Sustainability Impact Report

A word from our CEO

We've been making it easier for people to shop sustainably since 2006.

Today, our online store carries over 7,000 natural and organic personal care and household products, all of which have been lovingly selected to offer our customers the results they're looking for without any nasty business.

We're proudly picky about the brands we work with. Some are now well-known household names. Others are small, independent enterprises that we're delighted to champion. But every one meets our robust <u>Supplier Code of Conduct</u> and complies with our strict policies around animal testing and <u>ingredients</u>. And that means that our customers can shop confident in the knowledge that when it comes to the issues they care about, we've got their back.

We made some great progress on our sustainability journey in 2023. Here's the top five things that made us smile:

- We became a B-Corp
- We achieved carbon neutral delivery
- Our sales of plastic-free products increased
- Our refill project helped drive a 31% increase in sales of 5L refills
- 81% of our people said they had job satisfaction

Over the last few years, we've grown to become one of Europe's leading eco-retailers of natural and organic personal care and household products. We're still a pretty lean machine – just a small team of passionate souls dedicated to building a sustainable business that has exceptional customer service at its heart.

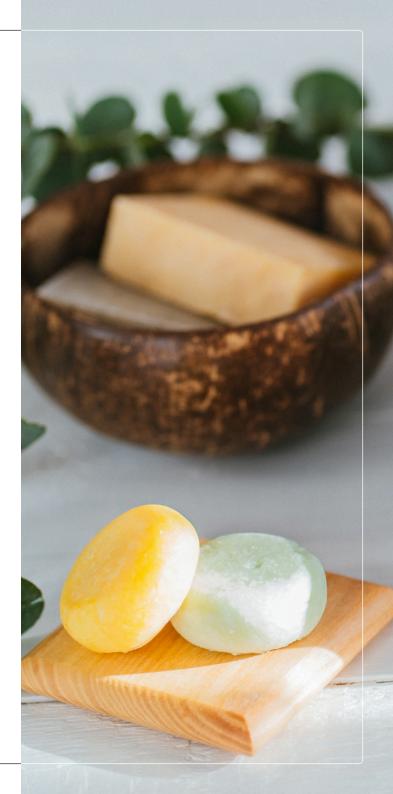
But our vision is huge. We want to see a world where sustainable shopping is the norm.

There's a long way to go on this journey, but we're buoyed by the growing number of fellow travellers and the promise for people and planet when we finally arrive.

Ben

Ben Wigley, CEO & Founder







We're a B-Corp!

In September 2023, we became certified as a B Corp, aka a B Corporation or 'Benefit for all' Corporation.

We join a movement of businesses that purposefully go beyond business as usual to meet high standards of social and environmental performance, accountability, and transparency. To qualify, we went through a rigorous assessment process that explored everything from our ethical sourcing practices to how we treat our employees and what we're doing to combat the climate crisis.

Our B-Corp score

Big Green smile achieved a B Corp score of 83.5. This compares to a median score of 50.9 for the average business. We're absolutely thrilled that the level of progress we've made so far has been recognised with this leading certification. But we know that there is still plenty of room for improvement before we seek recertification in 2026.



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Examines how we engage with and treat our customers

Governance

Key results:





Our Big Green Smile mission is to showcase the best sustainable products and brands; proactively engaging, inspiring and informing consumers everywhere, continuously improving every corner of our business and supply chain to make a positive social, economic and environmental impact.

To ensure that we keep on track, we measure our progress against a set of key performance indicators and report monthly to our Board. Our Board is made up of our founders and senior management along with representatives from our investors, <u>Future Business Partnership</u> (who are also a B Corp!).

Our progress in 2023

We've been beavering away behind the scenes to improve how we go about our social and environmental screening of suppliers. It's not headline-worthy activity, but it's vital to ensure that we capture everything we need to know about our suppliers' sustainability practices and provide us with the data we need to help build a shiny new supplier strategy.

Our goals for 2024

We will develop a long-term supplier strategy to increase the number of certified products for sale and improve the social and environmental screening of suppliers.









Key results:



81% colleague satisfaction



2 in 3 colleagues are women



3 in 5 colleagues work flexibly



38% tenure of 4+ years

At the heart of Big Green Smile is a small team of passionate, values-led individuals who want to change the world. We have two main sites, but many of us work regularly from home - collaborating across four countries to deliver the best possible products and service to our customers.

While we might be a small outfit, our colleagues enjoy many of the benefits that are typically offered only by much larger employers. We believe in investing in our people. That starts with our commitment to being a Living Wage employer but also extends to learning and development and a whole range of additional benefits and policies, including diversity and inclusion policies, an employee assistance programme and sabbatical leave.

Our progress in 2023

Several members of the team trained up to become mental health first aiders. This enhances the wellbeing support we can offer colleagues. We also upped our game when it comes to employee training, improving our offer and ensuring that equality and diversity training was available for all.

Our goals for 2024

- We will seek to increase participation levels in our annual colleague survey and use the findings to improve the experience of colleagues in the workplace.
- Ensure that learning and development opportunities and objectives are identified for all staff.

