

THE YEAR OF UNCOMFORTABLE TRUTHS: 2020-21

SUSTAINABILITY

Grove[®]
COLLABORATIVE



Table of Contents

| | | | | | |
|----------------------------|----------------------------------|----------------------------|---|--------------------------------|-------------|
| INTRODUCTION | The Year of Uncomfortable Truths | Page 04 | CARBON FOOTPRINT | Introduction | Pages 45-46 |
| | Our Goals | Page 05 | | Goals and Milestones | Page 47 |
| | Business as a Force for Good | Pages 06-07 | | Our Strategy | Pages 48-49 |
| BEYOND PLASTIC™ | Introduction | Page 09 | JUSTICE, EQUITY, DIVERSITY & INCLUSION | 2030 Science-Based Target | Page 50 |
| | Goals and Milestones | Pages 10-11 | | Carbon Offsets | Pages 51-52 |
| | Tracking our Progress | Pages 12-14 | | Circular Business Models | Page 53 |
| | Plastic Neutrality | Page 15 | | Introduction | Pages 55-56 |
| | Products and Packaging | Page 16 | | Goals and Milestones | Page 57 |
| | Our Roadmap | Pages 17-21 | | Vendor Diversity and Inclusion | Page 58 |
| | Progress and Partners | Pages 22-23 | | Teams and Initiatives | Pages 59-60 |
| | Case Study: Peach Not Plastic | Pages 24-25 | | Benefits, Health and Safety | Page 61 |
| Memberships and Advocacy | Page 26 | Opportunities and Training | Page 62 | | |
| FORESTS & FIBER | Introduction | Pages 28-29 | Social Compliance Policy | Page 63 | |
| | Goals and Milestones | Pages 30-31 | Giving and Volunteering | Page 64 | |
| | Our Strategy | Pages 32-33 | APPENDIX | Plastic Metrics | Pages 66-70 |
| | Products and Packaging | Page 34 | | ESG Metrics | Pages 71-78 |
| HEALTHIER HOMES | Introduction | Page 36 | | SASB Reporting | Pages 79-82 |
| | Goals and Milestones | Page 37 | U.N. SDGs | Pages 83-85 | |
| | The Grove Standard | Page 38 | | | |
| | Our Anti-Ingredient List | Page 39 | | | |
| | Certifications | Pages 40-42 | | | |
| | Advocacy and Legislation | Page 43 | | | |



**What does it mean
to be a sustainable
company?**

2020: The Year of Uncomfortable Truths



As sustainability reports become standard practice, we raise the question of responsibility. Are we doing enough? Increasing transparency is an undeniably positive change, but how can we make an impact in an industry where many of the world's largest companies set insufficient goals that will be reached decades too late? How can we challenge companies—and global markets—to make bolder changes towards more urgent action?

At Grove, we know that you're never too small to lead an industry—and we're inspired by the changes our customers have made, and even demanded. This year, we want to share the key questions that guide our journey and keep us honest about whether we're doing enough in the face of pressing crises. The path of progress will always continue; there's no point of completion—and no perfect company. Accepting this, we're sharing those questions that define our path.

- **What does it mean to be a sustainable company?**
- **How can our business be a force for good?**
- **Why do we care so much about plastic?**
- **Can we decouple growth from emissions?**
- **How can we empower our customers to lighten their footprint at home?**
- **What does it mean to be an inclusive employer?**
- **How do we broaden the reach of our products?**
- **Where else can we push our industry?**

Our pursuit of these answers will lead us to drive progress within our industry. The consumer packaged goods market is tied to unintentional depletion in the name of convenience, coupling growth with single-use plastic and carbon emissions.

Our goal is to re-imagine household essentials as a force for positive impact and regeneration, moving from sustainability 1.0—"doing less bad"—to sustainability 2.0—"doing true good."

The hard work ahead includes a better understanding of materials, intersectional environmentalism and environmental justice—not just planting trees but preserving sacred places, making our products accessible to not just those who seek them out, and continuing to push against the inevitability of plastic. Because sustainability is the only future.



Our Goals

Grove's Goals

Right Now

Up Next

Beyond Plastic

100% PLASTIC NEUTRAL

Every time you receive plastic from us, we remove the same amount of ocean and nature-bound plastic waste.

100% PLASTIC FREE BY 2025

We're working hard to remove plastic from everything we make and sell.

Reforestation

DEFORESTATION-FREE SUPPLY CHAIN

Every purchase of Seedling supports the Arbor Day Foundation in reforesting the U.S. We've planted over 635,000 trees to date!

1 MILLION TREES & 100% FSC® CERTIFIED PAPER PRODUCTS BY 2022

We'll plant 1 million trees in the next year, but we won't stop there. We're actively exploring new ways to support conservation and regenerative agriculture, and we'll reach 100% FSC® Certified paper products by the end of 2022.

Carbon Footprint

CARBONNEUTRAL® CERTIFIED COMPANY

Our operations and business activities, including facilities and shipments, are all carbon neutral—and in alignment with our Scope 1-2 science based targets.

NET ZERO BY 2030

We're committed to taking meaningful climate action. We have set Science-Based Targets for scopes 1-3 and will be net zero by 2030.

Healthier Homes

NO HARMFUL CHEMICALS

100% of our products meet our Grove Ingredient Standards, 100% are free of harsh chemicals, and 100% of our Grove Co. cleaning and personal care fragrances are transparent.

SAFER PRODUCTS EVERYWHERE

We advocate for legislation requiring ingredient transparency and increasing standards around chemical safety within consumer products and cosmetics.

Justice & Equity

+\$350,000 INCREASE IN SOURCING FROM BLACK-OWNED BUSINESSES

We can make a meaningful impact by engendering diversity in our industry. We exceeded our goal to source an additional \$250,000 of products and goods from Black-owned businesses through 2021 by over \$100,000.

15% OF SHELF SPACE TO BIPOC-OWNED BRANDS BY 2022

We've made a pledge to allocate 15% of our shelf space to products from BIPOC-owned vendors and brand partners by the end of 2022. As of Q2, 2021, we're at 9%.





Image: Grove Co.

INTRODUCTION

How can our business be a force for good?

To start, we're proud to be a certified B Corp.

Grove aims to create household and personal care essentials that make a positive impact—our ability to foster positive change is fundamental to our business, not just an afterthought to profits or a way to mitigate negative impacts. To simply accept the model of shareholder primacy (maximizing financial profits with no consideration for social or environmental outcomes) is counter to who we are as a company, so we sought a better fit.

B Corporations are companies that acknowledge principles that seek to maximize business objectives beyond the sole objective of maximizing shareholder returns. This extremely rigorous standard incorporates all stakeholders including the environment, workers and communities. We're proud to be part of the

B Corp community, and we're committed to sharing our feedback as we continue to advance our goals.

In 2020, we completed our third B Impact Assessment, a triannual requirement to maintain our B Corporation certification. Grove faces unique and specific challenges based on the scope of products we develop and curate, the complexity of our supply chain and the growth of our business. Through the assessment process, we identified areas of strength and leadership, as well as areas of improvement. Reference [our public scorecard here](#), with highlights included on the next page.



BUSINESS AS A FORCE FOR GOOD (CONTINUED)

Areas of Leadership

- **Strong Mission & Engagement:** Our mission, ethics, accountability and transparency are reflected in every decision we make as an organization.
- **Civic Engagement & Giving:** We seek nonprofit partners that support Grove's sustainability pillars around human and environmental health and the ability of our business to be a force for positive impact.
- **Justice, Equity, Diversity & Inclusion:** Our purpose is to cultivate a more equitable and inclusive workplace for employees from diverse backgrounds.
- **Product Accessibility and Impact on Underserved Populations:** We strive to diversify our product offerings to underserved populations by entering new sales channels.

Opportunities for Improvement

- **Environmental Management:** In addition to our waste reduction programs, we continue to seek reductions in the footprint of our offices and fulfillment centers.
- **Career Development:** We value a culture where our employees can grow and advance and continue to seek effective ways for our employees to grow professionally within our organization.

Public Benefit Corporation

Grove is a public benefit corporation. This means that we have a legal duty to manage the Company in a manner that balances our stockholders' financial interests, the best interests of those materially affected by our conduct (including customers, employees, partners and the communities in which we operate) and the specific public benefit for which we are organized: the development, promotion and distribution of consumer products as a positive force for human and environmental health. As a B Corporation and Public Benefit Corporation, our work is never done. We continue to evolve as a company to achieve positive change through our business.



Image: Peach not Plastic by Grove



**Why do we care so
much about plastic?**



Image: For more information, watch [Humanity's Impact: How many plastic bottles do we produce?](#) by Studio Birthplace.

INTRODUCTION: BEYOND PLASTIC

We are drowning.

Who asked for packaging to last 500 years?
We're seeking new solutions, now.

Until the very recent past, consumers have never been given a choice between household essentials and packaging that won't last for centuries. Clean hair, clean teeth and clean counters have required a major negative environmental impact—locking customers into a habit of disengagement through an artificial standoff between convenience and sustainability.

If you weren't willing to make your own deodorant using baking soda, you were stuck with a lifetime's worth of empty, non-reusable, non-refillable, non-actually-recyclable deodorant containers.

The consumer packed goods industry has been built on the back of single-use, seemingly disposable plastic. Profits mean pollution.

Given that 76 million pounds of plastic packaging is created every day in the U.S. and only 9% is recycled, we do not feel that our industry is working fast enough or meaningfully attempting to address the plastic crisis. While more work is needed, solutions are available—but unrealistic goals about recycled content in the absence of recycling infrastructure will not get us there. If anything, they will hold us back from adapting to the solutions that we need.

Grove exists to create an alternative solution, where home essentials support environmental solutions rather than environmental destruction. Single-use plastic is not a part of that equation.



GOALS & MILESTONES

Plastic Free by 2025

Our goal is for everything we make and sell to be 100% plastic free by 2025, but we know it won't be easy. We expect that primary packaging will be plastic-free with rare exceptions. We're committed to working with our family of values-aligned, third-party brands to make progress as an industry—rather than charting this course on our own. Success for us doesn't mean chasing down the last 1% of plastic or removing a lot of plastic-containing products from our site in 2024 so that people can buy them elsewhere—it means guiding our industry towards systemic change. What progress looks like will depend on take-back and refillable options as well as new innovations, but at this point, setting a bold goal feels like our best way to advocate for meaningful change.



Image: Grove Co.

COMING SOON

Reduce Plastic Per Grove Order

In 2020, our customers received almost one pound of plastic in every shipped Grove box. Through partnership with our merchandising and marketing teams, we aim to educate customers on how to decouple plastic from growth, shipping less plastic for every pound of product.

Share Industry-Leading Plastic Metrics

As of 2020, plastic and carbon offsets are built into our costs. In this sense, plastic as a percent of revenue needs to decrease for us to become more profitable—and, as we move away from plastic, our business becomes more profitable from a shareholder and environmental perspective. Just as many companies have created an internal carbon price, we have an internal plastic price. For every ounce of plastic we sell, we pay a cost to our Plastic Neutral program.

Roadmap to 2023

By the end of 2023 or sooner, all Grove-owned brands will contain no more than 10% plastic, and no single-use, virgin plastic packaging. As of 6/30/21 we reached:



* Percent of total products containing plastic across all SKUs.



