and a Fortune 50 oil major.

Loamist will create a seamless digital backbone that:

- Ensures traceability from collection through recycling
- Provides auditable, verifiable, real-time data

- Supports sophisticated fee modulation models
- Enables efficient scaling from pilot to full statewide rollout

## Loamist Platform Overview



Loamist combines two interoperable systems:

| Platform          | Core Function                                  | Key Statutory Alignment with SB 707            |
|-------------------|--|--|
| <b>Validator™</b> | AI-powered document & data-validation platform | Producer registration: § 42984.4–.5            |
|                   |  | Eco-fees: § 42984.10 (b)                       |
|                   |  | Audits & Reports: § 42984.15–.17               |
| <b>Explorer™</b>  | Geospatial analytics + needs-assessment engine | Statewide needs assessment: § 42984.6          |
|                   |  | Collection & Education: § 42984.10 (d),(f),(g) |

Together, Loamist and supporting systems form a **secure, audit-ready, machine-readable compliance backbone** that connects CalRecycle, Landbell USA, obligated producers, and all participating collection, repair, reuse, and recycling networks.

This integrated infrastructure enables:

- Centralized producer registration and reporting
- Real-time traceability from collection to final disposition
- Eco-modulated fee calculations

- Data exchange and validation between entities
- Oversight and analytics for CalRecycle
- End-to-end tracking of domestic and transboundary covered product flows

These tools bring all program data—producer inputs, supply chain outputs, audit documentation, fee logic, and geospatial analytics—into a **single transparent workflow**.

Additionally, the system ensures that **any transboundary shipment of covered products or covered product waste is fully traceable**, compliant with international requirements, and consistent with SB 707 protections.

### **Key Benefits of the Loamist Software**

**Full statutory coverage:** Automates compliance with §§ 42984.4 – .17 (registration, fees, audits, reporting, and needs assessment).

**Eco-Fee Engine:** Translates design and material data into per-unit, eco-modulated fees—rewarding circularity and funding program operations.

**Performance monitoring:** Real-time dashboards show collection rates, reuse ratios, emissions efficiency, and geographic equity.

**Audit readiness:** Immutable records and GAAP-consistent exports support independent verification and CalRecycle oversight.

**Scalability:** Architecture extends easily to future EPR streams beyond covered products (e.g., packaging, footwear).

**Integration:** Transfer, analyze and manage program data without requiring obligated producers, recyclers, or Landbell USA/Landbell IT systems.

**Data Security:** Loamist's platform is SOC 2 Type II / ISO 27001 certified. Ensuring data security for producers, recyclers, CalRecycle, and Landbell USA/Landbell.

## **Loamist Validator™**

### *Core Capabilities*

- Converts unstructured documents (e.g., producer registrations, brand lists, contracts, repair invoices) into structured, verifiable datasets. This is expected to be of key importance when dealing with any manual operations currently employed by some of the Goodwill and Thrift Organizations

- Provides a modular compliance rule-engine with automated flagging of non-conformance.
- Maintains dashboards and immutable audit logs showing full document chain-of-custody.
- Integrates geospatial verification via Explorer™ for location-based validation.

### Statutory Alignment

| Statutory Requirement                              | Validator™ Capability  |
|--|--|
| Producer registration / brand list (§§ 42984.4–.5) | Automated ingestion & validation of producer forms; synchronized data feeds to PRO and CalRecycle systems. |
| Eco-modulated fees (§ 42984.10 (b), § 42984.14)    | Captures producer sales / composition data feeding the Eco-Fee Engine; maintains full audit trail.         |
| Annual report (§ 42984.17)                         | Aggregates sales volumes, weights, reuse / recycle metrics for report exports.                             |
| Audits & records (§§ 42984.15–.16)                 | Version-controlled records and GAAP-consistent audit exports.  |
| Confidential data protection (§ 42984.8 (f))       | Secure access controls and data segmentation for financial information.                                    |

### Loamist Explorer™

#### Core Capabilities

- AI-native geospatial system integrating public and proprietary data to map, plan and analyze current and future supply chains, infrastructure, and supply/collection networks.
- Supports proprietary data overlays and scenario modeling for system design and optimization.
- Generates interactive and sharable visualizations of collection → sorting → repair → recycling flows.

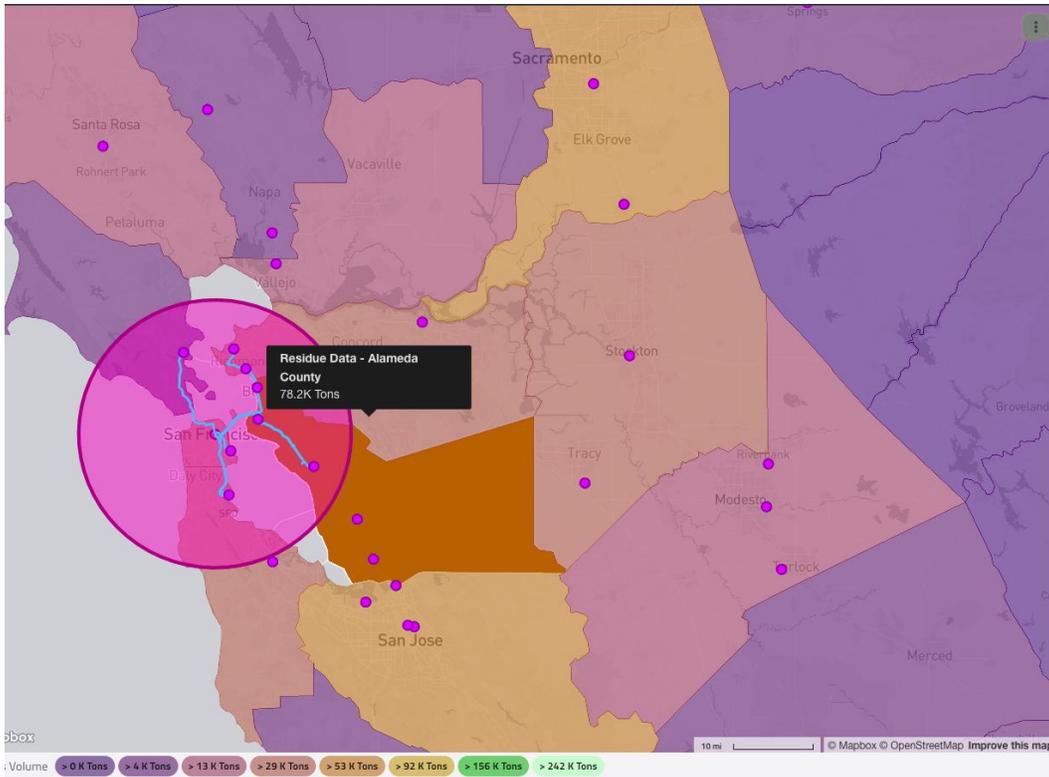


Figure 3. County-level estimates for annual **covered product** waste (Source 2023 Billion Ton Report)

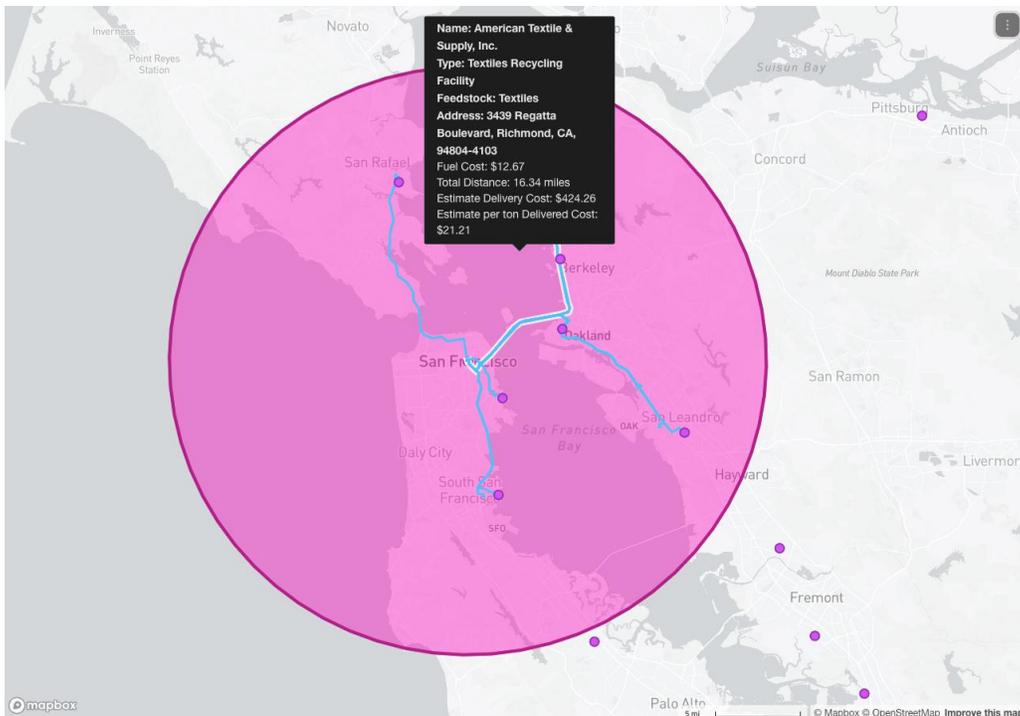


Figure 4. Logistics (truck) cost analysis for all recycling facilities within 20 mi of San Francisco.

## SB 707 Program Data Flow — Simplified

High-level view of where Loamist intercepts and manages program data

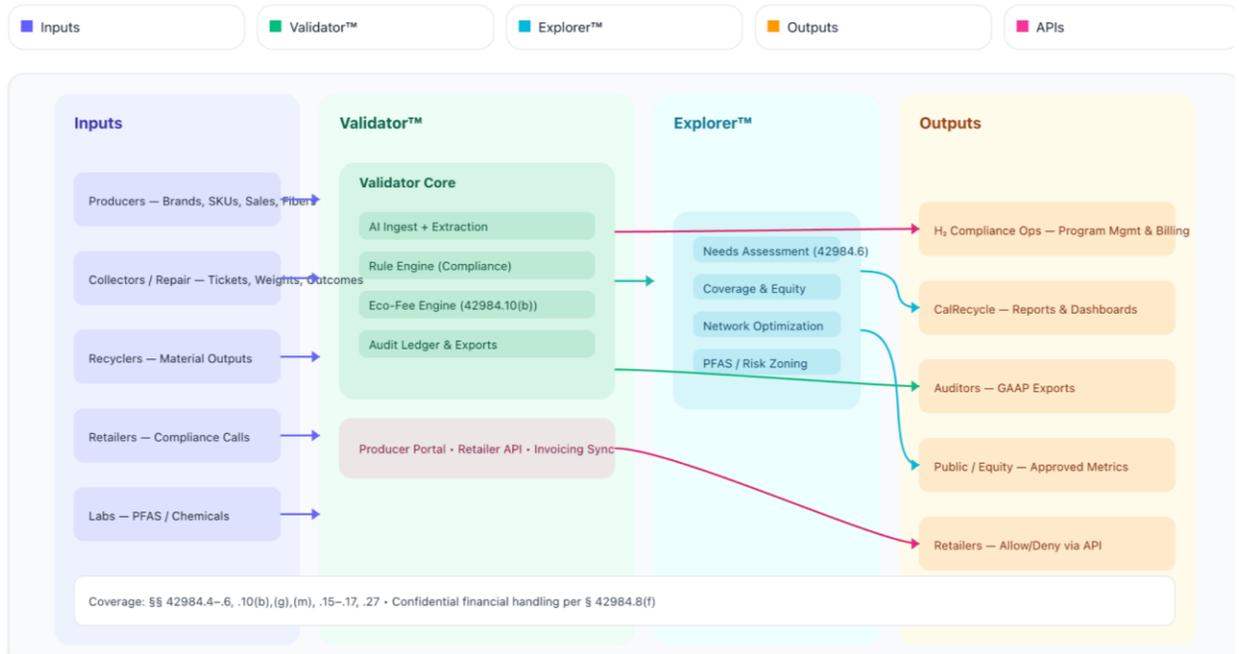


Figure 5. How and where Loamist supports the PRO and the implementation of SB 707

### Statutory Alignment

| Statutory Requirement                            | Explorer™ Capability   |
|--|--|
| Needs assessment (§ 42984.6)                     | Maps diversion volumes and infrastructure to support initial and 5-year updates. |
| Collection network (§ 42984.10 (d))              | Quantifies site distribution and coverage ratios by county.                      |
| Transport optimization (§ 42984.10 (f)(1)(B)(v)) | Models facility proximity and transport emissions for network efficiency.        |
| PFAS / chemicals (§ 42984.10 (m))                | Tags facilities handling PFAS streams and models risk zones.                     |
| Education & outreach (§ 42984.10 (g))            | Enables geo-targeted education and equity analytics.                             |

### Integrated Implementation Workflow

| Phase                      | Validator™ Function         | Explorer™ Function            |
|----------------------------|-----------------------------|-------------------------------|
| <b>Producer Onboarding</b> | Ingest registration & brand | Map producer geolocations and |

| Phase                                     | Validator™ Function                                   | Explorer™ Function  |
|---|---|---|
|   | data  | supply zones  |
| <b>Eco-Fee Calculation</b>                | Capture volume / composition data; run Eco-Fee Engine | Model geographic cost impacts for fee modulation                |
| <b>Collection Network Design</b>          | Track contracts & compliance (§ 42984.7 (e))          | Identify gaps & optimize site coverage                          |
| <b>Data Aggregation &amp; Reporting</b>   | Aggregate producer metrics                            | Overlay flows & compute emission efficiency                     |
| <b>Performance Monitoring &amp; Audit</b> | Log transactions & audit findings                     | Monitor KPIs and plan updates<br>Reuse rates<br>Recycling Rates |
| <b>Regulatory Interface</b>               | Feed verified data to marketplace APIs                | Provide CalRecycle transparency dashboards                      |

*Eco-Fee Engine (Validator™ Module)*

The Eco-Fee Engine is a core module to be built on top of Loamist Validator™ that automates the calculation, tracking, and auditing of *eco-modulated fees* as required under California's *Responsible Textile Recovery Act of 2024 (SB 707)*.

It converts producer-submitted data such as product type, fiber composition, sales volumes, repair and reuse rates, and chemical attestations into transparent, per-unit fees that reflect each product's environmental impact. Circular design choices (e.g., mono-material fabrics, repairability, non-toxic chemistry) earn fee reductions, while harder-to-recycle or PFAS-containing items incur surcharges.

In short, the Eco-Fee Engine operationalizes SB 707's policy intent—turning sustainability performance into measurable economic outcomes that fund California's circular-covered product infrastructure.

**Purpose:** Implements § 42984.10 (b) eco-modulated fees via automated, auditable computation.

**Example:** Baseline \$0.40 / kg → mono-material (-25 %) → PFAS (+20 %) → reuse (-10 %) = \$0.32 / kg.

**Outputs:** Per-unit fee tables, category summaries, rule-impact dashboards, audit trail exports.

**Value:** Equitable cost distribution, design incentives, full automation, and regulatory transparency.

### Retailer Pilot Description

Retailers are uniquely positioned to serve as high-volume, consumer-accessible collection hubs under SB 707, leveraging their foot traffic, and logistics networks to capture a meaningful share of California’s post-consumer covered product stream. The pilot program will test and scale this model across the five diverse pilot study counties,<sup>2</sup> using Loamist Validator™ and Explorer™ platforms to coordinate bin deployment, track container movements, manage centralized weighing, capture sorting outcomes, and automate retailer reimbursements. Validator™ provides the end-to-end data integrity, traceability, and financial reconciliation while Explorer™ optimizes retail site selection, container placement, routing, and tonnage forecasting.

| Step                                      | What Happens   | Key Outputs / KPIs                                   | Pilot Timeframe |
|---|--|--|-----------------|
| <b>1. Plan &amp; Deploy</b>               | Map candidate sites; size bins; route modelling; tonnage/cost forecasting            | Site/bin plan; optimized routes; cost/lb forecast    | Months 0–2      |
| <b>2. Capture Data &amp; Traceability</b> | Unified schema; unique IDs; scan events; pickup→delivery confirmations; weights      | Chain-of-custody; % traceable batches; lbs/site/week | Months 2–12     |
| <b>3. Payments &amp; Reconciliation</b>   | Onboard retailers; per-lb reimbursements; statements; anomaly detection              | Accurate reimbursements; discrepancy resolution      | Monthly (2–12)  |
| <b>4. Dashboards</b>                      | Retailer and program KPI views (reuse/repair/recycle %, GHG reductions, PFAS alerts) | Live ESG metrics; pilot performance                  | Continuous      |

<sup>2</sup> Pilot counties selected include Alameda, Calaveras, Fresno, Monterey, San Francisco

## Stakeholder Value Proposition

### *CalRecycle / State Oversight*

Loamist ensures transparent oversight and data integrity for the Department of Resources Recycling and Recovery. Through machine-readable reporting and performance dashboards, CalRecycle receives standardized datasets that track collection, repair, and recycling outcomes (§ 42984.17–.19). All financial and producer data handled through Validator™ are governed by strict confidentiality controls in compliance with § 42984.8 (f), ensuring sensitive business information remains protected while aggregated program results remain public.

### *Landbell USA*

As the approved Producer Responsibility Organization Landbell USA will rely on Loamist Validator™ and Explorer™ platforms to administer the program's core functions—producer registration, eco-modulated fee automation, PFAS and chemical tracking, statewide needs assessment, and audit readiness (§§ 42984.4–.6, .10 (b),(m), .15–.16). These tools form the backbone of the PRO's data governance framework, giving Landbell USA a single source of truth for operational, financial, and compliance reporting.

### *Producers / Retailers*

Loamist provides a secure online portal where obligated producers and retailers register their brands, upload sales and fiber data, and calculate fees through the Eco-Fee Engine (§ 42984.10 (b)). The same portal hosts chemical attestation forms and connects via an API to retail and marketplace systems (§§ 42984.20, .27). This streamlines compliance, allowing producers to view their contributions and audit trails in real time.

### *Collectors / Repairers*

Field operations are supported through Loamist's mobile applications and GIS-enabled workbench tools. Collectors record material intake and condition; sorters and repairers log reuse and recycling activities including downstream markets; and Explorer™'s route optimizer minimizes transport emissions (§ 42984.7, § 42984.10 (f)). These functions feed real-time data back into the PRO's reporting environment, ensuring operational traceability from collection to responsible end market.

### *Producer Enablement Workflow*

Join PRO / Register Brands (§§ 42984.4–.5)

Producers register through the Validator Portal, which validates legal and brand information and automatically generates a verified brand list for submission to CalRecycle.

### Provide Sales / Fiber Data (§ 42984.17 (g))

Structured templates with built-in validation rules collect sales volumes, fiber composition, and HTS codes. Loamist converts these inputs into a standardized dataset for eco-fee and reporting use.

### Calculate Fee Modulation (§ 42984.10 (b))

The Fee-Modulation Engine will apply approved fee-modulation factors (material, design, chemical profile) to determine transparent, per-unit producer fees. All computations are versioned and auditable.

### PFAS Disclosure (§ 42984.10 (m))

The Chemicals Module captures PFAS and other regulated chemical attestations, links supporting lab reports, and produces traceable compliance records.

### Annual Report (§ 42984.17)

Validator™ automatically aggregates data from producers, collectors, and repairers to populate the PRO's annual report metrics—collection weights, reuse rates, and end-market outcomes.

### Audit (§§ 42984.15–.16)

All financial and operational data can be exported as GAAP-formatted audit packages, giving Landbell USA and independent auditors CPA-ready evidence of compliance and financial integrity.

### Timeline (2026 → 2030)

| Phase         | Milestone                            | Deliverable                            |
|---------------|--------------------------------------|--|
| I (2026)      | PRO application + portal prototype   | Registry + mock data                   |
| II (2027)     | Initial needs assessment (§ 42984.6) | Explorer analysis and shared dashboard |
| III (2028–29) | Plan & Eco-Fee Engine (§ 42984.10)   | Full Validator deployment              |

| Phase       | Milestone                           | Deliverable       |
|-------------|-------------------------------------|-------------------|
| IV (2030 →) | Reporting & Audit (§§ 42984.15–.17) | Automated reports |

*Optional Modules (2028 +)*

| Module                              | Function  |
|-------------------------------------|---|
| Second-hand Marketplace Integration | Connects resale / thrift networks               |
| Carbon & Emissions Accounting       | GHG modelling for collection routes             |
| Shared Data Licensing               | External dashboards for CalRecycle / other PROs |

**Budget Narrative**

**The Loamist digital infrastructure is designed to scale with program participation.** In the initial (2026–27) implementation phase, platform licensing and onboarding costs total approximately \$1.1 million. As the producer registry grows toward ≈ 10,000 participants and full automation of eco-fee reporting and spatial analytics, the annual program costs approximately \$1 million per year.

This investment supports CalRecycle's statutory objectives for transparency, data integrity, and audit readiness while replacing fragmented manual processes across thousands of obligated producers.

# Draft Budget

Based on the proposed program, we have developed a budget based on various assumptions. It should be noted that the purpose of this preliminary budget is to present CalRecycle with an approach and methodology that will be refined as we move through the program. Exact information on numbers of producers and their accurate POM data is not readily available, so Landbell USA has used one source of information to provide a background. It is also anticipated that there will be numerous investments needed for projects and infrastructure. This information is not available yet, so this budget is presented without these estimates. Overall, the budget over the 2026-2030 period is estimated as follows:

|             |              |                      |              |                               |
|-------------|--------------|----------------------|--------------|-------------------------------|
| 2026        | 2027         | 2028                 | 2029         | 2030                          |
| \$7,777,750 | \$10,403,075 | \$31,731,938         | \$46,759,568 | \$387,598,871                 |
|             |              | Includes Pilot costs |              | Includes 6-month reserve fund |

# Revenue Budget

As part of the registration process in 2026 and 2027, it is proposed to apply a fixed membership charge on registering producers. For this budget, it is estimated that there are 35,000 producers. It is further assumed that in 2026, the sign-up success rate will be 50%. An annual membership fee of \$1000 per company is proposed. The same fee is proposed in 2027, but it is expected that the sign-up success rate will grow to 55%. It is intended that for any clients that do not sign up in 2026, but sign up later in the program, e.g. 2028, they will be back charged for the years that they have missed (assuming that they were placing covered products on the market). This will ensure a level playing field for all covered product producers and ensures that missing compliance deadlines will not give a competitive advantage. The back charges have not been considered in the revenue streams due to uncertainty. During the period 2026-2027, it is estimated that membership fees will raise:

|                |              |              |
|----------------|--------------|--------------|
| <b>Year</b>    | <b>2026</b>  | <b>2027</b>  |
| Membership Fee | \$17,500,000 | \$19,250,000 |

As a part of the education program, Producers will be advised that costs for 2028, 2029 and 2030 will be based on their POM lbs. This fee basis will be maintained through the rest of the implementation period, to cover the costs of the Pilot Program and finally the actual program from 2030. This approach of focusing on the POM data is the most equitable option for charging producers. It will allow fee modulation to be applied to

provide for bonus fees and malus fees as it relates to the covered products placed on the market. For the purpose of this budget, membership fees have not been included but may be re-introduced as the program progresses.

Applying a simple membership fee during the first two years will allow producers time to interrogate their IT systems to understand what covered products are being placed on the market and their various categorical designation and characteristics. It is anticipated that many of the producers and retailers will need to adapt their current IT systems to ensure that they can gather required information. As stated above, from 2028, fees for the PRO will be based on a charge per lb POM. Lb POM will be based on the average of the preceding 3 years (e.g. for 2028, POM will be based on the average POM from 2024, 2025 and 2026). Based on available data of covered products POM, the following charges and revenues are planned:

| Year         | 2028                | 2029                | 2030                 |
|--------------|---------------------|---------------------|----------------------|
| POM Rate     | \$0.03              | \$0.03              | \$0.20               |
| POM Lbs      | 187,000,000,000     | 197,000,000,000     | 210,000,000,000      |
| <b>Total</b> | <b>\$56,227,500</b> | <b>\$59,038,875</b> | <b>\$413,272,125</b> |

## Costs Budget

The proposed budget comprises multiple elements, including personnel, contract support, overhead, infrastructure, and programmatic activities. Staffing will be built up on a rolling basis through 2030. As noted previously, both the Needs Assessment and the Pilot Study phases will further refine and validate these estimates.

For the purposes of this application, Landbell USA presents its **budget planning and rationale** to give CalRecycle confidence in the elements under consideration. The budget includes:

- A cost proposal for 2026–2030
- A price modulation concept (to be further refined with stakeholders)
- A breakdown of PRO implementation stages by calendar year

In practice, Landbell USA expects to work on **three-year budget cycles** to maintain accuracy over time, but for the purpose of this application we provide a view through the **first full year of program implementation (2030)**.

This budget framework was formulated through comprehensive alignment and forecasting with Landbell Group internal business units, to estimate:

- Major expense categories
- Income sources

- Variable and fixed costs
- Operational requirements
- Estimated revenues
- Short and long-term program goals

Although these estimates are based on detailed analysis and experience from similar programs, they remain **estimates** and actuals may vary as the program evolves.

- A full breakdown is provided in **Appendix 13**

### Landbell USA Staff

Upon award of the program in 2026, several key hires will be made:

- **Chief Executive Officer (CEO)**
- **Chief Operations Officer (COO)**
- **Chief Financial Officer (CFO)**

Additional staff will be required to:

- Establish and manage core financial systems for the PRO
- Manage relationships with PRO clients, recognizing that the number of obligated companies may reach **35,000**
- Support regulatory engagement, technical operations, and stakeholder outreach

### CalRecycle Staffing

The budget also includes **staffing for CalRecycle** to oversee and administer the program and to manage engagement with producers and retailers. Because SB 707 is a **producer responsibility law**, it is appropriate that producer fees cover these oversight costs.

For planning purposes, the budget assumes:

- **3 CalRecycle staff in 2026**, ramping up to
- **16 CalRecycle staff in 2030**

As with all other budget elements, these figures are estimates and will be revisited as the program progresses.

## Board and Advisory Committee

Substantial technical and governance support will be provided by a **Board** and **Advisory Committee**:

- **(up to) 20 producer and ex officio Board Members**
- **13 Advisory Committee Members**

These individuals and their organizations will:

- Bring specialist knowledge in covered products, hauling recycling, reuse, repair and thrift, supply chain, waste material circular and closed-loop opportunities, responsible end market development and policy
- Provide independent oversight and strategic guidance
- Support governance, financial decisions, and technical direction

Given the importance of these roles, it is proposed that from **2027**:

- Board Members receive an annual stipend of **\$40,000 each**
- Advisory Committee Members receive an annual stipend of **\$20,000 each**

Stipends will be paid as a single annual payment. Board and Advisory Committee members will serve **five-year terms**, renewable once.