Community



Key results:

- Over 40% suppliers local to business
- Over 1,000 products donated to local food bank

We have an impact on local communities as an employer, a neighbour and a purchaser of goods. We use local providers wherever possible for business supplies and services around our warehouse in Belgium. And we encourage all our employees to volunteer in their local communities, providing them with a paid day a year to get stuck in.

Many of the products we sell have a positive impact on local communities. From suppliers who meet organic standards or are signed up to 1% for the Planet to those whose products are fairly-traded, communities around the world are benefiting from every product sold.

Our progress in 2023

We started providing regular product donations of returned or surplus stock to Aylesbury Food Bank, which supports local people in crisis close to our UK Head Office. Our warehouse in Belgium set up similar arrangements with Weggeefhoekje Noorderkempen, KSA (youth movement) and SIBBO (a school in Tongeren, Belgium) for pupils with ASD.

Our goals for 2024

- Encourage at least half of colleagues to take up their volunteering days.
- Increase the number of local suppliers we use as a proportion of all suppliers.





Environment

We're driven by a keen responsibility to protect our planet's precious resources. Environmental stewardship extends to every aspect of our operations, ensuring that our impact on the world around us is as kind and considered as it can be.

We report annually to our Board on zero-waste product sales, and carbon emissions, but also keep a close eye on other stuff.

Our progress in 2023

All the packaging we use to ensure that our products reach our customers in tip top condition is recycled, recyclable and plastic-free We've still not quite met our target of being 100% plastic-free in our operations, though we're tantalisingly close. We think we may have found a suitable alternative to replace the plastic we use in the warehouse to wrap orders on pallets - watch this space!

In 2023, we upped our zero-waste game, introducing the Refill Project - a simple prompt added to relevant product pages on our website. Where a larger format refill is available, customers putting smaller bottles in their baskets are encouraged to consider the plastic and cost savings they would make if they opted for the 5L alternative. The outcome? We sold almost 140,000 refills in 2023. For the 87% we accurately know the weight of, the total plastic saved was 15.6 tonnes.

We've signed up to the United Nations Framework Convention pledge on climate change. We're on track to reach net zero for our Scope 1 and 2 carbon emissions* by 2030 and we're planning to achieve net zero for Scope 3 emissions in our value chain by 2040. Big Green Smile HQ runs on green energy and we've been working with the owner of our Belgium warehouse to introduce a series of measures to reduce our energy use – including painting its roof white! We've still some way to go, so, in the meantime, we offset our carbon emissions through Climate Care.

Thanks to an innovative partnership with DHL, delivery of our parcels become carbon neutral in 2023. DHL purchase high quality carbon offsets on behalf of its customers, supporting initiatives that deliver both environmental and community benefits.

Our goals for 2024

- Develop a carbon reduction plan.
- Add Net Zero commitment to supplier set up, to enable robust reporting on the number of suppliers who have made a Net Zero commitment.
- Introduce further measures to encourage customers to opt for refills, including enabling them to see the plastic savings they have made by opting for refills.

*If you're not familiar with the Scopes used for carbon accounting, check out this handy blog post.



Key results:





2 Over 36 tonnes of CO₂e offset





Customers

We're committed to providing our customers with exceptional products, the highest levels of customer service and ongoing education about sustainability.

While we're not ones to blow our own trumpets, we're enormously proud of the reviews we receive on Trustpilot – almost 9 in 10 of those leaving a review giving us the top 5* rating. But, of course, if ever our service isn't up to scratch, our dedicated customer services team is on hand to respond to all direct enquiries within 24 hours.

All customer reviews – good, bad and indifferent - are published for anyone to view on our product pages. And we also have a feedback form on the website, so that customers can get in touch with their recommendations about products or suppliers they'd like us to stock.

We know that many of customers are pretty clued up when it comes to sustainability and natural products. But our mission sets out our commitment to proactively engaging, inspiring and informing consumers everywhere. We regularly publish articles on our website and share our expert knowledge in our newsletters and on our socials. In fact, we think sharing what we know is so important that we report on this to our Board.

We believe that our marketing activity should provide genuine value to our customers and have set out an ethical marketing policy to ensure that all our communications with them are honest, sensitive, representative and permissions-based.

Key results:





Our progress in 2023

We responded to customers' growing demand for plastic-free products by expanding our range of soap bars – for hand, hair and dish washing – and our range of dissolvable tabs, which create fab cleaning solutions when added to water. As well as reducing plastic, growing customer demand for these products also reduces delivery impacts, since they are much lighter to transport than their bottled alternatives.

Our goals for 2024

- Maintain or improve the Big Green Smile Trust Pilot score.
- Achieve 9,000 views of sustainability articles on the Big Green Smile website.
- Increase the number of blogs or educational posts added to the website.

Final thoughts

As we look back on 2023, we're excited by the progress we've made.

The road ahead is long, but our vision of making sustainable shopping the norm keeps us motivated and inspired. With every step forward, we're grateful for the support of our customers and the wider community. Together, we're not just envisioning a better future—we're actively creating it.

Thank you for joining us on this exciting journey. Together, we are not just reshaping the way people shop—we're contributing to a brighter, more sustainable future for all.

