LETTER FROM THE BENEFITS OFFICER

2019 was a meaningful year for Badger. We celebrated our 24th anniversary and made significant progress toward becoming Net Zero by 2030 with the announcement of a new partnership with renewable energy company ReVision Energy to install onsite solar at our headquarters in Gilsum, NH, in 2020.

As I reflect on the progress we made and envision our future, our mission and guiding principles serve as a reminder of our core purpose to improve the lives of everyone with whom we interact. It was a great honor to be appointed to serve three years on the National Women’s Business Council and bring the voices of women-owned businesses, especially rural women entrepreneurs, to the White House, Congress, and the Small Business Administration.

When it comes to our mineral sunscreens, we continue to set a very high standard for ingredients. In addition to voicing our support for banning coral harming sunscreen chemicals in places such as Hawaii, Key West, Palau, Aruba, and the U.S. Virgin Islands, we are in the process of achieving a new, first-of-its-kind certification from the Haereticus Environmental Laboratory (HEL), a well-known and highly-regarded nonprofit scientific organization dedicated to conserving and restoring threatened environmental habitats and resources through fact-based education. This new seal, Protect Land + Sea, will verify that a sunscreen product DOES NOT contain any ingredients or contaminants considered harmful to coral reef environments, sea turtles, and other aquatic life.

Our commitment to delivering benefit to society is not just about what we do, but equally about how we do it. It goes beyond formulating, innovating, and manufacturing healthy products for our customers that have minimal impact on the environment. It is embedded throughout our company culture and is the basis for growing and retaining our high-quality workforce. In 2019, Badger collaborated with Boston-based certified B Corp, Habitus Incorporated, to create a case study documenting our use of the Consensus Decision-Making Model to build community and trust, strengthen cooperation, and drive success.

This report highlights our substantive climate action commitments and ongoing social initiatives. While we made great progress in our mission-based work, we also recognize that we are on a continuous journey towards creating a net positive impact on the world.

I look forward to sharing our progress in the years to come and the impact we’re able to have on society.

Sincerely,

Rebecca Hamilton, Co-CEO & Benefit Officer
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SECURING A SUSTAINABLE FUTURE

In 2019, we set our sights on building on the momentum and goals identified and prioritized in 2018. Through these actions, our focus on sustainability is stronger than ever, underscoring our commitment to deliver benefit to all—our customers, employees, shareholders, and society—and be a force for good.

- We completed the first-ever comprehensive mapping of our carbon footprint, including scopes 1, 2 and 3 to gain a better understanding of the way forward for a cleaner future.
- We set the ambitious goal of achieving net zero carbon emissions by 2030 through a combination of producing onsite renewable energy, supporting carbon in-setting and offsetting initiatives, and sourcing from a regenerative supply network that sequesters carbon at the farm level.
- We moved forward with bringing solar onsite and transitioning to 100% solar power for all operations!

Mapping Our Impact

In 2019, Badger completed our first full assessment of our carbon emissions. This assessment is the first step needed for Badger to begin creating measurable scientific goals towards reducing our overall carbon footprint.

Following Badger’s ambitious commitment towards net zero emissions in 2030, we have begun charting a path towards taking full responsibility for our impact. We will continue to refine this path into complete measurable goals within the next year.

* This is a preliminary assessment and does not take into account the current organic and regenerative practices of our ingredient farmers and producers.
ENVIRONMENT

Stage 1: Reduce Emissions
• Continue to measure our full carbon footprint so that we understand where we can reduce emissions.
• Transition to lower emission packaging and ingredients where feasible.
• Install Solar onsite!

Stage 2: Drawdown (can be done at the same time as Stage 1)
• Move towards regenerative organic ingredients across all sourcing.
• Complete climate victory gardens and onsite Badger drawdown project.

Stage 3: Compensate
• Support carbon inset programs throughout our supply chain.
• Offset what we can’t inset.

Leading by Example: Achieving Net Zero by 2030
In December 2019, we announced a new partnership with the renewable energy company ReVision Energy (a certified B Corp) to install onsite solar at our headquarters in 2020. This news came as over 500 leading Certified B Corporations, including Badger, announced at the United Nations Climate Change Conference (COP25) in Madrid their commitment to reach net zero carbon emissions by 2030. This commitment would accelerate the reduction of their greenhouse gas emissions 20 years ahead of the 2050 targets set in the Paris Agreement.

On September 20-27 2019, in solidarity with the Youth-Led Global #Climate Strike, Badger shut its doors, gave employees paid time off to volunteer and protest, and hosted a digital “green out” and donated 5% of proceeds to climate efforts.
• News outlets picking up the story included CBS News Online, Happi, Household and Personal Products Industry Online, CNBC online, and NBC2 News.

Public Policy: Soil Legislation at the Local Level
Throughout 2019, Badger joined fellow B Corps MegaFood and Stonyfield, as well NOFA-NH, New England Farmers Union, Stonewall Farm, and State Representatives Peter Bixby, Craig Thompson, and Sparky VonPlinsky to get House Bill 1562 passed on improving soil health and soil conservation, a first step in New Hampshire for climate change mitigation.
Walk the Walk with Regenerative Practices

In the spring of 2019, Badger took our first step towards embracing regenerative organic agriculture through 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.

