

Freddie's Flowers

Sustainability & Impact Report

Financial Year 2023

Certified



Corporation™





Welcome to our 2023 Sustainability Report

Over the last few years, we've put a lot of time and effort into ensuring that our flowers are sourced and delivered as sustainably as possible – recognised by us proudly achieving B Corp certification this year.

Part of the reason I founded Freddie's Flowers was to reduce waste in the floral sector. By working directly with growers and focusing on a subscription model, we can accurately source the number of stems we need and significantly reduce our floral waste.

Additionally, we have our own bike team helping to maximise emissions-free deliveries, and we ensure that all our standard packaging is recyclable and/or biodegradable.

We want to be an organisation that changes people's relationships with flowers, in a sustainable and ethical way. That means always striving to do better, for our customers as well as our people and the planet.

Best wishes,

Freddie x

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Introduction



Who, what, where, why

Who we are:

We are challenging the floral sector – we are a young and vibrant B Corp business redefining what it means to be a responsible, modern-day florist.

What we do:

We deliver fresh, seasonal flowers directly from growers to our customers. We aim to provide high-quality, fresh blooms while making the experience of receiving and arranging flowers as engaging and enjoyable as possible.

How we do it:

Along with the flowers, we provide a charming arranging guide and video with instructions and tips on how to arrange the blooms in your home. We also include flower food and info on flower care to help ensure longevity.

Where we do it:

We deliver across the UK and Germany.

Doing it differently:

Our subscription model means we can reduce floral waste, and we can make our own, emission-free deliveries. We also ensure that our standard packing is reusable, recyclable or biodegradable.

Who's behind it:

Freddie founded the business in Wandsworth, London in 2014, and in 2021 was delighted to welcome The Craftory – an impact led investor (and a fellow B Corp) as a partner.

How many people are involved:

The average number of employees across the year was 271.

Why we do it:

For the love of flowers and the joy they bring to our wonderful customers!



Freddie's
Flowers

Our Key numbers in 2023

£38.9m

turnover

85.3

B Impact Score



40%

Emissions free deliveries¹

16.8%

delivery boxes reused
(over 230,000)²

26.6m

stems of flowers delivered

196 tCO₂

operational carbon footprint³

Notes: 1. At the tailpipe, 2. If not reused, they are recycled by us or our customers, 3. Scope 1 and 2 and limited Scope 3



Our third-party memberships and certifications



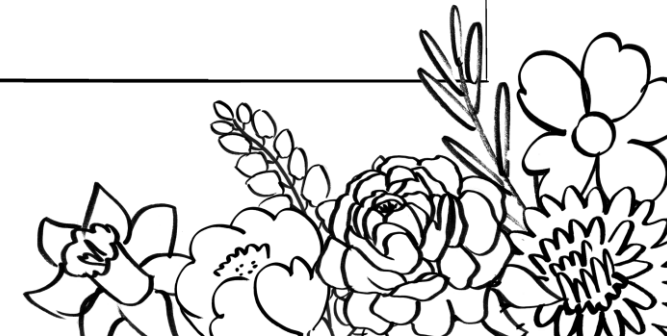
A B Corp is a type of business that has committed to meeting high standards of social and environmental performance, transparency, and accountability. To become a certified B Corp, a company must undergo a rigorous assessment process that evaluates its overall social and environmental performance. Achieving B Corp certification demonstrates a company's commitment to using business as a force for good, beyond just profit maximisation.



We are certified carbon neutral by the Carbon Trust – this means we measure and offset all our Scope 1 and Scope 2 operational emissions through certified offsetting programmes identified by our partners at Earthly. In recognition of the role we need to play in moving towards net zero, our focus moving forward will be on reducing our emissions.



The Floriculture Sustainability Initiative (FSI) is a market-driven initiative that brings together members of the international floriculture sector to drive sustainable action in our sector. The primary objectives are to increase the sustainable production of cut flowers and increase the number of farm workers on a living wage. We fully support these objectives and are proud to be a part of this industry collaboration.



Our B Corp journey

Demonstrating our commitment

To demonstrate our commitment to sustainable and responsible business, we embarked on a journey to certify as a B Corp in 2021.

In March 2023 we were **incredibly proud to certify with a B Impact Score of 85.3** (minimum required is 80). In doing so we joined a growing movement to reinvent businesses with a social purpose.

To certify, **we have raised standards across the board**, looking into our supply chain, delivery policies, renewable energy to supply our office and packhouse, increasing our recycling efforts and improving our biodegradable flower food.



Our B Impact score



Based on the B Impact assessment, Freddie's Flowers earned an overall score of 85.3.

The median score for ordinary businesses who complete the assessment is currently 50.9.

The B Impact assessment covers all aspects of a business, from employees, customers, supply chain, community and governance.

- 85.3 Our overall B Impact Score
- 80 Minimum score for B Corp Certification
- 50.9 Median score for ordinary businesses



B Corp measures impact in 5 key areas*:

22.4

Environment

25.6

People

2.8

Customers

17.1

Community

17.3

Governance

*Note: each section is dynamically scored depending on the sector you operate in, your business circumstance and the answers you provide, so the impact areas do not all have the same maximum possible score.