RIGHT NOW

Plastic Neutral

At Grove, our Plastic Neutral program ensures that for every ounce of plastic we sell, we remove the same amount of ocean and nature-bound plastic waste through our partnerships with [Plastic Bank](#)® and [rePurpose Global](#).



STEP 1

Measure

We weigh and record the amount of plastic in every product. Using those numbers, we calculate how much plastic we're sending in each order.



STEP 2

Remove

With Plastic Bank® and rePurpose Global, we recover an ounce of ocean and nature-bound plastic for every ounce of plastic we sell.

UP NEXT

Plastic Free

Grove exists to transform the products you use in your home into a force for human and environmental good, and plastic isn't part of that mission. Beyond Plastic is our plan to solve the single-use plastic crisis for home and personal care products. Today, we're 100% Plastic Neutral. By 2025, we'll be plastic-free.



OUR

Vision

We're looking to disrupt the existing plastic model, reduce overconsumption and provide zero-waste solutions for our customers.



OUR

Mission

We envision a world where plastic is eliminated through redesign, innovation or new delivery models.



OUR

Commitment

Beyond Plastic is our initiative to solve the single-use plastic crisis for home and personal care products. Today, we're Plastic Neutral with an ambition to be plastic-free by 2025.



TRACKING OUR PROGRESS

Plastic Footprint

Originally published in 2020, Grove's Plastic Scorecard is the first of its kind to publicly report on our total plastic footprint. We're using these disclosures to challenge our industry to track and publish their plastic footprints. As we work towards our goal of becoming plastic-free by 2025, these are the baseline totals for plastic used site-wide at grove.com, including all the brands we sell. Based on data collected thus far, all numbers shown compare the first half of 2021 (IH2021: 1/1-6/31/2021) to the first half of 2020 (IH2020: 1/1-6/31/2020).

2,582,976 lbs

TOTAL PLASTIC WEIGHT IN IH2021

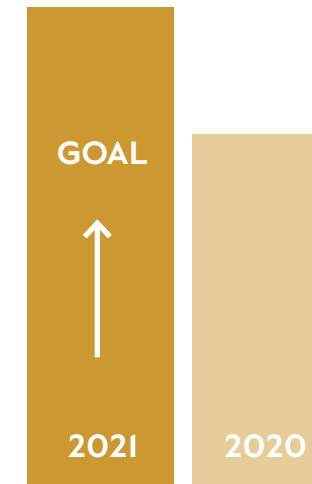
Total weight of plastic shipped from 1/1/21 through 6/30/21, including every brand and every product we sell at Grove. This is an increase of 42,611 lbs compared to 7/1 - 12/31/20, and an increase of 118,715 lbs compared to the same period last year. Our goal is to decouple business growth from our plastic footprint by introducing more plastic-free products into our assortment.

0.75 lbs

AVERAGE PLASTIC PER SHIPMENT IN IH2021

COMPARED TO .71 LBS IH2020

We hope to reduce this number through educating and engaging our community to adopt sustainable habits, like choosing plastic-free and plastic-reducing products.

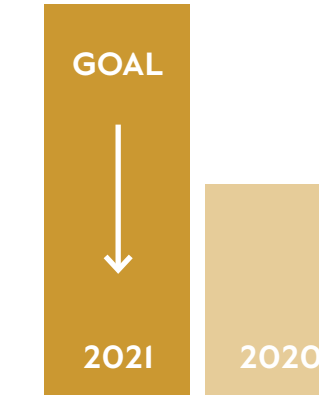


15%

OF PRODUCTS ARE PLASTIC-FREE IN IH2021

COMPARED TO 11% IN IH2020

We continue to seek alternate product and packaging formats to reduce products in our assortment that contain plastic.

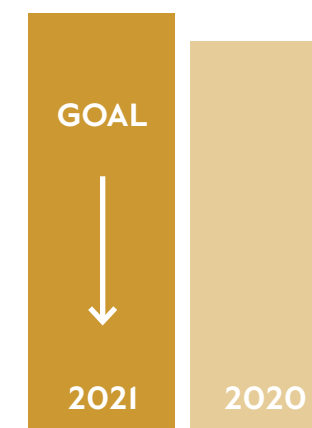


13%

PLASTIC AS A PERCENT OF TOTAL PRODUCT WEIGHT IN IH2021

COMPARED TO 7% IN IH2020

We aim to reduce this metric by reducing or eliminating unnecessary plastic packaging in products we sell.

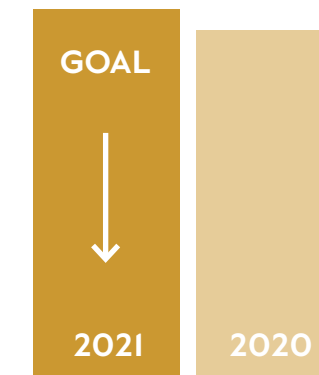


15%

POST-CONSUMER RECYCLED PLASTIC CONTENT IN IH2021

COMPARED TO 14% IN IH2020

We aim to reduce this metric by reducing or eliminating unnecessary plastic packaging in products we sell.

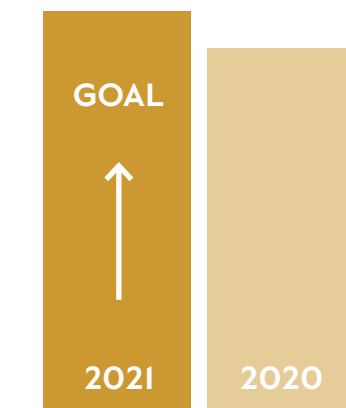


53%

PLASTIC PACKAGING VS. PLASTIC PRODUCT IN IH2021

COMPARED TO 50% IN IH2020

We prioritize reducing plastic in single-use packaging vs. plastic in the product itself.



11%

OF PRODUCTS CONTAINING PLASTIC ARE REUSABLE IH2021

COMPARED TO 10% IH2020

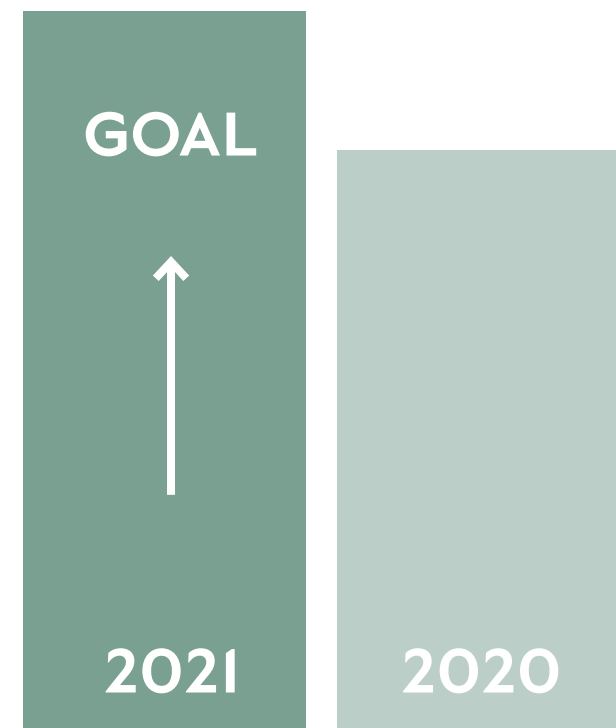
Across our assortment, we're seeking to increase reusable products and packaging while reducing single-use plastic.



TRACKING OUR PROGRESS

Portfolio of Owned Brands

Our seven owned brands span home care, personal care, and wellness, offering healthy formulas and sustainable formats without sacrificing performance. Replacing single-use plastic is core to our cause of reducing waste, minimizing our carbon footprint, and moving Beyond Plastic all together. These 2020-21 numbers represent our baseline as we work to remove all plastic from our products and packaging by 2025.

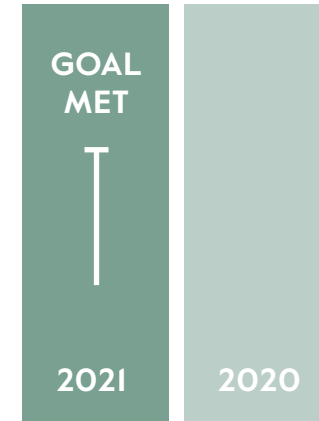


Grove Co.™

31+% OF PRODUCTS ARE PLASTIC-FREE IN IH2021

COMPARED TO 25% IN IH2020

Our flagship home care brand is sustainably powerful for a healthy home and planet.

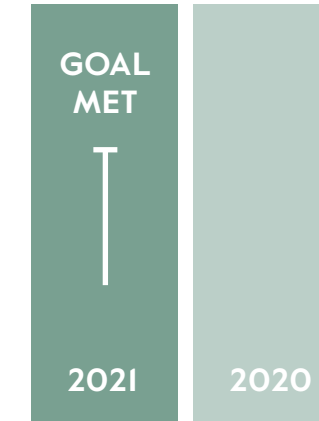


peach
not plastic™

100% OF PRODUCTS ARE PLASTIC-FREE IN IH2021

SINCE LAUNCHING IN 2020

Always 100% Plastic-free, Peach is on a mission to kick plastic out of the bathroom with Beauty & Personal Care products for everyone that make sustainability fun— with no performance trade-offs.

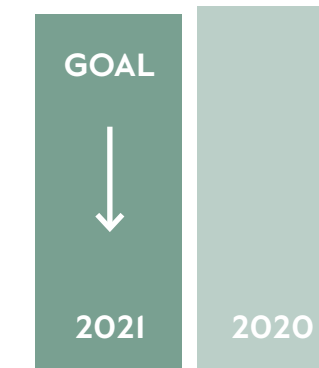


Seedling
BY GROVE

99% PLASTIC-FREE BY WEIGHT IN IH2021

COMPARED TO 99% IN IH2020

Tree-free paper made from strong, sustainable bamboo. Every purchase helps replant American forests. Packaging is plastic-free, made from post-consumer recycled content, and fully recyclable.

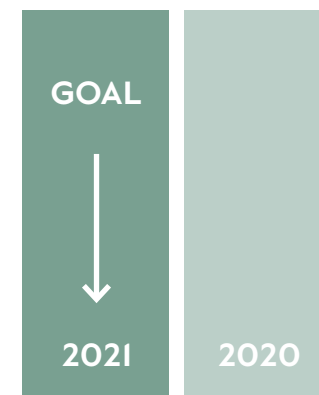


Rooted
BEAUTY

42% POST-CONSUMER RECYCLED PLASTIC CONTENT IN IH2021

COMPARED TO 43% IN IH2020

Plant-based care for skin, hair, and body made with potent antioxidants and other vital nutrients.

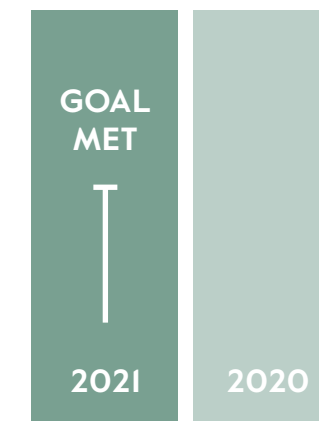


sustain
NATURAL

23% PLASTIC AS A % OF TOTAL PRODUCT WEIGHT IN IH2021

COMPARED TO 23% IN IH2020

Shame-free, healthy period care and sexual wellness products with a mission to spread sex education.