## Contract Staff

To ensure the successful startup and early operation of the PRO, Landbell USA will draw on **H2 Compliance USA Inc.**, a Landbell Group affiliate, for contract support. H2 Compliance USA will:

- Support development of the PRO strategy and roadmap
- Develop and implement stakeholder outreach programs
- Design and implement governance structures
- Help build the supply chain and operational strategy
- Support membership management and client relationship strategies
- Provide processes and guidance for financial management and reporting

Additionally, Landbell USA will use the infrastructure and knowledge of the Landbell Group to develop and build the PRO. This specialized expertise, honed through the

establishment and management of more than 40 PROs—will be critical to ensuring the robustness and efficiency of the program's implementation and subsequent rollout.

This approach ensures that Landbell USA can leverage existing expertise and capacity from within the Landbell Group while building permanent in-state capability.

## Overhead Costs

The budget includes a set of overhead and support cost categories, which are planned and carried from 2026 through 2030:

- **Office-related expenses and rent**
  - Office space and basic provisions
- **IT equipment and office furniture**
  - Hardware and equipment per staff member
- **General office expenses**
  - Broadband, telecommunications, paper, insurance, professional fees, and other operating expenses
- **Travel costs**
  - Significant travel is expected, especially during setup phases
  - Face-to-face meetings with municipalities, suppliers, CalRecycle, and other stakeholders will be critical, even though many ongoing activities will be handled virtually
- **Accountancy firm (outsourced)**
  - Day-to-day bookkeeping will be handled internally
  - Oversight, financial reporting, and compliance with accounting standards will be managed externally
- **Financial auditors (outsourced)**
  - Independent audits, in conjunction with the Audit Committee, will ensure robust financial oversight
- **Supply chain audit costs**
  - Audits are a key part of Landbell's program to ensure supply chain integrity

- Costs include site inspections, documentation review, and sampling campaigns at collection and processing points
- **Government relations (1 FTE)**
  - A dedicated Government Relations Manager will manage engagement with:
    - Local and state agencies
    - CalRecycle
    - Other relevant regulatory bodies
  - This role will be responsible for tracking policy developments and ensuring program alignment with regulatory expectations
- **Legal Support (outsourced)**
  - Contract development and review (including municipal and supplier agreements)
  - Employment and governance documentation (Board, Committees)
  - Ongoing regulatory and compliance advice
- **IT Administration**
  - To ensure that IT systems are secure, reliable, and fit for purpose
  - Critical for safeguarding confidential producer data and maintaining system uptime
  - Initially expected to be outsourced, with the potential to bring roles in-house as the PRO matures
- **IT System Security and Certification**
  - Systems will be designed with adequate capacity, redundancy, and security
  - Annual risk assessments, ethical hacking, and penetration testing are planned
  - Certification (e.g., SOC 2, ISO 27001) will be pursued where appropriate to assure clients and regulators
- **Specialist AI Logistics Software**
  - A dedicated AI-based logistics tool will be used to optimize transport routes, conserve energy and reduce emissions

- This software has already demonstrated up to **50% reduction in distances travelled** in use cases such as the U.S. Forest Service and is being adopted by the U.S. National Forest Service
- **HR Services (outsourced initially)**
  - To support recruitment and HR policy development during the startup and expansion phases
  - Over time, these services may be partially brought in-house

## Needs Assessment

A robust, multi-year Needs Assessment is central to designing a successful covered products end-of-life management program for California. A preliminary budget for the Needs Assessment has been included for **2027–2029**.

The Needs Assessment, together with the Pilot Program, will provide clear direction on:

- Infrastructure requirements
- Program design and prioritization
- Cost and funding needs
- Regulatory and operational gaps
- Vendor procurement (though this will draw on the sustainable procurement program)

## Key Objectives of the Needs Assessment

The Needs Assessment will focus on the following core questions and goals:

- Clearly define what the program aims to achieve at each stage of implementation.
- Develop standardized sampling methodologies, surveys, and data collection tools.
- Quantify the amount of end-of-life covered product waste generated annually in California (beyond current estimates based on POM data).
- Determine how collected end-of-life covered product waste will be treated after the Needs Assessment (baseline and projections).

- Establish appropriate **forecasts** and **targets** for collection, reuse, recycling, and disposal.
- Identify how data will be recorded consistently at all facilities and locations.
- Evaluate whether existing facilities have usable historical data and how that data can support planning.
- Determine the appropriate duration and scope of the Needs Assessment (number of locations, facility types, geographic coverage).
- Identify permit needs for different actors in the end-of-life supply chain.
- Understand how local waste management plans will incorporate end-of-life covered products.
- Analyze composition of the covered product waste stream, including contamination levels and non-covered product fractions (ensuring hazardous waste is properly handled).
- Identify how to manage “nuisance” covered products (e.g., mixed fibers, metallic fibers, PFAS).
- Determine appropriate collection frequencies and how they may differ across urban and rural areas.
- Define size and design requirements for local collection, transfer, and recycling facilities.
- Assess required transfer capacity and whether sorting and separation should occur pre- or post-transfer.
- Analyze current flows:
  - Proportion going through Goodwill and other thrift organizations
  - Proportion exported
  - Proportion recycled, downcycled, reused, or landfilled
- Map California's current capacity to collect, sort, repair, reuse, and recycle covered products (by county and region; including near-state infrastructure).
- Identify infrastructural deficits and assess timing and permitting needs for new developments.
- Maintain documentation and evidence supporting conclusions.
- Assess volumes and characteristics of **industrial covered product waste**, which may have lower contamination than post-consumer waste.

- Determine financial resources required and key cost recovery approaches.
- Assess California's capacity to analyze covered product waste composition and flows (laboratories, research institutions, consultants).
- Evaluate how to address infrastructure gaps, including potential near-state solutions and specialized facilities.
- Assess skillsets available in-state to implement and manage the program; identify any talent gaps.
- Measure current awareness of the new law and identify strategies to reduce covered product waste generation through behavior change.
- Consider the broader **social impacts**, including job creation and workforce development opportunities.
- Understand the positions and expectations of key governmental stakeholders.

This Needs Assessment will be one of the **first major projects** of the PRO and will be iterative in nature, running over multiple years. The findings from the pilot programs will feed into the Needs Assessment and vice versa, ensuring that the final program is:

- Cost effective
- Scales responsible end-market pathways for waste materials
- Sustainable
- Comprehensive
- Robust
- Effective in reducing covered product waste
- Focused on prevention, repair, and reuse as primary goals

## Contingency

A contingency fund is built into the budget across the setup and operational years. Landbell Group's experience from similar programs has shown that, despite careful planning, unforeseen events and costs arise. A contingency provision ensures:

- Program resilience
- The ability to address emergent needs
- Flexibility to adapt to new regulatory or market conditions

## Thrift Organizations

Thrift organizations and other charitable resellers—are essential partners in California's circular covered product economy. A key objective of the PRO is to:

- **Avoid negatively impacting their critical revenue streams**
- **Increase volumes of covered products available to the thrift sector**, particularly for reuse and resale

It is recognized that approximately **25% of covered products** received by many thrift organizations are exported for resale. To support these organizations:

- The PRO will provide funding for export shipping costs, estimated at **\$0.11 per pound**, corresponding to approximately **\$2,441,894** for **11,100 tons** of covered products.
- As the program progresses, covered product export volumes are projected to decrease, facilitated by the development of sustainable alternatives, along with infrastructure and capability.
- To further support thrift organizations during the pilot period, **\$5,000,000 per year** is budgeted for **2028 and 2029**.

As a part of the retailer collection program, it is proposed to support the collection of end-of-life covered products from retailers using these organizations.

## Collection Bins

For planning purposes, the budget assumes that the PRO will **purchase collection bins**. As implementation progresses, a detailed **buy-versus-lease analysis** will be conducted.

Assumptions:

- Total bins installed: **17,391**
- Coverage: approximately **one bin per 2,500 residents**
- Estimated cost per bin (installed): **\$3,200**
- Total capital outlay: approximately **\$48,597,012**
- Annual bin maintenance assumed at **10% of purchase cost** (including bins used in the pilot)
- Capital costs may be amortized over **five years**

It is possible that some waste management or logistics providers may offer bins as part of their service. While this model may reduce PRO capital expenditure, Landbell Group's **sustainable procurement principles** favor **separating services** (collection vs. container infrastructure) to:

- Reduce reliance on any single vendors
- Maintain competition, cost efficiency and flexibility
- Support long-term resilience and cost-effectiveness

### Retail Collection Points

Retailers are expected to play a **critical role** in the program as:

- Highly visible, convenient **collection points**
- Key **educators and promoters** of the program

Consumers will be able to drop off covered products while shopping, reducing dependence on municipal collection locations and likely lowering contamination rates.

Retailer participation may include:

- In-store collection points
- Shared "pod" collection hubs (e.g., at shopping centers and malls)
- Joint use of larger municipal-style bins in retail clusters

It is planned to **compensate retailers** based on the number of **pounds of covered products collected**, acknowledging their contribution to convenience and outreach.

It is estimated that there are 100,000 covered product retail outlets in California. They vary greatly in size and accessibility. It is expected that many of these stores will act as collection points. Collection of covered products in the stores is expected to be through in-house collection points, the modality of which will be determined by the Retailer. To support the program, retailers will be required to place collected goods in standardised gaylords (48"\*40"\*48"). These gaylords should be triple walled and made from recycled paperboard and placed on a pallet. Collection of these gaylord boxes should be arranged to fit into the local collection scheme, whether through a milk run or in partnership with local Goodwill/Thrift Organizations. Thresholds will be set to minimize the frequency of collection. QR codes for shipping that represent the store and the gaylord box will be generated from our online system that will allow identification of the gaylord source, weight and ultimately any other KPIs that are measured. It will also allow us to

determine contamination rates and compare these to public collection points. This process will help to maximize collection efficiency while decreasing logistics and GHG emissions. For large groups of retailers, such as those in shopping malls, it is planned to engage with the Mall Owners to develop a collection protocol for the stores that does not impact on the other users and makes use of available space.

## Pilot Program Costs

To illustrate how Landbell USA would structure and manage budgets, a **Pilot Study** is proposed for **2028 and 2029** in **five counties**, representing approximately **10% of California's population** (~3.94–3.98 million residents).

Assumptions for the pilot include:

- One bin per 2,500 residents (per § 42984.10)
- Bins collected **twice per month**
- Bin capacity: **1 ton (2,000 lbs) of covered products**

## Logistics Assumptions by County

For each county, for budget modeling:

- The county is approximated as a circle
- A single central consolidation point receives all collected covered products
- The area of the circle equals the county's official area
- The average distance from bin to consolidation point is estimated at **two-thirds of the radius**
- Straight-line distances are used, then increased by **40%** to approximate actual driving routes
- 13 "collection months" are assumed per year to reflect additional holiday-period pickups
- Sorting and recycling are assumed to occur in **Portland, Oregon** (average distance ~793 miles from California)
- Six drivers serve the five counties, with a total annual salary of **\$55,000 per driver**
- Diesel costs are estimated at **\$1.30 per mile**

Note: Use of specialist logistics software is expected to reduce actual distances and costs from these conservative estimates.

### 2028 Pilot Cost Estimates

- Estimated logistics cost: **\$9,563,413**
- Estimated tonnage: **~7,053 tons** of covered product waste
- Covered products waste treatment (collection, sortation, recycling):
  - Cost assumption: **\$0.66 per pound**
  - Total: **\$6,858,051** (indexed at 5% annually thereafter in the budget model)
- A portion of collected covered products will be suitable for **Thrift Organizations** and repair/reuse. It is assumed that in **2028**:
  - **53%** of collected covered products will be directed toward repair and reuse, increasing in later years due to education and outreach efforts.
  - This segment is subject only to collection and sortation charges.
- Of the covered products provided to thrift organizations, it is assumed that **25%** will be shipped abroad for resale (consistent with current practice). The cost of this export will be covered by the PRO.
- Bin costs in 2028: **\$5,098,838**

### 2029 Pilot Cost Estimates

- Estimated logistics cost: **\$10,012,709**
- Estimated tonnage: **~7,400 tons** (with expected growth due to greater program awareness)
- Covered product waste treatment: **\$7,509,566** (applying the 5% indexation on cost per pound)
- Bin maintenance cost in 2029: **\$509,884**

| <b>Pilot Cost Estimate</b>  |                     |                     |
|---|---------------------|---------------------|
| <b>Aspect</b>   | <b>2028</b>         | <b>2029</b>         |
| Waste treatment including covered products for Thrift Organizations | \$6,858,051         | \$7,509,566         |
| Bin Cost  | \$5,098,838         | \$509,884           |
| Logistics Cost  | \$9,653,413         | \$10,012,709        |
| <b>Total</b>  | <b>\$21,610,302</b> | <b>\$18,032,159</b> |

This data will allow us to identify any gaps in the program and any general assumptions that are incorrect that have a material effect on the budget.

### Implementation Costs in 2030

In **2030**, the full program will be implemented statewide. The model uses:

- Learnings from the Pilot Study
- Outcomes from the Needs Assessment
- Optimized logistics through AI software
- Input from stakeholders across the supply chain

For the budget, it is assumed that:

- **56%** of collected covered products will be sent for repair and resale (reflecting increased awareness and education).
- A **10% increase** in covered product volumes is assumed in non-pilot counties as the program scales.

### 2030 Cost Estimates

- Total collection distance: **~2,714,595 miles**
- Collection mileage cost: **\$101,158,021** (embedded within the logistics cost line)
- Waste treatment (including covered products for thrift organizations): **\$83,262,048**
- Bin cost: **\$43,498,174** Logistics cost: **\$103,316,925**

Assume 10% increase in covered product amounts in non-pilot counties.

| Aspect  | Costs                |
|---|----------------------|
| Waste treatment including covered products for Thrift Organizations | \$83,262,048         |
| Bin Cost  | \$43,498,174         |
| Logistics Cost  | \$103,316,925        |
| <b>Total</b>  | <b>\$230,077,147</b> |

Including overhead and other operational costs, **total 2030 costs** are estimated at **\$258,399,248**

Per legislation, the PRO must maintain a **six-month reserve**, estimated at **\$129,199,624**, bringing total 2030 funding needs to:

- **Total 2030 Required Funding: \$387,598,871**

### **Revenue in 2030**

Program revenue for 2030 is modelled on a **per-pound POM charge**:

- Charge assumption: **\$0.193 per pound of Covered Material put on the market**
- Projected revenue: **\$413,272,125**

This revenue estimate:

- Does **not** yet incorporate the effects of fee modulation
- Will be refined in consultation with producers and stakeholders

As discussed in this application, fee modulation will:

- Reward design choices that favor durability using industry standards, mono-materials with single fiber types, improved labelling, repair, recyclability, and non-hazardous chemistry
- Apply malus factors for high-impact materials (3+ fiber types), over-production, under-reporting and non-circular design
- Be implemented following a collaborative stakeholder process and supported by robust data from the PRO's digital systems

| <b>Name</b>                            | <b>Intervention Area</b>                         | <b>PRO Tasks</b>  | <b>2026 FTE</b> | <b>2027 FTE</b> | <b>2028 FTE</b> | <b>2029 FTE</b> | <b>2030 FTE</b> |
|--|--|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| John Hayes                             | Strategy and Oversight Committee                 | Stakeholders outreach strategy. Oversight committee management.   | 0.5             | 0.5             | 0.5             | 0.5             | 0.5             |
| Dora Caria                             | Strategy and Oversight Committee                 | 3-5 year PRO strategy and roadmap. Oversight committee management.  | 0.1             | 0.05            | 0.05            | 0.05            | 0.05            |
| Christophe Pautrat                     | Governance Strategy and Programming              | PRO Charter and Oversight Committee Roles and Responsibilities and programming  | 0.1             |                 |                 |                 |                 |
| Paul Dietzch Dortenbach                | Covered products Operations                      | Provide guidance and support on operational set up  | 0.15            | 0.1             | 0.1             | 0.1             | 0.1             |
| Patrick Gibbs                          | Covered product Program Lead                     | Overall program management and support  | 0.5             | 1               | 1               | 1               | 1               |
| Sergey Yurcha                          | Covered product Operations and Technical Support | Operational and technical support   | 0.15            | 0.1             | 0.05            | 0.05            | 0.05            |
| Administration                         | Support Management Teams                         | Office organization and maintenance, meeting and travel organization.<br>Admin support to the senior team.                    | 0.5             | 1               | 1               | 1               | 2               |
| Rick Dukes                             | Supply Chain                                     | California collection, recycling infrastructure, investment opportunities and potential impact.<br>Collection models.         | 0.1             | 0.075           | 0.05            | 0.05            | 0.05            |
| Jeff Morrison                          | Operations                                       | Operational processes   | 0.025           | 0.025           | 0.025           | 0.025           | 0.025           |
| Lisa Nelson                            | Regulation Expertise and Tracking                | Policy Information and trends in US. Future legislation monitoring and advocacy support.                                      | 0.2             | 0.15            | 0.15            | 0.15            | 0.15            |
| Iva Lea Aurer                          | Regulation Expertise and Tracking                | Regulatory tracking oversight and advocacy support  | 0.1             | 0.075           | 0.075           | 0.075           | 0.075           |
| Data Management & Admin                | Data Management                                  | System preparation and member data support  | 1               | 2               | 4               | 4               | 6               |
| Data Analyst and Business Intelligence | Database Administration                          | Data management and reports plus liaison with Software Provider   | 0.5             | 1               | 2               | 2               | 3               |
| Finance                                | Controller                                       | Managing and distributing funds, financial reports, cash management   | 0.4             | 2               | 3               | 3               | 5               |
| Supply Chain and Operations            | Operational and Supply Chain Management (from    | Negotiation, Onboarding and Contracting.<br>Collection and recycling investment follow-up.<br>Collection models and piloting. | 4               | 6               | 8               | 10              | 10              |

| <b>Name</b>                  | <b>Intervention Area</b>                             | <b>PRO Tasks</b>   | <b>2026 FTE</b> | <b>2027 FTE</b> | <b>2028 FTE</b> | <b>2029 FTE</b> | <b>2030 FTE</b> |
|------------------------------|--|--|-----------------|-----------------|-----------------|-----------------|-----------------|
|                              | collection to treatment)                             | Supply chain technology trends, innovations research. Supply Chain performance and control.  |                 |                 |                 |                 |                 |
| Members Management and Admin | Membership and Compliance Management                 | Onboarding and membership agreements   | 2               | 4               | 4               | 4               | 6               |
| Landbell Group Support       | Oversight and support on program set up and planning | Provision of specialist expertise on an as-needed basis. This support is provided to all PROs around the world to assure their proper functioning and efficiency | As required     |                 |                 |                 |                 |

It is planned to build the Landbell USA PRO Implementation Team beginning in 2026. This will include some external suppliers, that may be brought inhouse as the program develops. The staffing numbers are based on full time equivalent (FTE) employees. As above, this is illustrative and the final set of employees will be identified as the program is developed and the needs are clarified. However, considering the aggressive timetable to implementation and the significant workload associated with the program, it is anticipated that the staffing numbers required prior to implementation will be significant.

| <b>Name</b>                        | <b>Intervention Area</b> | <b>PRO Tasks</b>  | <b>2026 # FTE</b> | <b>2027 # FTE</b> | <b>2028 # FTE</b> | <b>2029 # FTE</b> | <b>2030 # FTE</b> |
|------------------------------------|--------------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Management (CEO, CFO, COO) | General Management       | Meetings facilitation. Stakeholder outreach implementation strategy, including PROs. Networks management in and outside PRO. Overall PRO management and strategy and program Follow-up and overseeing performance | 2                 | 3                 | 3                 | 3                 | 3                 |
| PR & MKT (External)                | PR Strategy              | PR and external communications  |                   | 1.5               | 2                 | 2                 | 3                 |
| Government Relations Manager       | Government Relations     | Manage relationships with key external stakeholders in the government and regulator   | 2                 | 1                 | 1                 | 1                 | 1                 |
| Accounting (External)              | Bookkeeping              | Bookkeeping   | -                 | -                 | -                 | -                 | -                 |
| Financial Auditors (External)      | Statutory Accounts Audit | Yearly Audit  | -                 | -                 | -                 | -                 | -                 |

| Name                             | Intervention Area   | PRO Tasks  | 2026<br># FTE | 2027<br># FTE | 2028<br># FTE | 2029<br># FTE | 2030<br># FTE |
|----------------------------------|---|--|---------------|---------------|---------------|---------------|---------------|
| Supply Chain Auditors (External) | Supply Chain Compliance                                     | Annual/bi-annual audits  | -             | -             | -             | -             | -             |
| IT Administration (External)     | IT Support  | Maintenance of IT systems plus licence fees plus user support                  | -             | -             | -             | -             | -             |
| Logistics Software               | Logistics Software  | Acquisition and set up of smart logistics software                             | -             | -             | -             | -             | -             |
| Training                         | Training Program  | As required per person   | -             | -             | -             | -             | -             |
| Needs Assessment                 | Outsourced  | Review of covered products takeback capabilities and capacity in California    | -             | -             | -             | -             | -             |
| CalRecycle Admin                 | Outsourced  | Provide financial support to onboard Covered Product Regulators                | 3             | 6             | 12            | 14            | 16            |
| Board                            | Annual fee  | Fees to be paid to 10 board members from 2027                                  | -             | 20            | 20            | 20            | 20            |
| Advisory Committee               | Annual fee  | Fees to be paid to 13 advisory committee members from 2027                     | -             | 13            | 13            | 13            | 13            |
| Lawyers (External)               | Governance Strategy, Implementation and Oversight Committee | Antitrust and Conflict of Interest Guidelines.<br>Governance operationalizing. | -             | -             | -             | -             | -             |
| HR (External)                    | HR Management   | Salaries, Social Security, H&S   | 1             | 1             | 1             | 1             | 1             |
|                                  |   | <b>TOTAL</b>   | 11            | 46            | 52            | 54            | 57            |

Fractional FTE have been rounded up for the purpose of this estimate. Included in the headcounts are the CalRecycle FTE as well as the Board and Advisory Committee personnel.

### *Staff and Overhead Budget*

The total estimated costs are presented below for the period 2026 – 2030. As previously discussed, this is intended to give an overview of anticipated costs over the 5-year period. It is (again) noted that the needs assessment and the direction of the various board and advisory committees will likely have a significant impact on these numbers.

|  |                           |   |              |
|--|---------------------------|---|--------------|
| <b>2026</b>                                  | <b>Set-up of the pro</b>  | PRO Strategy and 3-years Roadmap.<br>Stakeholders outreach Strategy.<br>Governance Strategy.<br>Supply Chain and Operational Strategy.<br>Membership Strategy.<br>Financial Processes and Reporting Guidance.<br>Landbell Central Support | \$ 1,940,250 |
|  | <b>PRO Administration</b> | PRO General Management.<br>Supply Chain and Procurement<br>CalRecycle<br>Recruitment  | \$ 945,000   |
|  | <b>Overhead Costs</b>     | Office Related Expenses plus rent   | \$ 300,000   |
|  |                           | IT and Office Furniture   | \$ 95,000    |
|  |                           | Needs Assessment  | \$ 500,000   |
|  |                           | Office sundries including broadband, phone, paper, insurance, fees, etc   | \$ 26,000    |
|  |                           | Travel Related Expenses   | \$ 60,000    |
|  |                           | PR & MKT (Outsourced) including P&E   | \$ 1,575,000 |
|  |                           | Accounting (Outsourced)   | \$ 75,000    |
|  |                           | Financial Auditors (Outsourced)   | \$ 50,000    |
|  |                           | Supply Chain Audit  | \$ 45,000    |
|  |                           | Government Relations  | \$ 57,500    |
|  |                           | Legal Support (Outsourced)  | \$ 250,000   |
|  |                           | IT Administration (External)  | \$ 50,000    |
|  |                           | IT System   | \$ 80,000    |
| Logistics Software                           | \$ 1,100,000              |   |              |
| HR Support - Payroll, Training, (Outsourced) | \$ 129,000                |   |              |
| Contingency                                  | \$ 500,000                |   |              |
| <b>SUB-TOTAL</b>                             |                           | <b>\$ 7,777,750.00</b>  |              |

|  |  |  |              |
|--|--|--|--------------|
| 2027   | <b>PRO Administration</b>                | PRO General Management.<br>Membership Management.<br>Supply Chain and Procurement.<br>Financial Management.<br>Recruitment<br>Landbell Central Support | \$ 2,812,275 |
|  | <b>Technical and Operational Support</b> | Technical and Operational Management.<br>Board and Advisory Committee<br>CalRecycle  | \$ 2,626,000 |
|  | <b>Overhead costs</b>                    | Office Related Expenses plus rent  | \$ 277,000   |
|  |  | IT and Office Furniture  | \$ 45,000    |
|  |  | Office sundries including broadband, phone, paper, insurance, fees, etc  | \$ 44,000    |
|  |  | Travel Related Expenses  | \$ 82,000    |
|  |  | PR & MKT (Outsourced) including P&E  | \$ 1,652,000 |
|  |  | Accounting (Outsourced)  | \$ 76,500    |
|  |  | Financial Auditors (Outsourced)  | \$ 51,000    |
|  |  | Supply Chain Audit   | \$ 45,000    |
|  |  | Government Relations   | \$ 117,300   |
|  |  | Legal Support (Outsourced)   | \$ 500,000   |
|  |  | IT Administration (External)   | \$ 50,000    |
|  |  | IT System  | \$ 50,000    |
|  |  | Needs Assessment   | \$ 300,000   |
|  |  | Logistics Software   | \$ 1,000,000 |
| HR Support - Payroll, Training, (Outsourced) | \$ 175,000                               |  |              |
| Contingency                                  | \$ 500,000                               |  |              |
| <b>SUB-TOTAL</b>                             |  | <b>\$ 10,403,075.00</b>  |              |



|                   |  |  |               |
|-------------------|--|--|---------------|
| <b>2029</b>       | <b>Administration</b>                    | PRO General Management<br>Membership Management.<br>Supply Chain and Procurement<br>Landbell Central Support | \$ 4,159,164  |
|                   | <b>Technical and Operational Support</b> | Technical and Operational Management.<br>Board and Advisory Committee<br>CalRecycle                          | \$ 3,748,646  |
|                   | <b>Overhead costs</b>                    | Office Related Expenses plus rent  | \$ 294,000    |
|                   |  | IT and Office Furniture  | \$ 35,000     |
|                   |  | Office sundries including broadband, phone, paper,<br>insurance, fees, etc                                   | \$ 76,000     |
|                   |  | Travel Related Expenses  | \$ 105,000    |
|                   |  | PR & MKT (Outsourced) including P&E  | \$ 2,608,080  |
|                   |  | Accounting (Outsourced)  | \$ 79,591     |
|                   |  | Financial Auditors (Outsourced)  | \$ 53,060     |
|                   |  | Government Relations   | \$ 122,039    |
|                   |  | Legal Support (Outsourced)   | \$ 600,000    |
|                   |  | IT Administration (External)   | \$ 100,000    |
|                   |  | IT System  | \$ 50,000     |
|                   |  | Logistics Software   | \$ 1,000,000  |
|                   |  | HR Support - Payroll, Training, (Outsourced)   | \$ 184,121    |
|                   | Contingency                              | \$ 500,000   |               |
|                   | <b>Pilot</b>                             | Logistics  | \$ 10,012,709 |
|                   |  |  |               |
|                   |  | Waste Treatment Plus Bins  | \$ 18,032,159 |
|                   |  | Goodwill Funding   | \$ 5,000,000  |
| Retail Collection |  | \$ 676,191   |               |
| Audit/sample      |  | \$ 206,000   |               |
|                   |  |  |               |
| <b>SUB-TOTAL</b>  |  | <b>\$ 46,759,568</b>   |               |

|      |  |  |                |
|------|--|--|----------------|
| 2030 | <b>Administration</b>                    | PRO General Management<br>Membership Management.<br>Supply Chain and Procurement<br>Landbell Central Support | \$ 4,902,765   |
|      | <b>Technical and Operational Support</b> | Technical and Operational Management.<br>Board and Advisory Committee<br>CalRecycle                          | \$ 4,016,589   |
|      | <b>Overhead costs</b>                    | Office Related Expenses plus rent  | \$ 299,880     |
|      |  | IT and Office Furniture  | \$ 45,000      |
|      |  | Office sundries including broadband, phone, paper, insurance, fees, etc                                      | \$ 76,000      |
|      |  | Travel Related Expenses  | \$ 130,000     |
|      |  | PR & MKT (Outsourced) including P&E  | \$ 3,712,242   |
|      |  | Accounting (Outsourced)  | \$ 81,182      |
|      |  | Financial Auditors (Outsourced)  | \$ 54,122      |
|      |  | Government Relations   | \$ 124,480     |
|      |  | Legal Support (Outsourced)   | \$ 600,000     |
|      |  | IT Administration (External)   | \$ 100,000     |
|      |  | IT System  | \$ 65,000      |
|      |  | Logistics Software   | \$ 1,000,000   |
|      |  | Needs Assessment   | \$ 150,000     |
|      |  | HR Support - Payroll, Training, (Outsourced)   | \$ 188,243     |
|      | Contingency                              | \$ 500,000   |                |
|      | <b>Program Kick-Off</b>                  | Logistics  | \$ 103,316,925 |
|      |  | Waste Treatment Plus Bins  | \$ 126,760,222 |
|      |  | Goodwill Funding to support any export of unsold thrift goods  | \$ 2,441,894   |
|      |  | Retail Collection and treatment  | \$ 9,834,703   |
|      |  | Audit/sample   | \$ 2,461,288   |
|      |  |  |                |
|      | <b>SUB-TOTAL</b>                         | <b>\$ 258,399,248</b>  |                |
|      | <b>Reserve Fund</b>                      | <b>\$ 129,199,624</b>  |                |
|      | <b>TOTAL</b>                             | <b>\$ 387,598,871</b>  |                |

# Financial Program

## Business Ethics and Policies

Within the Landbell Group, Ethical behavior at work isn't optional—it's essential. Our Business Ethics Program provides a clear framework to support integrity, fairness, and transparency across our business, both within the company and in our relations to external stakeholders. It focuses on specific chapters of our Code of Conduct and refers to relevant internal topic Handbooks.

