There is more than just a balm in this tin.

- People who care about each other
- Regenerative agriculture that heals the earth
- The organic lunches we eat together every day
- The ways Badger supports our families
- Babies who come to work with us
- Fun and friendships
- Advocacy and action

2018 Annual Impact Report
LETTER FROM THE BENEFITS OFFICER

Recommitting To Our Roots And Envisioning The Future

2018 was a year of transition for Badger. After nearly a decade of working together as a family leadership team, our founder and father Bill Whyte stepped down as acting CEO and passed leadership to my sister and me, as Co-CEOs (Collaborative Executive Officers). Our mother, Katie Schwerin, continues to support the company as our COO. My sister and I chose to use the title collaborative executive officers because we wanted to acknowledge that our leadership engages a cross-departmental strategic and family-based team for daily high-level decisions.

Although the transition of leadership did not immediately impact our daily operations, this was an opportunity for our family to take a step back and re-envision the future course for our company. Through this visioning process, we determined that we needed to take a more active role in healing the earth. We recognized the critical need for companies to be leaders in fighting climate change and saw that through taking on regenerative organic agriculture, we could make a substantive difference.

While Badger has taken an important step towards prioritizing external impact, we continue to make all daily decisions using the guidance from our mission of “money as a fuel, not a goal” and we continue to let our principles be our guide as we grow and improve in every area of our business. We are so excited by what Badger has become over the last 23 years, and we hope to continue to build on our founding mission as we evolve and grow.

Rebecca Hamilton
Co-CEO & Benefits Officer
ARTICULATING OUR NORTH STAR

In 2018, we undertook a process of creating a long-term social and environmental Impact Plan, informed by the United Nations Sustainable Development Goals and other innovative goal frameworks. Through this process, we identified many ways we would like to impact the world and our community, and it became clear to us that none was more pressing than addressing climate change.

We envision Badger as a global force for generating goodness with every product sold. Rather than rely on harm reduction alone, we must act in a way that heals our climate and our planet, ensuring a lasting future for all life and promoting resiliency in every community.

HEALING THE EARTH THROUGH REGENERATIVE AGRICULTURE

By using the power of plants, regenerative agriculture draws down carbon into the soil, transforming it from hurtful atmospheric carbon into helpful soil organic matter.

Regenerative Agriculture:
- Draws carbon from the atmosphere into the soil
- Increases soil health & fertility
- Builds ecosystem & community resiliency

BADGER’S THREE PILLARS OF REGENERATIVE AGRICULTURE

On Our Home Soil
- We are implementing regenerative practices on Badger’s grounds and garden, and engaging employees in our Climate Victory Garden

Throughout Our Supply Network
- We are working to increase the amount of regenerative agriculture supported through our purchasing
- We will engage our supply network in measuring and increasing soil health and regenerative practices

In Our Local and Global Community
- We are advocating for regenerative agriculture and healthy soils, and work in partnership with other champions and organizations to promote this change
In 2018, China made the decision to restrict the foreign import of recycling to protect environmental and human health, including materials produced by the United States. Over the last year, this policy has changed the world of recycling drastically. While many businesses and individuals continue to collect and sort their recyclables, with less of a market to purchase and transform them into new material, these recyclables can end up incinerated or landfilled.

This shift has illuminated the broken system of single-use packaging and made it clear that recycling alone is not good enough—businesses and individuals must find innovative ways to eliminate, reduce, and reuse packaging. At Badger, we hope to be part of a global movement to eliminate waste and create a new consumer paradigm that results in healing, rather than harming our planet. We know this work won’t be easy, as it requires consistent effort and many small steps that will result in big changes.

**BADGER’S WASTE REDUCTION EFFORTS CONTINUE**

We began formally tracking our waste in 2015, and have seen many improvements as we continue to identify, eliminate, and divert more waste from landfill to recycling, reuse, and composting. However, in 2018, as a result of bringing the manufacturing of our sunscreen line in-house, a new waste stream of nearly 17 tons of sunscreen bi-product was created, increasing our percent of waste sent to landfill to 30.2%.

This new issue was identified and then resolved by transporting the material to a local composting facility to be turned into fertile soil.