HONU

98% PLASTIC-FREE BY WEIGHT IN IH2021

COMPARED TO 98% IN IH2020

High-quality natural nutritional support to help you noticeably improve your health and well-being.



SUPER
BLOOM™

85% PLASTIC-FREE BY WEIGHT IN IH2021

SINCE LAUNCHING IN 2021

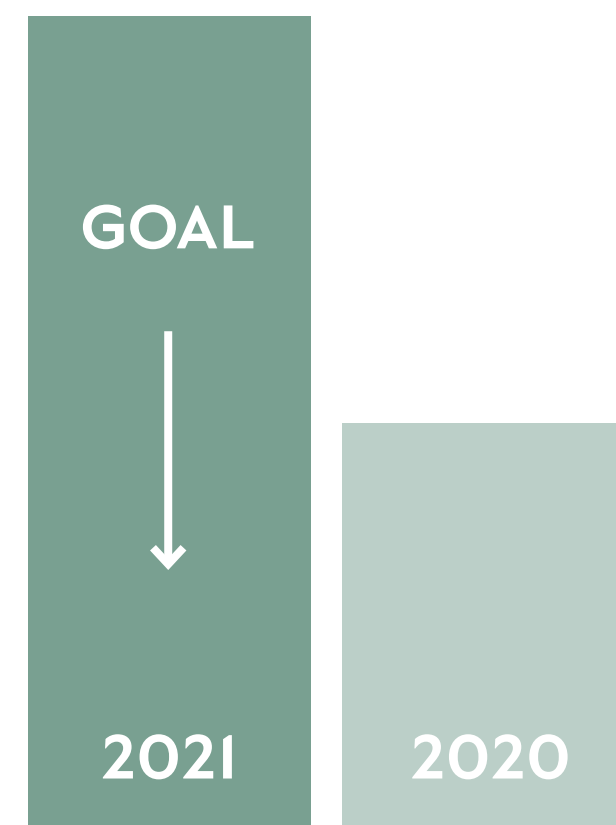
Our newest brand protects your skin from environmental stressors and restores your all-natural glow with vegan, plant-based skincare.



PORTFOLIO OF OWNED BRANDS

Grove Co. Brand

Grove Co., our flagship home care brand, is sustainably powerful for a healthy home and planet. Uncompromising performance, no harsh chemicals, 100% natural fragrances and moving Beyond Plastic, Grove Co. is redefining the future of sustainable home care. We weigh and record materials to keep our ratio of plastic-to-product low, and we track recycled and recyclable plastic in our products, supporting circular production and our Plastic Neutral efforts.

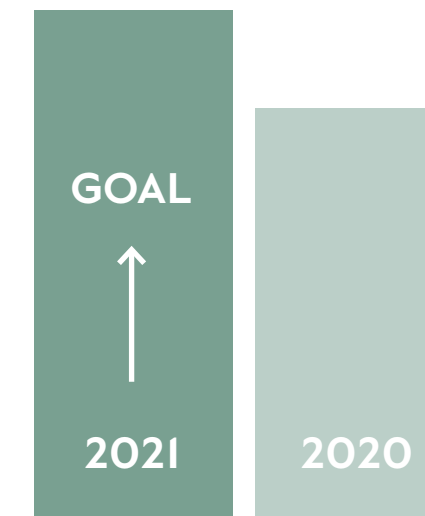


1,035,108 lbs

IH2021 TOTAL PLASTIC FOOTPRINT

COMPARED TO 705,347 LBS IN IH2020

Of the total number of Grove Co. products that we've shipped to our customers in 2021, 69% of those products contained plastic, 40% of those plastic products were reusable, and contained an average of 29% post-consumer recycled plastic by weight. The increase in our plastic footprint reflects the growth in our business. While absolute plastic usage went up, our next report will disclose plastic per dollar of revenue (intensity) to track whether we are making progress in our aim to decouple our plastic footprint from our sales.

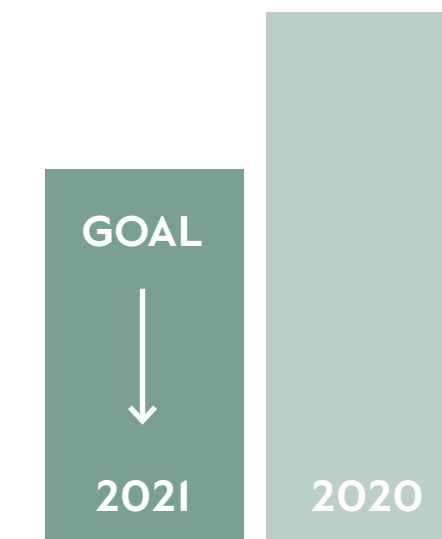


31+%

OF PRODUCTS ARE PLASTIC-FREE IN IH2021

COMPARED TO 25% IN IH2020

We continue to seek alternate product and packaging formats to reduce the number of Grove products that contain plastic.

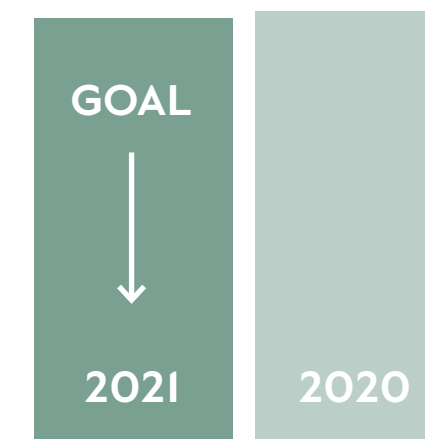


26%

OF TOTAL PLASTIC IS PACKAGING IN IH2021

COMPARED TO 37% IN IH2020

This is the ratio of plastic that is packaging versus plastic that is part of the product itself. We prioritize eliminating single-use plastic from our packaging.



60%

OF PRODUCTS CONTAINING PLASTIC BY WEIGHT ARE SINGLE USE IN IH2021

COMPARED TO 61% IN IH2020

To reduce this metric, we will reduce or eliminate unnecessary plastic packaging in Grove Co. products. Single-use—or disposable—plastics are items, such as pouches or caps, that are used only once before they are thrown away or recycled.

*Definition: Sustainable Packaging, Sustainable Packaging Coalition, sustainablepackaging.org.



Plastic Neutrality

We consider Plastic Neutrality a realistic way to mitigate the impact of our plastic footprint. It is not our end goal. We are also focused on maintaining the integrity behind our plastic collection programs. In the absence of a regulatory body overseeing plastic crediting systems, we're committed to creating a rigorous system of measurement which focuses on transparency, traceability and additionality of collection projects. We remain in close contact with our collection partners on best practices and emerging industry standards and are dedicated to constant evaluation of our practices as a standard emerges.

MAPPING OUR IMPACT

Grove's Plastic Neutral Programs



OUR PARTNERS

rePurpose Global (Launched in 2021)

rePurpose Global is a plastic crediting platform dedicated to reducing waste, reviving lives, and restoring nature's balance. Their mission is to allow purposeful people and companies to address our plastic pollution crisis through Plastic Neutrality. Through our partnership with rePurpose, we are complementing our continued work with Plastic Bank by scaling to new geographies in India, Kenya and Colombia where our focus will be on the collection of low-value plastics (such as candy wrappers or chip bags) that are more likely to end up as pollution. We are also investing in capital infrastructure that will enable the collection of greater volumes of plastic pollution and enable the scalability of corporate Plastic Neutral programs. We are proud to diversify our approach to Plastic Neutrality, and know that while it's not a perfect solution, that our commitment to address the world's plastic pollution crisis is meaningful. To learn about Grove's impact through rePurpose, please visit our [annual impact report](#).

Plastic Bank (Launched in 2020)

Plastic Bank® empowers the regenerative society. They build ethical recycling ecosystems in coastal communities, and reprocess the materials for reintroduction into the global supply chain. Collectors receive a premium for the materials they collect which helps them provide basic family necessities such as groceries, cooking fuel, school tuition, and health insurance. Plastic Bank's Alchemy™ blockchain platform secures the entire transaction and provides real-time data visualization – allowing for transparency, traceability, and rapid scalability. Plastic Bank® currently operates in Haiti, Brazil, Indonesia, the Philippines, and Egypt.



BEYOND PLASTIC

Products & Packaging

We're innovating out of products containing single-use plastic and into products designed for circularity: plastic-reducing and plastic-free, refillable and reusable. One way we measure the impact of the plastic-free and plastic-reducing products we create and curate is through the amount of plastic they avoid compared to their conventional, mass market alternatives. Here's a few metrics we've calculated since each product's launch:

4,636,021 lbs
POUNDS OF PLASTIC AVOIDED
IN ALL OUR PLASTIC-FREE AND
PLASTIC-REDUCING PRODUCTS

1,143,874 lbs
OF PLASTIC AVOIDED IN
OUR GROVE CO.™ CLEAN-
ING CONCENTRATES

Our powerful cleaning concentrates have moved from plastic to glass and are 100% plastic-free. Since launch in October 2020, this new product format has avoided 335,234 pounds of plastic.



324,062 lbs
OF PLASTIC AVOIDED IN
OUR GROVE CO.™ HAND
AND DISH SOAPS

Our high-performance formulas are now in plastic-free packaging. Since launch in October 2020 and transitioning from plastic to aluminum, this new product format has avoided 73,899 pounds of plastic.



