2016
ANNUAL IMPACT REPORT
It was a great year for Badger and an exciting time to deepen our commitment to running a healthy business and explore ways to make a greater and even more positive impact on the world. We completed a new LEED silver equivalent addition that doubled our square footage; created a new quality department and a quality control laboratory; overhauled our manufacturing processes for becoming an FDA compliant over-the-counter drug manufacturer; and implemented a yearlong employee engagement program focused on sustainable sourcing. We also retained a consultant to evaluate our supply chain with a focus on regenerative agriculture and adopted a new purchasing philosophy, The Badger Compass, to ethically guide and govern our sourcing practices. We made monitoring and managing our environmental footprint a dedicated portion of one employee’s job. And, for the first time ever, we purchased Renewable Energy Credits (RECs) to offset 100% of our electricity usage.

On the product side, we launched three reformulated sunscreen lotions, a new bug bite itch relief stick, and offered our bug repellent in a convenient, new travel stick. On the people side, we grew 12%, employing ninety people at year-end. We reevaluated our compensation structure and raised our base wage for regular employees to a living wage of $15 per hour plus benefits. We also continued to act as a leader and role model for adopting and expanding family-friendly business practices and advocated for policy changes at the state and national level. And happily, we welcomed three new babies to our Babies-at-Work program—bringing us to fifteen since launching the program in 2008.

Sincerely,

Rebecca Hamilton, Benefit Officer

Badger family: Rebecca, Bill, Katie, Emily & Maya.
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Certified B Corps are companies committed to inspiring positive change in the world through a better way of doing business—putting people and the planet ahead of profit. As a Certified B Corp, we meet rigorous standards for transparency, accountability and social and environmental performance. Every two years, B Corps must undergo an intensive review process visited by the third-party non-profit B Lab to prove that company policies and practices do indeed support their mission.

B Corp values, such as being a force for good and an agent of positive change in the world, have always been part of Badger’s vision and mission. In 2011, we became a Certified B Corp because we wanted to codify and measure our commitment to positive environmental and social practices in a transparent way that incorporates continual improvement. We celebrate our B Corp Certification because in addition to reflecting our mission and principles, it connects us to those who share our values – people using business as a force for good.

**Badger’s B Impact Assessment: Evolution of Impact**

In 2016, we completed our fourth B Impact Assessment (BIA) with an overall score of 141, 61 points above the minimum score needed for recertification. With each recertification, Badger’s score has steadily increased, reaffirming the growing benefit we provide to people and the planet through our healthy business practices. Using the BIA as a tool for improvement, we continue to be accountable, transparent and committed to doing better. And while we see the BIA as a way to continuously improve our impact, increasing our score is not the sole aim. Instead, it is but one tangible measurement of our success as we gauge our progress in walking a healthy trail.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>2011</th>
<th>2013</th>
<th>2015</th>
<th>2017</th>
</tr>
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<tbody>
<tr>
<td><strong>BIA SCORE</strong></td>
<td>99</td>
<td>122</td>
<td>138</td>
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</table>

**What is a NH Benefit Corporation?**

A Benefit Corporation is a legal corporate status (like being a C Corp or an S Corp) that allows businesses to write their greater purpose and mission into the DNA of the company. In following a triple bottom line model, this new type of corporation must consider non-financial interests when making decisions, such as social benefit, employee and supplier concerns, and environmental impact. All Benefit Corporations must also provide transparency and accountability on their social and environmental performance by publishing an annual benefit report, which is subject to third party assessment standards.
MISSION & PRINCIPLES

Healing Products ~ Healthy Business ~ Make a Difference
Badger is a mission-based business with a set of operating principles that help guide us in all we do.

Our Mission:
To create fabulously pure and effective products of the highest natural quality, based on simplicity and thoughtful preparation, with the intention to protect, soothe and heal.
To run a business that is fun, fair and profitable; where money is fuel, not a goal; and where our vision for a healthier world finds expression through the way we work and through the way we treat each other and the people we serve.