Our Business Ethics Policy summarises actions taken by all entities of Landbell Group on our global perimetry. It focuses on the below topics:

- **Human Rights** and our approach to eliminate all forms of forced or compulsory labour, abolish child labour and prevent any form of discrimination.
- **Business Conduct** approaches our main commitments and programs for: Anti-Corruption, Conflict of interest, Anti-Money laundering and Anti-Fraud, as well as Responsible information management (including Information security and management and protection of personal data). It also states our commitments to prevent Anti-competitive practices and Anti-Trust issues.
- **Concern Raising** where we present a confidential and safe process to raise concerns about workplace related issues and sustainability topics, as well as our secure [whistleblowing](#) system, which is available globally and ensures protection and bans any form of retaliation.

It also includes **Business Ethics Targets** for 2025 and 2030.

The Landbell Group Leadership Team designs the policies and strategies and steers the deployment of the business ethics strategy. The Legal Office is responsible for coordination and supports all group entities and departments on these topics. Managers are responsible not only for implementing this policy and the related handbooks within their areas of responsibility, but also for promoting awareness and commitment to the achievement of KPIs within their teams.

All these programs will be implemented in Landbell USA PRO. It should also be noted that these policies and programs work together with the management system previously discussed.

## Code of Conduct

The code of conduct ("the Code") contains the rules that are decisive for us in our dealings with our stakeholders, such as colleagues, authorities, customers or suppliers and the broader public. It sets out minimum standards that are binding guidelines for all employees to follow in our everyday work, including senior management teams around the world whose duty is to set a good example. The Code of Conduct increases mutual understanding and ultimately helps us to be successful on global markets.

The Code also encourages that our business partners go beyond legal compliance to push forward sustainable responsibility as well as business ethics. Landbell Group may therefore require evidence of, or run controls over, actions that our business partners take in pursuing these objectives. Support or questions regarding implementation of the Code may be raised at any time at [sustainability@landbellgroup.com](mailto:sustainability@landbellgroup.com). If the business partners delegate any of the work done for the Landbell Group, it is also required that the next tier suppliers to acknowledge and implement the Code.

Commitments from the Code may not, in any way be interpreted in a manner that is not compliant with any applicable law. When the provisions of the Code are stricter than legal obligations, the Code shall take precedence. For the purposes of this section, only the financial aspects of the Code will be considered. Other topics such as labor practices and wages, etc have been dealt with in a separate section.

## Ethics

For Landbell Group, ethical business also covers relations of companies between each other, with their stakeholders, society, and national or regional authorities. As a compliance company, we regularly gain deep insights into the economic foundations of other companies. To establish and maintain a high level of business reliability and trust the highest standards of ethics shall be adhered to. Information and training on the processes to implement and reach these standards should be provided to employees in a language that they understand and appropriate for their level of responsibility within the organization.

### Gifts. Anti-Bribery

Landbell Group expects from its employee and business partners a zero-tolerance policy for any forms of corruption, extortion, embezzlement and any other form of active or passive bribery which jeopardise the world of trust, democracy and honesty Landbell Group wishes to do business in. Actual or attempts to bribe or other acts in view of obtaining undue or improper advantage will be reported to the relevant authorities. This prohibition covers promising, offering, authorizing, giving or accepting anything of value which might make the receiver indebted, either directly or indirectly through a third party, to influence, obtain or retain business, direct business to public officials, business partners,

employees or any other person, or otherwise gain an improper advantage. Monitoring, record keeping, and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

## Confidentiality

The security of customer data and the confidentiality of information are of the greatest importance and it must be always ensured that confidential information is protected against access by third parties. Employees who have access to or control of confidential or proprietary information must take the appropriate and prescribed security precautions to prevent misuse and disclosure.

## Transparency

All business dealings should be transparently performed and accurately reflected in the financial records. Information regarding labor, health and safety, environmental practices, business activities, structure, financial situation, and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

## Anti-Corruption

The Landbell Group Code of Conduct asserts that "Landbell Group expects from its employee and business partners a zero-tolerance policy to any forms of corruption, extortion, embezzlement and any other form of active or passive bribery".

The UN Convention against Corruption, Vienna, 2004, sets the international standards to eradicate corruption and Landbell Group fully aligns with this vision and commits to abiding to applicable law. From several part of the world, regulators have taken actions and many of our large Business Partners are under obligations from the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act or EU instruments for example to build and maintain thorough corruption prevention programs.

Landbell Group commits to ethical behaviors which are most often natural. Some situations may however arise independently from our control or arise in a way that makes it difficult to recognise the risks. These situations entail important risks for the group, therefore this policy sets plan and measures to avoid and address risky situations.

Considering the size of our business and the nature of the risk identified, our guidance aims at setting an effective and secure process to:

- establish ownership, structure, and plan for an Anti-Corruption Program
- assess corruption-related risks within our processes or in our relations to other stakeholders
- organise mitigation measure to reduce or eliminate these risks,

- support our customers' own anti-corruption efforts by being exemplary
- adopt guidelines for employees to react in an appropriate manner with respect to high-risk situations.

### *Roles and Responsibilities*

The Landbell Leadership Team is fully engaged to support and promote the Landbell Group anti-corruption program. The GLT sets the program main orientations and annually reviews the results obtained by the Group on this topic. If a case of corruption is detected in our organization, the GLT assesses and decides the Group's response, depending on the case and on the context.

Every employee shall ensure that corruptive practises do not take place in our area of responsibility. We shall all behave according to the guidance and report any corruption practise that might be suspected or witnessed within the dedicated channels.

Besides, any employee that is requested by a Business Partner or other third party to make a bribe or other improper payment or advantage (including but not limited to monetary advantages) shall of course (a) politely but firmly refuse the request and (b) inform his/her line manager as well as the Legal Department.

The Legal Department leads the anti-corruption program at group level. It is also involved in raising awareness, adapting contractual commitments and supporting businesses with corruption risk management.

Department Managers are responsible for making sure their team members are made aware of the risks related to corruption in the department's activities and apply the related mitigations measures, as needed in relation with the Legal Department.

HR shall ensure that each employee of Landbell Group has participated into an awareness program related to anti-corruption and compliance, during the induction process and then regularly, as agreed with the Legal Department. HR coordinates the disciplinary process in case an employee is or seems involved in corruption activities.

### *Corruption Risk Map*

The Legal Department, in consultation with the Landbell Leadership Team and the Heads of Departments annually update a Corruption Risk Map. This map

- identifies each corruption risk related to each Department's activity
- analyzes these risks in respect of the criteria previously defined addresses the major risks with an action plan

It also lists, for each risk the possible corruption scenario, compounding risk factors (as below), probability, existing control measures and as relevant the action plan in place to reduce the risk. The following are elements that may be considered as high risk factors:

| <b>Criteria</b>     | <b>Compounding Risk Factor</b>   |
|---------------------|--|
| Country of Business | Any activities taking place in countries scoring 50 or below on Transparency International Corruption Perceptions Index.   |
| Business Dependency | <ul style="list-style-type: none"> <li>- Customers representing 20% or more of the entity's turnover. Public official in charge of creating regulations or delivering authorisation on which depend 20% or more of the entity's turnover.</li> <li>- Suppliers having monopolistic position and handling 20% or more of the annual direct procurement costs of an entity.</li> </ul> |
| Intermediaries      | Communications, sales or operations conducted through one or more intermediaries.  |
| Public Officials    | Any business partner that engages with public officials on behalf of Landbell Group entities.  |

*Implementing the Control Plan*

The Legal Department will help coordinating a group-level action plan as far as it involves measures of legal and contractual protection, analysing risk and issuing recommendations. Heads of Departments and CGMs are responsible, under the supervision of the Landbell Leadership Team to effectively roll out action plan within their area of responsibility, which may include organising team working sessions to discuss and raise awareness (with the support of the HR and if needed the participation of the Legal Department) as well as adjusting the working processes in order to reduce the corruption risks.

The implementation and effectiveness of the group anti-corruption action plan will be subject to review by the Legal Department on an annual basis. This may take the form of a general review of the Anti-Corruption measures and requirements, but also of desktop or onsite audits of Departments actions, and/or of measure of the effectiveness of the awareness sessions through tests for employees. The results of these controls will be considered in further developing and improving the program and will be used to build an annual update of the anti-corruption plan to the Landbell Leadership Team.

*Conflict of Interest*

Employees shall ensure they have no Conflict of Interest with the interests of the group and of the stakeholders they manage in their area of responsibility and shall inform the company about any of their own or their relatives' activities which may place them in a position of conflict of interest. Particular attention should be given to situations of being a membership of several boards or having common shareholding with suppliers and other stakeholders and to related parties, relationships or transactions.

Landbell Leadership Team members, country managers and members of the Board in each company sign a Conflict-of-Interest Statement when they take their position. Employees who have private interests which might be affecting the way they perform

their tasks, are expected to disclose them proactively to their line manager and to fill a Conflict-of-Interest Statement. All Conflict-of-Interest Statements shall be updated in case of change.

The line manager of the person completing a Conflict-of-Interest Statement decides together with the HR /CGM and the Legal Department (as required) on any restrictions to the scope of work to avoid any private interest generating a situation of conflict of interests. The organisers of meetings (Landbell Leadership Team, board or others) are made aware of possible scope restrictions of participants and should ensure during meeting proceedings at that the person who has a conflict of interest does not participate in any preparation, discussion, decision over the matter.

### *Gifts*

Landbell Group Employees must never give to or receive from anyone anything to obtain an unfair business advantage or to obtain or retain business. Any gift you make to Business Partners shall always be proportionate and reasonable.

Landbell Employees must avoid accepting (directly or indirectly) from any actual or potential Business Partner or any third party you are in contact with for business reasons, any extravagant or excessive gifts, entertainment or travel. This includes any offer in cash, as well as for example out of the ordinary restaurant invitations, participation into private sport or cultural events, and more generally gifts whose effect is to feel in debt toward the offeror. In case of doubt on the appropriateness of a gift acceptance, please refer to your line manager, or the HR or Legal Department.

Acceptance or offer of gift of an estimated value below \$50, or as permitted by local policies, if your company has a certified integrated management system, is considered trivial. Above this amount, it shall be subject to written approval of your line manager.

In assessing a gift, you give or receive, staff must always consider:

- the value, level and type of gift offered,
- the recurrence of the gift offer, that shall not more than once a year
- the way in which it is provided, and
- the level of influence the person receiving or giving it has on any business decisions relating our organization.

If such gift is received without the prior knowledge of the recipient, the gift should be returned to the sender. Smaller gifts sent to the office may be shared with the entire team or used collectively when relevant. Donations to charities may also be considered.

### *Management of Intermediaries*

This applies mostly to sales agents and public relations facilitators, including lawyers, but might be extended depending on the presence of other risk factors to other types of consultants.

A solid due diligence process protects our organization from engaging with third parties that are not trustworthy. During the onboarding of any intermediary tasked with acting on our behalf, make sure that you integrate the anti-corruption contract annex provided by the Legal Department to the Intermediary service agreement. This may include the obligation to engage with Landbell anti-corruption training platform.

### *Awareness Raising*

Landbell Group HR organize the awareness of all employees of the Group regarding the anti-corruption Program and the way each should get involved, based on materials approved or created by the Legal Department. This takes place on the induction phase as well as regularly thereafter regarding the general understanding and global topics of concerns around corruption. The Department Managers in charge of activities where risks ranked 3 or more exist on the corruption risk map, ensure that dedicated annual awareness sessions are organised at the appropriate scale to raise awareness and adopt the correct business practises to specifically address the department's corruption. The Legal Department supports the organization of such specific sessions.

### *Reporting Risks or Cases of Corruption*

Landbell Group maintains a grievance and whistleblower program which can be used to report doubts, acts or risks of corruption. The Legal Department logs information on various corruption events or attempts as well as any corrective or preventive action taken to avoid that situation to occur again in the future. This is used for the update of the corruption risk map.

### *Record Management*

It is paramount that any action participating in the management of the anti-corruption program is well documented. Make sure to retain any document, email, written communications including minutes of phone communications that might demonstrate the identified and mitigated risks. These documents shall be made available to the Legal Department upon request.

## **Anti-Fraud and Money Laundering**

All activities of Landbell Group around the world, either in waste management services or in consulting and other services are subject to this Landbell Group Policy.

All Landbell Employees shall ensure that criminal activities such as fraud and money

laundering do not take place in our area of responsibility. This includes three main actions:

- Read and sign off the Anti-Fraud and Money Laundering related procedures on Landbell Group intranet (LION)
- implementing prevention measures described in the Anti-Fraud and Money Laundering Handbook
- report suspicious activities or documents, if necessary, using the dedicated confidential channels

The Legal Department are the key contacts when suspicious activities are detected and manage internal investigations as required. It is also up to them to keep up to date with emerging issues in this area. The accounting Department in particular is responsible for setting-up and manage a sanity check on invoices paid by the company

The Sales Department shall be attentive to the market and especially to customer related news. Should a customer of Landbell Group be convicted with fraud or money laundering, the Sales Department shall inform the Legal and Accounting Department thereof to initiate an internal investigation on risks and potential exposure.

The Operations Department shall be attentive to the market and especially to supplier's related news. Should a supplier of Landbell Group be convicted with fraud or money laundering, the Operations Department shall inform the Legal and Accounting Department thereof to initiate an internal investigation on risks and potential exposure and cancel any services that this supplier might have been awarded by Landbell Group.

The following red flags should always be taken into account:

| <b>Criteria</b>       | <b>Financial Crime Red Flags</b>   |
|-----------------------|--|
| Countries or Regions  | <ul style="list-style-type: none"> <li>- High risk countries which have strategic deficiencies in their anti-money laundering</li> <li>- Countries in which corruption rate is high</li> <li>- Countries subject to sanctions, embargos or similar measures</li> </ul>   |
| Business Partner Type | <ul style="list-style-type: none"> <li>- High cash turnover businesses</li> <li>- Informal delivery channels</li> <li>- Charities and "not-for-profit" organizations that are not monitored or supervised by authorities</li> <li>- Use of intermediaries without good reason</li> </ul>   |
| Service or Behaviors  | <ul style="list-style-type: none"> <li>- Business with high prevalence of informal economy</li> <li>- Payments from un-associated or unknown third parties and payments for fees in cash where this would not be typical</li> <li>- Use of false or counterfeited documentation</li> <li>- The client is a business entity that cannot be found on the Internet</li> </ul> |

| Criteria | Financial Crime Red Flags   |
|----------|---|
|          | <ul style="list-style-type: none"> <li>- Reluctance to disclose information and documents that are necessary to justify the execution of the transaction</li> </ul> |

*Fraudulent invoices*

The detection of fraudulent invoices is a cornerstone of the AML and fraud prevention mechanisms because they are common criminal practice. Our detection and prevention system requires us to verify:

- Each Business Partner should be registered in the ERP (enterprise resources planning, such as Prodex, SAP, etc...) before engaging into financial transactions.
- The employee approving the invoice shall always secure that services invoiced were ordered, delivered and properly documented.
- Bank account on the invoice or credit note belongs to the issuing company.
- The company issuing the invoice or receiving it is the company receiving/delivering the services, not a third-party, unless otherwise agreed in a contract.
- Invoices or credit note are approved by the employee who engaged the spending.
- Each Company Manager sets a reasonable amount above which each invoice or credit note shall be co-approved by a manager, that amount may not be above \$20,000 or equivalent in local currency, unless authorized by the group governance guidelines.

*Fraudulent payments requests*

The prevention of fraudulent bank transactions may be limited by following a certain number of simple governance and process rules such as:

- No cash payment of any sort from Landbell Group entities.
- All payments above \$20,000 or equivalent in local currency must be approved by two different managers of the company unless authorized by the group governance guidelines or in the absence of such guidelines, unless authorized by the Company's Board of Directors.
- No employee has access to the bank system for money remittance.
- Remittances will only be approved in writing and not by phone or by videoconference.
- Bank systems and applications can only be accessed via a VPN secured and/or are password protected, usually with double identification.
- All managers entitled to approve payments are legitimated with banks by passport and signature identification.

## Business Continuity Planning

The purpose of a Business Continuity Plan (BCP) is to:

- Mitigate the effects that external or internal harmful events may have on Landbell's teams, business, strategy, operations and ability to deliver services to our customers
- Minimize financial losses for Landbell
- Continue to appropriately serve customers
- Remain in compliance with laws and retain all activity permit/authorizations

### BCP Organization

The BCP organization is only triggered after the activation of the BCP and only valid while the BCP is active. During a BCP the Business Response and Recovery Team (BRRT) has the authority and accountability for making decision according to the below:

| <b>Business Response and Recovery Team</b>  |
|---|
| <p>Activate the BCP</p> <p>Carry out a fast impact assessment of the needs of individuals and areas</p> <p>Identify and coordinate the operational response/recovery requirements</p> <p>Ensure timely internal and external communication (emergency services, business partners, customers etc...)</p> <p>Suspend the BCP</p> |

The main responsibilities of the BRRT are as follows:

| <b>Role</b>  | <b>Responsibilities</b>  |
|--|--|
| Landbell Leadership Team (Group Level)<br>Country Manager (entity level) | <ul style="list-style-type: none"> <li>- Leads the BRRT</li> <li>- Final decision maker</li> <li>- Approves alternate site/relocation decision</li> <li>- Spokesman for key external stakeholders (e.g. media)</li> </ul>  |
| Head of Department   | <ul style="list-style-type: none"> <li>- Assists the BRRT team leader</li> <li>- Facilitates communication/dissemination of response and recovery procedures during the BCP</li> <li>- Confirms essential functions, activities and acceptable downtime for recovery efforts</li> <li>- Coordinates communication with the external and internal stakeholders</li> </ul> |
| BCP Secretary  | <ul style="list-style-type: none"> <li>- Records meeting minutes and decision making</li> <li>- Sets-up meeting locations and helps the team logistical needs</li> </ul>   |

| <b>Role</b> | <b>Responsibilities</b>   |
|-------------|---|
|             | - Helps the Heads of Department speeding up the dissemination of the recovery efforts |

*BCP Activation*

Events that can cause disruption to business can be categorised into three types: incident, accident and disaster. Life and safety are always a priority! In a case of disaster, employees will feel confused and contact with their relatives should be facilitated as a matter of priority. Only after people's lives are protected and safe can other steps be initiated.

*Detection and Notification*

It is fundamental that events which qualify as accident or disasters are reported immediately to BRRT so that appropriate emergency actions can be initiated. For that, each employee is informed about the need to report such events.

*BCP External Communication*

Once the BCP has been communicated internally, it is the responsibility of the Head of Department) to communicate with external business partners likely to be affected (authorities, suppliers, users). The Head of Department may communicate to their partners when the main messages have been validated by the BRRT.

Addressing the media is the responsibility of the BRRT members exclusively, and the Country Manager in the first place. Any information, disclaimer, press release, positions paper or similar about Landbell that will appear in the media must be approved by the BRRT before it is disclosed or made accessible to others. The communication with the customers is the responsibility of the Sales Manager, and if missing, of the Country Manager.

*BCP Suspension*

Any member of the BRRT can suspend the BCP when the normal working conditions are restored. The suspension of the BCP is done as follows:

| <b>Activities</b>   | <b>Responsible</b>           | <b>Surrogate</b>             |
|---|------------------------------|------------------------------|
| Email to all Landbell employees involved in the services delivery informing of the BCP suspension                     | Country Manager              | Head of Affected Departments |
| External communication to customers of restoring operations   | Sales Manager                | Country Manager              |
| External communication to suppliers of restoring operations   | Operations Manager           | Head of Affected Departments |
| External communication to other stakeholders of restoring operations (if applicable) As per the Emergency information | As per emergency information |                              |

| Activities   | Responsible     | Surrogate |
|--|-----------------|-----------|
| Schedule a conference call or a meeting with all relevant Landbell employees to gather the information of the work done during the activation of the BCP and collect all the improvement suggestions for the next version of the BCP | Country Manager |           |
| Assess the real impact of the event  | CFO             |           |

**BCP Control**

Landbell BCP is updated regularly to ensure its continuous adequacy and effectiveness. BCP will be reviewed as appropriate, to maintain the accuracy and reflect any relevant changes, inside or outside Landbell. Plan changes, updates, and revisions are the responsibility of Program Manager.

**BCP Logs**

During the BCP an activity and decision log should be maintained to record all activities and decisions taken.

**BUSINESS/OPERATIONS DURING THE BCP**

Landbell recognizes 3 types of business activities related to the Entity's activities:

- Critical – Those operations that are vital to the operation and/or may pose a life safety risk
- Essential – Not critical, difficult to operate without, but could be on hold for a period, without questioning the future of Landbell
- Non-Essential – The non-completion of these activities is only seen as an inconvenience as can be postponed for a long period of time.

During the BCP activation the critical activities must be performed while the essential ones may be conducted if feasible, if no constraints exist (e.g. lack of resources). The non-essential activities will be postponed until the BCP is suspended.

**Critical Processes/Activities**

There are some processes/activities that can and should be suspended while the BCP is active (non-essential). Find below a list of such activities:

- General communication activities (awareness, marketing campaigns, etc...)
- Change Requests for IT systems (non-business critical)
- Training and other development actions.

### *Critical Data/Information*

Landbell critical data and application should be accessible securely from any location, at any time, especially in the case of a BCP activation. For that, we have all our critical data and applications backed up. We test periodically the restoration of data to avoid, during BCP activation, backups of data that may have been corrupted or would be missing.

### **Financial Management and Auditing**

Landbell Group is made up of many different legal entities located in many different countries. Many of these countries have different accounting requirements and each entity uses local expertise to manage these requirements. For each entity, there is an internal financial team that is supported by external accountants. All our financial staff are suitably trained and qualified in their country of activity.

Each legal entity prepares a 3-year budget plan focusing on the coming year and forecasting the following two years. There is a strict system of quarterly reporting along with a monthly cashflow report (covering the coming three months). For spending activities there is a PO system in place to ensure accuracy and accountability. This allows supplier onboarding and checks as well as segregation of the duties of the approvers. Payments are normally made with double sign-off (the four-eye concept). As presented previously, procurement follows a rigorous process and is supported by these financial measures.

For auditing the Finance Team carries out internal audits on an *ad hoc* basis. The goal of these internal audits is to support the Annual Audit that every entity undergoes. It is completed by an independent Auditor who works in partnership with our internal finance teams and our accountants. These audits are shared with the Central Finance Team, Central Management as well as the directors of the Entity being audited. The auditor will additionally issue a statement for finance that is signed off by the auditor and is shared with Landbell Group's Auditor (as a final check). This is one of the key aspects of our program and one that is rigorously implemented and followed up on each year.

