



ZINUS

ESG Management Activities of Zinus

ENVIRONMENTAL AND SOCIAL

ESG (Environmental, Social, Governance) Management of Zinus

Zinus strives to enhance sleep and quality of life globally by offering mattress, sofa, and other furniture in various countries including the USA. Furthermore, we are clearly aware that we have social responsibilities to protect our environment and local communities and create social values. In particular, we strongly agree on the importance of ESG management for enhancement of long-term corporate value. To that end, we make an effort to implement sustainable management that meets global standard by maximizing non-financial performances in environment, social contribution and governance along with financial performances.

The board of directors and the top management of Zinus prioritize ESG for sustainable management. Just as our Mattress-In-A-Box—the product we commercialized for the first time in the world and leading the market—innovated the global mattress market, we will continue to present innovative insights for ESG management with new perspectives.

After receiving ESG ratings from various agencies of home and abroad in 2021, Zinus immediately started to review our key improvements for our ESG management. Through the process, we could establish a holistic view and direction on ESG activities, especially where we should focus on. Also, we carried out ESG projects with external professionals to develop ESG Management Framework that encompasses ESG management, environmental, social and governance. Based on the framework and direction, we have set key tasks to concentrate in, and came up with a relevant system to communicate with outside stakeholders regarding our ongoing efforts.

Green Packaging

As all products of Zinus are supplied through online channels, we are using a lot of raw materials for packaging which are closely related with environmental protection. Since September 2020 in which we initiated green packing policy, we have been using recycled paper instead of Styrofoam that are difficult to reuse. As a result, we could reduce our Styrofoam usage by 110 tons as of August 2021. We are planning to continue this effort by expanding the usage of recycled paper for packaging material and reducing the usage of Styrofoam by more than 100 tons per year. Moreover, we are undertaking a project to replace PE film with biodegradable eco-friendly film. Zinus will achieve the goal to replace all packaging materials with 100% green materials for products manufactured in our own facilities with our aggressive efforts to sophisticate our packaging method.

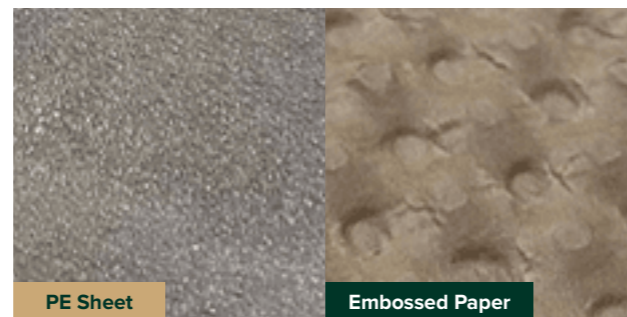
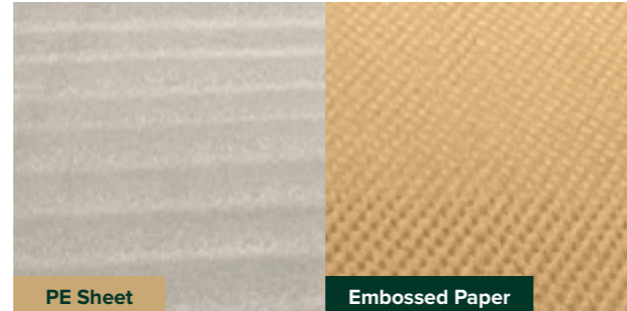
Molded Recycle Paper

HuaAn Production Subsidiary in China applied the molded recycle paper to more than 80% of products.



Embossed Paper

We are developing embossed paper to replace PE Sheets that are used to prevent abrasion of products.



Sustainability Certifications

Using eco-friendly and harmless raw materials for our products is the first and foremost priority of Zinus. In May 2021, we have acquired STANDARD 100 by OEKO-TEX certification, one of the world's best-known labels for textiles tested for harmful substances, for all our products such as mattress, sofa, and other furniture manufactured in our production entities in China and Indonesia. This means our textile raw materials used in our products are officially recognized for its eco-friendliness and harmlessness to human body, which encourages us to win more certificates of this kind for other production entities. Not only with textiles but we are also selective with our wooden raw materials so that our goods could be eco-friendly. For instance, Forest Management Certification (FMC) of Forest Stewardship Council (FSC) is the most important requirement we seek for when we choose outsourcing suppliers for furniture production. For our in-house production goods, we are planning to finalize our preparation within this year for winning necessary certifications.

STANDARD 100 by OEKO-TEX

This label guarantees that every component of textile article, i.e. fiber raw material, intermediary products, finished goods and other accessories, has been tested with independent and globally universal method. More than 100 tests are conducted to ensure the quality and its test criteria exceeds international standards or that of most countries.



Minimizing Carbon Footprint with 'In-A-Box' Packaging

All Zinus products are packaged and sold 'in a box', which is our main concept. Since all mattresses and furniture are compressed to be packed in a box, the size of our packaged products are significantly smaller than other packages for brick-and-mortar sales. Logistically speaking, smaller packages are more efficient than bigger ones in that more products can be loaded at once. As a result, this will reduce usage of fossil fuel which is inevitable source for ocean and in-land transportation and thereby minimizing carbon footprint.

Walmart Giga-Gurus

Zinus has been appointed as a "Giga-Gurus" as a part of Gigaton Project of Walmart—one our key customers. With this, we plan to proactively engage in carbon reduction activities. Project Gigaton is an initiative of Walmart to reduce emissions in the global value chain by 1 billion metric tons – a gigaton – by 2030.

Supplier Recognition Project Gigaton Walmart SUSTAINABILITY

We are excited to feature suppliers that have joined and are demonstrating results through Project Gigaton, Walmart's initiative to reduce emissions in the global value chain by 1 billion metric tons - a gigaton - by 2030.