Our Principles:
• Individual responsibility in a team concept
• Personal and caring approach in communications
• Supporting organic, sustainable agriculture through our purchasing practices
• A business environment that is respectful and supportive of all employees, and of the people we serve
• Personal and social healing through our charitable giving
• Environmental responsibility
• Honesty and integrity in our business practices
• Fun is good
• Generosity

A Passion for Doing Good
Badger produces 100% natural and certified organic body care products. Family-owned and family-run since 1995, the company began when Badger Bill, a carpenter at the time, cooked up a recipe of natural ingredients strong enough to soothe his rough, dry, and cracked hands. By combining olive oil, beeswax, castor oil, aloe vera and essential oil of sweet birch, the original Badger Balm was born: a simple, all natural soothing and healing balm that really works!

We’re committed to transparency in all that we do and believe third-party certifications take the guesswork out of any claims we make about our products. So we voluntarily adhere to the strict standards of the agencies certifying our products (i.e., the USDA for certified organic ingredients and the Gluten-Free Certification Organization for gluten-free products) so you never have to wonder if our claims are true.

Today, a team of over ninety Badgers, including a majority of the company’s owners, formulate, manufacture and ship over one hundred different certified organic personal care products across the country and around the world. We work hard to maintain a healthy community-minded business with ethical and charitable social principles, and we support sustainable organic agriculture and source fair trade ingredients whenever possible. We do this because it’s what we love, and it’s the right thing to do.
The governance section of the BIA focuses on stakeholder engagement, sharing best practices, ethics, transparency and the extent to which a company’s mission is built into its practices and operation.

Our mission and principles inform and inspire everything we do. From our products to our business practices, we seek to make a positive and meaningful difference in people’s lives. Transparent and accountable governance are two powerful ways of achieving this goal. So each year, we review B Corp-specific goals and their impact during company board meetings. We engage and inform employees at monthly company meetings. And, we are always honest, respectful and genuine with our customers.

Sharing Best Practices

We continue to act as a leader and model for family-friendly business practices through outreach, advocacy, and education. Impact Monadnock is a community-led nonprofit focused on improving the lives of children in the Monadnock region ages zero to five. Katie, our COO, serves as co-chair of the non-profit’s Business Ambassadors. Using Badger as a model, Katie engages local businesses to understand how they can make their workplaces more family-friendly.

We also lent our voice to issues we care deeply about, speaking at the New England Paid Leave Conference, the New England Women’s Policy Conference, and the NH Fiscal Policy Institute. These three events enabled us to share and show how family-friendly policies allow employees to have balanced lives, enhance employee loyalty, generate teamwork, and increase productivity. To demonstrate our passion and commitment for family-centered policies, we also attended a public hearing in support of establishing Paid Family and Medical Leave Insurance in New Hampshire.

Stakeholder Engagement: Monthly Company Meetings

At Badger, we value transparency and engagement. We strive to improve by focusing on solutions, continuous progress and high quality in our work. Every employee plays an important part in bringing this vision to life. Company meetings play an important role, helping to reinforce our culture and encourage diverse, contrary viewpoints within our community. Once a month, we come together to share news, celebrate successes, discuss new ideas, and unite around shared goals. Meetings typically start with warm-up exercises led by Bill, our founder, to get everyone into a relaxed state of mind, and end with a bit of socializing and healthy, organic treats. Once a quarter, we review company financials, leaving ample time for everyone to ask questions. Of note this year, several company meetings focused on employee engagement in sustainable sourcing through a yearlong program led by the Sustainability Committee.

JOURNEY OF ENGAGEMENT: Sustainable Sourcing & Purchasing

<table>
<thead>
<tr>
<th>AWARENESS</th>
<th>CONNECTION</th>
<th>COMMITMENT</th>
<th>ON GOING ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared stories of employee successes and tips for sustainable sourcing</td>
<td>Held a special lunch with local farmers</td>
<td>Initiated an employee bulk-buying program, offering household goods</td>
<td>Launched new programs, including the Badger Time Exchange, a junk-mail audit, a companywide used-clothing exchange, and offered tire pressure checks</td>
</tr>
<tr>
<td>Created a world map showing where our ingredients come from</td>
<td>Engaged in a challenge-by-choice to forgo single-use plastic for one week</td>
<td>Regenerative agriculture presentation by Terra Genesis focused on Badger sourcing</td>
<td></td>
</tr>
<tr>
<td>Shared local gifts</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Badger is a family-friendly workplace with unique benefits for all including a babies-at-work program and subsidized, near-site childcare, free, daily organic meals for every employee, a paid half-hour lunch, $800 in wellness funds annually, and onsite yoga classes.