## Supporting Documentation

| <b>Document</b>                                    | <b>Status</b>   |
|--|-----------------|
| IRS Form 990                                       | Not Available   |
| IRS 501 (C)(3) Determination or Affirmation Letter | Not Available   |
| Articles of Incorporation                          | See Appendix 5  |
| Bylaws   | See Appendix 6  |
| Organization Chart                                 | See Appendix 11 |
| Copies of most recent audits                       | Not Available   |

## Conclusion

California's SB 707 law is not just a CalRecycle milestone; it is a bold commitment to reshape how we think about covered products and their lifecycle. This program is designed to transform that commitment into a practical, inclusive, and measurable reality. At its heart, SB 707 is about creating a system that works for everyone - producers, consumers, communities, service providers and CalRecycle - while delivering tangible environmental and social benefits. Preliminary collection estimates through the program in 2028, 2029 and 2030 are 7,317 tons, 8,293 tons and 91,174 tons, respectively.

For producers, the program offers clarity and confidence. Compliance will no longer feel like a maze of obligations, but a structured, transparent process supported by intuitive tools, expert guidance, and fair cost allocation. From onboarding to reporting, every step is designed to minimize administrative burden while maximizing efficiency. Producers will have access to secure digital platforms that simplify data submission, automate fee-modulation calculations, and provide real-time visibility into their obligations and performance. This is compliance made practical, predictable, and equitable.

For consumers, the program promises convenience and trust. Collection points will be easy to find - whether at local retailers, municipal sites, or through mail-back options for rural communities. Repair and reuse will be promoted as the first choice, supported by community workshops, thrift partnerships, and educational campaigns that make sustainability second nature. Californians will know that when they drop off an item, it enters a system built for integrity, where every pound is tracked, contamination is minimized, and outcomes are transparent. This is how we turn good intentions into everyday habits.

For CalRecycle, the program delivers oversight without complexity. Governance is robust, with clear decision-making structures, documented processes, and independent audits. Immutable records and machine-readable reporting ensure that compliance data is accurate, timely, and verifiable. Performance dashboards will provide visibility into key metrics – collection and recycling rates, repair, reuse and recycling yields, contamination levels, and equity of coverage. This will allow progress to be monitored and improvements to be made proactively. This is accountability made real.

The benefits extend beyond compliance. By 2030, California will have a fully operational circular covered product system that reduces landfill dependency, lowers greenhouse gas emissions, and creates new economic opportunities. Jobs will grow in repair, reuse, and recycling, particularly through partnerships with mission-driven organizations that

connect underserved communities to paid pathways. Thrift stores will not only be protected but strengthened, with funding and operational support to help them thrive in a circular economy. Innovation will accelerate as fee-modulation rewards sustainable design and penalizes wasteful practices, sending a clear market signal that circularity is not just good for the planet—it makes business sense.

Landbell USA is uniquely positioned to lead this transformation. With decades of global experience, proven technology, and a governance model tailored to California's values, we bring the expertise and infrastructure needed to deliver results. Our approach is practical and phased, grounded in statutory timelines and informed by best practices from around the world. We have built equity into the program's DNA, ensuring that no stakeholder is left behind and that the benefits of circularity are shared broadly.

This is more than a compliance program; it is a partnership for progress. Together, we can turn SB 707 from a legislative mandate into a living, breathing system that changes how end-of-life covered products are managed, how communities engage, and how sustainability is measured. By combining ambition with action, California can set a global benchmark for circularity—and Landbell USA is ready to make that happen.

# Landbell Group's Operational PROs

## Appendix #1

| Country             | E-Waste | Batteries | Packaging | Textiles       |
|---------------------|---------|-----------|-----------|----------------|
| Austria             | X       | X         | X         |                |
| Brazil              |         |           | X         |                |
| Ontario, Canada     | X       | X         | X         |                |
| Denmark             | X       | X         | X         |                |
| Finland             | X       | X         |           |                |
| Germany             | X       | X         | X         |                |
| India               | X       | X         | X         |                |
| Ireland             | X       | X         |           |                |
| Italy               | X       | X         | X         | X <sup>1</sup> |
| Netherlands         |         |           |           | X              |
| Norway              | X       | X         |           |                |
| Poland              | X       | X         | X         |                |
| Portugal            | X       | X         | X         |                |
| Slovakia            | X       | X         | X         |                |
| Spain               | X       | X         |           | X              |
| Sweden <sup>2</sup> |         |           |           |                |
| UK                  | X       | X         | X         |                |

<sup>1</sup> The legislation in Italy (and Spain) has not been implemented yet, however, our PRO is in place and is ready to support producers.

<sup>2</sup> Swedish entity delivers service in all waste streams through local partners

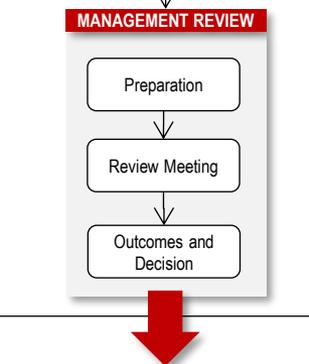
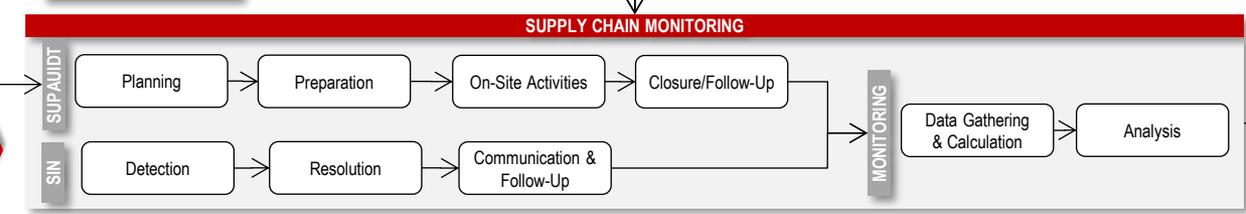
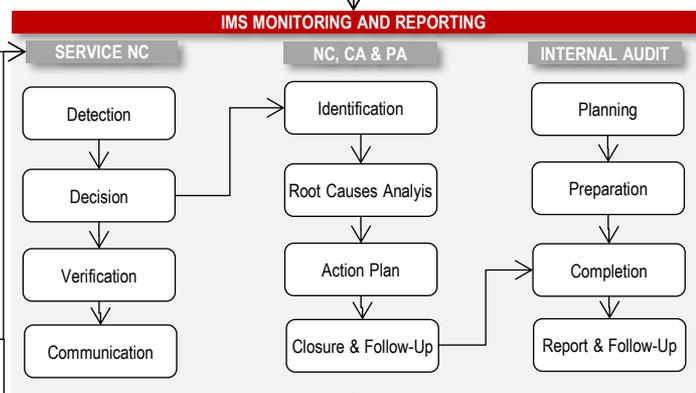
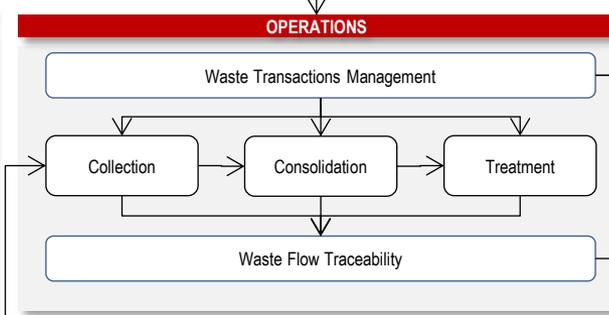
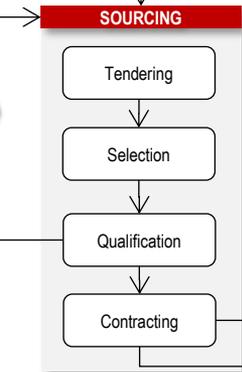
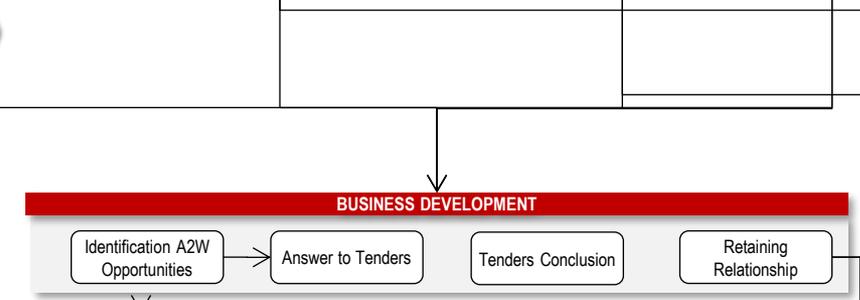
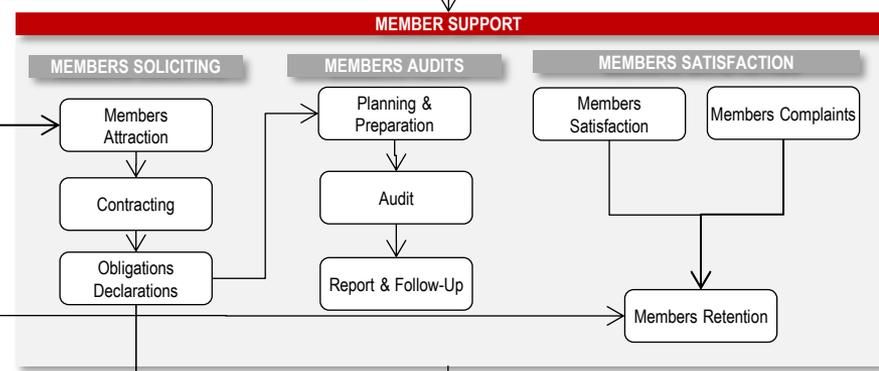
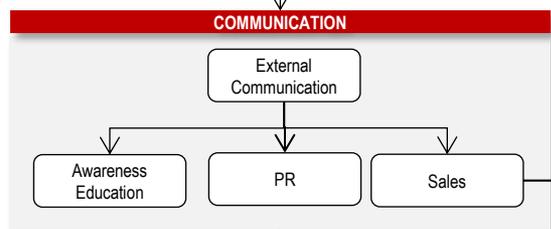
## Appendix 2

| Country             | E-Waste | Batteries | Packaging | Textiles |
|---------------------|---------|-----------|-----------|----------|
| Austria             | X       | X         | X         |          |
| Brazil              |         |           | X         |          |
| Ontario, Canada     | X       | X         | X         |          |
| Denmark             | X       | X         | X         |          |
| Finland             | X       | X         |           |          |
| Germany             | X       | X         | X         |          |
| India               | X       | X         | X         |          |
| Ireland             | X       | X         |           |          |
| Italy               | X       | X         | X         | X        |
| Netherlands         |         |           |           | X        |
| Norway              | X       | X         |           |          |
| Poland              | X       | X         | X         |          |
| Portugal            | X       | X         | X         |          |
| Slovakia            | X       | X         | X         |          |
| Spain               | X       | X         |           | X        |
| Sweden <sup>2</sup> |         |           |           |          |
| UK                  | X       | X         | X         |          |

- To Q3, 2025 Landbell has collected approximately 19,250 tons of textile waste in the Netherlands
- Since 2004, Landbell has collected 9,589,982 tons of packaging waste across all entities.
- Since 2005, Landbell has collected 5,563,722 tons of e-waste across all entities.
- Since 2008, Landbell has collected 168,304 tons of battery waste across all entities.
- Since 2006, Landbell has provided worldwide chemical regulatory services to a broad range of clients around the world and has authored more than 22,500 safety data sheets.
- Since 2006, Landbell has provided worldwide EPR regulatory support to a broad range of clients around the world.
- In 2024, our software programme Circul8 handled:
  - 500,000 transactions covering the collection of 1 million tonnes
  - Put-on-market declarations for over 1 million tonnes of materials
  - Created almost 10,000 EPR data reports

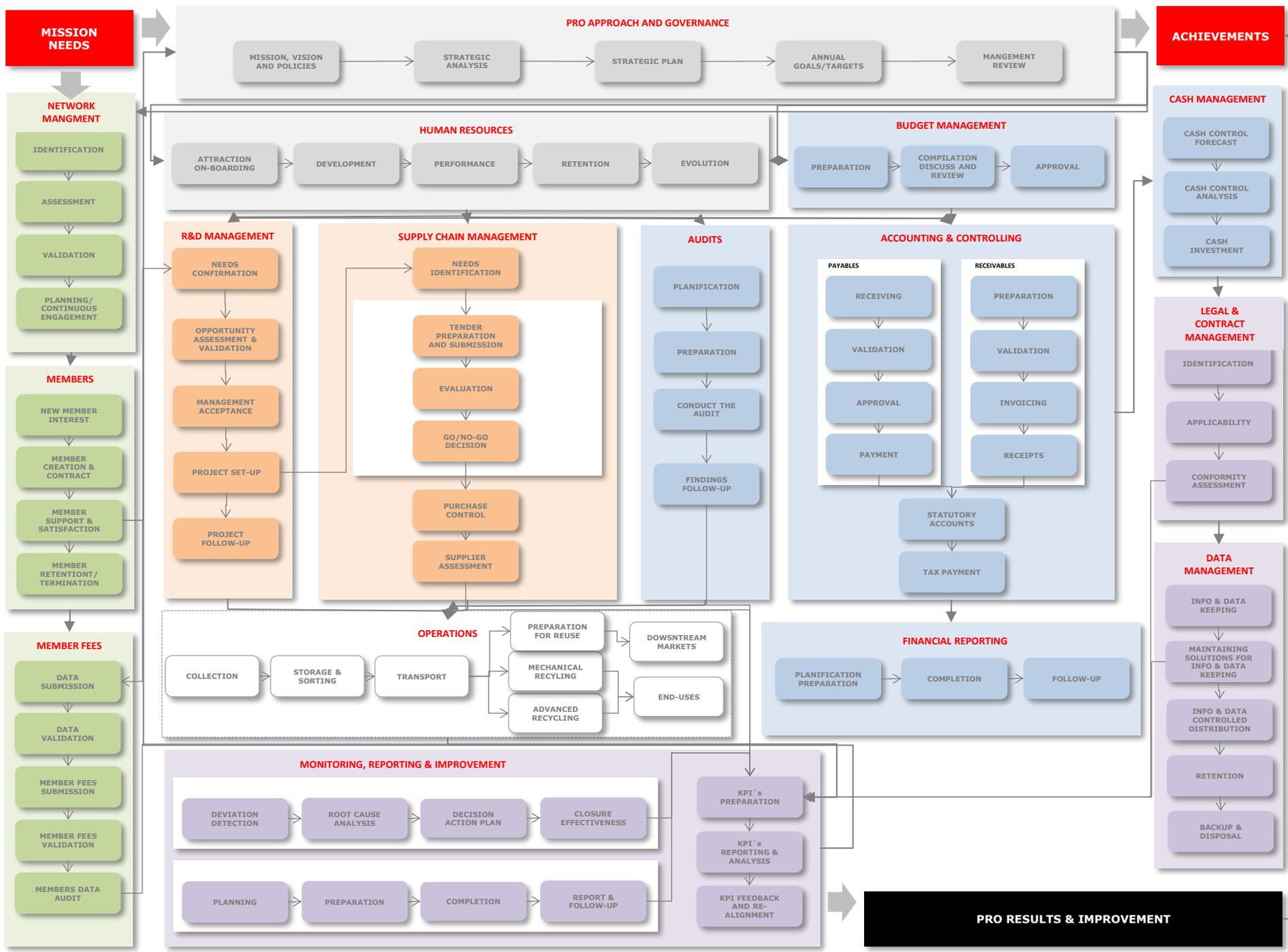
# STAKEHOLDERS REQUIREMENTS

IMS POLICIES



**IMPROVEMENT**

# STAKEHOLDERS SATISFACTION



# Delaware

The First State

Page 1

*I, CHARUNI PATIBANDA-SANCHEZ, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "LANDBELL USA INC.", FILED IN THIS OFFICE ON THE THIRTY-FIRST DAY OF OCTOBER, A.D. 2025, AT 11:11 O`CLOCK A.M.*



*C. P. Sanchez*

Charuni Patibanda-Sanchez, Secretary of State

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Authentication: 205204042  
Date: 11-03-25

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

**STATE OF DELAWARE  
CERTIFICATE OF INCORPORATION  
A NON-STOCK CORPORATION**

The undersigned Incorporator hereby certifies as follows:

1. The name of the corporation is Landbell USA Inc.
2. The Registered Office of the corporation in the State of Delaware is located at 251 Little Falls Drive, in the City of Wilmington, County of New Castle, 19808. The name of the Registered Agent at such address upon whom process against the corporation may be served is Corporation Service Company.
3. The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware. The corporation shall be a nonprofit corporation that is recognised by the Internal Revenue Service as exempt from taxation under Section 501 (c)(3) of the Internal Revenue Code. Without limiting the scope of the corporation's purpose, the primary mission of the corporation will be to provide producers with extended producer responsibility (EPR) services in California (and any other state with relevant regulations) to develop and implement Textile EPR programs. These programs will:
  - Meet state-specific textile waste management regulatory requirements required by the SB 707 legislation (and similar legislation in other states);
  - Leverage existing covered material value chain systems and infrastructure for collection, transport, repair, reuse, public education, and recycling to scale; and
  - Advance the circularity of textiles through collaboration with producers, local governments, (collection, sorting, recycling and reuse) service providers, Thrift Store Organizations and any other relevant organizations.

The corporation will be designed to ensure the best transport/collection/sorting/repair/reuse and recycling options for Californians (and other relevant state residents) and the textile producers while minimising their cost implications. To achieve this, the corporation will:

- Deliver efficient EPR compliance services through harmonisation of service delivery and scaling of operations;
- Support strong producer governance based on stakeholder engagement and representation;
- Improve and enhance collection, transport, sorting, reuse, repair and recycling of end-of-life textile systems;
- Provide promotional and educational programmes to inform consumers and producers about textiles EPR, how they can get involved using the corporation's resources, and how consumers and producers can minimise contamination;
- Support the optimisation of all the EPR aspects to enable textile circularity;

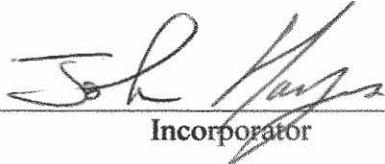
- Support and incentivise innovation in textile design and delivery models to reduce waste and enhance recyclability and durability;
- Develop and support responsible end-markets.
- Work to ensure that the charitable work of the various Thrift Store and similar organisations are not negatively impacted by this program; and
- Support overseas markets that will be affected by the scaling back of shipments from Thrift store organizations.

4. The corporation shall not have any capital stock.
5. The conditions of membership shall be stated in the Bylaws.
6. The name and mailing address of the incorporator are as follows:

Name : John Hayes

Mailing Address: Unit 14D Nutgrove Office Park, Nutgrove Avenue,  
Rathfarnham, Dublin 14 D14 TY46 Ireland

By: \_\_\_\_\_



Incorporator

Name: John Hayes

Print or Type

## Appendix 6

### Bylaws of Landbell USA, Inc.

organized under the Delaware General Corporation Law

I.

#### CERTIFICATE OF INCORPORATION AND MISSION

1. Certificate of Incorporation. The name, location of the principal office, and purposes of Landbell USA, Inc. shall be as set forth in the Certificate of Incorporation. These Bylaws, the powers of Landbell USA, Inc. and of its directors and officers, and all matters concerning the conduct and regulation of the business of Landbell USA, Inc., shall be subject to such provisions in regard thereto, if any, as are set forth in the Certificate of Incorporation; and the Certificate of Incorporation is hereby made a part of these Bylaws. All references in these Bylaws to the Certificate of Incorporation shall be construed to mean the Certificate of Incorporation of Landbell USA, Inc. as from time to time amended.

2. Mission Statement and Vision. The mission of Landbell USA, Inc. is to manage end-of-life textiles products. These end-of-life products, should be collected, sorted, repaired (where possible), resold where possible and recycled. Landbell USA, Inc. will work to promote and educate the population of California on the importance of Regulation SB 707 to maximise returns and to limit end-of-life textile products from being disposed of through landfill and other disposal routes. In pursuing its mission, Landbell USA, Inc. is committed to honoring and advancing the principles of diversity, equity and inclusion.

3. Restrictions on Certain Activities. In furtherance of Landbell USA, Inc.'s nonprofit purposes as a charity and its exemption from taxation, no gift, funds or other assets received or held by or on behalf of Landbell USA, Inc. shall be used for, nor shall Landbell USA, Inc. engage in any of, the following activities: (1) To carry on propaganda or otherwise attempt to influence legislation as a substantial part of its activities;

(2) To influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive;

(3) For any purpose other than charitable, scientific, literary, or educational purposes; or

(4) To fund terrorism or to make grants to individuals and/or organizations listed on the terrorist lists maintained and updated by the United States government.

II.

#### MEMBERSHIP

The members of Landbell USA, Inc. shall be those persons serving as its Board of Directors (the "**Board**").

To the extent that any applicable provision of the Delaware General Corporation Law refers to any action or vote required or permitted to be taken by stockholders or members of a corporation, such action or vote shall be taken by the Board. Any such

action or vote so taken shall be taken by action or vote of the same percentage or number of directors of Landbell USA, Inc. as would be required of stockholders or members of a corporation so acting or voting under the Delaware General Corporation Law.

III.

#### BOARD OF DIRECTORS

1. Number of Directors. The Board shall consist of not less than three directors. Subject to the foregoing limitation and except for the initial Board of Directors appointed by the sole incorporator, such number may be fixed from time to time by action of the directors. The number of directors may be increased or decreased by a vote of the majority of the directors in office. No decrease shall shorten the term of any incumbent director.

2. Powers. The oversight of the affairs of Landbell USA, Inc. shall be vested in and exercised by the Board, whose members shall pursue such policies and principles as shall be in accordance with law, the provisions of the Certificate of Incorporation and these Bylaws. To the extent permitted by law, the Board may, by general resolution, delegate to officers of Landbell USA, Inc. such powers as it sees fit.

3. Term and Term Limits. Directors shall be appointed to serve on the Board for terms of five years, subject to resignation, death or removal. No director shall serve for more than two terms consecutively, but may be re-appointed after having not been on the Board for at least one year.

4. Resignation and Removal. Any director may resign from Landbell USA, Inc.'s Board by delivering a written resignation to the Board or its presiding officer. The Board may, by affirmative vote of a majority of the directors in office, remove any director from office with or without cause; provided, however, any director may be removed for cause only after reasonable notice and opportunity to be heard.

5. Vacancies. Vacancies created by the death, removal or resignation of one or more directors, or otherwise, may be filled by the affirmative vote of a majority of the directors remaining in office.

6. Compensation and Expenses. The members of the Board shall not be compensated for their services as such, but the Board shall have the power and authority, in its exclusive discretion, to contract for and to pay reasonable director compensation for services rendered to Landbell USA, Inc., and to establish policies and procedures for reimbursement of expenses incurred by Board members in connection with their service on the Board, *provided*, that any such compensation shall be reasonable and appropriate to the value of the unusual or special services rendered by the directors, and the amount of any such reimbursement shall be limited to expenses that are reasonable in amount and appropriate for the purpose incurred.

7. Meetings of the Board. An annual meeting of the Board to re-elect directors and to elect the President, Secretary, Treasurer and any other officers shall be held each year

without call or formal notice on the second Monday in June. If an annual meeting is not held, the President or any director shall call a special meeting of the Board for such purpose.

Regular meetings of the Board may be held without call or formal notice at such places and at such times as the Board may from time to time determine.

Special meetings of the Board may be held at any time and at any place when called by the President, or two or more directors, upon reasonable notice, stating the time and place of said meeting, given to each director by the Secretary or, in the case of the death, absence, incapacity or refusal of the Secretary, by the officer or directors calling the meeting, or at any time without call or formal notice, provided all the directors are present or waive notice thereof before or after the meeting by a writing which is filed with the records of the meeting. Notice to a director of any meeting shall be deemed to be reasonable and sufficient if sent by mail at least five (5) days prior to such meeting, addressed to him or her at his or her usual or last known business or residence address, or by facsimile or telegram or e-mail at least twenty-four hours before the meeting, or if given in person, either by telephone or by handing him or her a written notice at least twenty-four hours before the meeting.

8. Action by Consent of the Board. Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board, or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. Such consent shall be treated as a vote adopted at a meeting for all purposes. Such consents may be executed in one or more counterparts.

9. Presence Through Communications Equipment. Members of the Board or any committee of the Board may participate in a meeting of such Board or committee by means of a conference telephone, video or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at such meeting.

10. Quorum. A majority of the directors in office at the time a meeting is duly called and held shall constitute a quorum. When a quorum is present at any such meeting, the vote of a majority of the directors present shall be necessary and sufficient for election to any office or for a decision on any matter, except as otherwise required by law, by the Certificate of Incorporation, or by these Bylaws. Whether or not a quorum is present, any meeting may be adjourned from time to time by a majority of the votes cast upon the question, without notice other than by announcement at the meeting, and without further notice to any absent director. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally called.

11. Committees of Directors. Either the Board, by vote of a majority of the directors in office, or the President, with the approval of such majority of the Board, may at any time appoint such committees of the Board as are deemed desirable, including an executive committee and/or one or more other committees. The Board may from time to time designate or alter, within the limits permitted by this Article III, the duties and powers of such committees or change their membership or may, at any time, adjourn or discontinue any such committee.

Any committee shall be vested with such powers of the Board as the Board may determine in the vote establishing such committee or in a subsequent vote of a majority of directors then in office, *provided, however*, that no such committee shall have any power prohibited by law or the Certificate of Incorporation, or the power

- (a) to change the principal office of Landbell USA, Inc.;
- (b) to amend or authorize the amendment of the Certificate of Incorporation or these Bylaws;
- (c) to elect officers required by law, the Certificate of Incorporation or these Bylaws to be elected by members or directors, or to fill vacancies in any such office;
- (d) to change the size of the Board or to fill vacancies in the Board;
- (e) to remove officers or directors from office;
- (f) to authorize a sale or other disposition of all or substantially all the property and business of Landbell USA, Inc.; or
- (g) to authorize the liquidation or dissolution of Landbell USA, Inc.;

and *provided further*, that the fact that a particular power appears in the foregoing enumeration of powers denied to committees of the Board shall not be construed to override by implication any other provision of the Certificate of Incorporation or these Bylaws, limiting or denying to the Board the right to exercise such power.

Each member of a committee shall hold office until the next annual meeting of the Board (or until such other time as the Board may determine, either in the vote establishing the committee or at the election of such member) and until his or her successor is elected and qualified, or until he or she sooner dies, resigns, is removed, is replaced by change of membership, or becomes disqualified by ceasing to be a director, or until the committee is sooner abolished by the Board.