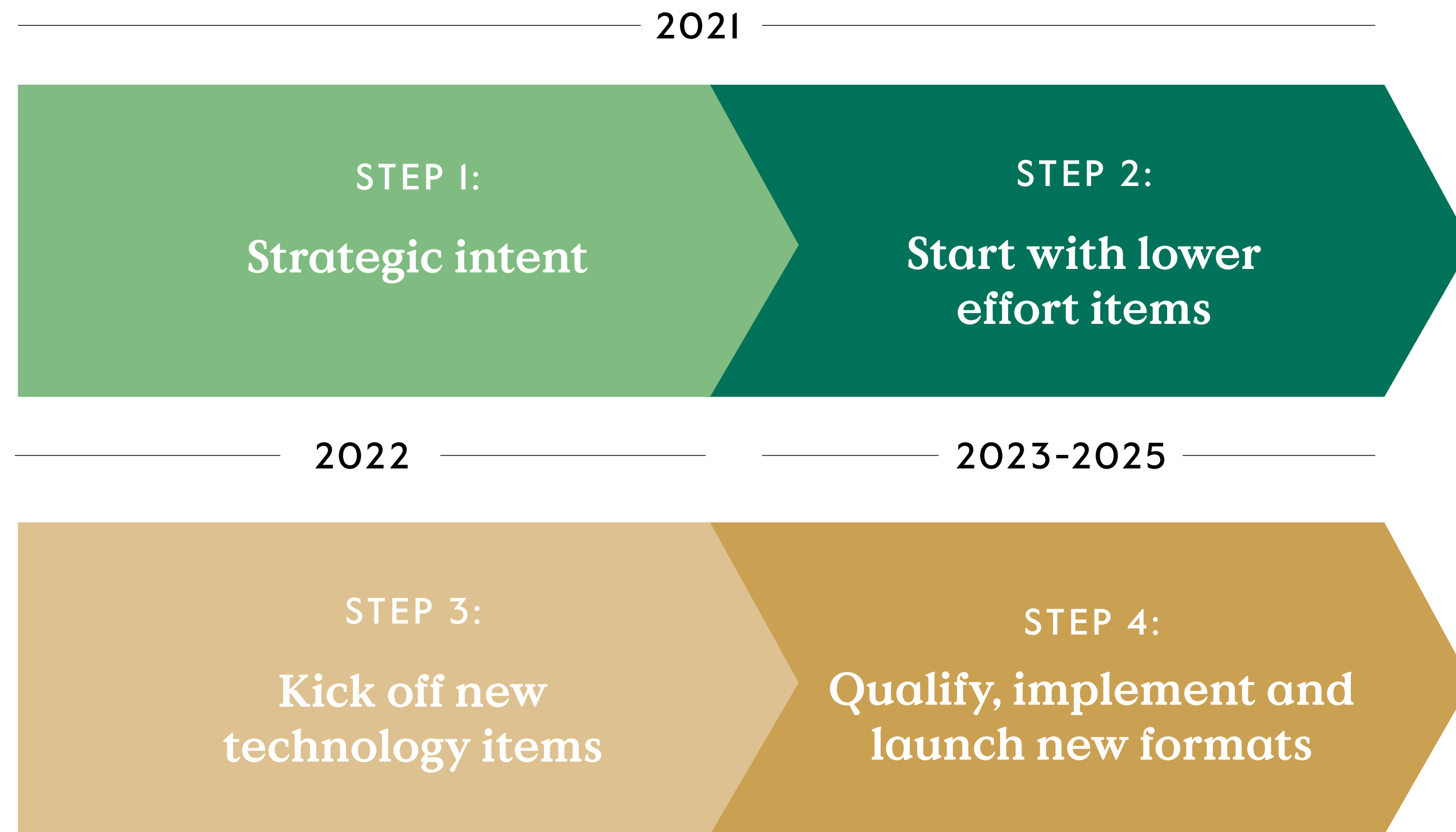
67,300 lbs
OF PLASTIC AVOIDED IN
OUR PEACH NOT PLASTIC™
PRODUCTS

Our waterless, plastic-free and plant-based personal care products make personal care fun, colorful, and waste-free. By replacing traditionally packaged care products with our waterless bar formats, each Peach customer can avoid 4.44 pounds of plastic per year.



Roadmap to Plastic-Free

We don't have total visibility as to how we will get to 100% plastic-free, but that's not a reason to start along our journey. Here's how we're thinking about tackling these challenges.



PHASE I

Available Alternatives

Phase I requires transitioning all possible packaging out of plastic, where solutions exist. If solutions don't currently exist, we will use post-consumer recycled (PCR) plastic as much as possible. On the collaboration front, in 2020, we launched our Plastic Working Group with participating third-party brands sold on our site.

PHASE 2

New Formats & Behaviors

Moving into Phase 2 means expanding our resources and testing to find matches with existing products. Solution must-haves include product compatibility, packaging performance, and price. Consumer behavior change is likely to support this transition.

PHASE 3

Innovations & Solutions

While we have less visibility into this chapter of our work, Phase 3 will be the final stretch of our plastic-free journey. It depends on the creation of new materials, technologies and logistics systems that enable us to reach a full assortment of plastic-free products.

WHAT WILL IT TAKE TO GET THERE?













Phase 0: Getting Started

|  Measurement |  Goal Setting |  Industry Action |
|---|--|---|
| <ul style="list-style-type: none"><input checked="" type="checkbox"/> Collect a list of all SKUs (including non-plastic).<input checked="" type="checkbox"/> Create a measurement system to capture what parts include plastic, as well as what type of plastic and if recycled content is used.<input checked="" type="checkbox"/> Familiarize teams with concepts of recyclability and what plastics are likely to be recycled.<input type="checkbox"/> Start to measure or otherwise capture places in supply chain, offices or other business activities that might also be plastic intensive or create significant waste. | <ul style="list-style-type: none"><input checked="" type="checkbox"/> Start a conversation about plastic removal and reduction.<input checked="" type="checkbox"/> Examine organizational commitments around sustainability-how does plastic fit in?<input checked="" type="checkbox"/> Consider low hanging fruit around reduction in packaging such as secondary packaging.<input checked="" type="checkbox"/> Collect consumer insights about functionality, packaging preferences, etc. | <ul style="list-style-type: none"><input checked="" type="checkbox"/> Engage with suppliers on plastic free, recycled plastic, lightweight and other existing alternatives.<input checked="" type="checkbox"/> Explore convening groups around packaging, plastic and overall sustainability.<input checked="" type="checkbox"/> Support local legislation oriented around reducing/disincentivizing single use plastics. |









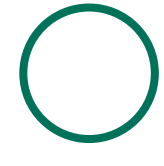


Phase 1: Available Alternatives

|  Design |  End of Life |  Industry Action |
|--|---|--|
| <ul style="list-style-type: none"><li data-bbox="186 870 1059 990"> Transition out of plastic wherever possible into materials that are commonly recyclable.<li data-bbox="186 1033 909 1153"> Increase PCR and recycled content wherever possible.<li data-bbox="186 1196 1049 1316"> Prioritize most commonly recycled materials in place of those unlikely to be recycled.<li data-bbox="186 1360 909 1480"> Reduce all unnecessary packaging. | <ul style="list-style-type: none"><li data-bbox="1202 870 2085 1037"> Label all packaging with How2Recycle instructions to maximize chances of it being recycled properly. | <ul style="list-style-type: none"><li data-bbox="2259 870 3158 1014"> Launch Plastic Working Group to share best practices, our roadmap, and create a plan for industry action.<li data-bbox="2259 1058 3168 1300"> Launch advocacy practice: Support legislation and working groups that advance both state and national legislation around increased recycling, disincentivizing single-use plastics, and addressing plastic pollution. |



Phase 2: New Formats & Behaviors

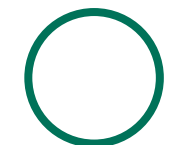
|  <h2>Design</h2> |  <h2>End of Life</h2> |  <h2>Industry Action</h2> |
|---|--|---|
| <ul style="list-style-type: none"><li data-bbox="186 870 1092 1005"> Develop new formats for packaging that prioritize refills, avoid single-use, and transition away from plastics.<li data-bbox="186 1033 1092 1149"> Innovate new products. For example, eschew traditional bottles in favor of plastic-free bars.<li data-bbox="186 1215 1092 1493"> Through testing, explore the role of consumer behavior changes. Examine consumer acceptance and adoption. Increase focus on the measurement of average plastic in packaging, and design a path towards reduction through behavior change. | <ul style="list-style-type: none"><li data-bbox="1202 883 2075 1005"> Increase compostable packaging assortment. Ideally, make packaging home compostable where possible. | <ul style="list-style-type: none"><li data-bbox="2259 870 3068 1005"> Pilot circularity programs to explore feasibility of long-term reuse addressing plastic pollution.<li data-bbox="2259 1071 3135 1437"> Publish a list of aggregated packaging innovations through the third-party brand Plastic Working Group. Research innovations and changes required for an industry-wide transition to plastic-free packaging. Signal demand that consumer packaged goods, personal care, and the clean beauty industry are ready and eager to go plastic-free. |



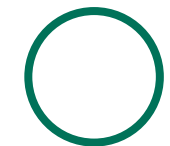
Phase 3: Innovations & Solutions



Design



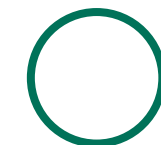
Design for materials recovery. Consider packaging that can be recovered and reused rather than recycled.



Make packaging a force for good. For example, explore the creation of new materials from waste and examine carbon capture and/or carbon-negative packaging. Explore the potential role for permanent durable plastic goods with demonstrated longevity.



End of Life



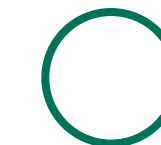
Create scalable circular packaging or refill systems, enabling take-back models that avoid landfill waste and reach a large percentage of Grove customers.



Prioritize longevity and re-use over recycling. We envision a world in which every Grove box leaves minimal materials in home recycling bins, and anything that goes into the bin is truly recyclable in the majority of U.S. households.



Industry Action



Catalyze our industry to make bold commitments to plastic-free solutions. Participate in the creation of industry-wide goals.



Partner with other retailers who share our commitment to avoid plastic and move towards circularity. Scale systems for packaging collection, take-back, and/or refill.





Image: Grove Co.

OUR PROGRESS AND PARTNERS

How are we doing on our goals?

We're making steady, plastic-free progress.

While we refine our long-term goals and timelines to move out of plastic, tracking to the phases outlined in our checklists, we've begun to develop an internal roadmap for both our Grove-owned brands and our site, which aim to address or track progress in relation to our goals. Most critically, these milestones help create points of incremental progress. We are centering our owned brands approach around materials, overconsumption and end of life—seeking to address challenges where our industry and sustainability principles lack alignment.

Grove-Owned Brands Approach

Grove-owned brands are focused on designing out of single-use plastic as a first priority. As of this year, Grove-owned brands will not launch any new products that require virgin, single-use plastic as primary packaging, and we're actively

removing any single-use plastic packaging from our assortment. As it relates to further development, we are considering the following principles:

- 1. Holistic Design:** Design out of single-use plastic waste when possible and evaluate life cycle for circular economy optimizations, without the use of any single-use plastic packaging.
- 2. Material Selection:** Maximize recycled content and choose materials that can be recycled based on How2Recycle guidelines.
- 3. Performance:** Packaging must consider the full supply chain of the product to reduce damage, improve transit efficiencies and meet shelf-life requirements.



OUR PROGRESS (CONTINUED)

4. Consumer Engagement: Every package must contain the How2Recycle label to inform consumers how to dispose of it.

5. Durability: Products are designed for long-term usage and modularity for any parts that need replacement.

Grove Third-Party Brands

Grove seeks to be a marketplace for values-aligned brands who share our vision to improve our industry. While we know that new packaging formats are critically needed, as a first step while we work with our existing brands to transition out of single-use plastic packaging, by 2022, Grove will not onboard any new brands whose packaging is primarily single-use, virgin plastic. We are working to further refine our timelines for third-party brands.

- 12% of products from our third party brands are currently plastic-free, and we're working to reach 15% by the end of 2021.
- We aim to have 50% recycled plastic by the end of 2023.

Plastic-Conscious Partners

We're committed to moving our industry forward, and we work with third-party brands to offer a wide range of plastic-conscious solutions. In 2020, we added 163 plastic-free products, from 32 brands, to our Grove assortment. Everything available at Grove has met our standards for ingredients, efficacy, cruelty-free production, and sustainability—and our partners have been tremendously receptive to our goals around plastic, even with major questions about feasibility within each product category and available alternatives. In 2020, we launched a Plastic Working Group to facilitate collaboration and learning around plastic reduction, and we look forward to reporting on our progress.