Flowers

Environment



Sourcing locally



Locally sourced where possible

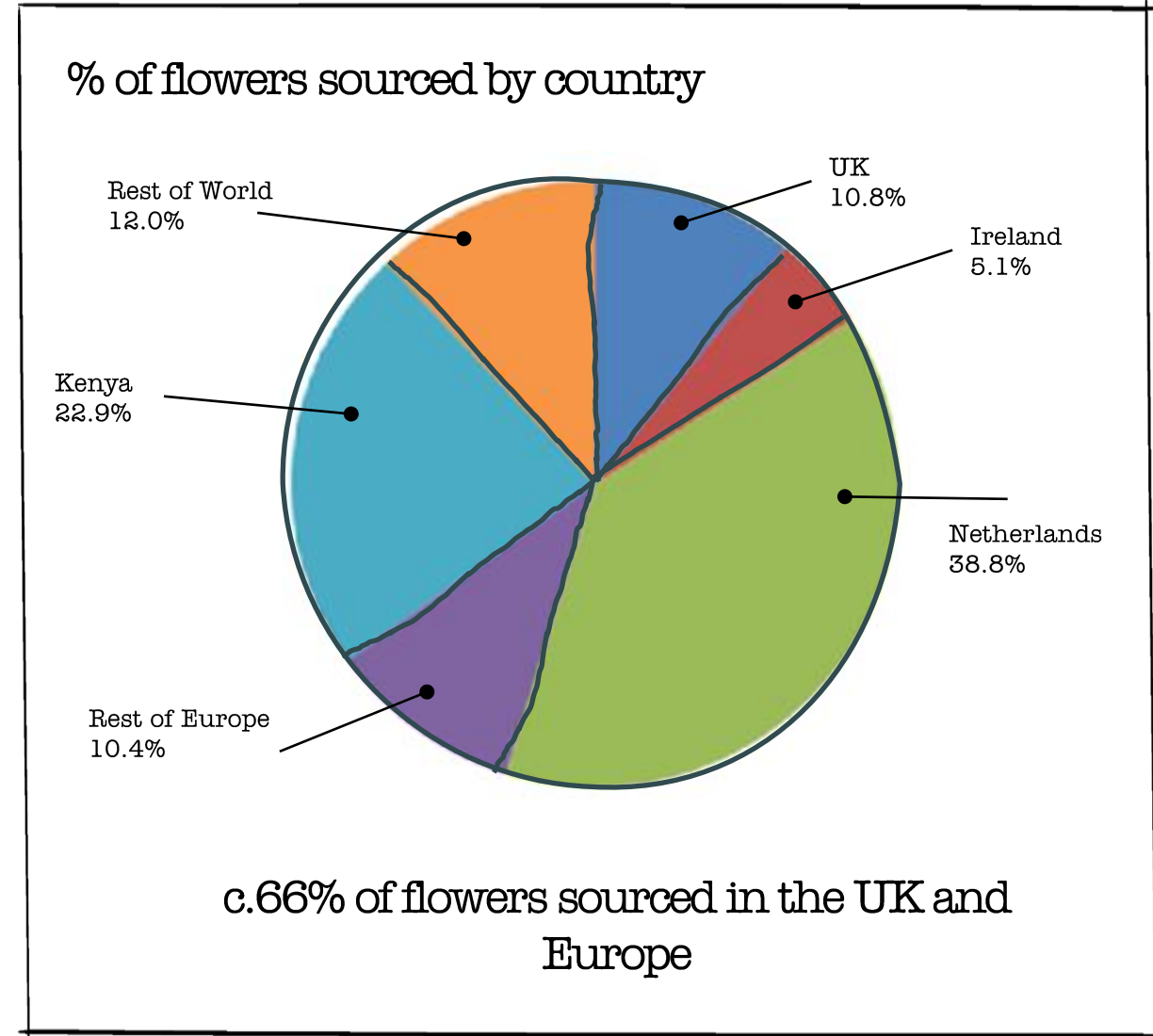
We aim to source our flowers locally in the UK and Europe wherever possible, with the Netherlands being the powerhouse in the floral trade. However, we also have strong partnerships with Kenyan farmers who are affiliated to the Kenyan Flower Council and adhere to the highest social and environmental standards.

The climate in Kenya is perfect for flower growing, giving all our Kenyan flowers a minimal carbon footprint. A recent report commissioned by Fairtrade, titled [Life Cycle Assessment Cut Roses](#), found that, compared to cut roses grown in a heated greenhouse in the Netherlands, **cut roses from Kenya** – whether transported to Europe* by air or sea – have a **lower impact across all the environmental areas**, including greenhouse gas emissions and freshwater eutrophication (a pollution process where lakes or streams become over-rich in plant nutrients).

The greenhouse gas emissions of the Fairtrade roses transported by air are 2.9 times lower than the average rose production in the Netherlands. A previous study by Cranfield University concluded that flowers grown in Kenya emitted 6 times less than those grown in the Netherlands.

We are continually reviewing our sourcing strategy to ensure we find the right balance to **sourcing locally and sustainably**. This includes our commitments as members of the FSI – see next page for details.

*The study followed the flowers to a destination in Switzerland



Sourcing responsibly

Sourcing responsibly

We are proud members of the FSI – the industry's leading international body on driving sustainability in floriculture.



One of the key commitments to being a member of the FSI is **a commitment to ensure 90% of flowers are responsibly sourced by 2025**, and 100% by 2030.

To achieve this, the FSI help by gathering data from third party certification bodies from around the world including Global G.A.P., Kenya Flower Council, Rainforest Alliance and EU Organic Farming. These certificates are grouped into three pillars: GAP, Environmental and Social.

We upload our order data from each grower, allowing us to check and verify which of our growers are certified by reputable, international bodies.

In 2023 52% of our growers were certified – we will strive to increase this in 2024.



52%
Of our growers are FSI certified*

* FSI certified means the grower has one or more internationally recognised certificates for sustainable production and operations – either in the area of environmental, social or governance.



Reducing waste

Reducing floral waste

Up to 40% of all cut flowers through traditional retailers can end up as wastage. This is an open secret within floriculture and must change. The resources used to grow these wasted flowers could be used far better elsewhere (e.g. on producing nutritious food for a growing global population) and the negative externalities associated with the industry, such as carbon emissions, could be greatly reduced if the industry was more efficient.

Freddie's was founded on a mission to reduce floral waste and we have an **annual target to achieve less than 5% waste**. Most traditional florists keep a huge range of flowers in stock to be able to make the wide variety of bouquets (often including those listed on aggregator websites) leading to wastage. To avoid this, we:

- Are subscription focused – this allows us to **reliably forecast how many stems we need**, which reduces wastage.
- **Deliver flowers in bud** so that they last for longer.
- Limit the range of arrangements on offer, which reduces the number of different stems we need, and thus reduces wastage.

For any waste we do have (old/damaged flowers), we partner with a large local composting facility to be turned back into food for plants.

We will continue to refine and improve our approach to forecasting and stock management to minimise our floral waste.



40%

Waste in traditional
retailers*

*In our sector, up to 40% of all cut-flowers through traditional retailers can end up as wastage.