If your company would like to be recognized by this page, [join Project Gigaton](#) and agree to share your great work publicly!

4516 Total Suppliers
1029 Giga Guru
792 Sparking Change

Giga-Gurus and Sparking Change Suppliers

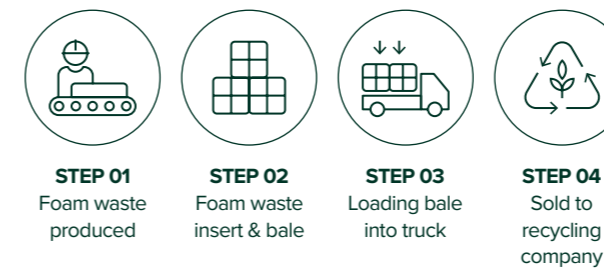
zinus SEARCH

ZINUS.INC

Aiming for Zero Waste

Zinus has implemented Zero Waste Policy with an aim to minimize amount of wastes inevitably generated from the manufacturing procedure with long term perspective. As an example, We reuse scrap foams caused in memory foam production for product development. By doing so, we enhanced our productivity while reducing the amount of waste.

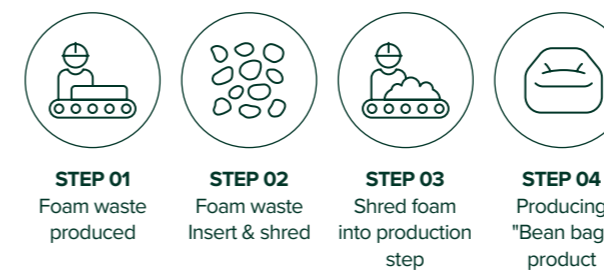
Bale scrap foams and sell them to recycling company



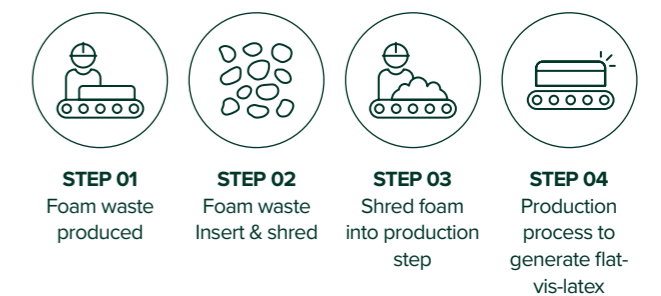
Convert into bag fillers and use them for packaging



Produce bean bags for sales



Make them into Vis-latex products for sales



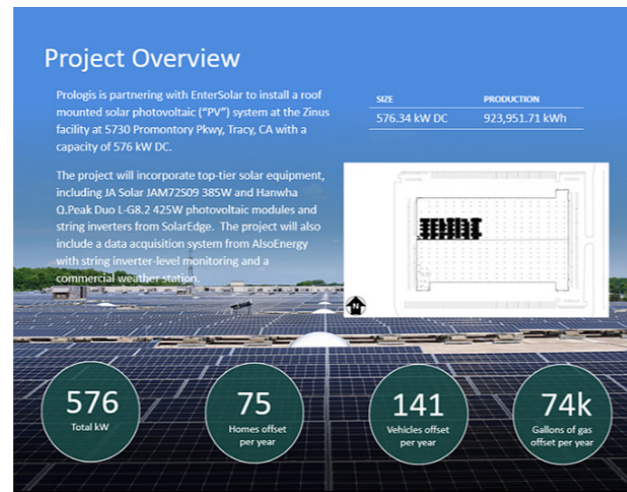
Bag filler



Bean bag

Proactive Movement to Introduce Renewable Energy

Zinus is planning to enhance usage of renewable energy and reduce our dependence on external electricity by investing in solar power generating facilities which is recognized as the representative green energy for manufacturing. We have installed solar panels in our factory (57,000m²) in Hua An, China by the end of 2021 to minimize usage of external energy source while operating production lines. Following the project in Hua An, we also have installed solar panel in our warehouse located in the West US. In the 2nd half of 2022, we will put a company-wide effort to further increase the use of eco-friendly renewable energy by installing additional solar power facilities to our two factories located in Indonesia.



Product Donation and Scholarship for Local Communities

The management principle of Zinus is "Happiness Management"—for happiness of employees, customers and communities. We believe we should return the help we have been receiving from local communities by providing what they need out of our profit. According to our management principle, we have been regularly sharing our mattresses and bed frames to the marginalized throughout the world and conflict-affected countries through our own project called Hope Mattress Campaign.

Mattress to Africa (Zambia, Sierra Leon) Project

Under the partnership with a foundation called Childfund, we carried out a project of sharing mattresses and bed frames to the marginalized in Zambia and Sierra Leon in 2017 and 2018. We donated total of more than 8,000 mattresses and bed frames for the two years. Donations were delivered to those in need through social service agencies.



Mattress with Love (Dream) Project

Under the partnership with Childfund, Zinus carried out a project of sharing mattresses and bed frames to the marginalized in Zambia and Sierra Leon in 2017 and 2018. We donated total of more than 8,000 mattresses and bed frames for the two years. Donated products were delivered to those in need through social service agencies.



Hope Mattress Project with Red Cross Korea, Dongchun Foundation

In 2019, we also carried out a mattress sharing project—Hope Mattress Project—with Red Cross Korea and Dongchun, the social welfare foundation. We donated 1,400 memory foam mattresses to the Red Cross, 426 mattresses, and 103 bed frames to Dongchun Foundation.



Contribution to Local Communities

We have been frequently granting scholarship and making donations to schools and local communities in China and Indonesia where we have operations. We will continue to seek for mutual growth with local communities by implementing various social contribution activities in various countries.





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