Seventh Generation

Launched in September 2020 exclusively at Grove, [Seventh Generation](#) introduced a line of Zero Plastic home care and personal care products. These liquid free, mineral-based, biodegradable cleaning products are packaged in steel—the most recyclable and recycled material in the world—along with no synthetic fragrances, no dyes, no bleach, no wrappers, and certainly no plastic.



Image: Seventh Generation at Grove





Image: Peach not Plastic by Grove

CASE STUDY

Launching Our First 100% Plastic-Free Personal Care Brand

In 2020, we launched Peach Not Plastic™—a fun, experiential personal care brand on a mission to kick plastic out of the bathroom.

Why We Went Plastic-Free

At Grove, we seek to challenge existing product formats that have plagued the personal care industry with single-use plastic. For decades, clean hair and body care meant plastic bottles full of liquid.

Through our research and testing, we discovered that plastic and water have zero performance benefit—whether in hand soap, body wash or shampoo.

We launched Peach Not Plastic in 2020 to show our consumers and the industry that it's possible to have an enjoyable, experiential and effective beauty and personal care routine without all of the plastic packaging.

How We Did It

Launching Peach successfully meant overcoming decades of learned behavior and expectations around product format, performance and in-use experience. Here is how we approached the challenges:



CASE STUDY (CONTINUED)

Love to Lather

The first thing we learned when talking to our consumers is that rich, soft and creamy lather matters—a lot. Lather is linked intuitively with the feeling of clean hair—even if there’s not necessarily a direct connection between lather and cleaning performance. So we made the product experience a priority—rich, creamy lather, paired with expressive, delightful fragrances are as important as high performance and squeaky clean hair.

Making the Switch Oh-So-Easy

Many people want to do better for the environment, but aren’t sure how—and they certainly don’t want to compromise on product performance. So Peach set out to make sustainability fun—all without performance trade-offs versus conventional formats. With fun shapes, expressive and delightful scents and highly effective products, there’s no reason not to switch to Peach—all while saving the planet one plastic-free product at a time. We don’t preach sustainability, we make it inviting and fun for everyone!

Storage and Travel

Storing bar products in the shower can be tricky. They need to drain and dry properly between uses. So helping consumers through education and offering adjacent products—such as shower soap dishes—helped to make sure they were able to take good care of their products. Also, traveling with these bars is a breeze since they aren’t restricted by TSA regulations—unlike liquid hair and personal care products.

A Year After Launch...

...we found that our customers are loving our plastic-free Peach Not Plastic hair, facial and body bars. We’ve expanded our portfolio with an industry-first, refillable and aluminum-based, infinitely recyclable deodorant system, and we’re working hard to bring even more plastic-free beauty and personal care options to our consumers. Our bars alone have received over 830 reviews and are consistently rated above 4 stars—all while avoiding 64,000 pounds of plastic in less than one year. We can’t wait to see what year two will bring!



Image: Peach not Plastic by Grove



Memberships & Advocacy

Our plastic-free goal is meant to transform our industry, not just our own assortment of products. In order to do this, we know that Grove needs to actively participate in relevant industry dialogues and conversations about relevant legislation, such as the proposed Break Free from Plastic Pollution Bill. Making our voice heard in all places where these conversations are happening is part of our responsibility in driving change. We do this in several ways: memberships, advocacy and communications.

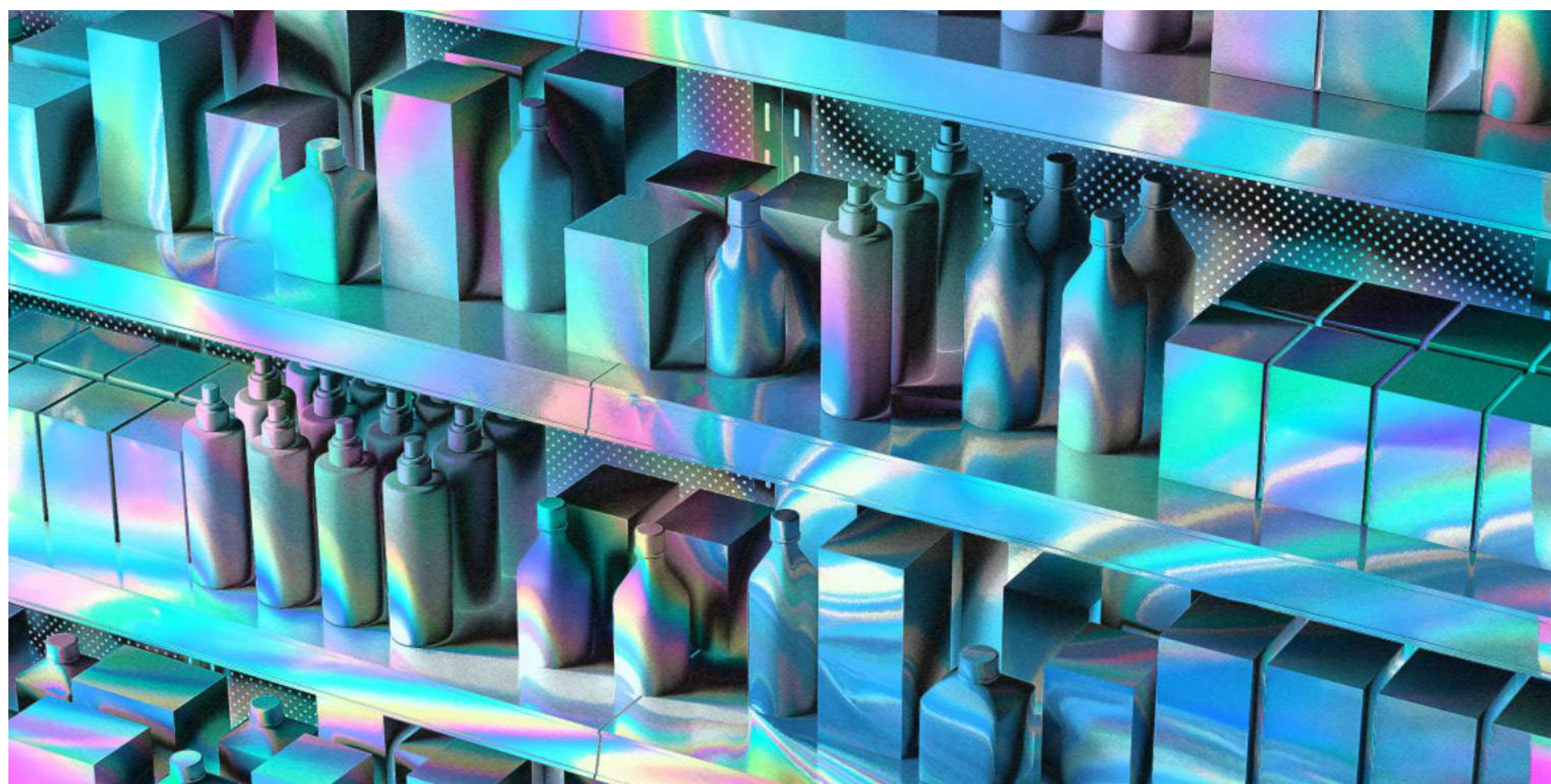


Image: [Plastic is killing our planet. Will the consumer packaged goods industry step up?](#) Fast Company Magazine. 07.06.2021.

Memberships

Grove revisits its memberships annually to participate in action-oriented groups of like-minded companies and organizations:



Advocacy

Grove is proud to support the Plastics Free California Ballot Initiative, the Break Free from Plastic Pollution Bill, and other state and national advocacy efforts to avoid single-use plastic, increase recycling, and address plastic pollution. We're also part of the BeautyCounter Counteract Coalition, a collective of like-minded businesses in the personal-care and beauty industries that are eager to see more health-protective laws passed in Washington, DC.

Communications

Finding ways to amplify our message is a key tenet of our brand marketing, communications and public relations strategy. In 2021 our CEO highlighted the challenge Grove poses to the CPG industry in mainstream media interviews, speaking opportunities and an [Op-Ed that ran in Fast Company](#) on July 6th calling out our industry for filling the commons with plastic.



**How can home
essentials protect the
natural environment?**



Image: Canadian Boreal Forest

INTRODUCTION: FORESTS & FIBER

Trees belong in healthy forests.

Every second, 1,400 square feet of the Canadian boreal is clearcut.*

We love trees so much that we want to keep them healthy in forests, where they already exist—storing carbon, keeping soil healthy, providing habitats and supporting planetary health. In our industry, you'll hear a lot about planting trees—including from us. (Grove has committed to planting IM trees by 2022.) The difference? Most of our competitors are planting trees because their business relies on cutting them down.

In fact, every second, 1,400 square feet of the Canadian boreal forest is clearcut—a footprint the size of a small house—in part, to make toilet paper. (Our favorite research, [The Issue with Tissue](#), comes from the Natural Resources Defense Council and we strongly encourage a read.) A tree planted is nowhere near equivalent to a tree cut down in any meaningful way—from carbon capture to soil health to wildlife protection or

otherwise. While we continue to make progress towards planting IM trees, we know we can't reforest the planet on our own. [New research](#) shows that reforestation is not without its own sustainability challenges.

We can play a part in building a more sustainable industry by creating and selling items that decrease the amount of fiber-based products consumed on a daily basis— as well as by building conservation into our business model. For example, by replacing conventional paper products with our [Seedling](#) line of bamboo-based paper towels and toilet paper, we're helping (and hoping) to save some of the trees cut down every day for household paper. We're also innovating where we can, expanding our tree-free, bamboo-based line into compostable kitchen wipes, facial tissues, napkins and more.

*Source: [National Resources Defense Council](#).



INTRODUCTION: FORESTS & FIBER (CONTINUED)

This year, we've extended our work around reforestation. Beyond tree planting, we're more honestly examining our impact. Specifically, as we transition out of plastic, we want to ensure that we don't adopt alternatives linked to deforestation. As part of this work, we're collaborating with leading nonprofit organization [Canopy](#) to develop an anti-deforestation and [Responsible Fiber Policy](#), and we're joining the [Pack4Good](#) network.

We're also thinking about soil health, conservation and biodiversity. We're asking questions, like: How can our small but motivated business support planetary health, climate and wildlife through its purchasing decisions, supply chain and partnerships?

We're at the start of this exploration, but we've had meaningful pilots. With [Presidio Graduate School](#), we're exploring how we can institute regeneratively sourced raw materials. In ongoing work with [Project Drawdown's Drawdown Labs](#), we're examining nature-based solutions. Lastly, we're focused on creating a framework for palm oil, working with leading

certification group, [Palm Done Right](#), to institute industry-leading practices.

Success in this part of our business means that our products and packaging are contributing to reforestation, never deforestation or degradation. We also value conservation above restoration and are actively looking for ways where our business can reinforce these aims.



GOALS AND MILESTONES

1M Trees Planted by 2022

We believe that household essentials shouldn't come at the expense of the planet. Grove's reforestation strategy aims to align purpose with profit by the positive impact made through our Seedling line, through our non-profit partnerships, and with voluntary carbon offsets. We're proud to work with the Arbor Day Foundation to restore areas of critical deforestation around the U.S. This past year, we published our first Responsible Fiber Policy and joined Canopy and Palm Done Right in ensuring our practices aligned with industry best practices. We also joined 1 Trillion Trees, the Taskforce on Nature Related Climate Disclosures as an observer.