Green delivery

Reducing the impact of delivery

At the beginning of FY23 we set ourselves a **target for all deliveries within the M25 to be emissions-free**. This was achieved for central London (which accounts for 65% of all London deliveries) where deliveries are made by electric bicycle, covering 136,052 miles in the year.

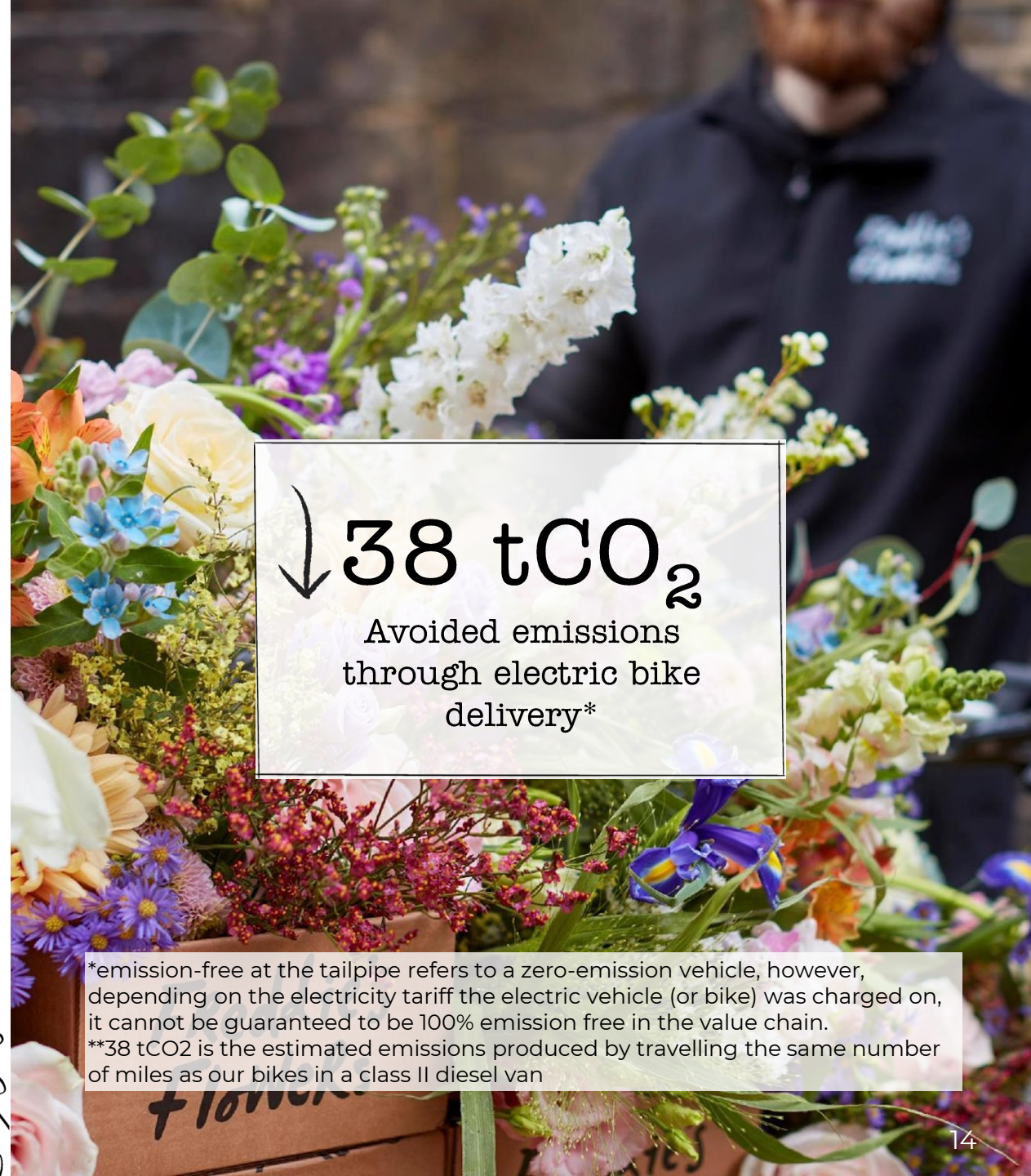
Our bike deliveries alone saved 38 tonnes of CO₂ this year!* and also help in the fight against local air pollution and congestion in London.

We transitioned 50% of our vans to electric over the course of 2023 and these covered most of Greater London, with Global covering areas that we can't reach. This helped us to get to **77% emission free (at the tailpipe)* deliveries within the M25**.

External logistics partners - Global, Zedify and DPD - covered the rest of the UK. Zedify have a fully electric fleet. Global and DPD are in the process of transitioning their fleet. DPD are already certified carbon neutral.

In total, **40% of our deliveries nationwide were emission free (at the tailpipe)* in the UK**.

Der Kurier is our delivery partner in Germany and we are in conversation about an electric fleet.



↓ 38 tCO₂
Avoided emissions
through electric bike
delivery*

*emission-free at the tailpipe refers to a zero-emission vehicle, however, depending on the electricity tariff the electric vehicle (or bike) was charged on, it cannot be guaranteed to be 100% emission free in the value chain.
**38 tCO₂ is the estimated emissions produced by travelling the same number of miles as our bikes in a class II diesel van



Minimising packaging

Reducing our use of virgin materials

100% our customer packaging is recyclable or biodegradable but for the biggest component – our branded flower boxes – we aim to reuse as many as possible. In 2022 10.5% of delivery boxes were returned and reused, in 2023 we set an ambitious target of 25%.

We managed 16.7% (over 236,209 boxes!)*. This figure rises to 28.4% (exceeding our target!) when we calculate it based on *possible* returns (we are currently only able to collect returns on deliveries made by our own team, Global, Abel & Cole and Zedify). A further 73,958 boxes were returned and recycled as they were not in a re-usable condition.

In areas where we are unable to offer a return service, we provide clear guidance to customers for recycling and composting (where possible).

In June 2023 we partnered with fellow B Corp - Abel and Cole – to take on some of our deliveries in the West of the UK, meaning we can now collect and reuse a potential extra 250,000 boxes a year. We look forward to reporting returns next year!