A majority of the members of any committee, but not fewer than one, shall constitute a quorum for the transaction of business, but any meeting may be adjourned from time to time by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice. Each committee may make rules not inconsistent herewith for the holding and conduct of its meetings, but unless otherwise provided in such rules, its meetings shall be held and conducted in the same manner, as nearly as may be, as is provided in these Bylaws for meetings of the Board. The Board shall have the power to rescind any vote or resolution of any committee; provided, however, that no rights of third parties shall be impaired by such rescission.

#### IV. OFFICERS

1. Officers. The Board shall elect a President, a Secretary and a Treasurer, and, in their discretion, may elect a Chairperson of the Board, a Vice Chairperson of the Board, an Executive Director, a Controller, and one or more Executive Vice Presidents, Vice Presidents, Assistant Secretaries, Assistant Treasurers and Assistant Controllers as deemed necessary or appropriate. Such officers shall be elected annually by the Board at such meeting as the Board determines, and each shall hold office for the term provided by the vote of the Board, except that each will be subject to removal from office in the discretion of the Board as provided herein. The powers and duties of more than one office may be exercised and performed by the same person.
2. Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board, at any regular or special meeting.
3. Chairperson of the Board. The Chairperson of the Board, if elected, shall be a member of the Board and shall preside at its meetings. The Chairperson shall advise and counsel with the President, and shall perform such duties as from time to time may be assigned by the Board.
4. President. The President shall be the chief executive officer of Landbell USA, Inc., and shall have and exercise direct charge of and general supervision over the business and affairs of Landbell USA, Inc., shall perform all duties incident to the office of the chief executive officer of a corporation and shall perform such other duties as from time to time may be assigned by the Board. The President may but need not be a member of the Board.
5. Executive Director. The Executive Director, if elected, shall be the chief administrative officer of Landbell USA, Inc. and shall have and exercise such powers and shall perform such duties as from time to time may be assigned to him or to her by the Board or the President, and, in any case, shall be responsible to and shall report to the President. If the individual serving as the Executive Director also serves as President, his or her actions as Executive Director shall have the same force and effect as actions taken in his or her capacity as President without use of the title President.
6. Executive Vice Presidents and Vice Presidents. Each Executive Vice President and Vice President shall have and exercise such powers and shall perform such duties as from time to time may be assigned by the Board or the President.
7. Secretary. The Secretary shall keep the minutes of all meetings of the Board in books provided for the purpose; and shall see that all notices are duly given in accordance with the provisions of law and these By-Laws; and shall be custodian of the records of Landbell USA, Inc.; and may attest to documents duly authorized and executed on behalf of Landbell USA, Inc.; and, in general, the Secretary shall perform all duties incident to the office of secretary of a corporation, and such other duties as from time to time may be assigned by the Board.
8. Assistant Secretaries. The Assistant Secretaries in order of their seniority shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties as the Board shall prescribe or as from time to time may be assigned by the Secretary.

9. Treasurer. The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of Landbell USA, Inc., and shall deposit, or cause to be deposited, in the name of Landbell USA, Inc., all monies or other valuable effects in such banks, trust companies or other depositories as shall, from time to time, be selected by the Board; and may endorse for collection on behalf of Landbell USA, Inc. checks, notes and other obligations; and may sign receipts and vouchers for payments made to Landbell USA, Inc.; and may sign checks of Landbell USA, Inc., singly or jointly with another person as the Board may authorize, and pay out and dispose of the proceeds under the direction of the Board; and shall render to the President and to the Board, whenever requested, an account of the financial condition of Landbell USA, Inc.; and in general, shall perform all the duties incident to the office of treasurer of a corporation, and such other duties as from time to time may be assigned by the Board.
10. Assistant Treasurers. The Assistant Treasurers in order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties as the Board shall prescribe or as from time to time may be assigned by the Treasurer.
11. Subordinate Officers. The Board may appoint such subordinate officers as it may deem desirable. Each such officer shall hold office for such period, have such authority and perform such duties as the Board may prescribe. The Board may, from time to time, authorize any officer to appoint and remove subordinate officers and to prescribe the powers and duties thereof.
12. Compensation. The Board shall approve the compensation, if any, of all officers of Landbell USA, Inc.. It may authorize any officer, upon whom the power of appointing subordinate officers may have been conferred, to fix the compensation of such subordinate officers.
13. Removal. Any officer of Landbell USA, Inc. may be removed, with or without cause, by action of the Board; provided, however, any officer may be removed for cause only after reasonable notice and opportunity to be heard.
14. Bonds. The Board may require any officer of Landbell USA, Inc. to give a bond to Landbell USA, Inc., conditional upon the faithful performance of such officer's duties, with one or more sureties and in such amount as may be satisfactory to the Board

## V.

### INDEMNIFICATION OF MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES, OR OTHERS

1. Landbell USA, Inc. shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of Landbell USA, Inc.) by reason of the fact that he or she is or was a member, director, officer, employee or agent of Landbell USA, Inc., or is or was serving at the request of Landbell USA, Inc. as a director, officer, member, trustee, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of Landbell USA,

Inc., and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of Landbell USA, Inc., and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

2. Landbell USA, Inc. shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of Landbell USA, Inc. to procure a judgment in its favor by reason of the fact that he or she the person is or was a member, director, officer, employee or agent of Landbell USA, Inc., or is or was serving at the request of Landbell USA, Inc. as a director, officer, member, trustee, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit, if he or she acted, or failed to act in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of Landbell USA, Inc., and except that no indemnification may be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable to Landbell USA, Inc. unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

3. To the extent that a present or former member, director or officer of Landbell USA, Inc. has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraphs

(1) and (2) of this Article V, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

4. Any indemnification under paragraphs (1) and (2) of this Article V (unless ordered by a court) shall be made by Landbell USA, Inc. only as authorized in the specific case upon a determination that indemnification of the present or former member, director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in paragraphs (1) and (2) of this Article V. Such determination shall be made with respect to a person who is a member, director or officer at the time of such determination, (i) by a majority vote of the directors in office who are not parties to such action, suit or proceeding, even though less than a quorum, or (ii) by a committee of such directors designated by majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion.

5. Expenses (including attorneys' fees) incurred by a director, officer or member in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by Landbell USA, Inc. in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director, member or officer to repay such amount if it is ultimately determined that he or she is not entitled to be indemnified by Landbell USA, Inc. as authorized in this Article V. Such expenses (including attorneys' fees) incurred by former directors, members and officers or other employees and agents may be so paid upon such terms and conditions, if any, as Landbell USA, Inc. deems appropriate.

6. The indemnification and advancement of expenses provided by, or granted pursuant to this Article V shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any Bylaw, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office.

7. Landbell USA, Inc. shall have power to purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee or agent of Landbell USA, Inc., or is or was serving at the request of Landbell USA, Inc. as a director, officer, member, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not Landbell USA, Inc. would have the power to indemnify him or her against such liability under the provisions of this Article V.

8. For purposes of this Article V, references to "Landbell USA, Inc." include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its members, directors, officers, trustees and employees or agents, so that any person who is or was a director, officer, member, trustee, employee or agent of such a constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, member, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall stand in the same position under this Article V with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article V, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; and references to "serving at the request of Landbell USA, Inc." shall include any service as a member, director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such member, director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of Landbell USA, Inc." as referred to in this Article V.

9. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article V shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a member, director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

VI.

#### CONTRACTS AND DEALINGS WITH CERTAIN OTHER CORPORATIONS OR FIRMS

1. Conflict of Interest Policy. The “**Landbell USA, Inc. Conflict of Interest Policy**” set forth in **Attachment I** to these Bylaws is incorporated into these Bylaws by reference and constitutes an integral part hereof.

2. Establishing Quorum for Meeting Regarding Potential Conflict of Interest. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes the contract or transaction, even if abstaining from discussion of or votes regarding such contract or transaction.

3. Matters Not Void or Voidable. No contract or transaction between Landbell USA, Inc. and one or more of its members, directors or officers, or between Landbell USA, Inc. and any other corporation, partnership, association, or other organization in which one or more of Landbell USA, Inc.'s members, directors or officers, are members, directors or officers, or have a financial interest, shall be void or voidable solely for this reason or by reason of an interested party's presence at a meeting at which such contract or transaction is reviewed or voted upon. Any such meeting shall be conducted in accordance with the requirements of the Conflict of Interest Policy then applicable.

4. Supplemental Guidelines and Procedures. The Board from time to time may adopt, amend and revoke supplemental guidelines and procedures relating to Landbell USA, Inc.'s Conflicts of Interest Policy and adopt such other policies and procedures as the Board determines to be advisable in furtherance of the Company's nonprofit purposes.

VII.

#### EXECUTION OF PAPERS

Except as the Board may generally or in particular cases authorize or direct the execution thereof in some other manner, all deeds, leases, transfers, contracts, proposals, bonds, notes, checks, drafts, and other obligations made, accepted or endorsed by Landbell USA, Inc. shall be signed or endorsed on behalf of Landbell USA, Inc. by the President or the Treasurer or their designees.

VIII.

#### FUNDS

Except as otherwise provided by law or lawfully directed by any grantor or donor, Landbell USA, Inc. may retain or dispose of all or any part of any real or personal property acquired by it and invest and reinvest any funds held by it according to the

judgment of the Board, without being restricted to the class of investments which fiduciaries are or hereafter may be permitted by law to make.

IX.

PROHIBITION REGARDING THE USE OF FUNDS

No part of the net earnings or receipts of Landbell USA, Inc. shall inure to the benefit of any member, director or officer of Landbell USA, Inc. or any private individual, provided, however, that this prohibition shall not prevent the payment to any person of such reasonable compensation for services actually rendered to or for Landbell USA, Inc. in conformity with these Bylaws.

X.

FISCAL YEAR

The fiscal year of Landbell USA, Inc. shall be from the first day of January through the thirty first day of December.

XI.

AMENDMENTS

The Board, by a majority vote of directors at the time in office, may alter, amend or repeal these Bylaws, in whole or in part.

| Producer Member of the Governing Board | Member/Title   | Term Length/<br>Eligible for Reappointment | List of Covered Producers Member Represents   | List of Covered Products Placed On Market  |
|--|--|--|---|--|
| Irys Placida Kornbluth                 | Co-Founder/COO   | 5/Yes                                      | Everywhere Apparel  | Shirts, Pants, Tops, Leisurewear, Athletic Wear  |
| Katina Boutis                          | Sr. Director of Sustainability & Sourcing                  | 5/Yes                                      | Everlane Apparel  | Undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, vests, scarves, tops, leggings, leisurewear, athletic wear, swimwear, footwear, handbags, backpacks, knitted and woven accessories, jackets, & coats.  |
| John Bwarie                            | Executive Director, Made in LA Coalition                   | 5/Yes                                      | <b>Made in LA Coalition Represents: Atelier Saucie, Back Bone Society, Casupo, Clare V, COMUNITYMade, Everybody.World, Galamaar, LA MADE, Lala Land Production &amp; Design, Lezat, Michael Stars, NLA Collection, Ocean &amp; Main, Proclaim, Sante Grace, Stellar Moto Brand, The Great, Vena Vena Handbags</b> | Undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports uniforms, swimwear, formal wear, onesies, footwear, handbags, backpacks, knitted and woven accessories, jackets, coats, everyday uniforms for workwear, blankets, towels, linens, knitted and woven accessories, bedding, tablecloths, and napkins. |
| Lexie Grittlefeld                      | Director, California Outdoor Recreation Partnership (CORP) | 5/Yes                                      | <b>CORP Represents: Columbia Sportswear Company, Injinji Inc, NEMO Equipment Company, Peak Design, REI Co-op, Seirus Innovation, Toad&amp;Co, and VF Corporation</b>  | Undergarments, shirts, pants, skirts, dresses, overalls, vests, scarves, tops, leggings, leisurewear, athletic wear, swimwear, footwear, handbags, backpacks, knitted and woven accessories, jackets, pants, snow pants, ski pants, towels, and blankets.  |
| Alexis Miller                          | Director, Regent Apparel                                   | 5/Yes                                      | Regent Apparel  | Shirts. pants, tops, coats, jackets, uniforms for workwear (healthcare/patient gowns & hospitality uniforms)   |

| Producer Member of the Governing Board | Member/Title  | Term Length/<br>Eligible for Reappointment | List of Covered Producers Member Represents | List of Covered Products Placed On Market  |
|--|---|--|---|--|
| Alan McIntosh                          | General Partner,<br>WayToBe Promotional Products & Uniforms | 5/Yes                                      | WayToBe Promotional Products & Uniforms     | Uniforms for workwear, shirts, pants, skirts, vests, tops, jackets, coats, scarves, backpacks, towels  |
| Carrie Freiman                         | Senior Director of Sustainability, Reformation Clothing     | 5/Yes                                      | Reformation Clothing                        | Undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, vests, suits, scarves, tops, leggings, leisurewear, athletic wear, swimwear, formal wear, footwear, handbags, knitted and woven accessories, jackets |

| Ex Officio Member of the Board of the PRO & Title            | Company or Organization                 | Term length & Eligibility for Reappointment | Description How The Member is Involved in the Collection, Sorting, Repair, Reuse, Recycling or Management of Covered Products   |
|--|---|---|---|
| Joanne Brasch, Director of Advocacy, CPSC                    | CPSC                                    | 5/Yes                                       | As the Legislative sponsor of SB 707 (Newman), CPSC is invested in ensuring the successful launch of California's first textile stewardship program and in supporting all producers, collectors, recyclers, reuse partners, and community stakeholders working toward a more circular textile system  |
| Scott Hamlin, CEO & Founder of Looptworks                    | Looptworks Textile to Textile Recycling | 5/Yes                                       | Scott has over 32 years of strategic brand positioning and management, innovative product creation and sustainable supply chain, marketing and sales for global organizations. In 2009, Scott founded Looptworks as a DTC and B2B brand and industry solution for turning excess materials into upcycled products.  |
| Jené D'Ambrosio, President, Co-Owner D'Ambrosio Trading Inc. | D' Ambrosia Trading                     | 5/Yes                                       | D Ambrosia Trading is an authorized collector and certified closed loop textile recycler that provides an easy way to donate unwanted clothing, shoes, and other soft goods for businesses and residents.   |
| Rebecca Burgess, Founder/Director at Fibershed               | Fibershed                               | 5/Yes                                       | Fibershed is a California-based non-profit organization dedicated to developing regional fiber systems rooted in regenerative agriculture, land stewardship, and decentralized manufacturing. Through its network of more than 200 members-including natural fiber producers, ranchers, farmers, designers, mills and artisans- Fibershed supports a textile economy that prioritizes ecological health, transparency, and true circularity |

| Ex Officio Member of the Board of the PRO & Title                                      | Company or Organization                                | Term length & Eligibility for Reappointment | Description How The Member is Involved in the Collection, Sorting, Repair, Reuse, Recycling or Management of Covered Products  |
|--|--|---|--|
| Chris Zwicke, CEO Homeboy Electronics Recycling/ Homeboy Threads                       | Homeboy Threads  | 5/Yes                                       | Homeboy Threads, based in Los Angeles, California, offers reuse and recycling services for apparel and textiles. Homeboy specializes in sorting, grading, preprocessing, and reselling activities. Expansion into 3PL, repair, and related services is underway.   |
| Andrea Ferris, Co-Founder & CEO at Intrinsic Advanced Materials, Co-Inventor of CiCLO® | Intrinsic Advanced Materials                           | 5/Yes                                       | Andrea is a material-innovation and commercialization expert, textile manufacturing specialist, and co-inventor of CiCLO® biodegradable technology for polyester. With more than 20 years of experience across textile R&D, manufacturing, supply-chain operations, and apparel program management, she offers direct expertise in the management of covered textiles under California's textiles Extended Producer Responsibility (EPR) framework.  |
| Toni Griffin, CEO  | Goodwill Industries of San Diego and Imperial Counties | 5/Yes                                       | Toni Giffin, President & CEO of Goodwill Industries of San Diego and Imperial Counties, brings over two decades of leadership experience in social enterprise, textile reuse systems, and workforce development, making her and Goodwill uniquely qualified to inform and support the implementation of California's SB 707 (Responsible Textile Recovery Act). Toni Giffin is a respected cross-sector leader with experience convening nonprofits, government, and industry partners and is well-suited to advisory, governance, or implementation roles within a PRO structure. |

| Ex Officio Member of the Board of the PRO & Title  | Company or Organization   | Term length & Eligibility for Reappointment | Description How The Member is Involved in the Collection, Sorting, Repair, Reuse, Recycling or Management of Covered Products  |
|--|---|---|--|
| <p><b>Tim Dewey-Mattia, Recycling &amp; Public Education Manager, Napa Recycling , Napa County Recycling, Northern Recycling</b></p> | <p><b>Napa Recycling, Napa County Recycling, Northern Recycling</b></p> | <p><b>5/Yes</b></p>                         | <p><b>Napa Recycling &amp; Waste Services is the franchise hauler for the City of Napa and southern Napa County, a locally owned company with roots in servicing the community that stretch back over a century. Napa Recycling services 40,000 households and 1,600 businesses &amp; schools. Napa Recycling and the City of Napa first developed a curbside textile and shoe collection program in 2013. Bagged textiles and shoes are collected curbside by appointment at no charge through Napa’s “Recycle More” route.</b></p> |
| <p><b>Amrita Bhasin, Co-Founder/CEO of Sotira</b></p>  | <p><b>Sotira</b></p>  | <p><b>5/Yes</b></p>                         | <p><b>Amrita Bhasin is the co-founder and CEO of Sotira, an award winning, VC backed company in the \$800 billion reverse logistics space that uses technology and AI to discreetly monetize and facilitate donations for surplus and unsold apparel inventory to a network of vetted private buyers.</b></p>  |
| <p><b>Deb Zell, Co-Founder, PlsReturnIT Inc.</b></p>   | <p><b>PlsReturnIt Inc.</b></p>  | <p><b>5/Yes</b></p>                         | <p><b>PlsReturnIt, Inc, a San Francisco-based software company, offers customizable web-based solutions for materials and trims suppliers, brands, circularity partners (online resellers, repair service providers, collectors and recyclers) and consumers. PlsReturnIt strives to guide consumers toward the most appropriate and convenient disposal options for textiles, electronics and batteries based on item features and an assessment of the fitness or safety of items for mailing vs drop off collection.</b></p>      |

December 2025

California Department of Resources Recycling and Recovery  
1001 I St, Sacramento, CA 95814  
Sent via [textiles@calrecycle.ca.gov](mailto:textiles@calrecycle.ca.gov)

**RE: Letter of Support for Landbell USA Inc, PRO Application for the Responsible Textile Recovery Act**

Dear CalRecycle Staff,

The California Product Stewardship Council (CPSC) appreciates the opportunity to provide this letter of support for Landbell's Expression of Interest to serve as a producer responsibility organization (PRO) under the Responsible Textile Recovery Act of 2024, SB 707 (Newman).

As the Legislative sponsor of SB 707 (Newman), CPSC is invested in ensuring the successful launch of California's first textile stewardship program and in supporting all producers, collectors, recyclers, reuse partners, and community stakeholders working toward a more circular textile system. From the onset of the legislative process, our goal has been to create a strong, equitable, producer-led system that promotes reuse, repair, and responsible end-of-life pathways for textiles. CPSC's network includes local governments, nonprofit collectors, sorters, repair enterprises, reuse organizations, material recovery facilities and recyclers who manage covered products at every stage of their lifecycle. Through our statewide textile pilots, we have facilitated on-the-ground testing of collection methods, sorting standards, reuse pathways, and recycling logistics that directly inform SB 707 implementation. These experiences position CPSC to recognize PRO applicants who demonstrate meaningful engagement with the realities of collection, sorting, repair, reuse, and recovery in California.

Following the passage of SB 707, Landbell's member companies have continued their work across the full textile lifecycle through activities such as collection, sorting, repair, reuse, recycling, and other covered products management. Many of these producers and brands already participate in CPSC-supported textile pilots and operate within existing reuse and recycling networks, giving them practical experience with the operational challenges and opportunities that SB 707 aims to address.

Landbell's has demonstrated steady and meaningful engagement across California's textile stewardship efforts. Examples of their participation include:

- Sponsoring CPSC's Textile webinar for the Hospitality and Healthcare sector on August 27, 2025, reaching over 100 organizations in California.
- Sponsoring the Textile EPR Haulers workshop on October 29<sup>th</sup>, 2025.

- Meeting with CPSC through several in-person and virtual sessions to review several pilot learnings and innovations across the textile economy.
- Attending multiple STRAT meetings and contributing to discussions on collection, sorting, repair, reuse, and recycling challenges across California.

Building on this engagement with CPSC, Landbell Group also brings global operational experience that is highly relevant to California's textile stewardship goals. As an international operator of takeback, recycling, and extended producer responsibility (EPR) systems, Landbell manages collection, sorting, reuse, and recycling programs across multiple waste streams, including textiles. Their established compliance schemes and logistics networks give their member companies practical familiarity with end-of-life product management and the infrastructure required to support an efficient stewardship system. This global background positions Landbell's members to contribute informed, real-world expertise as California develops a functional and compliant textile stewardship program under SB 707 (Newman).

While CPSC has not reviewed Landbell's full application, our support is grounded in the substantial good-faith efforts, consistent engagement, and clear preparedness they have demonstrated throughout the early implementation of SB 707 (Newman). Their proactive participation, willingness to incorporate pilot learnings, and thoughtful approach to understanding California's collection and processing landscape indicate a high level of readiness and alignment with the goals of SB 707 (Newman).

Based on this demonstrated commitment, operational experience, and collaborative approach, CPSC views Landbell as a highly capable and competitive candidate for consideration as a PRO under SB 707 (Newman). We look forward to continued coordination with CalRecycle and all applicants to ensure a successful, equitable, and well-designed textile stewardship program for California.

Sincerely,



Joanne Brasch, Director of Advocacy and Outreach  
California Product Stewardship Council

| <b>Advisory Committee Member</b>         | <b>Company/Organization Represented</b>       | <b>Description</b>  |
|--|---|---|
| <b>Rey Banatao</b>                       | X The Moonshot Factory (A division of Google) | Rey Banatao is a Director at X, the Moonshot Factory (A division of Google), which specializes in the earliest stages of innovation and commercialization of hard technologies. Rey is a serial entrepreneur and also serves as the Project lead for Mattered, X's Moonshot for the Circular Economy of materials, including textiles. Mattered us focused on breakthrough technologies, data, and AI to accelerate cost effective textile circularity, from waste collection, to sortation, recycling, reuse and repair across the entire value chain.             |
| <b>Teddy Stray</b>                       | CARE (Carpet America Recovery Effort)         | Leadership in California EPR: Carpet Stewardship as a Model for Textiles Teddy has spent years at the center of California's most mature and complex EPR system: the carpet stewardship program regulated under AB 2398, AB 729, and AB 863. His role spans regulatory alignment, multi-stakeholder orchestration, and circular market development. He has developed compliance frameworks for more than eighty domestic and international manufacturers, translating CalRecycle enforcement expectations into actionable workflows and retailer education systems. |
| <b>Heidi Sanborn, Executive Director</b> | National Stewardship Action Council (NSAC)    | Heidi Sanborn is an Executive Director with extensive experience across the solid waste industry. Heidi brings a broad-based record of success in consulting, managing, influencing, and establishing multiple organizations--the California Product Stewardship Council (CPSC) and Stewardship Action Foundation--both 501c3 non-profit corporations, along with the National Stewardship Action   |

| <b>Advisory Committee Member</b>       | <b>Company/Organization Represented</b>  | <b>Description</b>   |
|--|--|--|
|  |  | Council (NSAC), a 501c4 nonprofit corporation.   |
| <b>Kirk Smithwick</b>                  | 18 year Textile Industry Fabric Engineer/ Target Corp./ Independent Consultant | Kirk Smithwick has spent 17 years with Target Corporation in their retail and sustainability sector as a fabric engineer and technical team lead. Kirk was an integral leader of Target’s recycled polyester transition, sustainable cotton initiatives and car seat recycling program.  |
| <b>René Gauthier Founder &amp; CEO</b> | Ecosystems Holdings/Sierra Spinning  | Sierra Spinning is a new kind of textile facility designed from the ground up for circularity to be a fully integrated cotton spinning mill: Processing California-grown ELS cotton; producing high-quality, traceable combed ring-spun and open-end yarns and creating premium inputs for apparel, home goods, and industrial textiles. Sierra Spinning will also be a dedicated cotton recycling hub (post-industrial + post consumer) accepting California’s cotton-rich textile waste and then mechanically recycling a portion into spinnable fiber, fiber suited for non-woven applications and what remains to compost. |
| <b>Cannon Michael, President</b>       | Bowles Farming Company   | Bowles Farming Company is a sixth-generation family farm in California’s Central Valley. Bowles Farming manages approximately 11,000 acres of farmland and wetland habitat and produces Extra-Long Staple cotton, organic cotton, processing tomatoes, melons, vegetables, and permanent crops. Natural fiber producers are often underrepresented in discussions about textile circularity. Yet, they have critical insights into fiber   |

| <b>Advisory Committee Member</b>   | <b>Company/Organization Represented</b>    | <b>Description</b>   |
|--|--|--|
|  |  | <p>quality, material flows, recyclability challenges, and the environmental impacts that begin long before a garment is manufactured. Cannon's work offers a real-world perspective on how agricultural practices impact downstream recycling pathways and how circular strategies can be designed to yield both environmental and operational benefits.</p>   |
| <p><b>Emily Oertling,<br/>Assistant Professor</b></p>  | <p>Sacramento State University</p>         | <p>With a strong belief that the future of apparel and textiles must be built on sustainability, Dr. Emily Oertling is rewriting the curriculum for the Fashion Merchandising and Management program at Sacramento State. She integrates regional fibershed-based learning, systemic thinking, and hands-on making into her courses, ensuring students graduate with a deep understanding of fashion's impact—and the tools to change it. Her doctorate, focused on culturally sustainability, ventured to document cultural expression in a Tz'utujil-Maya community in the Guatemalan highlights. This work recognizes the role of women in maintaining traditions, the value of apparel production in sustaining community relationships, and the potential negative impacts, as well as uses, of the second-hand clothing.</p> |
| <p><b>G. Linton Sheppard,<br/>Director &amp; Founding Member and Secretary Treasurer</b></p> | <p>The Larry Rowbs Foundation (Uganda)</p> | <p>The Larry Rowbs Foundation is an international, sustainable fashion Nonprofit organization operating in the U.S and Africa (Uganda), whose mission is to reduce environmental pollution caused by the textile industry by building a full-scale recycling facility and a sustainable fashion school to clean the environment and empower people.</p>  |

| Advisory Committee Member                    | Company/Organization Represented                   | Description   |
|--|--|---|
|  |  | <p>The Foundations' mission is to rebuild the fashion industry in developing underdeveloped countries by empowering them with the right resources to start up their factories, and to be able to contain used products ending up in underdeveloped countries and landfills on the shorelines in Africa</p>  |
| <p><b>Shiloh Uhlir, VP of Innovation</b></p> | <p>Ceremony of Roses/ Sony Music Entertainment</p> | <p>COR sells over \$250M in product annually, representing hundreds of artists and business entities. Sony is committed to becoming net-zero by 2040. Prior to Shiloh joining Ceremony of Roses, merchandise had not been identified as a meaningful contributor to this goal. Since stepping into her role Shiloh is working to embed with the Sony sustainability team to begin evaluating and improving the merchandise supply chain—integrating recycled textiles, exploring alternatives to incineration for unsold goods, and seeking textile focused, climate-forward nonprofits to support. Shiloh represents an integral producer seat on the Advisory Committee</p> |
| <p><b>Tanita Gray, CEO</b></p>               | <p>Shoe Waste, LLC</p>                             | <p>Tanita Gray is the CEO of Shoe Waste, LLC. Shoe Waste, LLC is an education and outreach company that focuses on footwear recycling and recovery through professional and community-based training. We developed foundational models for material recovery by using comprehensive footwear deconstruction to reveal how waste from shoes can participate in a circular economy. Our mission is to support the local circular economy by offering new reusable material resources. Our vision is to achieve this by training staff, developing new workforce skills, educating the community about shoe waste, and</p>   |

| <b>Advisory Committee Member</b>                      | <b>Company/Organization Represented</b> | <b>Description</b>  |
|---|---|---|
|   |   | introducing recyclable concepts to local manufacturing.   |
| <b>Shira Lane, CEO/Founder</b>                        | Atrium 916                              | Atrium 916 is Sacramento’s Creative Innovation Center for Sustainability, dedicated to building local circular economy solutions that reduce waste, strengthen community, and support micro enterprises. Our model combines retail, education, design, fabrication, and economic development, all through a zero-waste lens. Our marketplace and studio program support over 150 creative entrepreneurs, many of whom produce textile-based products including apparel, accessories, and home goods using second-life materials. We actively promote reduction, reuse, repair, and remanufacture as viable business strategies for small producers. |
| <b>Zack Zimmerman, Municipal Outreach Coordinator</b> | Waste Connections-San Luis Obispo       | Zach currently works for Waste Connections where, as the Municipal Outreach Coordinator for the San Luis Obispo area, he strives to educate the public regarding solid waste service and diversion, while interfacing with local municipalities regarding franchise agreements, and collaborating with regional educational groups and nonprofits. He has also participated in a myriad of statewide working groups and technical councils reviewing impending legislation relevant to the solid waste industry.  |

| Advisory Committee Member               | Company/Organization Represented | Description  |
|---|----------------------------------|--|
| <p><b>Amandine Richard, Founder</b></p> | <p>Recurvence</p>                | <p>Founder of Recurvence, specializing in eco-design, circular and regenerative design, and stakeholder engagement. Experienced with the French AGEC Law, EU EPR frameworks, and the EU Digital Product Passport (DPP)—the closest international models to SB 707. This informs practical guidance for eco-modulated fees, producer obligations, and upstream waste reduction. Creator of the Circular Textiles Summit at the University of California, Irvine (UCI), convening 100+ participants and forming five new partnerships across academia, industry, recycling, repair, and local government—illustrating the multi-stakeholder coordination needed for a statewide collection and sorting system.</p> |