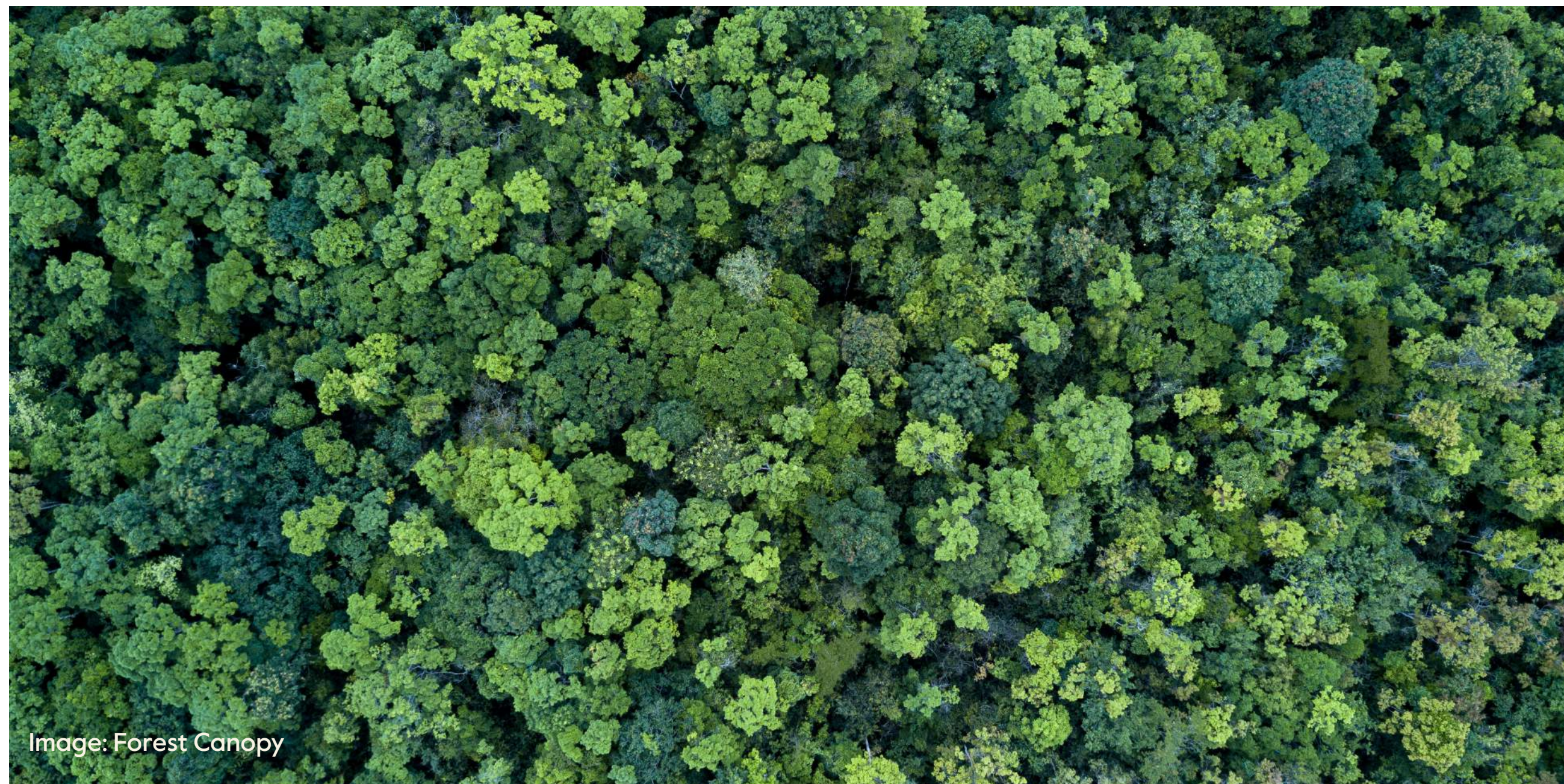
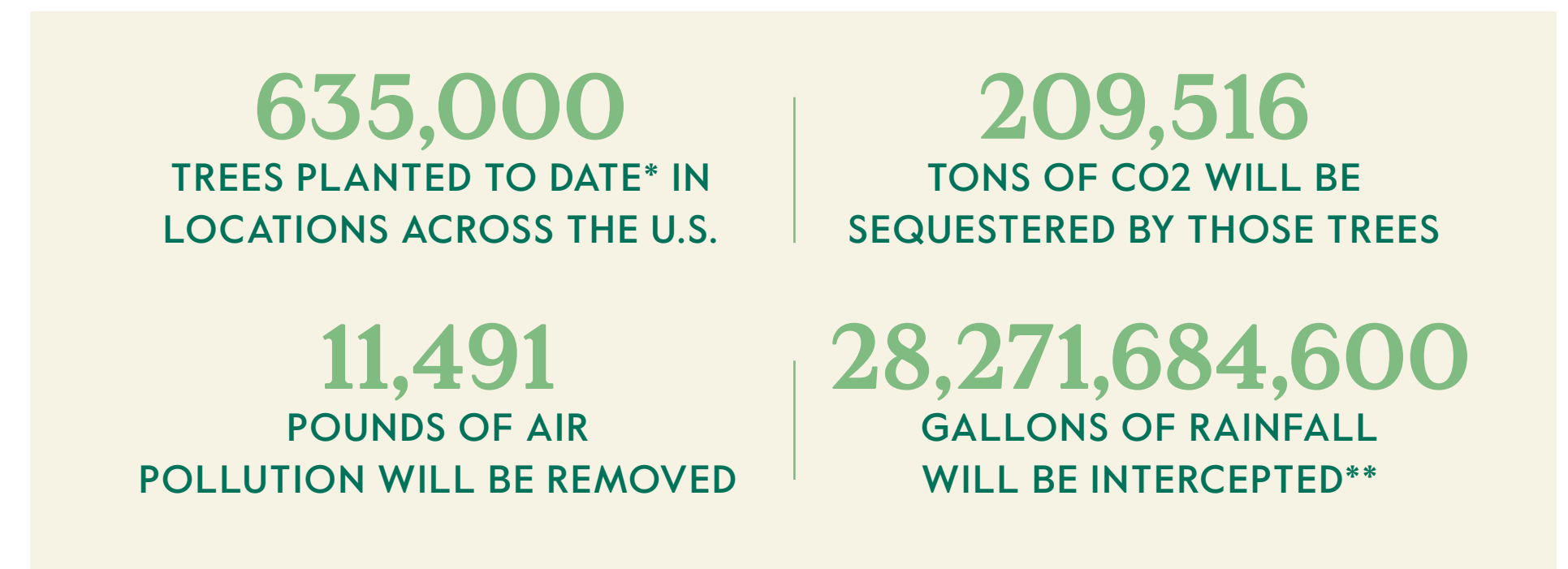


Image: Forest Canopy

Upon maturity, the 230,000 trees that we planted in 2020 (bringing our current total to 635,000 trees planted to date*) will not only restore forests, but also provide ecosystem benefits to their communities on an annual basis. We're on track to plant 1 million trees in the U.S. by 2022 with the Arbor Day Foundation.



COMING SOON

100% FSC-Certified Paper Products by 2022

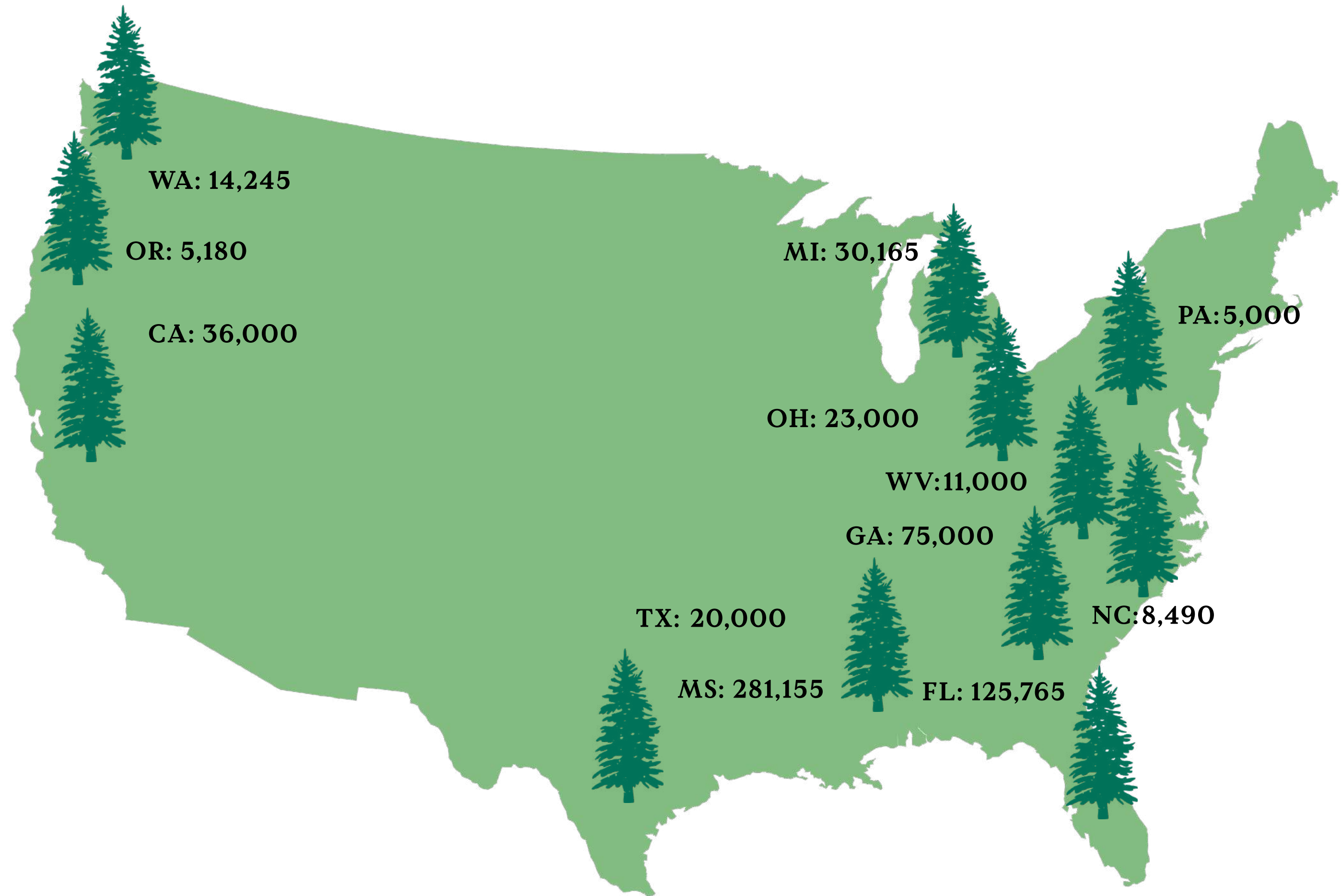
By the end of 2022, all paper products used to package and ship our products will be certified by the Forest Stewardship Council® (FSC®). We've also joined Prana's Responsible Packaging Working Group to collaborate with like-minded peers.