**SAVE EVERY DROP**

The Badger Save Every Drop Program was the inspiration of our Founder, Bill Whyte, who asked us to look at our production waste and use the power of creative problem-solving to find new uses for the “gleanings” resulting from each production run. In some cases, this has meant composting our waste material, and in others, turning it into a new product!

Our planet is a closed system of finite resources, and the organic ingredients we use in our products are precious gifts from the earth. For us, production “waste” isn’t something to be thrown away without a second thought. Instead, it is a wealth of material we strive to find a new life for.

Since launching our Save Every Drop program in 2015, we’ve found innovative solutions to compost or reuse two-thirds of our “waste” and currently only send 3% to the landfill!

**BALM GLEANINGS LIGHTING UP THE NIGHT**

In 2018, the Save Every Drop program was put to the test when a batching error on a run of balm resulted in a vat of organic waxes and oils that couldn’t be used to manufacture products. We came up with the idea to turn it into candles and partnered with Way Out Wax to create the Moon Glow candle in a tin. In 2019, this idea evolved to become a new citronella candle for sale to consumers made using our 2018 balm and oil production gleanings.
ENVIRONMENT: GOAL SETTING

HEAL THE EARTH WITH REGENERATIVE AGRICULTURE

Walk the Walk with Regenerative Practices
As a first step towards embracing regenerative organic agriculture, Badger is exploring these principles and practices on our home soil. Our Climate Victory Garden and the work we are doing to regenerate our land will serve as educational, experiential tools that demonstrate the potential to transform soil on a small scale before branching out to work with our supply network.

As a start, we have begun working with soil science graduate students to establish baseline measurements of our soil and with a national network of carbon farming experts. We are also reaching out to and learning from local experts who practice these techniques.

Cultivate a Regenerative Organic Supply Network
In this next year, we will explore how best to quantify the regenerative organic practices of our key suppliers and potentially work with a select number of those suppliers to vet their practices using questionnaires outlining our goals. We will use the Carbon Farming Innovation Network’s verification standard and the Regenerative Organic Certification as platforms for this exploration.

We also look forward to sharing our commitment to regenerative agriculture by showcasing our Climate Victory Garden next fall at our bi-annual Suppliers Day held at Badger HQ.

Engage Externally
We believe that regenerative organic agriculture should be part of the mainstream climate change conversation. We see our role in climate activism as partly internal action and partly external engagement. We are actively working towards healthy soil legislation at the state level and have worked towards introducing regenerative organic agriculture as a climate change solution at national and international forums, including the United Nations Convention on Biological Diversity. We continue to build our relationships with key partner organizations such as the Rodale Institute, Kiss the Ground, Carbon Underground, Carbon Farming Innovation Network, Regenerative Network, and Terra Genesis International. In 2019, we will become members of the Carbon Farming Innovation Network and attend their bi-annual meeting, and we are exploring working with the Rodale Institute’s Regenerative Organic Certification in 2020.

CONTINUE TO REDUCE HARM BEING DONE TO EARTH

Save Every Drop
- We will continue to explore more ethical, practical, environmentally-friendly packaging options for our products
- We will work to establish recycling and re-use partnerships that are closer to the source, and reduce the material entering the global waste stream

Energy and Carbon Footprint
- We will create a project proposal for an on-site solar array
- We will begin to conduct a full scope 3 greenhouse gas assessment to shine a light on our carbon footprint across the life cycle of our business and products. This will help inspire and inform innovative action plans around continued efforts to dramatically shrink our carbon footprint
WORKPLACE CULTURE

Supporting a happy and healthy workplace is core to Badger. We see this as one of the ways we use business as a force for good. Visit Badger, and you will see a thriving community, not just a business.

FAMILY-FRIENDLY WORKPLACE

Our Babies-At-Work program started in 2008 and we have welcomed over 18 babies to date! The program allows parents to bring their infants to work for the first six months. In 2013, we added Calendula Garden Children’s Center. Originally designed to offer subsidized childcare for the children of employees ages 6 months to 3 years, it now serves children in the community and has cared for over 50 children since opening.

“My experience with the Babies-At-Work program was an incredible gift. The program gave me and my wife peace of mind, knowing that we did not need childcare for our daughters until they were six months old.