We have built our very own Johnson-Su Composting Bioreactor. This innovative, cutting edge biotechnology creates an inoculum that, when applied to the soil, creates a microbial community that mimics the microbiome of the forest floor—kind of like a probiotic for soil! Studies have found that applying this matured inoculant can dramatically increase yields, carbon sequestration, and soil health. Next summer, we will use this inoculum in our gardens and sandpit in the hopes of restoring life and fertility and utilizing our land as a carbon sink.

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 partially internal action and partially external engagement. We are actively working towards healthy soil legislation at the state level, and we 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 became members of the Carbon Farming Innovation Network and attended their bi-annual meeting, and we are exploring working with the Rodale Institute’s Regenerative Organic Certification in 2020.
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 byproduct was created, increasing our percent of waste sent to landfill to 30.2%. 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 discovered 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.

Waste Audit Results

- We achieved a 96.5% landfill diversion rate!

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**2019 Waste Composition**

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Nurturing a Culture of Health, Safety & Well-Being

We continue to focus on the health and well-being of employees, meeting them where they are at today, and planning for their needs tomorrow through programs and initiatives that foster engagement, encourage inclusion, and deepen a culture built on family-friendly practices.

What about Breakfast at Badger?

Badger has been providing employees with a nutritious and healthy made-from-scratch organic lunch for years. This tradition of sharing a common meal that is so much a part of our company culture recently expanded to include the most important meal of the day, breakfast. Launched in September, this new healthy breakfast program offered employees simple yet delicious, made-to-order low-cost choices such as scrambled eggs and egg sandwiches, toast, and baked goodies four days a week. Employees love this new offering so much that nearly 1,000 breakfasts have been served to date.

“Before the breakfast program, my morning consisted of coffee and whatever else I could scrounge up from home and carry into the office. Now, it’s such a treat to know that I can get made-to-order scrambled eggs and toast, or a yummy scone to start my day. Enjoying a full breakfast at Badger before starting the workday is such a wonderful way to begin the day.” - Dee Fitzgerald, Badger employee of six years

Always Giving Back. Always Making A Difference

Over the past year, Badger employees have contributed time, talents, and resources to make an impact in our community and build positive community relationships. From donating hours to local organizations, to supporting area food pantries with the harvest from our onsite Victory Gardens, to conducting roadside cleanups, and giving generously to the Monadnock United Way, when it comes to helping others, Badgers are always ready to step up in a big way.

Bring Your Baby to Work? Yes, Please!

Eleven years into our Babies-at-Work program and we continue to provide this essential benefit to parents and their infants! In 2019, we welcomed four more babies to the workplace, bringing our total since the program’s inception in 2008 to twenty. We even tried something new this year. Twins!

“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 child care 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 Clarke, two time Babies at Work alum
Using Business as a Force For Good

Let's Get to Work


Raising Our Voice in Solidarity

In 2019 Badger spoke up on a number of social justice and environmental issues. As an advocate for change in 2019, Badger:

- Joined the CEO Women Political Advocacy Action Group.
- Continued to support the Businesses for a Minimum Wage initiative by participating in a minimum wage video called Raise the Wage created by the Committee on Small Business https://twitter.com/HouseSmallBiz/status/1151865452240560128
- Spoke on behalf of the Paid Family and Medical Leave proposal before the New Hampshire legislature in Concord, NH, and signed the Family and Medical Leave Act at the national level.

CERTIFIED B CORPORATION

Meeting the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.
Real Leaders 100 Top Impact Companies – Real Leaders 100 (RL100) is the first ranking of positive impact companies in North America. The RL100 ranks the top companies leveraging the engine of capitalism for great profit and great good.

National Best & Brightest Companies to Work For – recognizes companies for creating thriving workplaces for their employees, similar to the Best NH Companies to Work For. Out of 2,400 nominations received, there were only 512 winning companies.

Greater Boston’s Best and Brightest Companies to Work For – this award recognizes companies in the greater Boston area that practice innovative strategies, including employee enrichment, engagement and retention; employee education and development; employee achievement and recognition; communication and shared vision; diversity and inclusion; work-life balance; community initiatives; and strategic company performance.

NEXTY Gold Award – Hall of Legends – The NEXTY Gold Awards recognize those brands that impress year after year with products that truly move the mission of the natural products industry forward, disrupt the status quo and make the world a healthier, better place. The NEXTY Gold Award winners are a select few brands chosen by New Hope Network editors and awarded once each year at the Hall of Legends event at Natural Products Expo West every March.
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 3,000 Certified B Corps in over 150 industries and 64 countries, working together toward one unifying goal: to redefine success in business. Over 50,000 companies use the B Impact Assessment.

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.

Unified by a Common Goal: To Be A Force For Good

In 2019, we were honored for the 5th year as a “Best for the World Overall” B Corp by B Lab on the annual list! And we were also recognized as Best for the Environment in recognition of our positive impact. These lists recognize companies who score in the top 10% of all 3,000 B Corps worldwide.

“We’re incredibly proud of this year’s Best For The World honorees. These inspiring companies represent the kinds of business models and impact-driven business strategies that are building a new economy—one that is inclusive, regenerative, and delivers value to all stakeholders, not just shareholders. To that end, B Corps like Badger are redefining capitalism and showing that it actually can work for everyone.” — Anthea Kelsick, Chief Marketing Officer of B Lab.
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 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 and most 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.
“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