In 2016, one of our biggest achievements was the implementation of a new compensation policy that fully aligns with our mission and principles. We took the first steps in developing leadership trainings—work that will continue this year. With our benefits we were able to increase our matching contributions to the Employee Retirement Plan; adding to the current 3% match with a 50% match for the next 2% for a total partial match of up to 5%. We also built a new walking path in the woods behind our building, which was accomplished with the help of a professional trail builder working alongside Badger employees. Many now enjoy walking and communing with nature during their workday breaks.

Fair Wages for All: Our Compensation Philosophy

In 2016, we raised our base wage to $15 per hour (plus benefits) for all regular employees; this more than doubles the NH minimum wage and is 41% higher than the MIT living wage for our region. We also created a new compensation structure and philosophy based on the following intentions:

• All employees will earn a living wage and can rely on their work at Badger as a career.
• Pay for the highest and lowest paid employees will not exceed a ratio of 5:1.
• Increases in compensation should benefit the whole system. We recognize that a system that uses the cost of living to calculate percentage increases rewards higher paid employees while creating an ever-widening gap between lower wage earners.
• Compensation for positions at Badger should be based on the position’s value to the organization, not on regional wages which may value one position over another.

Cultivating Leadership

We treat our employees as valuable members of our community and place a high value on skill building, leadership development, and promoting from within. In 2016, 64% of open positions above entry-level were filled with internal candidates, and 22.8% of employees received a promotion. In preparation for becoming an FDA certified facility, a Train the Trainer approach was implemented which provided 18 employees with the skills and tools necessary to facilitate training across all departments. Approximately 36% of employees received an average of 20.3 hours of formal professional development.

“One of the first things I noticed when I started working with Badger is how much they care about the people who are part of the team—from babies at work and providing day care to offering standing desks and flexible work hours that accommodate outside needs. These are just a few of the many benefits that I truly appreciate here at Badger.”

—Joe, Quality & Regulatory
As a business, we are proud of what we have been able to achieve on this journey so far. We seek to have a positive impact on the communities that support our healthy business practices, from our suppliers to our customers to our local and global community.

In 2016, our Community score on the BIA dropped by 4 points, specifically in the areas of job creation and suppliers. On the job creation side, this dip can be attributed to our workforce growing only 12.2% in 2016 as compared to 18.9% in 2015. To ensure that we remain both sustainable and responsible, we will continue to grow mindfully, creating new jobs as our business grows.

We view our suppliers as an extension of Badger, and feel it is important to choose suppliers in line with our mission and principles. The one point drop in our supplier score comes as a result of not collecting specific information from suppliers around impact. We plan to improve in this area in the years to come! We also changed how we define significant suppliers to include service providers. A transparent and sustainable supply chain is an important part of our commitment to operating responsibly and ethically, so this means that we must create new ways of gathering data and measuring our impact.

While our Community score is still very high, we look forward to using this section to make improvements over the next two years.

Summary of BIA Community

<table>
<thead>
<tr>
<th>FOCUS</th>
<th>2015 BIA SCORE</th>
<th>2017 BIA SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community, overall</td>
<td>32</td>
<td>28</td>
</tr>
<tr>
<td>Job Creation</td>
<td>4</td>
<td>2</td>
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<tr>
<td>Diversity &amp; Inclusion</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Civic Engagement &amp; Giving</td>
<td>5</td>
<td>7</td>
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<tr>
<td>Local Involvement</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Suppliers, Distributors &amp; Product</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Supply Chain Poverty Alleviation</td>
<td>N/A</td>
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</table>

Paid Community Service Hours

We’re always looking for ways we can have a positive impact on our local communities. We have a team of passionate and motivated employees who in 2016 engaged in 642.5 paid volunteer hours, exceeding our goal of 400 hours! Much of the work occurred during Badger-wide community service days, in activities ranging from roadside clean-ups and trail building to helping local farmers and community service organizations. 43% of employees also used their 16 paid volunteer hours to support community initiatives near and dear to their hearts.