Over the last 3 years we have significantly reduced plastic in the supply chain by moving to 30% of flowers delivered to us dry in large returnable cardboard boxes (previously they were wrapped in plastic).



16.7%
Delivery boxes reused
(that's over 236,000!)

*The increase from 10.5% in 2022 to 16.7% in 2023 was down to clearer communication with delivery drivers and customers as well as changes to our delivery network to increase the number of possible returns.

Unpacking our packaging

100% of our customer
packaging is recyclable or
biodegradable

Our flowers are delivered in cardboard boxes made from **50% recycled cardboard**. We reused over 236,000 boxes this year!

Along with the flowers, the boxes contain a guide on how to best arrange the flowers – this is printed on **100% recycled paper**

The flowers are wrapped in paper to protect them in transit – this is currently not made from recycled paper but can be recycled at home.

In the summer months, when the temperature rises above 25 degrees, we wrap the flowers in foil to keep them fresh.

Eco-friendly and **biodegradable** ink used to print the words and pictures

To hold the flowers together in transit we use natural twine which is **biodegradable**

Biodegradable bloom netting is used for a small % of blooms to protect the flowers

A sachet or two of flower food – this is in biodegradable packaging

We will continue to look for ways to reduce packaging and use eco-friendly solutions when we need it.



Remaining carbon neutral

Carbon neutral certification

2023 was our third year of being **certified Carbon Neutral** by the Carbon Trust (for UK operations).



This was achieved by **offsetting our carbon emissions*** and putting in place an emissions reduction strategy in accordance with the **PAS 2060 standard****

Through our partners at Earthly we invested in the **protection of the Rimba Raya - a carbon-rich, peatland forest** in Indonesia. Without this project, the Rimba Raya would have been turned into palm oil estates, emitting over 100 million tonnes of carbon into the atmosphere. Instead, the project is protecting the land and working with local communities. As well as playing a huge role in climate mitigation, peatlands are home to rare organisms found nowhere else, and they contribute to reducing floods, droughts and wildfires, all expected to increase as the climate changes.

More information on the project can be found here:
<https://earthly.org/projects/protect-peatlands-rimba-raya-borneo>

*Scope 1 and 2 only. **Internationally recognised Carbon Neutrality standard.



204 tCO₂

Offset with a project that
also protects 55
Critically Endangered or
Endangered species

Reducing emissions



Carbon reduction

We recognise that offsetting is not the solution and in 2023 we started to focus on **carbon reduction as the priority**.

We have set a near-term SBTi target of 50% reduction of scope 1 and 2 emissions by 2030 (from a 2018-19 base year) and will be updating our reduction plan in 2024.

We have taken some big positive steps to reduce emissions in 2023:

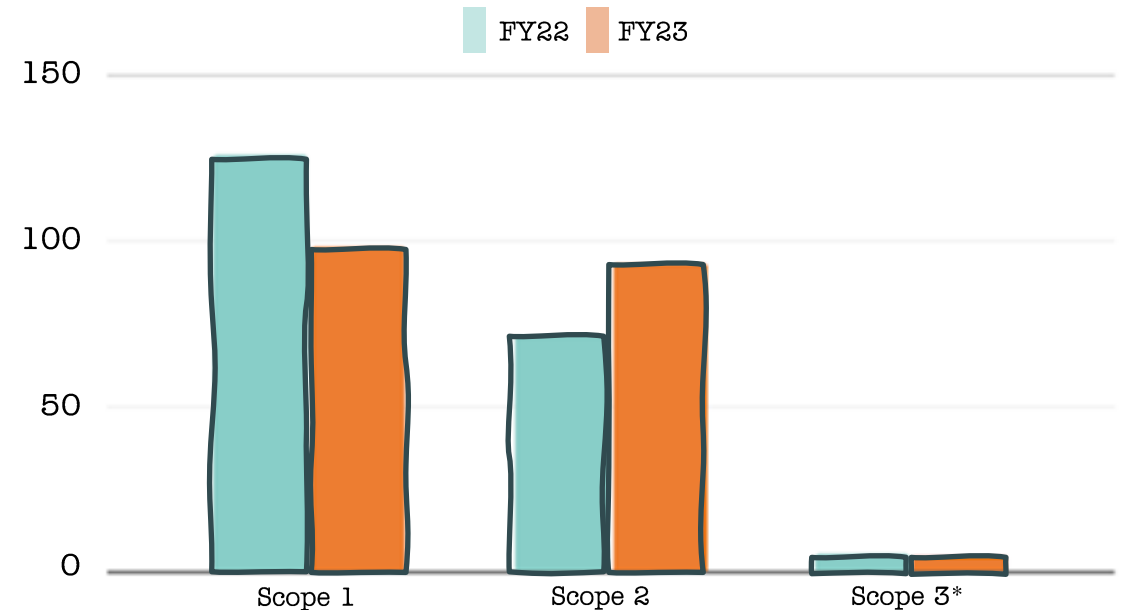
- We **moved our head office** to a more energy efficient location, which includes movement activated lighting and centralised heating and air conditioning.
- We **switched to renewable energy tariffs** in our warehouse and office.
- We **switched 50% of our diesel van fleet to electric**.

The impact of these changes will only be reflected fully in 2024 as they took place towards the end of FY23.

Total footprint* in 2023: 195.92 tCO₂

Overall reduction (compared to 2022): 6.9 tCO₂

Carbon emissions (tCO₂)



The reason for the increase in Scope 2 emissions in 2023 is largely driven by our head office move. Whilst the office is much more energy efficient, it is larger than our old office, catering for our growing team. We have also reported location-based emissions above, now that we have moved to renewable energy tariffs a market-based approach would reduce our Scope 2 emissions to 0.