But on a personal level, the most valuable aspect was the bond I was able to form with my girls at such an early age. For fathers, it can be difficult to find bonding time with infants, since they are so dependent on their mothers during the first several months. The time that I had with my children at Badger allowed me to connect with each of them in a way that otherwise would not have happened, and our family is stronger because of it."

- Ryon, Badger employee and Babies-At-Work participant

FREE ORGANIC LUNCHES
BUILD COMMUNITY

The Badger lunch program started with Badger Bill cooking soup for 10 employees once a week and has grown to serve nutritious, organic food to over 100 people each day. This program allows us to support our local and organic farmers and provide a place for employees to connect and build community with each other.

EMPLOYEE ENGAGEMENT – AN OPEN CONVERSATION

Our commitment to transparency and engagement starts with our employees. Through weekly department meetings, monthly all-company meetings, and annual company retreats we regularly connect with each employee and create an open conversation designed to hear feedback and share management decisions. We also create space to learn new things and to just have fun with each other!

RECOVERY-FRIENDLY WORKPLACE

In 2018, we continued the work of building a recovery-friendly workplace by offering a series of additional training opportunities for our staff. Employees were able to learn about administering Naloxone, had the opportunity to attend a training on addiction prevention, and got the chance to walk through a mock bedroom and see the signs of early substance use.
BADGERS PITCH IN TO GIVE BACK
Badger employees give back to our community in so many ways. We organize annual community service days and roadside cleanups, and we also provide employees with 16 hours of paid volunteer time each year to support their child’s school, the local homeless shelter, or any other nonprofit of their choosing. Through our volunteer programs, employees donated 745 hours of volunteer time last year!

Badger employees also gave generously to the Monadnock United Way through the annual campaign, with over $12,000 committed through payroll deductions. This money supports critical services in our area including food pantries, homeless shelters, and mental health agencies.

SUPPORTING OUR VISION FOR A HEALTHIER WORLD
Badger has a commitment to give at least 10% of pre-tax profits through our charitable giving program each year. In 2018, we donated $40,169 (37% of pre-tax profit) in monetary donations to support local organizations as well as global nonprofits focused on the promotion of peace and the health and welfare of children. Badger also had over $100,000 (retail value) of in-kind product donations given to support local and international nonprofits.

THE COMMUNITY KITCHEN GLEANING PROGRAM
In 2018, we made a shift in our garden program, opening up the garden space to anyone who wanted to get their hands dirty. Several employees signed up for plots to grow food for their families, while others helped us grow food for the local food pantry, The Community Kitchen. Through this program, almost 400 lbs of healthy, organic produce was harvested and donated, and employees added even more vegetables from their home gardens through our Garden Abundance food drives.
ADVOCATING FOR CHANGE

USING BUSINESS AS A FORCE FOR GOOD

At Badger, we have a responsibility to stand up and speak out for what we believe is important. In 2018, we participated in advocacy work in support of regenerative and organic agriculture, climate action and coral reef conservation, recovery-friendly workplaces, and family-friendly business practices. All of these public positions start from the choices we make here at Badger, and then radiate out into our local and global communities through the individuals and companies we partner with to encourage others to use their businesses for the greater good.

SPEAKER SPOTLIGHT: REBECCA AT UNITED NATION’S BIODIVERSITY CONFERENCE

Co-CEO, Rebecca Hamilton attended the UN Convention on Biological Diversity in Egypt in November as part of a delegation of small businesses advocating for organic and regenerative agriculture.

Excerpted from the Cornell Alliance for Science, published November 20, 2018

“We hope you will consider a moratorium on [sic] the environmental release of gene drives until further research is completed. Gene drives cannot be contained because they are designed to spread and that is what will contaminate organic agriculture and affect the livelihood of organic farmers.”

WE STOOD UP & SPOKE OUT FOR

Regenerative & Organic Agriculture

We are committed to growing our regenerative organic supply chain and helping to raise awareness about the ways regenerative agriculture can help fight climate change. In 2018 we advanced our goals internally and through speaking engagements at 5 major national and international conferences.