642.5 paid volunteer hours in 2016!
2016 Charitable Giving

In line with our company principles, Badger donates 10% of pre-tax profits to non-profit organizations that focus on the health and welfare of children (including environmental education), local organizations serving the local community, and the promotion of peace and well-being. In 2016, Badger also matched employee contributions to charitable causes (up to $100 per employee) and donated $50 to the non-profit chosen by each employee on their birthday.

### Monetary Contributions

<table>
<thead>
<tr>
<th>Monetary Contributions</th>
<th>$71,920.41</th>
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<tbody>
<tr>
<td>Product Contributions</td>
<td>$20,622.28</td>
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<tr>
<td><strong>TOTAL CONTRIBUTIONS</strong></td>
<td><strong>$92,542.69</strong></td>
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Employee Giving: Monadnock United Way

In addition to our regular charitable giving, Badger employees engage in a yearly fundraising effort for the Monadnock United Way (MUW). This organization funds programs in our region that serve a wide variety of community needs, including early childhood education, housing, mental health and substance abuse treatment, and senior and disability support services.

The MUW campaign enables Badger employees to benefit the community in a very powerful and personal way, offering them the opportunity to donate a percentage of each paycheck through payroll deductions. This year, we raised 35% more than in 2015, and achieved a 91% employee participation rate! In all, we raised $12,092.50 for this worthy organization and had fun doing it! We came together at the end of the campaign period to celebrate with homemade cupcakes and a special drawing where two lucky participants received an extra vacation day!

Non-Profit Spotlight

**Cedarcrest Center for Children with Disabilities** enriches the lives of children with complex medical and developmental needs, supports their families, and collaborates with other community providers to build a continuum of care. Located in Keene, New Hampshire in a state-of-the-art facility, Cedarcrest serves children throughout the state from infancy to age 21.

“We believe that every child has the right and deserves the opportunity to live a life of the highest quality possible. We are passionate about ensuring exceptional medical, therapeutic and educational services in a warm, caring, home-like setting – whether a child is with us for a short-term or an extended residential stay, as a day student, or as an outpatient.” – Cedarcrest

Badger has been a longstanding supporter of Cedarcrest and given the exceptional care they provide for children with high-risk medical conditions and multiple disabilities, we look forward to continuing to do so.
We are on the road to continuous improvement and see minimizing our environmental footprint as pivotal to our future success. So we work hard to maintain long-term, meaningful relationships with like-minded suppliers committed to protecting the environment and using business as a force for good. Our suppliers range from insurance and other benefit providers to freight, shipping, packaging and raw material providers. And our average length of relationship is more than 6.5 years!

We have guidelines in place to continually monitor our environmental performance and identify opportunities for improved practices—and expect our partners, suppliers and everyone we do business with to do the same. One of the ways we monitor our performance and engage suppliers is through our vendor compliance program, which includes visits to suppliers’ operations or farms to better understand the practices they have in place. Another is by hosting a Supplier’s Day, where our partners can experience first-hand our company’s unique mission and principles while exploring opportunities for greater sustainability along the supply chain.

The Badger Compass: Our New Purchasing Philosophy

In our effort to increase transparency and create an ever-better supply chain, we now use four guiding principles to govern the ethical sourcing of everything we use, from raw ingredients and materials to office supplies, distribution and more. We chose to use a compass as a visual representation because sourcing considerations aren’t hierarchical. Each point of the compass represents the values we thoughtfully use to weigh and balance the various elements of the purchasing decision.

Quality/Health
- Durable and high quality.
- Safe and beneficial to stakeholders.
- Improves the quality of life.

Sustainability
- Is it right for the planet?
- Is it in line with our mission and principles?

Cost/Impact
- Is this something we want to see in the world?
- Is price balanced with ecological impact and mission-fit?

Partnership
- Shortening the supply chain to be “close to the source.”
- The supplier is a mission fit with Badger.
- Partnering with suppliers to make ongoing improvements.