*Road business travel only. We are in the process of mapping our Scope 3 emissions

B Corp impact focus for the environment



What we said we would do

- Upskill employees and bring carbon footprinting in-house to empower them to identify emission hot spots
- Review energy providers and identify green options available
- Calculate environmental footprint of core product line
- Increase the number of boxes returned by customers that can be reused
- Move head office to a more energy efficient office
- Transition van fleet from diesel to electric in 2023

What we did

- Worked with a consultancy to train employees in GHG protocol for scope 1 and 2 emission reporting
- Moved to renewable electricity and biogas tariffs at UK head office and warehouse
- Reviewed third party research from Cranfield University on the Lifecycle Analysis of growing roses in Kenya and the Netherlands
- Increased the box return rate from 10.5% in 2022 to 16.7% in 2023 achieved through clearer comms and changes to the delivery network
- Moved to a more energy efficient headquarters in September 2022
- Moved 50% of the van fleet to electric

What we plan to do next

- Continue working with the FSI and other partners to calculate the full environmental footprint of core product lines
- Improve Energy Management and reduce office space in head office
- Maintain/renew renewable energy tariff contracts
- Start to baseline scope 3 emissions



Our people



Walking the talk

We value our employees' time

Flexi-Flowers (hours)

We offer flexible working hours. Our **core working hours** are 10:00am till 4:30pm enabling people the flexibility to **flex their start and finish times.**

Summer Fridays:

Giving time back! From the 1st July to 31st August, our standard working hours become 9:00am to 4:30pm.

Meaning employees get time back for themselves!

Free, delicious food & drinks:

Daily breakfast and organic snacks in the office.

Weekly team lunch & Thursday drinks.



84%

Employee Net
Promoter Score
(that's good!)

Staff benefits

Health

Subsidised private health insurance enabling employees to claim cash back on a large range of essential healthcare expenses

Wellbeing

Mental health & wellbeing sessions with The Mind Clinic
Free eye test vouchers at Specsavers for employees who work at computers/ monitors

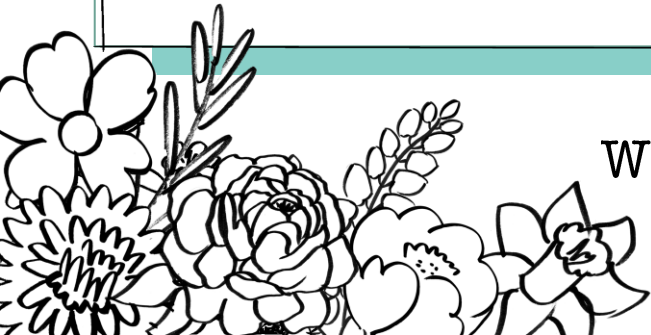
Flowers

50% discount on flower gifts and subscriptions for employees
25% discount for friends and family


More

Access to long-term service awards
Learning & Development support
Budget for self improvement
Employee Cycle-to-Work Scheme
Volunteering days

We also pay all staff above the London Living Wage!



Women in the workforce



11.7%

Median pay gap (in favour of our female employees)

Gender pay gap

Our Gender Pay Gap in 2023 was:

- **Mean: +10.2%** (up from 5.6% in 2022)
- **Median: +11.7%** (up from 0.5% in 2022)

On both measures we are, on average, paying our female employees more than our male employees. This is a consequence of having more female employees in manager and senior positions (see next slide).

Gender bonus gap

The percentage of men and women receiving bonus pay was:

- **38% female** (34% of our female workforce) – down from 40% in 2022
- **62% male** (47% of our male workforce) – up from 60% in 2022

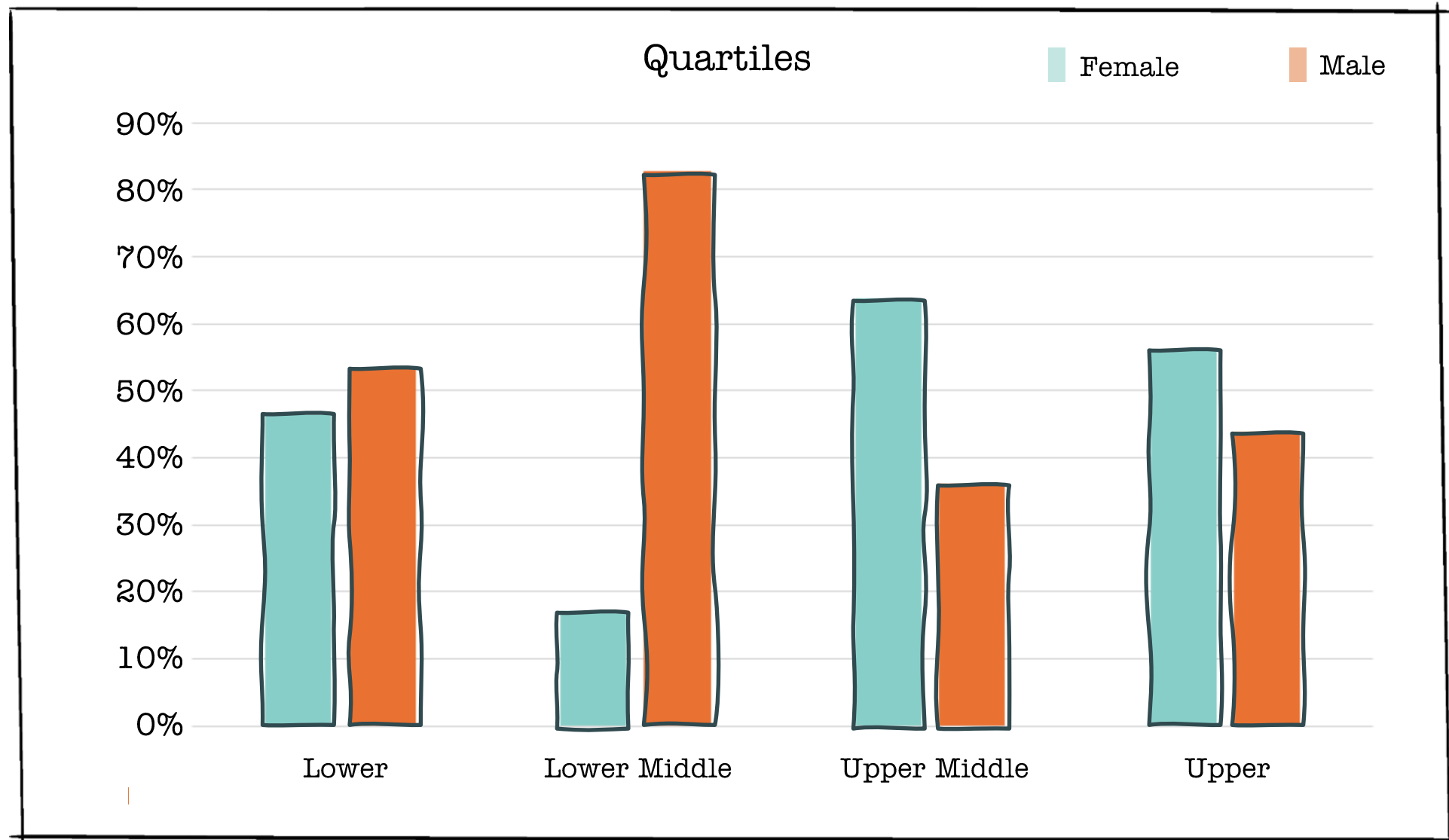
The difference here is due to a higher proportion of men in sales-based commission roles.