Climate Action

Part of Badger’s commitment to climate action is to be part of the conversation about how businesses can make a difference. So in addition to continuing our work with the Climate Collaborative, we lent our support to:

- renewable energy bills proposed in NH
- founding the Safe Sunscreen Council
- publicizing Hawai‘i’s ban on reef harming sunscreen
- The Nature Conservancy Caribbean Division through sunscreen donations for donor and stakeholder education

Family Friendly Business

We’re known as a “family friendly” business, and we continue to lead the movement through programs like Babies-At-Work, subsidized childcare, paid FMLA, and other benefits that support the whole family. In 2018, we continued to share best practices in the community through our advocacy work.

Recovery Friendly Workplaces

Badger has worked over the past two years to become a more recovery-friendly workplace so we can be part of the community response to the current opioid crisis. In addition to our internal work with employees, members of the Badger leadership team spoke at events held across New Hampshire on how businesses can become recovery-friendly.
HEALING PRODUCTS

From 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.

In 2018, Badger introduced clear zinc sunscreens! This innovation has made Badger mineral sunscreens an option for more people with it’s less whitening application, while still offering a formula that is safe for use by the whole family and safe for coral reefs too!

WHY CHOOSE A REEF-SAFE SUNSCREEN?
According to NOAA, 27% of the world’s coral has been lost in the past 30 years from numerous factors, and more continues to be threatened each year.

Scientist have shown that some of the chemicals commonly used in sunscreens are killing coral and threatening fragile coral reef ecosystems. Oxybenzone, one of the most harmful sunscreen ingredients, is commonly found at concentrations of 100 parts per trillion and 100 parts per billion on nearshore reefs, posing a significant environmental threat.

As part of our commitment to human and environmental health, we use the mineral zinc oxide as the only active ingredient in all of our sunscreens. It is very effective at protecting skin from UVA and UVB rays and does not harm corals. Choosing a reef safe/reef friendly sunscreen is one way you can help protect our oceans and natural water systems.

Badger Shampoo Bar was introduced in the fall of 2018 to offer customers a plastic-free shampoo option. The bar, which is made with natural and organic ingredients, is biodegradable and comes in paper packaging.

“I was really excited when Badger introduced this shampoo bar since I’ve been trying to reduce my use of products with plastic packaging. I’ve been using it for over a month now and I like it enough that I just reordered. The scent is light and really pleasant, it lathers well, and it works perfectly as both a shampoo and body wash! I’m really glad to know that the palm oil they use is organic and sustainable. Couldn’t ask for anything more from this shampoo bar. Thank you, Badger!”

- Meg, Burlington, VT
B CORP & BENEFIT CORP

Badger is a New Hampshire Benefit Corporation, a legal corporate status that allows us to write our mission into our articles of incorporation and change the purpose of our business to include public benefit for people and the planet. To be a Benefit Corporation in New Hampshire, a recognized third-party standard is used to measure our positive impact in the world, and an annual Impact Report must be published and shared with all stakeholders – community, customers, and employees.

Badger has chosen to use the B Corp standard and the B Impact Assessment to measure our impact and help us improve.

WHAT IS A B CORP?

B Corps are for-profit companies certified by the nonprofit B Lab to meet rigorous standards of social and environmental performance, accountability, and transparency.

Today, there is a growing community of more than 2,788 Certified B Corps from 64 countries and over 150 industries working together toward one unifying goal: to redefine success in business.

Individually, B Corps meet the highest standards of verified social and environmental performance, public transparency, and legal accountability, and aspire to use the power of markets to solve social and environmental problems.

Collectively, B Corps lead a growing global movement of people using business as a force for good™. Through the power of their collective voice, one day all companies will compete to be best for the world™, and society will enjoy a shared and durable prosperity for all.

Learn more at bcorporation.net.

In 2018, we were recognized by B Lab on the annual B Corp Best for the World and Best for Environment lists! These lists recognize companies who score in the top 10% of all B Corps for positive impact in these areas.

Badger also helped to plan and execute the New England B Corp Leadership Development conference. This gave us an opportunity to continue building collaborative relationships within the B Corp community.
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

W.S. BADGER COMPANY

Family-Owned and Operated. Established 1995 in Gilsum, NH, USA
768 Route 10, PO Box 58, Gilsum, NH 03448
Toll free: 800-603-6100, Phone: 603-357-2958
Email: custserv@badgerbalm.com • badgerbalm.com