*Metrics as of 6/30/2021

**For more information on this metric, please see [How Trees Can Retain Stormwater Runoff](#).



635,000 Trees and Counting



Trees Planted by State

Washington

LARCHES, PINES, AND FIR

Oregon

FIRS

California

FIR, PINE AND CEDAR

Texas

PINES

Michigan

PINES

Ohio

OAK, CHESTNUT, CHERRY, HICKORY, WALNUT, MAPLE, PINE, POPLAR, AND PERSIMMON

Mississippi

PINES

Georgia

LONG LEAF PINES

Pennsylvania

OAK, HEMLOCK, CHESTNUT, CHERRY, LOCUST, ASPEN, MAPLE, WALNUT, AND POPLAR

West Virginia

NATIVE SPRUCE, CHESTNUT, CHOKEBERRY, ASPEN, ALDER, AND CHERRY

North Carolina

LONG LEAF PINES

Florida

LONG LEAF PINES





Image: Peach not Plastic Body Balm by Grove

OUR STRATEGY

Focus on protection and conservation.

We're examining our supply chain through production, packaging, and shipping.

Protection and Conservation

The home essentials industry is deeply dependent on fiber-based products. As we transition out of plastic, we have to find truly sustainable solutions to procure fiber and natural materials. We're prioritizing raw materials that regenerate quickly and don't contribute to forest degradation or deforestation as a regrettable alternative.

We're trying to find a meaningful way to showcase our business as an engine for habitat conservation rather than destruction and loss. We're actively exploring how we can use all levers available to us—from product design to certification, sourcing practices, and carbon offsets—to protect the world's most valuable resources. Our ultimate goal is for fiber and

material sourcing to prioritize conservation and regeneration across all areas of our business.

Principles of regenerative agriculture have been in practice for hundreds of years amongst indigenous communities around the world. As their inherent value becomes more widely acknowledged, these principles offer practical applications within supply chains.

Regenerative Coconut Oil

With the intention of incorporating regenerative practices into sourcing for key Grove branded products, we partnered with [Presidio Graduate School](#) to do an in-depth study of our coconut oil, exploring potential ingredients available to us.



OUR STRATEGY (CONTINUED)

While we found no new sources of regenerative coconut oil for immediate transition, we were pleasantly surprised to discover that some of our suppliers had already adopted practices such as row-cropping—planting in rows wide enough to allow tilling, protecting soil quality.

We also discovered social impacts previously unknown to us, such as women-led cooperative suppliers. The coconut oil project provided actionable next steps, and we continue to move forward with the goal of increasing regeneratively sourced ingredients.

Responsible Palm Oil

Beyond our positive impact, we are also increasing the rigor with which we track our raw materials sourcing. Within our supplier guide, we require that all products containing palm oil ensure either certification by [Palm Done Right](#) (of which Grove is proud to be a member), [Roundtable on Sustainable Palm Oil](#) (RSPO) or labeling with other verified standards of traceability, such as [Dr. Bronner's Fair Trade partnership](#) with small farms in Ghana.

As we dig deeper on palm to understand all applications and formulations that incorporate palm-derived ingredients, we're building a framework that we'll share, along with our progress, in next year's report. As always, we aim to work with suppliers, vendors and brand networks to improve our industry rather than use punitive action.



Products & Packaging

[Seedling by Grove](#) is the first and only tree-positive paper brand, illustrating how our industry can be a force for positive impact rather than continued depletion of natural resources. Every Seedling purchase supports replanting forests across the U.S., making Seedling the first brand of paper to plant trees without ever cutting them down. In addition, the majority of our carbon offsets are allocated towards conservation of the Canadian Boreal forest — the largest remaining intact forest globally, but still subject to logging to make conventional paper goods. (For an in-depth look at the Darkwoods Forest Offset project, please see p. 38 of [last year's sustainability report](#).)

100% FSC®

CERTIFIED BAMBOO
USED IN OUR SEEDLING BY
GROVE PRODUCTS

Our bamboo is all certified by the Forest Stewardship Council (FSC), the highest standard of forestry, which requires that ecosystems remain intact for truly sustainable methods of forest management and habitat protection.

3 months

THE TIME IT TAKES
FOR BAMBOO TO GROW BACK
AFTER HARVESTING

On average, trees take 20 years to grow back after harvesting. Bamboo takes 3 months. Seedling provides a sustainable alternative to conventional paper products.

1M trees would be saved

IF EVERY AMERICAN SWITCHED ONE ROLL OF TOILET PAPER IN THEIR HOME TO SEEDLING

Unlike industry competitors who deplete the environment, Seedling is a model of regenerative business.



How can we empower our customers to lead healthier lives at home?



Image: Grove Laundry Detergent

INTRODUCTION: HEALTHIER HOMES

Be safe and sustainable.

Our customers overwhelmingly choose Grove for safe and certified products they can trust.

Safety and sustainability are the primary reasons our customers choose and stay with us, and we hold ourselves responsible to raising the bar on both fronts. We hope Grove can serve as a microcosm for greater decision making and environmental awareness.

In the U.S., innovation often outpaces regulation, specifically in the world of chemicals. Chemical regulation for consumer products takes an “innocent until proven guilty” approach, given the herculean task of isolating and proving causality between use of chemicals and specific health outcomes. As we discussed in this report last year (but continues to be the case) it can and does take decades to ban chemicals with known links to serious health issues, such as BPA.

Across Grove—from our own products to our carefully vetted third-party brands—we prioritize the highest standards across ingredient quality, product development, and social welfare. We view human and environmental health as inextricably linked, and we prioritize the wellbeing of both. We work closely with trusted third parties, including the Environmental Working Group (EWG), Environmental Protection Agency (EPA) and US Department of Agriculture (USDA) for testing and verification. Our in-house formulation scientists and experts have decades of industry experience, and they’re tasked with prioritizing efficiency with no compromises on ingredients suspected to be detrimental to human and environmental health. We also prioritize plant-based formulations wherever possible.



GOALS AND MILESTONES

No Harmful Chemicals

Across our site, our products will never include anything on our anti-ingredients list, and everything we carry will always meet our rigorous standards. By prioritizing plant-based ingredients, in 2019, the Grove Co. Brand avoided over 760,000 pounds of synthetic ingredients across laundry detergent, hand soap, and dish soap collections. In 2020, the Grove Co. brand avoided 1,495,893 pounds of synthetic ingredients across our cleaning concentrates, laundry, hand soap, and dish soap collections. This is 734,380 pounds more than we avoided in 2019. The Grove standard lists all the anti-ingredients you'll never find in our products, from parabens to phosphates and triclosan.

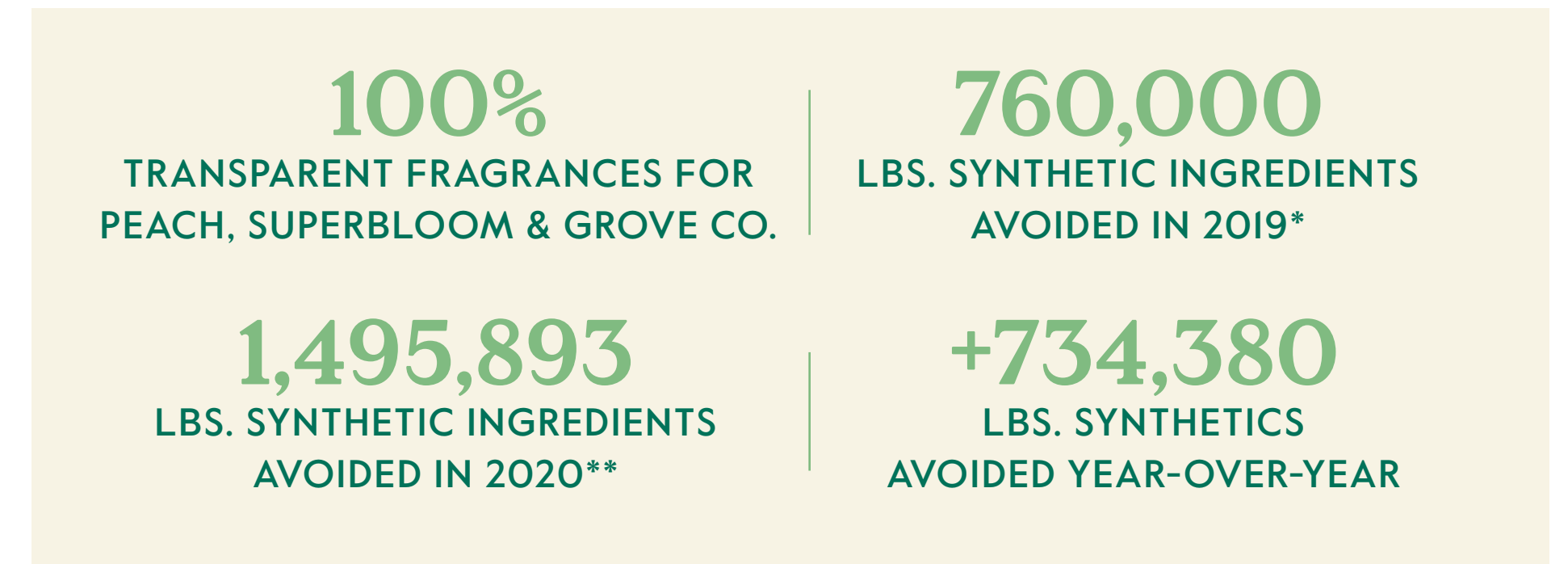


Image: Grove Beauty

UP NEXT

Safer Products Everywhere

100% of our formulated Grove Co., Peach and Superbloom fragrances are transparent. We ask our industry to raise its standards as well. Through advocacy, we support legislation requiring ingredient transparency and increasing standards around chemical safety within consumer products and cosmetics.



We never use synthetic fragrance, just essential oils and other plant extracts. In 2020, we advocated for ingredient transparency by supporting three bills related to ingredient disclosure at the state (California) and federal (U.S.) levels. We're also providing Safety Data Sheets for Grove Co. home care products, publicly available on our site as of Q3, 2021.

*2019 numbers include laundry detergent, hand soap, and dish soap collections.

**2020 numbers include Grove Co. cleaning concentrates, laundry, hand soap, and dish soap collections.



The Grove Standard

Our owned products are developed with careful consideration for efficacy and safety. All products meet the Grove standard, which means they prioritize plant-based ingredients, are cruelty free, and are free of synthetic colors, synthetic fragrances, parabens, phthalates, BPA, and toxic varnishes. We provide full ingredient transparency because we have nothing to hide.



Image: Grove Collaborative

We're Committed To:



Plant-Based Formulas

We lead with organic and plant-based ingredients whenever they are available.



100% Cruelty-Free

We work exclusively with Leaping Bunny certified manufacturers to ensure everything we offer is 100% cruelty-free.



Ethical Supply Chains

We review supplier factories for safety and well-being according to the international Business Social Compliance Initiative.



Ingredient Transparency

We never use synthetic fragrance or any other harmful ingredients.



Sustainable Materials

We constantly seek ways to minimize plastic in our products and packaging.