Women in management positions

More women in management positions

The graph shows the percentage of men and women in each hourly pay quartile.

We actively champion women in the workforce at Freddie's and are proud of the fact that women make up **56%** of our Head Office management roles and **64%** of our Warehouse Management roles.



Equality in pay and opportunity

A diverse group of approximately 20 people of various ethnicities and ages are posed in a warehouse setting. They are holding bouquets of flowers, including pink, white, and purple blooms. The background shows stacks of cardboard boxes and industrial equipment. The overall atmosphere is positive and celebratory.

Our commitment

“We work hard to monitor any pay variances and make out-of-cycle adjustments if we believe we have an equal pay issue.

We will continue to review our hiring strategy externally and our internal development strategy to promote equal opportunities within our organisation.”

Edward Bell, CEO

B Corp impact focus for our people



What we said we would do

- Evaluate the success of the 'Class Pass' (discounted gym membership) programme.
- Increase number of employees engaging in learning & development programmes.
- Enhance the 'invest in you' (self-development) policy

What we did

- Moved all employees from 'Class Pass' to health cash plans (Medicash) providing subsidised health insurance
- 16 individuals completed management training programme. 2 individuals taken on through the apprenticeship levy scheme
- Reduced the time period for employees to be able to access the 'Invest in You' grants (down from 2 years to 1 year)
- Ran a three-month trial of the wellbeing platform 'More Happi'

What we plan to do next

- Apply for accreditation from the Living Wage Foundation
- Increase and develop team building, employee engagement and self-development events
- Establish an internal mentorship programme
- Create a formalised policy outlining the objectives of internships



Our customers



BRinging joy to our customers

When we make people happy, we're happy

We don't just hand our customers beautiful blooms. People buy our flowers to **feel** something. We go the extra mile and wrap them up in creativity, spontaneity, and oodles of human warmth. We like to call this approach being "flowerful".

But don't take our word for it – this is what our customers think:

"Love Freddie's - they bring joy to me each month and have helped my mental health enormously. Love learning about the flowers and they last soooo long."

"By far the best flowers I've ever had, my flowers last 2 weeks guaranteed [...] having fresh lasting flowers is instant smiles."

"I never know what I am going to receive and it brings that massive smile to my face and plus I love sharing the story with others when they enter my home."

And it's backed up with science:

Flowers make 100% of people happy when they receive them, as concluded by a study by researchers from Rutgers University.*

A different study from Wageningen University found that background flowers positively affected peoples' mood and their perception of others.*

*Source: <https://research.wur.nl/en/publications/the-emotional-influence-of-flowers-on-social-perception-and-memor>



*From 10,310 reviews, as at April 2024



Happy
customers

“I have been getting these beautiful flowers for several years. They are always stunning and last for ages. I appreciate the recyclable packaging and their delivery by bike. I can pause deliveries when we go away, so I also appreciate that there is flexibility with the regular order.”

Trustpilot Review, April 2024

Finding the balance between waste and quality

There can be a trade-off between flower quality and waste

In 2023 we succeeded in reducing our waste by changing our stock ordering and management process. However, the changes impacted quality and freshness of our flowers, resulting in a slight increase in complaints from customers.

We have since refocused on delivering the highest quality flowers and are exploring alternative ways of further reducing our waste, including a new order process with our growers.



We aim to maximise...

...Flower quality

The higher our quality standards, the more stems we typically have to reject.

...Freshness

To maximise freshness (and avoid waste) we have a just-in-time process, however, this presents a risk in that if there's an issue with the supply, we don't have enough stock to satisfy our orders.


And minimise...

...Waste

Our subscription focussed model allows us to accurately forecast and place orders with our suppliers, however, it's not perfect and there are always unforeseen issues to contend with.

...Stem Substitution

Our growers occasionally encounter issues meaning they can't send us the specific variety we've requested. In such cases we have to substitute the stem for a similar flower. Luckily our customers are usually very understanding!



Customer generosity



Connecting with our customers

Through our fantastic partners at the Pennies Foundation we give our customers the option to **round-up their purchases to the nearest pound**, with the pennies collected and distributed to our chosen charity: Dementia Adventure.

Many of us have family members living with dementia, so it is a condition close to our hearts.

Dementia Adventure resonates for us because they encourage, support and facilitate people with dementia to **get outdoors, connect with nature and keep a sense of adventure in their lives**.

Research shows that meaningful activity and connection with the natural environment can have a positive effect on people with dementia*.

£5.4k

Raised by our customers



*Source: Greening Dementia, Natural England, Woodland Trust & Dementia Adventure, 2013

B Corp impact focus for our customers



What we said we would do

- Make Freddie's Flowers accessible to a wider range of people
- Improve customer satisfaction around the delivery experience

What we did

- Expanded our gift range to non-customers
- Brought more deliveries in-house to offer a better quality of service, and began a logistics partnership with Abel & Cole
- Offered more flexibility (e.g. fortnightly / monthly subscription options)

What we plan to do next

- Revise our ordering process and forecast models to enable us to continue to deliver on our low waste targets whilst delivering high quality, long-lasting, flowers to our customers
- Develop a strategy to increase customer satisfaction based on quality



Our community



Supporting women in our supply chain

Partnering with Women Win in Kenya

In the developing world, the flower industry employs a largely female workforce of poor, less educated and therefore vulnerable workers. It has long had a reputation for poor working conditions including low pay, over-crowded housing and repression of trade unions. Whilst we choose to work with responsible growers, issues can still persist and we are keen to work with our growers on this.