**1. Overview of the current textiles waste management development and if necessary its update in 2024**

|     |   |  |  |  |  |  |  |  |  |  |
|-----|---|--|--|--|--|--|--|--|--|--|
| 1.1 | Textiles put on the market additional assessment (by types; if available) |  | PD, SY, local operations manager (LOM) |  |  |  |  |  |  |  |
| 1.2 | Description and analysis of the current textiles collection:              |  |  |  |  |  |  |  |  |  |
|     | 1.2.1   | regional approaches to collection overview, including ownership of the collection network and collected waste, municipalities involvement            |  |  |  |  |  |  |  |  |
|     | 1.2.2   | quantitative characteristics of the collection system by regions (number of bins, types of bins)   |  |  |  |  |  |  |  |  |
|     | 1.2.3   | potential development of collection approached starting 2025 (mandatory separate collection)   |  |  |  |  |  |  |  |  |
|     | 1.2.4   | statistics on quantities of collected textiles (by types, by source (HH, commercial, etc.))  |  |  |  |  |  |  |  |  |
|     | 1.2.5   | contacts and consultations with collectors, municipalities for collaboration, pricing, etc.  |  |  |  |  |  |  |  |  |
| 1.3 | textiles sorting (tier 1 suppliers):                                      |  |  |  |  |  |  |  |  |  |
|     | 1.3.1   | data on sorting facilities (capacities, locations, sorted quantities annually)   |  |  |  |  |  |  |  |  |
|     | 1.3.2   | contacts and consultations with sorters for collaboration, pricing, etc.   |  |  |  |  |  |  |  |  |
| 1.4 | Recycling of textiles (tier 2 suppliers):                                 |  |  |  |  |  |  |  |  |  |
|     | 1.4.1   | data on existing textiles recycling facilities (including abroad that can be involved in the EPR project)(capacities, locations, types of recycling) |  |  |  |  |  |  |  |  |
|     | 1.4.2   | statistics on quantities of recycled textiles  |  |  |  |  |  |  |  |  |
|     | 1.4.3   | contacts and consultations with recyclers for collaboration, pricing, etc.   |  |  |  |  |  |  |  |  |

**2. Stakeholders mapping (not mentioned in section 1) and if necessary its update in 2024**

|     |  |                           |  |  |  |  |  |  |  |
|-----|--|---------------------------|--|--|--|--|--|--|--|
| 2.1 | PROs, their potential market share, other data   | LOM                       |  |  |  |  |  |  |  |
| 2.2 | producers (current Landbell's global customers (GKAMs list, C-global), current Landbell Germany customers, etc.) | SY, ?                     |  |  |  |  |  |  |  |
| 2.3 | producers (Dutch textile companies that are customers of Landbell's packaging PROs)                              | SY, ?                     |  |  |  |  |  |  |  |
| 2.4 | producers (top 30 with the biggest market share)   | local sales manager (LSM) |  |  |  |  |  |  |  |
| 2.5 | Categorization of producers (small, medium, large, etc.) for marketing purposes                                  |                           |  |  |  |  |  |  |  |

**3. Financial modelling and analysis**

|     |   |   |                  |  |  |  |  |  |  |  |
|-----|---|---|------------------|--|--|--|--|--|--|--|
| 3.1 | Textiles weight (per type) estimations for 2025-2027 PoM by engaged (including potentially) producers |   | PD, SY, LOM, LSM |  |  |  |  |  |  |  |
| 3.2 | requests for quotations/other approaches for calculation of costs of:                                 |   |                  |  |  |  |  |  |  |  |
| 3.3 | 3.3.1   | collection and transportation services  |                  |  |  |  |  |  |  |  |
|     | 3.3.2   | sorting services  |                  |  |  |  |  |  |  |  |
|     | 3.3.3   | recycling services/second-hand and secondary raw materials prices (if necessary, depending on agreements requirements with sorters) |                  |  |  |  |  |  |  |  |
| 3.4 | Calculation of rising public awareness (P&E) programs costs   |   |                  |  |  |  |  |  |  |  |
| 3.5 | Calculation of reporting costs  |   |                  |  |  |  |  |  |  |  |
| 3.6 | Calculation of software costs (website, EasyShop, Circul8)  |   |                  |  |  |  |  |  |  |  |

|      |   |  |  |  |  |  |  |  |  |
|------|---|--|--|--|--|--|--|--|--|
| 3.7  | Calculation of marketing costs  |  |  |  |  |  |  |  |  |
| 3.8  | Labour-hours and necessary personnel for a PRO estimation and corresponding costs calculation                                     |  |  |  |  |  |  |  |  |
| 3.9  | Calculation of other costs (if necessary)   |  |  |  |  |  |  |  |  |
| 3.10 | Taxes, other obligatory fees estimations  |  |  |  |  |  |  |  |  |
| 3.11 | a PRO's financial (business) model; fees per tonne of textiles calculation, including differentiation by types and eco-modulation |  |  |  |  |  |  |  |  |

#### 4. Registration and approval of a PRO

|     |  |             |  |  |  |  |  |  |  |
|-----|--|-------------|--|--|--|--|--|--|--|
| 4.1 | Legislation development tracking, participation in related events, providing feedback and comments | LOM, LSM    |  |  |  |  |  |  |  |
|     | initial steps of creating of a PRO:  |             |  |  |  |  |  |  |  |
| 4.2 | 4.2.1 Registration of an entity in the Netherlands   | PD, SY, ?   |  |  |  |  |  |  |  |
|     | 4.2.2 bank account, insurance, other formalities   |             |  |  |  |  |  |  |  |
|     | 4.2.3 hiring of a local operations manager   |             |  |  |  |  |  |  |  |
|     | 4.2.4 hiring of a local sales manager  |             |  |  |  |  |  |  |  |
|     | 4.2.5 the first customer onboarding  |             |  |  |  |  |  |  |  |
|     | 4.2.6 actions to be listed on the authority's website and to be recognised as a PRO                |             |  |  |  |  |  |  |  |
| 4.3 | Development of an application for a PRO approval by the authority (notification)                   | PD, SY, LOM |  |  |  |  |  |  |  |
| 4.4 | Submission of the application to the authority, receiving the approval                             |             |  |  |  |  |  |  |  |

#### 5. Actions to prepare a PRO to be operational

|     |   |                  |  |  |  |  |  |  |  |
|-----|---|------------------|--|--|--|--|--|--|--|
| 5.1 | Drafts of offers, agreements, schedules, statements of work, technical specifications on:             | SY, PM, LOM, LSM |  |  |  |  |  |  |  |
|     | 5.1.1 initial contracts/MoU, other non-binding agreements (UPV Stichting analogue)                    |                  |  |  |  |  |  |  |  |
|     | 5.1.2 full textile EPR compliance services  |                  |  |  |  |  |  |  |  |
|     | 5.1.3 collection and transportation   |                  |  |  |  |  |  |  |  |
|     | 5.1.4 sorting   |                  |  |  |  |  |  |  |  |
|     | 5.1.5 public awareness and and information campaigns (if necessary)                                   |                  |  |  |  |  |  |  |  |
|     | 5.1.6 recycling (if necessary)  |                  |  |  |  |  |  |  |  |
| 5.2 | Development of business processes and their descriptions on:  | SY, LOM, LSP     |  |  |  |  |  |  |  |
|     | 5.2.1 Producers onboarding and invoicing  |                  |  |  |  |  |  |  |  |
|     | 5.2.2 textiles collection procurement   |                  |  |  |  |  |  |  |  |
|     | 5.2.3 sorters and recyclers selection and engagement  |                  |  |  |  |  |  |  |  |
|     | 5.2.4 Promotion and education   |                  |  |  |  |  |  |  |  |
|     | 5.2.5 Reporting to authorities  |                  |  |  |  |  |  |  |  |
| 5.3 | Implementation of software to support PRO's activities:   | ?, LOM, LSM      |  |  |  |  |  |  |  |
|     | 5.3.1 EasyShop for small producers  |                  |  |  |  |  |  |  |  |
|     | 5.3.2 data service to help customers in obtaining textile data from their suppliers (mailshots, etc.) |                  |  |  |  |  |  |  |  |

|       |  |  |  |  |  |  |  |  |  |
|-------|--|--|--|--|--|--|--|--|--|
| 5.3.3 | software for collecting and/or inserting data on PoM, collection, recycling, preparation of reports, data assessment and analysis (Circul8?) |  |  |  |  |  |  |  |  |
|-------|--|--|--|--|--|--|--|--|--|

**6. Marketing and customers engagement**

|     |                         |  |             |  |  |  |  |  |  |
|-----|-------------------------|--|-------------|--|--|--|--|--|--|
| 6.1 | Engagement of producers |  |             |  |  |  |  |  |  |
|     | 6.1.1                   | a list of producers depending on the results of activities 2.2-2.5   | SY, LSM, ?  |  |  |  |  |  |  |
|     | 6.1.2                   | an internal meeting (with GKAMs, C-global, other potentially interested teams) on the textiles EPR compliance services proposal in the Netherlands | PD, SY, ?   |  |  |  |  |  |  |
|     | 6.1.3                   | meetings and communications with the current Landbell customers to engage them with the support of other teams (GKAMs, C-global, etc.)             | PD, SY, ?   |  |  |  |  |  |  |
|     | 6.1.4                   | preparation of presentation and materials for producers to cause their interest  | PD, SY, LSM |  |  |  |  |  |  |
|     | 6.1.5                   | emails, meetings, on-site visits to engage producers   |             |  |  |  |  |  |  |

**CEO**  
TBH

**OPERATIONS**

**COO**  
TBH  
Supplier Relationship Manager  
Operations Manager  
Regional Account Managers  
Order Fulfilment Manager  
Order Fulfilment Officers

**COMPLIANCE**

*Member Services & Data Services*

Membership Compliance Manager  
Senior Compliance Account Manager  
Compliance Account Managers  
Data Services Delivery Manager  
Data Quality Systems Manager  
Senior Data Services Account Managers  
Data Services Account Managers  
Senior Database Administrators  
Database Administrators

**BUSINESS SUPPORT**

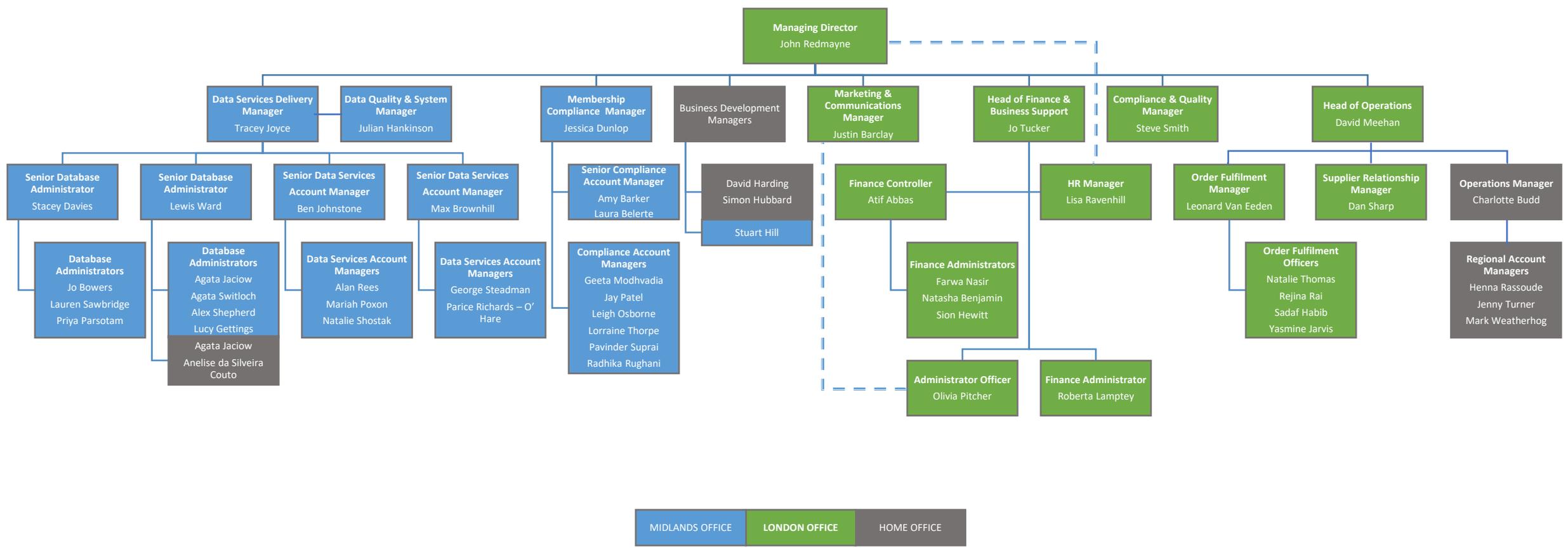
**CFO**  
TBH  
Financial Controller  
Finance Administrators  
Compliance & Quality Manager  
Marketing & Communications  
Manager  
Business Development Manager  
HR Manager  
Administrator Officer  
Government Relations Manager

**Accounts**  
TBH Outsourced  
**Auditor**  
TBH Outsourced  
**Legal**  
TBH Outsourced  
**Supplier Audits**  
TBH Outsourced  
**IT Administrator**

**Estimated FTE at Go Live: 55**  
**Estimated FTE 2026: 35**  
**Estimated FTE 2027: 44**  
**Estimated FTE 2028: 51**

# Appendix 11 PRO Organisational Structure Example

## ERP UK Organisational Structure – Reporting Lines



## **Appendix 11 H2 Compliance USA Project Team**

The project team for the application process and the subsequent PRO build and operation will be as follows:

### **Core Team**

Patrick Gibbs, Textiles Programme Lead, USA  
Rick Dukes, Procurement Lead, USA  
Jeffrey Morrison, Specialist Takeback Programmes, USA  
Iva Lea Aurer, Senior Environmental Compliance Programmes Manager, USA  
Lisa Nelson, Environmental Compliance Programmes Manager, USA  
Paul Dietzch-Dortenbach, Textiles Programme Lead, Europe  
Sergey Yurcha, Senior Textiles Project Manager, Europe  
John Hayes, President Landbell USA  
Dora Caria, Head of Worldwide Procurement  
Christoph Pautrat, Worldwide PRO Management

### **Consultants for CA SB 707**

We have consulting relationships for CA textile collection and sortation initiatives (Chris Zwicke, CEO of Recycling, Homeboy Threads and Homeboy Electronics Recycling) and for CA textile recycling initiatives (Scott Hamlin, founder and CEO, Looptworks). They are two of the most experienced and knowledgeable in their respective industries and we believe they will be key in planning a fit, complete and cost-effective supply chain to most effectively achieve the PRO's responsibilities and target goals.

### **Mini-Bios of Core Team:**

#### **John Hayes**

#### **Head of North America Region and Compliance Solutions, Landbell H2 Compliance**

John Hayes is the Head of North America Region and Compliance Solutions at H2 Compliance, a leading Producer Responsibility Organization (PRO) in Ontario. John oversees the company's EPR, take-back and consulting services. With over 28 years of experience, John has a strong background in environmental compliance and sustainability. John is dedicated to helping businesses achieve their environmental goals and remain compliant, particularly in the areas of Blue Box, E-Waste, and Battery recycling. John has a BSc in Biotechnology and a PhD in Physical Chemistry. John's experience has been applied to many different scenarios including Government Affairs and regulatory program management in companies such as Procter & Gamble and HP Inc. John is a founder of H2 Compliance with almost 70 staff located around the world. In 2016 H2 Compliance became a part of the Landbell Group, a group managing 45 PROs around the world.

#### **Patrick Gibbs**

Patrick Gibbs is a Textiles Program Manager for Landbell H2 Compliance who is coordinating and overseeing the implementation of the competitive bid process to be the exclusive Producer Responsibility Organization (PRO) for CA SB-707, Responsible Textile Recovery Act of 2024. He is a former strategic business development manager and environmental programs manager for HP Inc. He managed the hardware recycling program for HP Inc. North America and environmental compliance activities for HP Inc. Canada. He was the North America feed stream lead for HP's plastics closed-loop supply chain efforts. Patrick was a global supply chain planner for Hewlett-Packard prior to entering the environmental space. He studied Economics at the University of California at Santa Barbara and has a deep passion for corporate sustainability efforts and circular supply chain initiatives.

### **Dora Caria**

Dora has a degree in Environmental Engineering followed by a master's degree in environmental management systems. Dora started her professional activity in the asbestos industry followed by 10 years' experience in an international environmental consultancy business, being exposed to a lot of business/industry scopes. During that time, she acquired vast experience on projects management and auditing against an array of standards (EMAS, ISO 14001, ISO 9001, OHSAS 18001, ISO 27001).

Dora joined ERP in 2008 as an audit and quality manager with the main purpose to develop audit standards to apply to the diverse and extensive waste management supply chain as well as designing and implementing other quality policies and processes. Dora had other missions and challenges within ERP from developing group processes to human resources management, but since 2018, she became the Head of the Circular Economy Engineering Team of the Landbell Group. Such team is promoting bespoke services to worldwide customers around global take-back activities and closed-loop solutions for waste and end-of-life products. Currently Dora accumulates this responsibility with Waste Trends management, a company providing Authorised Representative Services for all EPR stream in Portugal.

More recently Dora was appointed as CPO of the Landbell Group being responsible for designing and overseeing the implementation of agile and sustainable Supply Chains to better answer to Landbell Group customer demands, market fluctuations and value chain disruptions.

### **Paul Dietzch-Dortenbach**

Paul is heading Landbell Group's textile program, developing compliance solutions that support the textile sector in adapting to new and evolving legislation. The program played a pivotal role in establishing ERP NL, a Producer Responsibility Organization (PRO) for textiles and significant milestone in textile compliance.

With over 15 years of experience, Paul specializes in enabling the fashion industry's transition to circular practices by developing solutions for end-of-life textiles. He has been a driving force in sustainable fashion, particularly in textile collection, sorting, and recycling.

Notably, he spearheaded the development of I:Collect (I:CO), a global take-back scheme for discarded clothing and shoes, operating exclusively at the point of sale. His work continues to bridge industry needs with regulatory requirements, shaping the future of textile circularity.

### **Sergey Yurcha**

With a master's degree in Bioecology, Sergey started his professional career in environmental protection. Later, he moved into the waste management industry and extended producer responsibility business. Sergey joined Landbell Group in 2022 as a circular economy engineering manager with the main purpose of developing the Group's EPR compliance solutions, consultancy, and take-back services.

Since joining the Group, Sergey has been involved in setting up and developing projects for a variety of streams and geographies under EPR legislation and within voluntary take-back initiatives, relationships building with key strategic customers, authorities, suppliers, and other stakeholders.

### **Rick Dukes**

Rick started his career in the United States Air Force and studied Criminal Justice and Business Administration at Rose State College in Oklahoma City, OK. His primary skills are Business Development, Supply Chain, and Operations Management.

Rick has a background in sales and spent 10 years working for a Technology Value Add Reseller which piqued his interest in E-Waste facilities and operations. He joined a global e-waste company in 2011 as a Business Development Manager. In 2012, Rick was asked to take the reins of Operation Manager for the company's electronics recycling facility in Dallas, Texas. He has 14 years in the E-Waste industry in multiple roles. Rick is married to a Mexican citizen and moved to Mexico to get a better understanding of the recycling landscape there as North America continues to become more relevant in the EPR world. Rick manages Supplier Relationships for Landbell H2 Compliance, in the US, Canada, and Mexico.

### **Jeff Morrison**

Jeff has bachelor's degrees in environmental engineering and environmental management systems. He is also a licensed professional engineer. He started his professional career as an environmental consultant where he focused on environmental auditing, water, waste, and risk/remediation projects in the southeast United States.

After nine years as a consultant, he began work as an environmental compliance manager for a large electrical power generator. He was responsible for ensuring that environmental obligations were met at several power plants and associated facilities. After over 20 years of work in the environmental compliance field, Jeff joined H2 Compliance in 2021 to oversee environmental and take-back operations in North America.

### **Iva Lea Aurer**

Iva Lea Aurer, LLM, has 8 years of experience in regulatory compliance, with the last 5 in Extended Producer Responsibility (EPR) compliance. Currently, she is part of the H2 North America and is acting as the team lead for the compliance team.

She obtained her expertise by working in academia and in the private sector. As a lecturer, she focused on sustainability, international business law, and corporate liability. Coming back into the private sector, she held the role of sustainability manager for a large OEM, where she handled their EPR compliance across EMEA and North America. Lastly, as the North American compliance team lead, she is heading the team's involvement in EPR regulatory efforts, stakeholder engagement, and compliance service provision.

Her work led her to work with various stakeholders, and in various countries and markets. Thus, allowing her to develop a comprehensive understanding of the interplay between regulations, product lifecycle, and business demands whilst being able to translate them into practical, but holistic, solutions.

### **Lisa Nelson**

Lisa Nelson MA has more than 20 years of experience in chemical, labeling, consumer electronics, and EPR regulatory compliance. She had global responsibilities while working in HP Inc.'s supply chain and regulatory departments at divisions located in Roseville and San Diego, California. Lisa served on the advisory board for UC Irvine's Customer Experience Program. She knows how to keep people informed and calm. Having worked in marketing, supply chain, and with R&D, she knows that one regulation may apply to different parts of a product's lifecycle in different ways. More importantly, she can translate a regulation into understandable, actionable information. Lisa was the Chief Regulatory Officer for Memjet working out of their San Deigo, California office before joining H2 Compliance. She is currently part of the H2 North America team and is the SB54 packaging EPR lead.

### **Christophe Pautrat**

Christophe Pautrat is COO for Latin America, Africa, Middle East and Asia at the Landbell Group, a leading provider of environmental and chemical compliance services. He is developing Landbell's global presence, through Extended Producer Responsibility (EPR) advisory, local cooperation, and direct investment.

His EPR advisory missions have been covering countries in the MENA region, Sub-Saharan Africa and South and Southeast Asia, on behalf of international organisations such as the World Bank, GIZ and UNOPS or directly for government or private sector.

Christophe's involvement in EPR started over 20 years ago when he took part in the creation and development of the European Recycling Platform in 2004, the first pan-European e-waste producer responsibility organisation (PRO) established by leading global producers.

He is familiar with all the dimensions of EPR frameworks design as well as PRO design, development, and operation in developed and developing countries.

Christophe has also direct PRO management experience, having been the general manager of an e-waste PRO for eight years and is currently holding board positions in several PROs for waste packaging, e-waste, and waste batteries.

## **CORP: California Outdoor Recreation Partnership**

California Outdoor Recreation Partnership (CORP) is a 501(c)6 non-profit organization that represents the collective interests of member organizations and programs within California, focused on politics, policy direction and funding in support of the active outdoor recreation industry. California is home to the nation's largest active outdoor industry economy, contributing \$81.5 billion spending annually and 545,448 direct jobs, while supporting active lifestyles, community health and wellness, and a shared love for California's majestic outdoors. CORP educates legislators about the role that our industry plays in improving economic opportunity, community health and welcoming a diversity of outdoor enthusiasts across our great state. Our mission is to power a voice for the outdoor recreation industry to shape policy, support investments, and engage an inclusive community of outdoor participants in California around the benefits of outdoor recreation.