Strengthening Our Supply Chain, Growing Our Impact

This year, as part of our company-wide strategic plan, we focused on improving the resilience of our supply chain as well as engaging and educating employees about our sourcing practices and partners. We partnered with Terra Genesis International, a regenerative design consultancy, to conduct a thorough evaluation of our supply chain, report on its resilience, and recommend areas for improvement.
TO THE SOURCE: Ingredient Spotlight

Bergamot

When it comes to choosing the key ingredients used in our products, we cannot think of a better way to deepen our understanding and connection than by visiting the source. So from time to time, Badger emissaries travel to the far corners of the earth to visit with farmers and learn about the production of our ingredients. Not only do these journeys help us build stronger relationships with our ingredient suppliers, they also help us more clearly understand the path our ingredients take—from farm to processing to the Badger lab and into the final product.

The start of 2016 found us at the southernmost tip of Italy, in a land bathed in sunshine and filled with exotic citrus fruits, most notably Bergamot (Citrus bergamia). In the remote region of Calabria where 80% of the world’s supply of Bergamot is grown, we learned about this rare but very important ingredient found in many of Badger’s most sought after products—we love how its fresh citrus floral top note is rejuvenating and balancing.

Bergamot is the distinctive flavor found in Earl Grey tea, the floral citrus note in iconic French perfumes, and the secret ingredient in classic sodas and candy. And while the fragrance is familiar to many, the fruit itself is a mystery and has remained relatively anonymous over the years due to its bitter and highly acidic flavor. The essential oil, however, is so highly sought after that the citrus growers of Calabria struggle to keep up with the demand.

Italians are known for their hospitality and our suppliers generously showed us around their farms, production facility, and the surrounding region. We were impressed with their organic agricultural practices and amazed by how many other plants and animals were living among the bergamot trees. It was like a citrus forest ecosystem! And our supplier’s production facility was also impressive. Picture gigantic, room-sized stainless steel machinery custom designed to carefully extract the precious oil from the peel.

We returned from Italy with a stronger appreciation and understanding of bergamot essential oil, a closer partnership with our suppliers, and a strengthened supply chain. We also brought boxes of bergamot pastries and candies to share with our fellow Badgers!

Family owners Rebecca and Chris
Badger’s commitment to the environment is deeply rooted and began twenty-two years ago when Bill and his family started hand filling the first tins of Badger Balm in their kitchen. Fast forward to the present day, and we continue to challenge ourselves to walk an ever-healthier trail. For the first time in 2016, we purchased renewable energy credits (RECs) for all purchased electricity not already generated from renewable sources.

In addition to supporting clean energy, a carpool contest was established to motivate employees to green their commute, offering such incentives as monetary rewards and priority parking spaces. This reduced the number of cars on the road and resulted in the reduction of our carbon footprint.

On the matter of waste, our twice-yearly audits (in April and September) showed an average of 86% was diverted from landfills through composting and recycling practices, beating our goal of 60%! We also calculated, in pounds, the average amount of trash generated per employee and saw a reduction of 46.5%.

### B Impact Assessment: Environment Score

Since our 2015 B Impact Assessment, our Environment score has risen eight points! Many of these points came from the Impact Business Model section (IBM), which measures how sustainability is written into a business’s purpose, practice, and services. Badger was recognized for sourcing several ingredients from suppliers who promote the conservation of land and wildlife by using positive agricultural practices that promote biodiversity. We also received credit for our manufacturing practices, which are designed to conserve and reduce materials usage. Some of those practices include returning water to the land at the same quality diverted, building a facility that meets green building standards, and reusing or recycling 50% or more of the waste generated during our manufacturing process. For supporting organic agriculture and creating healthy and organic products, we received points for toxin reduction. We also made several improvements to the operational side of our business through the implementation our new Environmental Management System. This system enables us to prove that we are conscientiously monitoring our impact and helps us in future goal setting.