At the start of the year, we connected with **the amazing team at Women Win** to establish a one-year, £10k partnership focusing on women who work in our supply chain in Kenya.

Women Win have a vision of a future where **every girl and woman exercises her rights**.

Our partnership started with educating our own employees about the conditions that women can face in the floral industry.

Women Win then ran engagement workshops in Kenya with the women from farms we buy flowers from. The workshops were facilitated by local human rights groups and **helped identify the key safeguarding issues the women faced** through a methodology called 'Drawing the Line'.

Initiatives were subsequently implemented to address the issues – often involving training and engagement sessions with the mainly male management teams. We will aim to report on the impact of these initiatives next year.



Charitable donations



In 2023 we made an annual commitment to **donate 0.1% of our global revenue** to charity. This year it equates to **£38,900**. We have chosen four charities to receive the funds:



Bumblebees are needed to pollinate our crops and wildflowers, but the UK's bumblebees are in crisis. Bumblebee Conservation Trust work hard to raise awareness, create habitats and educate people to protect this vital insect.



After our successful partnership with Women Win, we are keen to continue supporting the great work they do to **protect women's rights in the flower supply chains** in Kenya ensuring they are heard and any issues are promptly addressed.

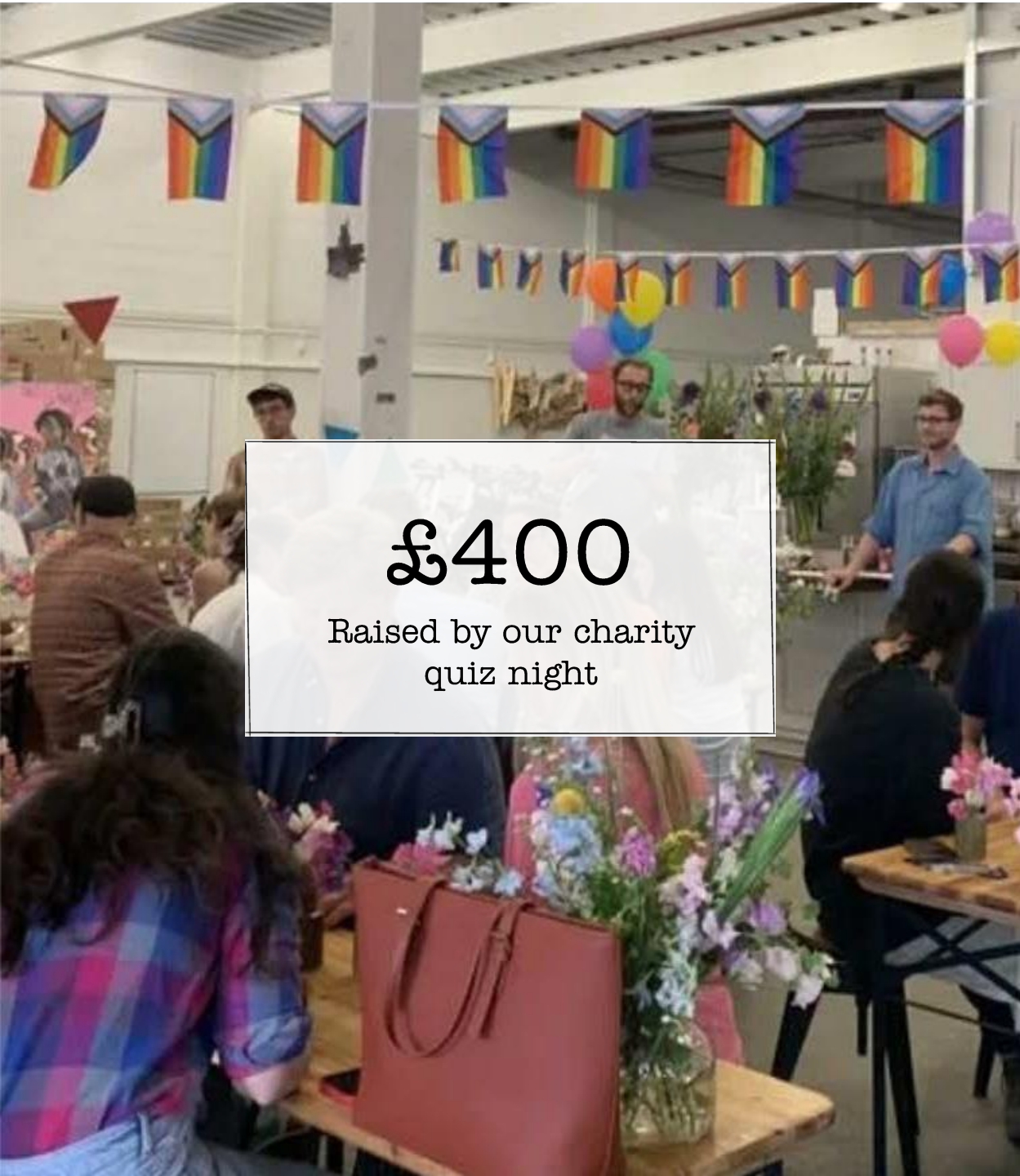


Strength & Stem is a charity and social enterprise that **uses floristry to empower female modern slavery survivors**, preparing survivors for employment and increasing their sense of wellbeing and community.



Spread a Smile **brings joy and laughter to seriously ill and hospitalised children** and their families during long hospital stays. They operate in NHS hospitals across the UK.

By supporting smaller charities like these fantastic organisations we know the money we donate will have a **direct impact** on the intended beneficiaries.



£400
Raised by our charity
quiz night

Fundraising and volunteering



Giving our time to support local causes

Volunteering

In 2022 we launched our volunteering policy giving employees one day a year to volunteer during working hours.

14 employees (5% of the workforce) volunteered with 4 different charities.

In 2024 we are planning a more strategic approach to volunteering with the aim of increasing the level of engagement as we see tremendous benefits not just for the charities, but for our employees.