### **Members Include:**

Our current paid member producers include Columbia Sportswear Company, Injinji Inc, NEMO Equipment Company, Peak Design, REI Co-op, Seirus Innovation, Toad&Co, and VF Corporation.

### **Covered Materials Include:**

Undergarments, shirts, pants, skirts, dresses, overalls, vests, scarves, tops, leggings, leisurewear, athletic wear, swimwear, footwear, handbags, backpacks, knitted and woven accessories, jackets, pants, snow pants, ski pants, towels, and blankets.



EVERLANE

Everlane is a modern, California-founded and -based apparel brand creating high-quality essentials through radical transparency and sustainability. We deliver a clean luxury, better for you promise—elevated, timeless pieces made with integrity and a commitment to reducing environmental impact.

### **Brand Positioning**

We believe luxury should be as effortless as it is conscious. We see fashion as both a vehicle for self-expression and a platform for doing the right thing. We started a movement of breaking the status quo and we're continuing to build on that legacy together with those who aspire to something greater.

### **Product Philosophy**

Every fabric, fit, and detail of our product is crafted for longevity, versatility, and long-term wear, so you can have a long life with your Everlane products, and another life beyond. We focus on premium materials and details that are Purposefully Designed, Beautifully Functional, and Consciously Crafted.

### **Sustainability & Transparency**

Everlane leads with openness—sharing costs, materials, and factory partners while advancing lower-impact materials, circular design, and responsible manufacturing. We believe progress happens when companies take responsibility not only for their own impact, but for shaping a more responsible system.

### **Support for California SB 707**

We helped shape and support the California Responsible Textile Recovery Act (SB 707) because tackling waste, overproduction, and the need for better collection, sortation, and recycling infrastructure requires collective action and strong policy.

### **Awards & Recognition**

We are proud to have been honored as the three-time 'Sustainable Brand of the Year' (2023-2025) by Glossy, the 2024 Marie Claire 'Sustainable Fashion Brand of the Year,' and to have received the #1 score in Remake's Fashion Accountability Report. These accolades reflect both our long-standing leadership and our continued ambition to raise the bar for what responsible fashion can look like.

### **Looking Ahead**

Everlane is building the future of responsible fashion through cleaner materials, transparent systems, and long-lasting design—proving that elevated style and strong values can move the industry forward.

everywhere

# 100% Recycled Cotton Fabric + Apparel

Everywhere's in-stock, closed loop, circular blank apparel has been on tour with the world's greatest talent.

[Pricing + Line Sheet](#)

## Our Garments Are:

- Made in LA
- Produced with 100% GRS-certified recycled cotton from globally available pre-consumer wastestreams
- Durable + soft
- Recyclable through Everywhere via QR codes on tags

We offer multiple t shirt bodies, hoodies, sweatshirts, bottoms, accessories, and have the ability to make custom garments.



Chappell Roan wearing Everywhere's EV3002 Heavyweight Hoodie

COACH

PARAMORE

AMIRI

RIVIAN

CHAPPELL ROAN

TAME IMPALA

WILCO

tapestry

DIAGEO

# We Offer Circularity as a Service



Our services are designed to help brands reduce warehouse costs, meet sustainability goals, and protect their logo and IP.

## Recycled Fabric + Apparel

Our off the shelf, 100% recycled + circular apparel catalog supports sustainable practices for brands of all sizes. Our line of recycled basic apparel and custom textiles have strong market traction with clients that include Coach, Tame Impala, Paramore and more and have been tested across all decoration methods.

## Textile-to-Textile Recycling

We convert textile waste streams like deadstock inventory and returns into finished textile goods for any brand. This could include t-shirts, sweatshirts, hoodies, and totes amongst other offerings and can be customized based on a brand's needs.

## Bulk Apparel + Recycling

We offer turnkey solutions for end of life product recycling at consumer and industrial scales. Our brand and material-content agnostic industrial textile recycling services help companies reduce warehousing costs. We offer easy waste pickup and per pound or per item rates.

# MADE IN LA

LA was raised up on daring ideas and fearless creativity. We breathe dreams, hustle, and heart into everything we create. It's in our DNA. So, we formed Made in LA, to amplify LA-made products, businesses, and the Angelenos behind the brands. Because LA's not just where we make it, it's everything we're made of.

Made in LA is much more than a group of like-minded businesses. It's a movement celebrating creativity, craft, and community. We're powered by passionate people making products with soul in the heart of LA, from food to fashion, home goods to cosmetics and more.

Choosing to make products here takes grit, vision and a commitment to the city we love. When you choose Made in LA products, you're empowering local-made brands and the creators who pour passion into every piece. Together, we're fueling the spirit of LA: bold, creative, and unapologetically authentic.

Discover Made in LA products in stores throughout the city. Every purchase supports LA-based brands and our city's entrepreneurial energy.

# Reformation

Reformation Founded in 2009, Reformation was built on the belief that fashion and sustainability can—and must—coexist. Our mission from day one has been to bring sustainable fashion to everyone. Today, we are 1,000+ employees strong and, through our commitment to responsible production, 100% carbon neutral and on track to become Climate Positive by 2025 and Circular by 2030. Our Los Angeles-based sustainable factory, responsible material sourcing, environmental impact tracking, and investments in the people who make our commitments possible set us apart in an industry that too often prioritizes profit over the planet.

For the purposes of this application, Reformation produces apparel in the following categories:

- Undergarments
- Shirts
- Pants
- Skirts
- Dresses
- Overalls
- Bodysuits
- Vests
- Suits
- Scarves
- Tops
- Leggings
- Leisurewear
- Athletic wear
- Swimwear
- Formal wear
- Footwear
- Handbags
- Knitted and woven accessories
- Jackets
- Coats

## **About Regent Apparel, Inc.**

Regent Apparel is a women-owned small business headquartered in San Mateo, CA that has been manufacturing its own brand of workwear for over a century. The company was established in San Francisco in 1921, initially supplying products worn in the restaurant and food processing industries throughout the San Francisco Bay Area. Today, it is in its fourth generation of family leadership and has expanded its product line to also include a full offering of industrial uniforms, staff apparel for the healthcare industry, and patient gowns in addition to its extensive custom uniform capabilities.

The company's principal customer base is comprised of commercial laundries throughout the United States. As a long-term supplier and partner to the textile rental industry (which processes an estimated \$15 billion pounds of textiles in the US annually), Regent brings specialized knowledge of the breadth of B2B textiles processed in these facilities and the way commercial laundries and uniform rental programs currently support sustainable textile solutions.

Regent has demonstrated a strong commitment to sustainability. In addition to sourcing environmentally preferable raw materials and avoiding plastic packaging, Regent was actively engaged in the Statewide Textile Recovery Advisory Committee (STRAC) that was hosted by the California Product Stewardship Council in the years immediately leading up to the passage of SB 707. Through participation in this committee, Regent not only provided feedback on the proposed EPR legislation, but also connected with other like-minded professionals in the apparel industry and initiated several recycling take-back programs for its customers.

### **Alexis Miller | REGENT**

Address: 1650 Borel Place, Suite 216, San Mateo, CA

office 800.326.2065 | cell 415.837.3272 | email [amiller@regentapparel.com](mailto:amiller@regentapparel.com) | web [regentapparel.com](http://regentapparel.com)



Headquartered in Hayward, California, Way To Be Designs is a full-service uniforms and promotional products agency specializing in high-volume programs for mid- and large-sized companies. The agency has been in business for thirty-five years and has built an impressive client roster that includes Google, Meta, Deloitte, Cisco, Salesforce, and McDonald's. Way To Be currently provides uniforms for approximately 7,400 McDonald's restaurants in the U.S. and all 1,500 restaurants in Canada.

### **Core Services**

- **Design:** Thoughtful, intentional design processes for apparel and merchandise.
- **Uniform Programs:** Creating and managing stylish, durable uniform collections.
- **Brand Merchandise / SWAG:** Producing custom-branded products and promotional items.
- **Warehousing & Logistics:** Overseeing inventory management, warehousing, and global product distribution.
- **Digital & Pop-Up Stores:** Developing online company stores for employees and digital pop-up shop experiences.

Way To Be also prides itself on its leadership in sustainability. The company has been at the forefront of advancing environmentally conscious practices within the uniform industry, including the use of recycled fibers, mitigation of microplastic accumulation, and development of textile-to-textile recycling solutions.

Ten years ago, after identifying microfiber shedding as an emerging environmental issue, Way To Be invented Ciclo—a nature-based technology designed to reduce microfiber pollution. Today, Ciclo is used by major brands such as Walmart, Target, Oakley, Hanes, and Costco. Way To Be is a proud member of the Microfiber Consortium and continues to research and develop methods to reduce microfiber release from its garments.

The company is also collaborating with strategic partners to build a textile-to-textile recycling infrastructure capable of collecting and processing uniforms worn by approximately 500,000 people—roughly 72,000 of whom are in California—who wear Way To Be uniforms every day.



## Sotira

Amrita Bhasin is the co-founder and CEO of Sotira, an award winning, VC backed company in the \$800 billion reverse logistics space that uses technology and AI to discreetly monetize and facilitate donations for surplus and unsold apparel inventory to a network of vetted private buyers.

Amrita and her company Sotira fully qualify to be an ex-officio member of Landbell Group's governing board as her company is distinctly involved in the management of SB 707 covered materials. Sotira serves manufacturers, retailers, distributors, instant commerce companies and D2C brands. Companies with overstock can synch their WMS or ERP and apparel inventory loads are automatically shared with a network of vetted buyers or donation partners. Purchasing, compliance, logistics, scheduling and payment is streamlined directly within platform. Sotira is partnered with RangeMe (biggest retail sourcing marketplace). Customers are recouping up to 50% of costs, unlocking working capital, clearing storage space and reducing carrying costs by selling overstock apparel on Sotira and are earning tax write-offs by donating overstock to 501(c)(3) charitable organizations on Sotira.

25% of all inventory in the US is overstock and much of it (\$163 billion worth of inventory annually) ends up in landfills. Since launch, Sotira has offloaded millions of pounds of surplus goods to vetted buyers and donation partners all over the United States with a focus on keeping unsold apparel inventory out of landfills.

Amrita is a sought after speaker and has spoken about apparel waste and sustainability, reverse logistics, supply chain, tariffs and fashion retail planning at leading retail conferences and trade shows such as Groceryshop 2025, Home Delivery World 2025, TechCrunch Disrupt 2024, Reverse Logistics Association 2025, HumanX 2025, ReTHINK Retail 2025 and Shoptalk 2025. She is an upcoming speaker at One Young World 2025 on the Circular Economy Plenary, Manifest 2026 and Food Waste Summit 2026.

Amrita has spoken as an expert in the reverse logistics and waste industry on air on CBS, Fox Business and Scripps and has been profiled in Business Insider, Forbes and FreightWaves. Sotira has been featured for sustainability impact in Fortune, Reuters, Bloomberg, CNBC, Huffington Post, Reader's Digest, Modern Retail, The AP, The Packer, BBC, NASDAQ, Food Institute, Inside

Retail and TechCrunch.

Amrita is a 776 Climate Fellow (selected as 1 of 20 out of 1600 backed by Alexis Ohanian, the Founder of Reddit) for her work in the reverse logistics sustainability space. A graduate of the University of California, Berkeley, Amrita has been recognized by the State of California and Stop Waste for contributions to reducing enterprise waste and climate sustainability by facilitating alternative pathways for surplus inventory in conjunction with California's sustainability legislation SB 1383 and SB 707 (rerouting overstock or unsold apparel from landfills and enabling companies to choose sustainable options over destruction and discarding). Sotira has worked specifically with inventory originating in the state of California or being distributed back into California.

Amrita is very passionate about the spirit of SB 707 as she has seen overstock textiles and apparel waste as a challenge for many of the brands and retailers she has worked with. When working with corporate or enterprise companies, sustainability is often viewed as an afterthought. SB 707 is a necessary piece of legislation that pushes companies to adopt environmentally friendly and circular solutions, often for the first time. Compliance with SB 707 has been a successful marketing tool for Sotira. Amrita frequently speaks about SB 707 at supply chain and retail conferences that she attends and is almost always educating someone for the first time on what SB 707 does and its impact in terms of compliance. Given Amrita's unique insight and information asymmetry into how retailers and brands are handling inventory waste and her success in enabling companies to comply via her software Sotira, Amrita would be a qualified fit for the board of the PRO.

LinkedIn: <https://www.linkedin.com/in/amrita-bhasin/>

Personal website: [www.amritabhasin.com](http://www.amritabhasin.com)

**Andrea Ferris**  
**Co-Founder at Intrinsic Textiles Group**  
**CEO & Co-Founder at Intrinsic Advanced Materials**

Andrea is a material-innovation and commercialization expert, textile manufacturing specialist, and co-inventor of CiCLO® biodegradable technology for polyester. With more than 20 years of experience across textile R&D, manufacturing, supply-chain operations, and apparel program management, she offers direct expertise in the management of covered textiles under California's textiles Extended Producer Responsibility (EPR) framework.

As Co-Founder and CEO of Intrinsic Advanced Materials (IAM) and Co-Founder of Intrinsic Textiles Group, Andrea led the development and global scaling of CiCLO® technology. Along with her team, she helps advise on sustainable materials strategy, fiber selection, product development, and manufacturing. They work directly with brands, retailers, mills, and manufacturers across the full textile lifecycle — providing hands-on management of material inputs, textile manufacturing processes, supply-chain systems, product standards, and environmental impact mitigation. Her position gives her access to and influence across a broad network of industry stakeholders who can be engaged in the PRO process.

IAM built and manages a global supply-chain ecosystem of more than 50 partners throughout the world, including the infrastructure for a traceability and compliance program from polymer and fiber stages through finished textile goods. Andrea's work spans apparel, uniforms, home textiles, and industrial applications, giving her deep insight into both the creation and end-of-life challenges of covered textiles.

Previously, Ferris spent over a decade managing large-scale uniform and branded merchandise programs for clients such as McDonald's, Autodesk, and Virgin America. She oversaw sourcing, design, costing, factory audits, product compliance, sustainability integration, and the introduction of new textile materials — directly engaging in the operational management of textile production, performance, and environmental considerations. Her subject-matter expertise includes:

- Material innovation, fiber technology, and biodegradable textiles
- Polyester and synthetic textile manufacturing
- Textile supply-chain management and product compliance
- Microfiber and microplastic pollution science and mitigation
- Standards, certification, and environmental requirements
- Advising brands on materials strategy and sustainable fiber transitions
- Scaling new materials and technologies globally

Ferris has collaborated with environmental NGOs, research institutions and industry groups to develop solutions for microfiber and microplastic pollution — an issue identified in forthcoming PRO regulations. She also serves on the Board of Directors of the Moore Institute for Plastic Pollution Research, supporting scientific research on microplastic pollution.

## Homeboy Threads



Homeboy Threads, based in Los Angeles, California, offers reuse and recycling services for apparel and textiles. Homeboy specializes in sorting, grading, preprocessing, and reselling activities. Expansion into 3PL, repair, and related services is underway.

As a social enterprise, under the umbrella of the nonprofit organization Homeboy Industries, Homeboy Threads blends a mission-driven workforce development model with a growing commercial strategy, prioritizing transparency and domestic resale.

\* \* \*

**CHRIS ZWICKE**

Chief Executive Officer

Homeboy Electronics Recycling

## PlsReturnIT:

PlsReturnIt, Inc, a San Francisco-based software company, offers customizable web-based solutions for materials and trims suppliers, brands, circularity partners (online resellers, repair service providers, collectors and recyclers) and consumers. PlsReturnIt's Co-founder, Deb Zell, is a member of the selective European Commission-funded CIRPASS expert working groups and communities of practice for electronics, textiles and batteries. She has also participated in U.S. EPA working groups for battery and electronic collection, sorting and recycling, CalRecycle covered electronics and battery meetings, and conferences covering toxicology in textile chemistry. PlsReturnIt recognizes the increasing number of electronic and/or battery-enabled textile items available on the market and the disconnect between consumer perceptions of these products as such and appropriate use, repair and disposal behavior. Thus, PlsReturnIt strives to guide consumers toward the most appropriate and convenient disposal options based on item features and an assessment of the fitness or safety of items for mailing vs drop off collection. By providing intuitive online, contextually relevant guidance, PlsReturnIt can guide consumers toward appropriate local drop off locations, mailing options where appropriate, and safety packaging options to prevent safety hazards during transportation. This complements Landbell's background managing both textile and battery-enabled electronics EPR programs. Further, PlsReturnIt is able to build intuitive custom software for entities such as PROs while ensuring accessibility and ease of use through the use of design best practices, learnings from previous projects and research studies.

2020 S. Mary St.  
Fresno, CA 93721



D'Ambrosio Trading Inc. is a textile recycling company offering local communities the opportunity to become sustainably responsible for unwanted textiles through placement and use of clothing and shoe collection bins, better known as Eco World, and access to a free pick-up service for unwanted textiles, better known as Just Porch It. We are an authorized collector and certified closed loop textile recycler that provides an easy way to donate unwanted clothing, shoes, and other soft goods for businesses and residents. Sustainability is our mission and working closely with the community by giving back to local organizations such as nonprofits, churches, and schools is our passion. We have over 300 affiliates that are provided with access to textiles, a service to discard textiles deemed unusable, as well as an opportunity to generate unrestricted revenue through our textile recycling program.

On average, a typical American will throw away 81 lbs. of textiles per year. The State of California has just over 39,128,186 residents, which is equivalent to 3,169,383,066 lbs. of textiles ending up in our local landfills, of which most will never decompose. Research shows only 15% of textiles are being recycled nationally and our main goal is to collaborate with all sustainable organizations to advocate and educate communities about textile recycling. We are proud to say that we collect just over 2,300,000 lbs. of textiles a month within our footprint. Our goal is to expand our work with the cities, businesses, schools, and residents in the areas we collect to increase our numbers and become fully sustainable in all areas by 2030. Our footprint in California is from Sacramento to Bakersfield, Monterey to Santa Barbara, and currently expanding to the Bay Area and Southern California. Our corporate headquarters is located in Fresno, CA and currently works with 3 satellite locations within the state of California. Aside from California we operate in 9 other states and in the works of opening 4 additional.

On September 28th, California Governor Newsom signed The Responsible Textile Recovery Act (SB 707), and we are proud to say that we not only support this bill but addressed areas of this bill with input from a collector's point of view to Senator Josh Newman's office, and we were favorably received. This legislation has already piqued the interest of Oregon, Washington, Arizona, New York, and Massachusetts, in no time this will be adopted by all states. We are happy to ensure that we have a plan of action already in place in the municipalities that we operate in as authorized collectors.

Since 2017, President and Owner of D'Ambrosio Trading Inc., Jené D'Ambrosio, has been in contact with Calrecycle addressing the concerns of textile contamination in the landfills. At the time textiles was not being labeled as recyclable, the only other option was trash. Knowing this is a top contaminant, alongside Styrofoam, Jené requested and encouraged workshops regarding textiles and options for reuse, recycle, or upcycling. There has been continuous communication over the years and will continue to be offering new information and updates in the textile industry. D'Ambrosio Trading Inc. became members of two additional organizations/working groups, CPSC and STRAT, that work hand in hand with Calrecycle which has been a very helpful source of information, education, and advocacy for the future of textile recycling in California.

D'Ambrosio Trading Inc. have been members of Secondary Materials And Recycled Textiles (S.M.A.R.T.) which is an international group of for-profit businesses in textile recycling since 2019. This organization has multiple working groups such as government affairs, public relations, and Collection Bin Committee in which D'Ambrosio Trading Inc.'s President and Owner, Jené D'Ambrosio, holds a seat and chairs the collection bin committee. The collection bin committee was formed to develop a code of conduct, an adoptable ordinance draft for cities to utilize, and meetings to discuss ongoing business and new business. Collectors in S.M.A.R.T. are held to a higher standard of business as collectors, to ensure they are operating efficiently and operating as a "good player" and help eliminate the behaviors and standards of "bad players" in this industry. The Government affairs working group in S.M.A.R.T. assisted Sen. Newman's office for over 2 years offering pieces of information, suggestions, and data to develop the existing version of CA SB 707. S.M.A.R.T.'s public relations working group offers information through social outreach about local, regional, national, and international industry updates. This organization offers standards and procedures that should be implemented by all businesses in textile recycling.

In 2018 D'Ambrosio Trading Inc. focused on efficiency and relied on data to do so. Many systems and multiple applications were utilized, but it became a quick reality that there was not a one-stop-shop that offered everything they needed in one system. D'Ambrosio Trading Inc. had a personalized software system developed specifically for tracking and reporting. This system offers data such as real time driver location, cookie crumb location of drivers past location, time stamps, date stamps, GPS stamps, before and after pictures of bins on locations and home pick-ups, poundage obtained from all locations, poundage tracking of different types of textiles collected (Credential, Hybrid, and Institutional), and driver notes about the locations if needed. Data input into the system is available in live time to our office staff in case there is a matter at hand that needs immediate attention. Reports can be generated by our staff with information such as the name, address, email address of each person or business being serviced, poundage of product from specific areas, poundage of product of a specific time frame, poundage of different textiles collected, data of poundage from collection bins vs. home pick-ups which is extremely useful for data and diversion rates. Our driver reports are

generated throughout the route as it is being operated and can be viewed live or upon completion. This offers our company the cost of the route based on cents per pound formulating the cost of miles, payroll, packaging, loading, fuel, and maintenance. This is an important tool used to break up routes, add locations to the route, and offer the most efficient way to run and obtain the most poundage possible, per driver, per route.

In the textile industry we need to be as efficient as possible as our market literally makes cents per pound and can fluctuate dramatically month by month. D'Ambrosio Trading Inc. continuously extends their footprint of service as we are a volume-based company relying on collections to come in, package, and go out as fast as possible. We only work with companies whose missions align and are certified closed loop to eliminate dumping in any area regardless of local, regional, national, or international landfills.

D'Ambrosio Trading Inc. recently developed a press machine that has soft launched to package on-site for local thrift stores, closets of church/schools, and mixed rag locations. This is useful for the affiliates as it eliminates the issue of storage space of loose product, creates efficiency for D'Ambrosio drivers, and helps increase poundage of routes.

The individual of D'Ambrosio Trading Inc. who would help fill a position on the PRO would be the President and Owner, Jené D'Ambrosio. She is a Fresno native, wife, mother, and grandmother. Jené is a Director on the board for The Fresno Women's Chamber of Commerce and actively holds the chair position for networking mixers, on the panel for Women In Business Awards, panel for the networking luncheon mixer, and panel for bylaws. Jené also Chairs the position for Collection Bin Code of Conduct for the International group S.M.A.R.T., an advisor for S.M.A.R.T.'s government affairs committee for legislation bill CA SB-707, and Public Relations working group. She is a Director for the Fresno Police Chief Foundation, a Director for the board of Golden Charter Academy, Advisor for City of Fresno's Beautify Fresno, an Advisor for Fresno High School's Warrior Rack Booster Program, Booster for the cheer program at Justin Garza High School, Booster for Fresno State Athletics, and sorority Mom. She has been featured in The Business Journal twice for an executive profile and frequents local and national news stories on textile recycling and sustainability. In 2023 Jené received Top Ten Women of the year award from Marjaree Mason Center, Visionary for Leukemia and Lymphoma Society in 2024, Top Philanthropist from the Association of Fundraising Professionals, the Tillie Tuschhoff Excellence Award from the Fresno County Women's Chamber, Top Fundraiser from the Red Cross Central Valley, Top Team Leader from the Red Cross Central Valley, and most recently the Golden Heart Award from Golden Charter. She is an active member in the community looking to continuously support local organizations with a passion for sustainability and philanthropy.

We pride ourselves on being a green company and work hard to keep all textiles out of the landfills with an easy and almost effortless way to donate. Helping local communities is a personal passion that separates us from other textile recycling companies. Giving locals a chance to give back to their community directly, being sustainably responsible,



and doing our part to educate communities how to recycle, separates us from the pack. We will always operate and stand by our mission to Educate, Advocate, and offer Transparency within the textile recycling industry.



December 2025

California Department of Resources Recycling and Recovery  
1001 I St, Sacramento, CA 95814  
Sent via [textiles@calrecycle.ca.gov](mailto:textiles@calrecycle.ca.gov)

**RE: Letter of Support for Landbell USA Inc, PRO Application for the Responsible Textile Recovery Act**

Dear CalRecycle Staff,

The California Product Stewardship Council (CPSC) appreciates the opportunity to provide this letter of support for Landbell's Expression of Interest to serve as a producer responsibility organization (PRO) under the Responsible Textile Recovery Act of 2024, SB 707 (Newman).

As the Legislative sponsor of SB 707 (Newman), CPSC is invested in ensuring the successful launch of California's first textile stewardship program and in supporting all producers, collectors, recyclers, reuse partners, and community stakeholders working toward a more circular textile system. From the onset of the legislative process, our goal has been to create a strong, equitable, producer-led system that promotes reuse, repair, and responsible end-of-life pathways for textiles. CPSC's network includes local governments, nonprofit collectors, sorters, repair enterprises, reuse organizations, material recovery facilities and recyclers who manage covered products at every stage of their lifecycle. Through our statewide textile pilots, we have facilitated on-the-ground testing of collection methods, sorting standards, reuse pathways, and recycling logistics that directly inform SB 707 implementation. These experiences position CPSC to recognize PRO applicants who demonstrate meaningful engagement with the realities of collection, sorting, repair, reuse, and recovery in California.

Following the passage of SB 707, Landbell's member companies have continued their work across the full textile lifecycle through activities such as collection, sorting, repair, reuse, recycling, and other covered products management. Many of these producers and brands already participate in CPSC-supported textile pilots and operate within existing reuse and recycling networks, giving them practical experience with the operational challenges and opportunities that SB 707 aims to address.

Landbell's has demonstrated steady and meaningful engagement across California's textile stewardship efforts. Examples of their participation include:

- Sponsoring CPSC's Textile webinar for the Hospitality and Healthcare sector on August 27, 2025, reaching over 100 organizations in California.
- Sponsoring the Textile EPR Haulers workshop on October 29<sup>th</sup>, 2025.

- Meeting with CPSC through several in-person and virtual sessions to review several pilot learnings and innovations across the textile economy.
- Attending multiple STRAT meetings and contributing to discussions on collection, sorting, repair, reuse, and recycling challenges across California.

Building on this engagement with CPSC, Landbell Group also brings global operational experience that is highly relevant to California's textile stewardship goals. As an international operator of takeback, recycling, and extended producer responsibility (EPR) systems, Landbell manages collection, sorting, reuse, and recycling programs across multiple waste streams, including textiles. Their established compliance schemes and logistics networks give their member companies practical familiarity with end-of-life product management and the infrastructure required to support an efficient stewardship system. This global background positions Landbell's members to contribute informed, real-world expertise as California develops a functional and compliant textile stewardship program under SB 707 (Newman).