<table>
<thead>
<tr>
<th>FOCUS</th>
<th>2015 BIA SCORE</th>
<th>2017 BIA SCORE</th>
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</thead>
<tbody>
<tr>
<td>Environment, overall</td>
<td>57</td>
<td>65</td>
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<tr>
<td>Land, Office, Plant</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Inputs</td>
<td>8</td>
<td>11</td>
</tr>
<tr>
<td>Outputs</td>
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</tr>
<tr>
<td>Suppliers &amp; Transportation</td>
<td>4</td>
<td>1</td>
</tr>
</tbody>
</table>

40 Badgers carpoled this year, saving 600 round trip commutes or approximately 15,000 miles saved!
Making a Difference with Paper

Choosing paper made with post-consumer recycled (PCR) content over paper made with virgin fibers has many environmental benefits. PCR paper uses less water and energy to produce, and generates fewer carbon emissions. And since it uses previously harvested fibers and does not require further deforestation, it conserves valuable, habitat-providing ecosystems that sequester carbon from the atmosphere.

In 2016, we significantly improved our impact by increasing the amount of PCR fibers in our packaging and print materials. Chiefly, the amount of PCR fibers in our paperboard product packaging (tin sleeves, boxes, and trays) went from 40% to 98%!

The following new standards were also instituted for all paper products used in-house, from copy paper to mailing envelopes.

- Made from 100% PCR fibers
- Processed Chlorine Free
- FSC Certified
- Made with 100% Certified Renewable Energy

2016 INPUTS & OUTPUTS

**INPUTS**

- Water: 2,109,686 liters
- Electricity: 869.04 Gigajoules, all from renewable sources (13% directly, 87% through RECs)
- Propane: 2,400.20 gallons

**OUTPUTS**

- Trash: 3.62 tons
- Recycling: 17.4 tons
- CO₂ Emissions: 86.64 metric tons of CO₂ emitted through on-site combustion and purchased electricity

In comparing 2014 to 2016, we saw an increased efficiency that resulted in a reduction of greenhouse gas emissions by 41% per unit. We remain committed to finding new ways to improve efficiency and reduce our impact.
“Without our customers, none of what we do would be possible.”

During our recent recertification as a B Corp, our Customer score decreased by 1 point, from 4 to 3. This score may seem low when compared to other sections of the BIA, but it’s based on the number of points available so it’s fairly common for a B Corp to score lower in this area.

Here’s how it works when it comes to points. Every section in the BIA with the exception of Customers measures impact in two areas: Operation and Impact Business Model (IBM). Operation assesses how a company runs its business while IBM measures how it generates a positive impact and provides benefit. The Customers section, which only considers IBM points, evaluates a company’s purposeful impact on its customers.

We’re on a mission to create fabulously pure products and protect the environment, all while making a difference in the lives of everyone we touch. We believe in honesty, integrity, and transparency—you won’t find anything in our products or business practices that could cause harm to people or the planet, just lots of love, kindness, generosity, and pure, natural and certified organic ingredients.

From Our Customers

“Hi. I just want to tell you how much I LOVE the foot balm. I am a runner during all seasons and this incredible balm has saved my toes from all the abuse they experience. So thank you for making this amazing product! Happy winter (finally).”

–Kris S., Walpole NH

“I found you through Leaping Bunny as I am vehemently against products tested on animals. Bless Badger for not only being pure and organic, but mostly for being cruelty-free!”

–Ruthie M. and Mojo, Norwood, CO

“I love using the Unscented Badger Balm as a moisturizer for my dog’s footpads. Levi’s paws get rough and scratchy, especially if we’ve been on rough terrain (a favorite among beagles), and this really does the trick. It is a huge bonus to know that the ingredients are completely safe for him to lick off. Thanks for making such great products!”

–McKenzie M., San Jose, CA

“I hike the Shenandoah National Park and Blue Ridge Parkway. We had a lot of spring rain that brought the mosquitos out in droves. I started using the Badger Anti-Bug Balm with citronella and rosemary. Oh my goodness. Such a great product. Rub it on arms legs and neck. Even put a little on brim of hat and I don’t even hear those little buggers anymore. It feels great on my skin and has actually improved it’s leathery toughness. Thank you so much!”

–Carrie E., Stuarts Draft, VA

“Hi there. I just wanted to send a quick message to you guys to say THANK YOU for providing natural, simple products to the world! I’ve been using your products for quite some time now and they make me so happy - even if it’s just in a small way. It’s amazing to have products that I feel safe using on my pregnant body and on my family as well. My favorite product of yours is the Badger Sleep Balm. The scent is so soothing. Thank you for all you do.”