Fundraising

Opening Doors is the only dedicated national charity connecting LGBTQ+ people over 50 with activities, events, support and information. They also provide accredited training to professionals, conduct research and create policy.

In June we held a quiz to raise funds for 'Opening Doors', raising over £200, matched by the company to over £400.

Over forty members of the team spent the evening competing to win the converted Quiz Master trophy!

B Corp impact focus for our community



What we said we would do

- Develop our DE&I strategy
- Increase the number of employees volunteering
- Work with current and new suppliers on the implementation of our Supplier Code of Conduct (developed in 2022)

What we did

- Partnership with Fair HQ and commitment to DE&I strategy – recommendations generated to develop people strategy
- 5% of employees volunteered, which was the same as last year
- 80% of our flower suppliers have signed the supplier code of conduct
- Donate 0.1% of our global revenue to charity

What we plan to do next

- For warehouse employees, who are on tight deadlines, it can be difficult to take time off as a team to volunteer so we are exploring ways in which we can better support them to give back in the way that suits them
- Develop a more strategic approach to volunteering and charitable donations – cementing support to charities that are aligned to our core business and setting targets for volunteering
- Ensure all key suppliers have committed and signed our supplier code of conduct



Our governance



Strengthening our governance



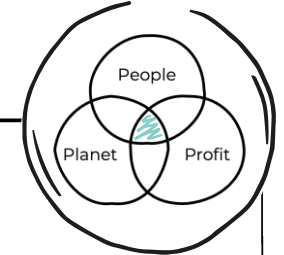
Increased Reporting

The ESG Data Convergence Initiative (ESG DCI) is driving convergence around meaningful environmental, social, and governance (ESG) metrics for the private equity industry. Since we welcomed The Craftory as partners in 2021, we have **reported key ESG metrics** aligned to the ESG DCI helping to **benchmark our performance** against other businesses of a similar size and **generate progress toward ESG improvements**.



Increased Transparency

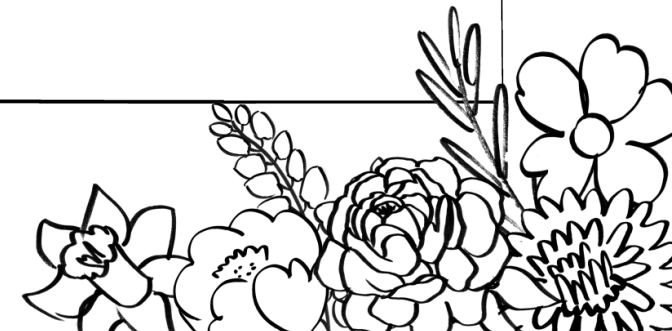
In 2023, in order to **increase our transparency with all employees** we introduced a weekly 'all hands' meeting with our employees called the Flower Stall. The meetings keep employees informed of business performance and key events. We begin with a trading performance review, then a hot spot focus on a particular employee-led topic, followed by a focus of gratitude towards employees covering new joiners/ leavers/ birthdays/ anniversaries etc. The sessions have proved really popular and we will continue to improve them based on employee feedback.



Increased Alignment

In 2023 our Chief Commercial & Financial Officer took on overall responsibility for our approach to sustainability.

This ensures **our sustainability priorities have senior leadership representation and are closely aligned with our commercial goals**.



B Corp impact focus for our governance



What we said we would do

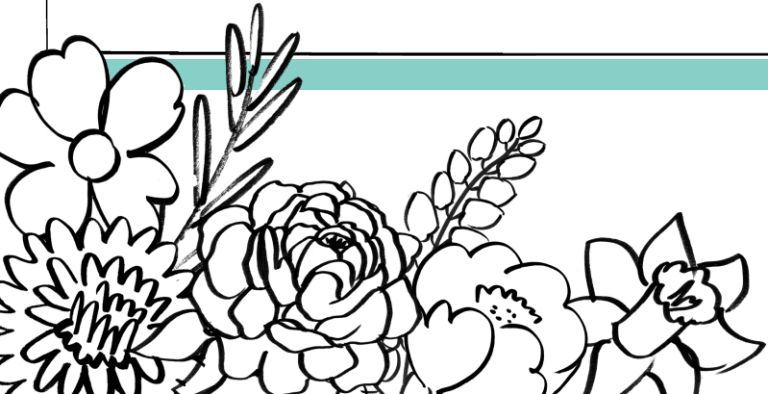
- Review and update anti-bribery and corruption policies
- Increase transparency to employees on business strategy and performance
- Improve our data capture of key non-financial information

What we did

- Anti Bribery & Corruption policies reviewed and added to the board agenda on an annual basis
- Establish the 'Flower Stall' to increase transparency across the business – this is a weekly all hands meeting covering business performance and future strategy
- Started using the Novata platform to capture and report key ESG and non-financial data

What we plan to do next

- Establish a sustainability oversight committee with board member involvement
- Strengthen board oversight by formally appointing an independent, non-executive director
- Introduce key non-financial metrics into the 'Flower Stall' meetings



Next steps





Setting a clear path to sustainability

Onwards to a sustainable future

One of our founding principles was to reduce waste in the floral sector, and our unique subscription model means we're able to produce significantly less than traditional florists. We continue to minimise our waste as much as possible, and whatever we're left with we compost back into plant food.

We haven't stopped there though. We were one of the early UK members of the Floriculture Sustainability Initiative, committing us to making progress on sustainable sourcing in the UK and internationally. Our standard packaging is all recyclable and/or biodegradable, and we're looking to reduce our usage of virgin materials. Our subscription model means we're uniquely able to collect our customers' empty boxes and re-use them. The deliveries we make ourselves are by bicycle and electric vans, and we're encouraging our logistics partners to do the same.

We are immensely proud to have been certified as a B Corp this year, recognising the progress we've made to-date. However, the journey doesn't stop there - we want to be the leader in our sector and the best for both people and the planet. As such, we need to go further and be more ambitious with our sustainability goals. A key focus for 2024 will be our sustainability strategy, to give us a clear path with defined targets for the next phase of the business. We look forward to sharing the output of that with you next year.

Freddie & team x

Have a
flowerful day!