While CPSC has not reviewed Landbell's full application, our support is grounded in the substantial good-faith efforts, consistent engagement, and clear preparedness they have demonstrated throughout the early implementation of SB 707 (Newman). Their proactive participation, willingness to incorporate pilot learnings, and thoughtful approach to understanding California's collection and processing landscape indicate a high level of readiness and alignment with the goals of SB 707 (Newman).

Based on this demonstrated commitment, operational experience, and collaborative approach, CPSC views Landbell as a highly capable and competitive candidate for consideration as a PRO under SB 707 (Newman). We look forward to continued coordination with CalRecycle and all applicants to ensure a successful, equitable, and well-designed textile stewardship program for California.

Sincerely,



Joanne Brasch, Director of Advocacy and Outreach  
California Product Stewardship Council



## FIBERSHED

Fibershed is a California-based non-profit organization dedicated to developing regional fiber systems rooted in regenerative agriculture, land stewardship, and decentralized manufacturing. Through its network of more than 200 members—including natural fiber producers, ranchers, farmers, designers, mills, and artisans—Fibershed supports a textile economy that prioritizes ecological health, transparency, and true circularity. This bioregional approach ensures that natural fibers are grown, processed, used, and returned to the land through methods that restore rather than deplete the environment.

A cornerstone of this work is the Climate Beneficial™ Verified program, which provides a rigorous verification for fibers grown through regenerative practices that improve soil health and draw down carbon. The program has been adopted by leading brands, including The North Face, Reformation, Coyuchi, and other brands committed to climate-benefiting sourcing.

Fibershed also plays a key role in extending the useful life of textile products by supporting a statewide culture of repair and long-term use. Activities include:

- Mending workshops and repair education: Fibershed and its affiliates host hands-on workshops that teach visible mending, patching, and reinforcement techniques that keep garments in circulation and reduce premature disposal.
- Maker and artisan networks: These community networks connect consumers with skilled craftspeople who offer repairs, alterations, and upcycling services.
- Public awareness and behavior change: Fibershed promotes garment longevity, natural fiber care, and mindful consumption through educational programs, events, and partnerships with local organizations.

Collectively, these initiatives contribute to reductions in waste, support local economies, and reinforce repair and reuse as essential pillars of the textile system.

Fibershed also advocates for and helps develop recycling pathways that align with ecological principles. Because natural fibers can be reintegrated into biological systems, Fibershed collaborates to promote soil-to-soil systems, where composting is used as a final recovery stage for natural fibers, returning nutrients back to the earth's soil and strengthening the recovery value chain. By working with California farmers, land stewards, material specialists and researchers, Fibershed helps build pathways for post-consumer natural textiles to be safely composted and transformed into soil amendments that enhance soil health and carbon sequestration.

Fibershed's role in textile management focuses on connecting its statewide network of fiber producers, processors, and community partners to ensure that materials retain value at every stage of their lifecycle. In doing so, it offers a unique and essential perspective for SB 707 implementation—one grounded in regenerative natural fiber systems, a strengthened job market in repair and reuse, and ecologically sound recycling pathways that enable natural fibers to safely return to their biological nutrient cycles. Through its California network and its soil-to-soil model, Fibershed advances a truly circular textile economy that supports communities, strengthens ecosystems, and benefits the climate.

## **Scott Hamlin CEO, Founder Looptworks Textile to Textile Recycling.**

### **Scott Hamlin – Founder and Chief Executive Officer**

Scott has over 32 years of strategic brand positioning and management, innovative product creation and sustainable supply chain, marketing and sales for global organizations. In 2009, Scott founded Looptworks as a DTC and B2B brand and industry solution for turning excess materials into upcycled products. Scott previously served as Global Director of Merchandising, Design and Development for Royal Robbins, Outdoor Apparel and Gear; Director of Design for Jockey International; President and Managing Director for adidas Latin America; Director of Marketing and Sales for adidas Argentina; International Project Manager for adidas International; and International Product Line Manager for adidas Equipment. Scott is an Advisory Board (founding member) – University of Oregon Sports Product Management Industry. He is a mentor and Supervisor – De La Salle High School Corporate Work Study Program. Scott has a BA in Journalism, University of Oregon, and Studies in Business Administration and Marketing, California State Polytechnic University.



**We Recognized  
the Problem  
and Are Driving  
Strategic Change**

Looptworks is a Certified B-Corp textile-to-textile recycling specialist offering innovative, scalable solutions for brands and organizations world-wide. Based in Gresham, Oregon, Looptworks is the first and only recycling company in the United States equipped with a circular system capable of processing multiple types of materials into a range of finished fiber products. The new Looptworks facility is fully operational, and features a unique technology that transforms pre-and post-consumer textiles into high-quality recycled fibers. Our process starts where others end



**Napa Recycling & Waste Services is the franchise hauler for the City of Napa and southern Napa County**, a locally owned company with roots in servicing the community that stretch back over a century. Napa Recycling services 40,000 households and 1,600 businesses & schools.

In addition, **Napa Recycling operates the City of Napa's Recycling and Composting Facility**. Over 170,000 tons/year of recyclables & organics are processed at this regional facility in the Bay Area. Recent upgrades at Napa's cutting-edge facility have included a new Covered Aerated Static Composting system, organics processing, and various MRF upgrades to successfully handle the changing nature of the recycling stream. The facility was named the 2021 California & 2022 National Composting Facility of the Year.

Napa Recycling's sister company operations include franchise hauling in Paradise and Butte County, operation of the Devlin Road Recycling and Transfer Facility, and development and operation of the Northern Recycling Compost Facility in Yolo County.

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Through the innovative public-private partnership of Napa's diversion-based hauling, collection and processing contract, Napa Recycling and the City of Napa first developed a **curbside textile and shoe collection program** in 2013. Bagged textiles and shoes are collected curbside by appointment at no charge through Napa's "**Recycle More**" route, then consolidated at the facility for pickup by a regional textile collector. The program has successfully diverted approximately 30 tons of textiles and shoes from the landfill each year since its inception.

Napa Recycling partners with local businesses and thrift stores through ongoing outreach messaging and coordination of textile collection and reuse. They also coordinate an annual coat, clothing, and shoe drive with the City of Napa and Napa County in November for America Recycles Day. Napa Recycling has also collaborated on producer responsibility work regarding textiles and shoes, including supporting a recent shoe repair and recycling research project with CPSC.

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Tim Dewey-Mattia is the Recycling & Public Education Manager for Napa Recycling & Waste Services. Tim got his start in Zero Waste nearly three decades ago, and has been at Napa Recycling for 20 years, where he works on all aspects of program development, implementation, compliance and outreach. Tim currently serves on the Board of Directors of the California Resource Recovery Association and previously served on the Board of the Northern California Recycling Association from 2015-2023.



## **Executive Leadership:**

Toni Giffin, President & CEO of Goodwill Industries of San Diego and Imperial Counties, brings over two decades of leadership experience in social enterprise, textile reuse systems, and workforce development, making her and Goodwill uniquely qualified to inform and support the implementation of California's SB 707 (Responsible Textile Recovery Act). Toni Giffin is a respected cross-sector leader with experience convening nonprofits, government, and industry partners and is well-suited to advisory, governance, or implementation roles within a PRO structure.

## **Goodwill Industries of San Diego and Imperial Counties:**

Goodwill operates one of the state's most established textile collection and reuse networks, diverting millions of pounds of clothing and household textiles from landfills annually. This hands-on experience provides real-world insight into collection logistics, sorting, reuse prioritization, downstream recycling challenges, and consumer participation, core elements required for a successful Producer Responsibility Organization (PRO) under SB 707's Extended Producer Responsibility (EPR) framework. Together, Toni Giffin and Goodwill Industries of San Diego and Imperial Counties offer operational expertise, workforce solutions, and mission alignment essential to designing an equitable, scalable, and effective statewide textile recovery systems, ensuring SB 707 delivers both environmental impact and economic opportunity.

## **Why Toni Giffin & Goodwill Matter to SB 707:**

Goodwill already operates community-based collection, sorting, resale, and recycling systems. They have a deep understanding of what is reusable, repairable, recyclable, and what is not. Goodwill's over 100 years of experience managing end-of-life textiles at scale provides practical guidance for PRO planning, cost modeling, and performance metrics. Goodwill's paid training and career pathway programs directly support emerging jobs in urban, rural, and underserved communities; their expertise will help ensure SB 707 systems are convenient, accessible, and inclusive statewide.

Goodwill's hands-on experience managing textile end-of-life systems at scale align directly with CalRecycle's regulatory oversight priorities and PRO planning obligations. Their involvement strengthens the likelihood that California's Responsible Textile Recovery Act will achieve its intended environmental, economic, and social outcomes.

# EXHIBIT B

## REQUEST FOR ACTION

**To:** Zoe Heller  
Director

**From:** Michelle Martin  
Deputy Director, Division of Circular Economy (DiCE)

**Request Date:** February 24, 2026

**Decision Subject:** Review of Applications for Approval of a Textile Producer  
Responsibility Organization

**Action By:** March 1, 2026

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### **Summary of Request**

This Request for Action presents staff's analysis regarding the applications submitted to the Department by Circular Textile Alliance, Landbell USA, and Textile Renewal Alliance, describing how their proposed producer responsibility organizations (PROs) meet the requirements to be an approved PRO. Because CalRecycle received three applications, and only one may be approved, it must determine which proposed PRO can most effectively implement the law.

### **Background**

The Responsible Textile Recovery Act of 2024 (the Act) (SB 707, Newman, Chapter 864, Statutes of 2024) requires producers of covered products (textile articles and apparel) to form and join a nonprofit PRO. The governing body of any proposed PRO was required to submit an application to CalRecycle by January 1, 2026, describing how the PRO meets the requirements to be an approved PRO pursuant to the Act. CalRecycle received PRO applications from Circular Textile Alliance, Landbell USA, and Textile Renewal Alliance. Pursuant to Public Resources Code (PRC) section 42984.4(a), CalRecycle is required to approve one PRO by March 1, 2026. All producers of covered products must join the approved PRO by July 1, 2026.

### **Staff Analysis**

Staff evaluated the PRO applications submitted by Circular Textile Alliance, Landbell USA, and Textile Renewal Alliance, based on the requirements of the statute. The following sections provide a summary of staff's analysis of each of the prospective PRO applications, which are listed in alphabetical order. For the reasons articulated in the analysis, staff recommend approval of Landbell USA as the PRO.

### **Qualifying Organization Requirement**

Pursuant to PRC section 42984.3(t), the "[p]roducer responsibility organization" must be an organization that is exempt from taxation under Section 501(c)(3) of the federal Internal Revenue Code of 1986 and be formed for the purpose of implementing a plan to meet the requirements of the Act. As part of the Textile PRO application, CalRecycle requested supporting documentation regarding each applicant's nonprofit status, including the organization's Articles of Incorporation of a nonprofit, the organization's bylaws, and, if available, an Internal Revenue Service (IRS) 501(c)(3) determination or

affirmation letter.

**Summary:**

Circular Textile Alliance

At the time its application was submitted, Circular Textile Alliance had been formed for the purpose of implementing a plan to meet the requirements of the Act. In its application, Circular Textile Alliance provided the organization's Articles of Incorporation of a nonprofit and associated bylaws. Its Articles of Incorporation specifically mention the Responsible Textile Recovery Act of 2024 under Article III.

Landbell USA

At the time its application was submitted, Landbell USA had been formed for the purpose of implementing a plan to meet the requirements of the Act. In its application, Landbell USA provided the organization's Articles of Incorporation of a nonprofit and associated bylaws. Its Articles of Incorporation specifically mention the Responsible Textile Recovery Act of 2024 under Article 3.

Textile Renewal Alliance

At the time its application was submitted, Textile Renewal Alliance had been formed for the purpose of implementing a plan to meet the requirements of the Act. In its application, Textile Renewal Alliance provided the organization's Articles of Incorporation of a nonprofit and associated bylaws. While its Articles of Incorporation did not specifically mention the Responsible Textile Recovery Act of 2024, its purpose of supporting extended producer responsibility laws was stated in Article III.

**Analysis:**

At the time of application submission, all three applicants demonstrated they were formed as a nonprofit organization for the purpose of implementing the plan under the Act. As noted below, PRO approval for the Responsible Textile Recovery Act is contingent upon receipt of 501(c)(3) non-profit tax-exempt status from the IRS. The timing of the 501(c)(3) application processing is at the discretion of the IRS.

**Governing Board Requirement**

Demonstrate that the PRO has a governing board consisting of producers that are diverse in size and type and that represent the diversity of covered products placed in the market by those entities pursuant to PRC section 42984.4(a)(2)(A). In addition to board members that are producers, the governing board may include ex officio members involved in the collection, sorting, repair, reuse, recycling, or management of covered products pursuant to PRC section 42984.4(a)(2)(A).

**Summary:**

Circular Textile Alliance

Circular Textile Alliance established a three-member governing board that represents what it deems to be large, medium, and small producers of covered products, although the board appears to be skewed toward smaller and medium producers. The current board does not include any ex officio members, but Circular Textile Alliance indicated it may appoint ex officio members in the future. The application states that Circular Textile Alliance consists of producer members that represent diverse covered product categories, although its focus appears to be largely apparel; and it seems to lack strong representation for other textile articles. Circular Textile Alliance board members serve three-year terms and are eligible for reappointment.

### Landbell USA

Landbell USA established a 17-member governing board made up of 5 producers and 2 coalitions representing 27 producers and retailers of covered products, and 10 ex officio members involved in the collection, sorting, reuse, recycling, and management of covered products. Board members represent large, medium, and small producers as described by the applicant, primarily of apparel items, and 20 percent of board seats are reserved for large international producers. The two coalition board members may not meet the requirements of PRC section 42984.4(a)(2)(A). Landbell USA specified that its producer board collectively puts onto the California market approximately 90 percent of the apparel and textile article categories. Governing board members have 5-year terms with one reappointment opportunity. Additionally, Landbell USA established a 13-member paid advisory committee made up of interested parties across various sectors of the textiles value chain to share best practices and provide expert advice, guidance, and insight to the PRO.

### Textile Renewal Alliance

Textile Renewal Alliance has a 16-member governing board composed of 12 large producers, 1 “small” producer defined as less than \$100 million in annual revenue, and 3 non-producer trade organizations representing producers and retailers of covered products and non-covered products. Textile Renewal Alliance reserved one additional board seat (2 total) for a California-based small business, which it has defined as a business with less than \$100 million in annual revenue. The three industry group board members may not meet the requirements of PRC section 42984.4(a)(2)(A). No ex officio members have been appointed to the board. Textile Renewal Alliance stated that it would evaluate potentially transitioning its three trade organization members to non-voting, ex officio members six months after PRO approval, although again it is unclear whether they meet the statutory definition for such appointment. The application stated that producer board members represent the diversity of covered products placed into the California market. Textile Renewal Alliance did not identify term lengths or whether members are eligible for reappointment but indicated that it may set these in the future. Additionally, Textile Renewal Alliance established a 12-member implementation working group made up of interested parties across various sectors of the textiles value chain to share expertise and feedback on program design, implementation, and continuous improvement.

### **Analysis:**

Each applicant demonstrated various strengths in its application in terms of its governing board, representing some diversity in the size and type of members, and reflecting producers of a diversity of covered products. No applicant demonstrated perfect diversity, with Circular Textile Alliance’s board being comprised of smaller producers, while Textile Renewal Alliance’s board is comprised primarily of large producers. Landbell USA has a diverse board with a few large producers, as well as mid-sized and smaller producers. This diversity makes Landbell USA well-positioned to effectively implement the provisions of the Responsible Textile Recovery Act.

As noted above, it is unclear whether Landbell USA’s and Textile Renewal Alliance’s boards are comprised solely of producers and ex officio members as required by PRC section 42984.4(a)(2)(A). Therefore, the approved PRO must review the structure of their board and ensure the board is representative of the diversity of sizes and types of producers subject to the Act as well as the covered products placed in the market.

## **Financial Responsibility Requirement**

Demonstrate the PRO has adequate financial responsibility and financial controls in place, including fraud prevention measures and an audit schedule, to ensure proper management of funds pursuant to PRC section 42984.4(a)(2)(B).

### **Summary:**

#### **Circular Textile Alliance**

Circular Textile Alliance stated that it will maintain six months of reserve funds by incorporating funding into its producer fees. Circular Textile Alliance provided an overview of financial controls and fraud-prevention measures, including segregation of duties, dual authorization thresholds, financial reconciliation, and conflict-of-interest and whistleblower policies. Additionally, Circular Textile Alliance committed to undergo annual independent financial audits and to cooperate with any CalRecycle-requested or regulatorily mandated audits. Circular Textile Alliance referenced a Reserve Policy governing reserve targets, permitted uses, replenishment, and oversight in its application but appears to have omitted it.

#### **Landbell USA**

Landbell USA provided a detailed annual budget for 2026 through 2030 outlining expected revenue and expenditures across various cost categories. The budget outlined a plan to accumulate a six-month reserve fund of \$130 million by 2030 through charging \$1,000 producer membership fees and a per-pound fee of \$0.193 to \$0.20 for covered products put on the market. Landbell USA also identified anticipated staffing needs and funding for the needs assessment and an initial two-year pilot program in five California counties. Additionally, Landbell USA described various financial controls and fraud prevention measures such as segregating duties, conducting financial reconciliation and reporting, establishing governance, ethics, and financial committees, utilizing compliance and operations software, and summarizing various financial and risk management policies. Landbell USA also established an audit committee and detailed its auditing and sampling programs, including committing to annual independent audits, describing its internal compliance audits for members, and identifying technical specifications for regular audits of domestic and international facilities in the supply chain.

#### **Textile Renewal Alliance**

Textile Renewal Alliance stated its commitment to begin building reserve funds to operate the program for no less than six months once producer fee collection commences, no later than 2030. The application also described various financial controls and fraud prevention measures such as segregation of duties, dual authorization for expenditures, financial reconciliation and reporting, and various financial and risk management policies. Textile Renewal Alliance committed to establish a finance and audit committee and stated it will undergo independent annual financial statement audits, oversee annual internal control reviews, and conduct special audits as requested by the governing board.

### **Analysis:**

All applications demonstrated some level of financial responsibility, and all committed to building and maintaining six months' worth of reserve funds. Textile Renewal Alliance outlined various policies for financial risk management and provided information on its plans to ensure fraud prevention and allow for independent review. Circular Textile Alliance also provided information on its financial management policies and fraud prevention measures, although it omitted its financial reserve policy. Landbell USA

provided a robust explanation of its financial responsibility and financial controls to ensure proper management of funds. Additionally, Landbell USA has established an audit committee and detailed audit scopes, developed detailed anti-fraud policies and internal controls, and provided a comprehensive budget with extensive financial explanations. Landbell USA's provision of extensive information regarding financial planning, policies, and budgeting more comprehensively demonstrates that it has adequate financial controls in place to ensure proper management of funds.

### **Ability to Effectively Implement the Act Requirement**

Description of how the PRO meets the requirements to be an approved PRO and how it can most effectively implement the Act pursuant to PRC section 42984.4(a)(1).

#### **Summary:**

##### **Circular Textile Alliance**

Circular Textile Alliance described its experience building programs to source, develop, and manage risks in the textile supply chain, and shift to more sustainable practices, such as removing plastic poly bags from individually wrapped garments and beginning a fair-trade program for apparel. The application described domestic and international experience with third-party accreditation within the health service industry and third-party factory auditing. Additionally, Circular Textile Alliance stated that it conducts and supports research, innovation, and data analysis related to sustainable textile materials, recycling technologies, environmental impacts, and supply-chain traceability. However, Circular Textile Alliance stated that it does not have experience establishing or operating PROs.

##### **Landbell USA**

Landbell USA is part of the Landbell Group, and its application detailed over 30 years of experience developing and implementing extended producer responsibility programs internationally, including operating 42 PROs in 18 countries. Additionally, it draws on Landbell Group's experience operating one of the world's first textile PROs in the Netherlands and establishing new PROs for upcoming textile stewardship programs in Italy and Spain. Landbell USA has been working with a team in the United States covering regulatory and operational programs, extended producer responsibility support, and supply chain activities since 2009, and identified detailed plans to expand staffing to implement the California program over the next five years. Landbell USA described how it leverages advanced software systems to manage critical program activities including producer registration, communications, collection and recycling tracking, and reporting. Additionally, Landbell Group has experience preparing needs assessments for PROs in other countries and summarized its methodology to execute the initial needs assessment for the California program. Landbell USA also described plans to conduct gap analyses to identify opportunities to expand repair, reuse, and consumer education, conduct field studies of recycling facilities, engage with waste haulers to plan and optimize routes, and launch a pilot program in five counties.

##### **Textile Renewal Alliance**

Textile Renewal Alliance stated that its leadership and advisors have decades of experience in recycling, stewardship, and textile management, including holding advisory and governance roles on PRO boards and advisory groups. For example, team members participate on the California packaging PRO board of directors and advisory board, and textile-related boards in the Netherlands, Italy, and Spain.

Additionally, some of Textile Renewal Alliance’s founding members have operated or overseen collection, sorting, repair, reuse, resale, and recycling programs and have experience with extended producer responsibility compliance and reverse logistics for textiles. The application stated that Textile Renewal Alliance has issued a request for information necessary to complete the needs assessment and held informational webinars. Textile Renewal Alliance team members have also conducted research in California, including regarding fiber composition of landfilled textiles, material flow mapping of thrift operations, and consumer behavior.

**Analysis:**

Each applicant demonstrated certain strengths in its ability to effectively implement the Act. Textile Renewal Alliance and Circular Textile Alliance demonstrated expertise related to textile supply chain management. Both Textile Renewal Alliance and Landbell USA have indicated a commitment to textile recovery operations in California through extensive engagement with numerous entities in the California textile supply chain. Textile Renewal Alliance has taken initial steps in anticipation of a needs assessment, including issuing a request for information and conducting foundational research in California. However, Landbell USA presented a clear and robust plan for conducting the needs assessment, based on Landbell Group’s experience developing needs assessments internationally. Finally, Landbell Group’s extensive organizational experience operating EPR programs around the world supports that it can most effectively implement the Act.

**Action—Approval and Adoption of Findings**

Pursuant to PRC section 42984.4(a)(2), I hereby adopt the findings and contingencies set out below and:

- Approve Circular Textile Alliance as the PRO.
- Approve Landbell USA as the PRO.
- Approve Textile Renewal Alliance as the PRO.

*Director’s Signing Statement*

*I approve Landbell USA as the PRO based on the information provided by Landbell USA in its PRO application, CalRecycle’s extensive experience in oversight of extended producer responsibility programs in California, and the information and analysis contained in this Request for Action. After reviewing all of the PRO applications that CalRecycle received, I find that Landbell USA demonstrated that it can most effectively implement the Responsible Textile Recovery Act.*

*All three applicants submitted supplemental information after January 1, 2026. I have reviewed the additional submissions but do not find that they materially impact this determination, which I have made based on the applications submitted by January 1, 2026.*

*My approval of Landbell USA as the PRO for the Responsible Textile Recovery Act is contingent upon its receipt of 501(c)(3) non-profit tax-exempt status from the IRS and completing subsequent corporate registration requirements and the aforementioned review of its governing board. The approval of Landbell USA presumes compliance or continued compliance with any and all other laws pertinent to its function as the PRO for the textile*

*recovery program in California, including but not limited to registration with the Secretary of State, the Franchise Tax Board, and the Attorney General as a nonprofit operating and conducting business in the state of California.*

**Dated:** February 27, 2026

**Signed by:** Zoe Heller, Director

### **Attachments**

The documents listed below are posted to CalRecycle's website.

1. [Circular Textile Alliance PRO Application](https://www2.calrecycle.ca.gov/PublicNotices/Documents/18025) (December 31, 2025):  
<https://www2.calrecycle.ca.gov/PublicNotices/Documents/18025>
2. [Landbell USA PRO Application](https://www2.calrecycle.ca.gov/PublicNotices/Documents/18027) (December 31, 2025):  
<https://www2.calrecycle.ca.gov/PublicNotices/Documents/18027>
3. [Textile Renewal Alliance PRO Application](https://www2.calrecycle.ca.gov/PublicNotices/Documents/17959) (December 31, 2025):  
<https://www2.calrecycle.ca.gov/PublicNotices/Documents/17959>

# EXHIBIT C



March 26, 2026

*Via First Class Mail and E-Mail*

Emel Wadhvani  
Chief Counsel, Office of Legal Affairs  
Department of Resources Recycling and Recovery (CalRecycle)  
P.O. Box 4025  
Sacramento, CA 95812-4025  
Legal@calrecycle.ca.gov

RE: Request for Complete Administrative Record in Review of Textile Producer Responsibility Organization Applications

Dear Ms. Wadhvani:

Pursuant to California Code of Civil Procedure, section 1094.6, subdivision (c), Petitioner/Plaintiff American Apparel & Footwear Association, Inc. (“Petitioner” or “AAFA”) requests that the complete record of all of the proceedings in the “Review of Textile Producer Responsibility Organization Applications” matter be prepared and delivered to the Petitioner through its counsel. CalRecycle’s Request for Action memorandum on the subject is dated February 24, 2026, with the Director’s approval dated February 27, 2026. The public notice containing the signed memorandum and application documents can be found online here: <https://www2.calrecycle.ca.gov/PublicNotices/Details/6998>.

Such record shall include, but not be limited to:

- all Producer Responsibility Organization applications and supporting materials submitted by the Circular Textile Alliance, Landbell USA, and Textile Renewal Alliance to CalRecycle
- the transcript of the proceedings (if any);
- all pleadings;
- all notices and orders;
- any staff reports and related documents;
- any proposed decision or findings;
- the final decision;
- all admitted exhibits;
- all rejected exhibits in the possession of CalRecycle or the agency’s officers or agents;
- all written evidence or correspondence generated or received by CalRecycle; and
- any other papers in the case generated or received by CalRecycle.

Department of Resources Recycling and Recovery (CalRecycle)

March 26, 2026

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Petitioner is amenable to working with CalRecycle, including the possibility of Petitioner preparing and indexing the record for review and certification, to ensure the record is completed in the most cost-effective, efficient, and timely manner.

Thank you for giving this matter your prompt attention.

Sincerely,

A handwritten signature in black ink, appearing to read 'James B. Pollack', with a stylized flourish at the end.

James B. Pollack  
Partner

Direct: 206-351-6007

E-Mail: [jpollack@martenlaw.com](mailto:jpollack@martenlaw.com)

cc:

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