–April B., Richmond Hill, Ontario
## PROGRESS REPORT: 2016 Goals

<table>
<thead>
<tr>
<th>GOAL</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct 2 waste audits during busy and slow season</td>
<td>Completed</td>
</tr>
<tr>
<td>Achieve 60% waste diversion rate from landfill</td>
<td>Reached and surpassed with an 86% diversion rate achieved</td>
</tr>
<tr>
<td>Conduct a Scope 1&amp;2 GHG assessment and purchase Renewable Energy Credits (RECs) for 25% of electricity usage. Monitor business travel and employee commuting travel with a goal of reducing miles traveled</td>
<td>Completed and surpassed! RECs purchased for 87% of electricity usage (13% at present from renewables through Eversource). Approximately 15,000 miles saved through carpooling</td>
</tr>
<tr>
<td>Grow over 750 lbs. of food</td>
<td>We feel certain that we surpassed this goal, however, we didn’t weigh all food grown.</td>
</tr>
<tr>
<td>Implement a company-wide employee engagement program focused on sustainable sourcing</td>
<td>Completed</td>
</tr>
<tr>
<td>Commit an average of twenty-four, dedicated employee hours to sustainability each week</td>
<td>Not tracked; committee members estimate they spend less than the allotted 2 hours per week. Cumulatively, our Sustainability Coordinator spent more than the allotted 8 hours per week.</td>
</tr>
<tr>
<td>Develop a plan for adding solar panels to the Badger building</td>
<td>Underway</td>
</tr>
<tr>
<td>Monitor and record monthly water usage as part of our EMS</td>
<td>Completed</td>
</tr>
<tr>
<td>Improve our sustainable sourcing practices by conducting an audit, creating a plan, and implementing a vendor compliance program that includes visiting suppliers and farms to learn more about their practices</td>
<td>Achieved through Terra Genesis. Visited suppliers in Bulgaria and Italy. Vendor compliance program underway and a new manual created</td>
</tr>
<tr>
<td>Conduct our fourth B Impact Assessment for recertification as a B Corp</td>
<td>Completed</td>
</tr>
<tr>
<td>Re-envision our Board for 2017 to incorporate stakeholder membership</td>
<td>To be reviewed for inclusion as a 2018 goal</td>
</tr>
<tr>
<td>Implement a leadership training program for employees</td>
<td>Completed with 18 employees participating in a Train the Trainer program</td>
</tr>
<tr>
<td>Re-evaluate our compensation structure and improve our compensation plan</td>
<td>Completed</td>
</tr>
</tbody>
</table>
GOALS FOR 2017

Community
• Accomplish 900 paid employee volunteer hours through programming and engagement events
• Refine B Analytics platform to better track and capture supplier diversity and environmental impact

Environment
• Achieve a landfill diversion rate of 88% with an average of 1.25 lbs. of trash per employee per week
• Continue to research the feasibility and impact of adding solar panels to the Badger building
• Create a plan for reusing and recycling waste from our production process.

Governance
• Create a long-term social and environmental impact plan
• Participate in the B Corp Inclusion Challenge and improve the following B Impact Assessment diversity metrics:
  • Explore a policy for providing additional paid time off for observances not already recognized on the company calendar
  • Offer employees in-house training on personal financial management and budgeting
  • Conduct a comprehensive employee engagement survey every 2 years
  • Make strides toward ensuring that 75% of significant suppliers Measure What Matters by the year 2020
  • Document diversity metrics for participating suppliers

Workers
• Implement a leadership development program
“To me, sustainability flows from a desire to simplify and apply circular methods of working that replicate the way nature operates in healthy, self-sustaining communities and ecosystems within the larger whole. The utopian vision would be for people over the next fifty years to evolve our cultures to result in every person on earth being properly fed, clothed, and housed in a healthy and vibrant natural environment. This entails eliminating pollution, creating an equitable distribution of wealth, and nurturing compatible ways of caring for and living on the earth in loving kindness.”

- Bill Whyte, CEO and Head Badger