Industry Expertise

We've guided by industry experts with over 100 years of combined experience.



Our Anti-Ingredient List

A collection of components you won't find in Grove Collaborative products.

Ammonia

A polishing agent found in glass cleaner, ammonia can cause irritation in skin and eyes as well as asthma.

BHA/BHT

A preservative found in anti-aging skin care products known to be a carcinogen and skin irritant, as well as known aquatic toxicity.

Chlorine

A disinfectant found in household cleaners known to be a respiratory irritant and suspected to be a thyroid disruptor, forming carcinogenic byproducts.

Formaldehyde

A preservative found in personal care products known to be a carcinogen and skin irritant.

Cyclomethicones (D4/D5/D6)

A non-biodegradable emollient found in lotions, creams, and shampoos known to cause reproductive harm.

Octinoxate, Oxybenzone, Sulisobenzon

A UV blocker found in chemical sunscreens that is a possible allergen and known to be toxic to coral reefs.

Parabens

A preservative found in fragrances and personal care products known to mimic estrogen and possibly be an endocrine disruptor.

Phosphates

A builder found in detergents and stain removal products known to be a skin irritant and to cause excessive algae growth in water, killing other organisms.

Phthalates

A group of chemicals found in personal care products known to be hormone disruptors and irritants.

Quaternium-15, DMDM Hydantoin

A preservative found in personal care products (such as shampoos, face cleansers, and body wash) which releases formaldehyde, a known carcinogen.

Triclosan

An antibacterial found in dish soaps, counter top cleaners, and hand sanitizers suspected to be a hormone disruptor and known to have aquatic toxicity.



Product Certifications

EPA Safer Choice

100% OF GROVE'S CORE COLLECTIONS BASED IN POUCHES* ARE SAFER CHOICE CERTIFIED.

As we transition to recyclable, plastic-free aluminum, we're working to find a formula to reach 100% certification across all packaging materials. Through our EPA partnership, a product's ingredients, performance, and packaging are assessed against robust health, safety, and efficacy standards.

GROVE IS PROUD TO BE RECOGNIZED AS AN

EPA 2020 Safer Choice Partner of the Year

FOR OUR COMMITMENT TO GREEN CHEMISTRY, SAFE FORMULAS AND FULL INGREDIENT TRANSPARENCY.

USDA BioPreferred

100% OF OUR CORE CLEANING PRODUCTS** ARE PART OF THE BIOPREFERRED PROGRAM.

Products are formulated from plants and other renewable materials, as opposed to conventional petroleum-derived sources. We voluntarily partner with the USDA to test and celebrate our products' high bio-based content. Where possible, we work closely with suppliers to meet stability, performance, and plant-based requirements. For example, our fabric softener includes plant-derived solvent and softening active, as well as food-grade preservative.



EWG Verified

83% OF CORE ROOTED BEAUTY SKIN AND BODY CARE AND 100% OF ELIGIBLE SUPER BLOOM PRODUCTS ARE EWG VERIFIED.

The Environmental Working Group, a non-profit organization that champions environmental legislation, assesses our personal care products against the strictest international standards for human and environmental health risks. 83% of our core Rooted Beauty skin and body collections and 100% of our Super Bloom collections (excluding acne line) are EWG verified.



Leaping Bunny

100% OF GROVE OWNED BRAND PRODUCTS ARE CERTIFIED CRUELTY-FREE BY LEAPING BUNNY.

We require 100% of brand partners to sign our Code of Conduct, stating they do not test on animals. While this is a great first step, the only way to verify no animal testing occurs through the full supply chain is through certification. We're codifying our standards to require all brands to be certified cruelty-free. 91% of non-Grove owned brands are currently certified cruelty-free, and we're actively working towards 100% certification in the near future.



*Pouches include Gel Hand Soap, Liquid Laundry, and Total Clean Automatic Dish Packs **Core cleaning product collections include hand, dish, concentrates, and laundry.

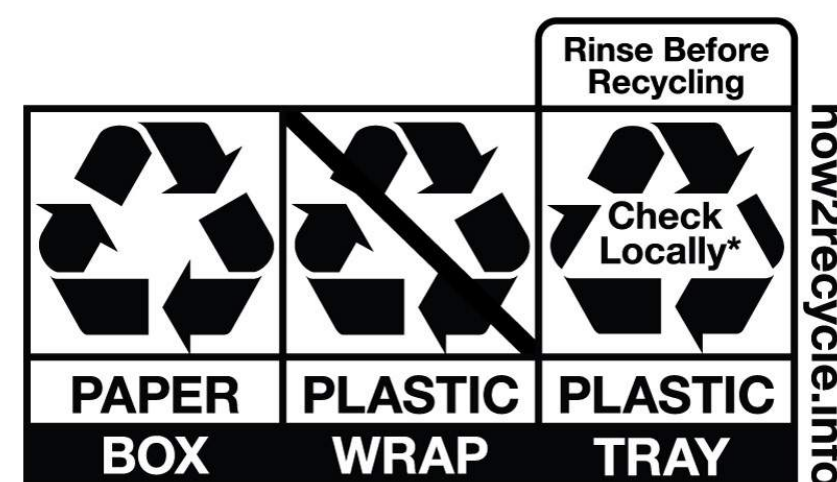




HEALTHIER HOMES

Recycling Certifications

100% of our new products with packaging will include a How2Recycle label, and we hope to retroactively cover 75% of our packaging by the end of 2021.



How2Recycle

Clear instructions on how to recycle our products and curb packaging reduce waste. Proper waste sorting can be confusing, so Grove implements this voluntary labeling system to educate consumers on how to recycle various materials.

Biodegradable Products Institute

These products are tested and proven via a third-party lab to be compostable, meaning they break down naturally. Seedling wipes are certified by the Biodegradable Products Institute (BPI).

Image: Recycling Station



Material Certifications

Global Organic Textile Standard (GOTS)

100% OF GROVE CO.™ TEXTILES AND COTTON SUSTAIN PRODUCTS ARE GOTS CERTIFIED.

The highest standard for organic cotton and safety, GOTS ensures the entire production process from farm to finished product is free from harmful pesticides and chemicals. Cotton is grown organically with rigorous environmental and social criteria.

Forest Stewardship Council (FSC®)

100% OF SEEDLING PAPER PRODUCTS ARE FSC-CERTIFIED, AND WE SOURCE FSC-CERTIFIED PAPER PACKAGING.

Widely considered the gold standard of Forest management, FSC® wood and pulp is sourced from responsibly managed forests. Our FSC® certified paper packaging includes cartons and boxes, such as boxes for Peach and cleaning concentrates and Superbloom skincare cartons.

Fair Rubber Association

OUR SUSTAIN CONDOMS ARE THE FIRST FAIR TRADE CERTIFIED® BRAND OF CONDOMS IN THE U.S.

Rubber is sourced responsibly and at a premium to support smallholder farmers, while encouraging improved ecological and social standards within the natural rubber industry.

USDA Organic & Oregon Tilth Certified Organic (OTCO)

Ingredients are grown without pesticides and fertilizers, benefiting soil, insects, waterways, workers and overall planetary health. Our Sustain personal care products, Grove Hydrating Hand Soaps and Grove Essential Oils are certified organic.



Advocacy & Legislation

In 2020, Grove opposed the misleadingly named Accurate Labels Act in a letter of opposition to the lawmakers and supported three bills related to ingredient disclosure and safety:

- [Safe Cosmetics and Personal Care Act \(H.R. 4296\)](#),
- [California Cosmetic Fragrance and Flavor Right to Know Act \(SB 312\)](#),
- [California Toxic Free Cosmetics Act \(CA AB 276I\)](#).



Image: Grove Beauty

These acts hold cosmetic companies accountable for the safety of their products and ingredients through various requirements including supply chain transparency, disclosure and banning of toxic chemicals, banning of animal testing, and addressing the over-exposure to toxic chemicals experienced by communities of color and professional salon workers.

Memberships

Grove lends its voice to efforts made by our industry and leading nonprofits, helping advance legislation to improve ingredient transparency and chemical use requirements. We proudly collaborate with:

- [Safe Cosmetics Business Network](#)
- [Women's Voices for the Earth](#)
- [BeautyCounter Counteract Coalition](#)

Chemical Footprint Project

Grove is proud to have participated in the [Chemical Footprint Project](#) to disclose our management, practices, and chemical policies as of 2020.



**How do we decouple
our growth from our
carbon footprint?**



Image: Grove Collaborative

INTRODUCTION: CARBON FOOTPRINT

We're led by science.

And we're proud to be a newly Certified CarbonNeutral® company as of 2021.

As a team that includes formulation scientists, packaging specialists, and hundreds of people who choose to work at a company with a central mission statement, we are led by science. Our values drive a strong sense of responsibility to mitigate our impact.

We're a small company by the scale of our industry. We don't own our own facilities, the trucks that deliver our boxes, or the factories that make our products—therefore, our ability to transition to zero-emissions in the immediate term is limited. Our challenge in this situation is two-fold: 1) to codify our commitment to emissions reduction—so that when we do own our buildings, trucks and factories, they're bound by these goals; and 2) to decouple our growth from our carbon footprint—so that getting bigger doesn't mean being harder on the planet. We

offer this outline as context for the sections that follow, which can seem like another language to those not intimately familiar with the world of greenhouse gas emissions.

Our commitment to emissions reduction is bound by a Science-Based Target, intended to align with a 1.5 degree warming scenario. We hope to avoid the worst possible impacts of climate change. We haven't chosen an arbitrary number for emissions reduction, but are trusting the scientific community of climate experts who have outlined a path for sustainable growth.

We're also proud to be a newly Certified CarbonNeutral® company—meaning we've offset all of the emissions related to most of our business activities (although not our products or their use) that are under our direct control.



CARBON FOOTPRINT (CONTINUED)

To keep this certification, we have to continue to reduce or offset the carbon emissions generated by our business activities, customer shipments and several other areas of our company. This codifies our commitment to maintain our values as our business grows.

Looking ahead, our pledge is to first reduce our emissions as we grow, whether through direct purchases or by encouraging our partners and suppliers to become zero-emissions companies. For example, the electrification of UPS fleets would have a massive impact not only on their own carbon emissions but on the e-commerce industry as a whole. We would also continue to purchase carbon offsets and renewable energy credits (RECs) for activities that we cannot yet reduce.

Second, we pledge to purchase high-quality, nature-based solutions for our carbon offset projects that support secondary benefits, such as habitat protection and conservation.

Lastly, we're committed to transparency in the process. This year, we set Science-Based Targets for scopes 1-3 and we pledged to be net zero

by 2030. We take this seriously as a mandate to mitigate and clearly state what activities require offsetting—and what percentage of our net zero goal is reached through offsetting. We've begun to detail those initiatives here, and we'll be reporting on them in more detail next year as we collect more data.



Image: Grove Collaborative



GOALS AND MILESTONES

Net Zero by 2030

We're committed to taking meaningful action on climate. Grove pledges to reduce emissions in alignment with SBTi 1.5 degree scenario (1.5DS) on our path to net zero by 2030 with a commitment to source offsets from long-term, nature-based solutions and focus on emissions mitigation.

RIGHT NOW

Grove is a CarbonNeutral® Certified Company

We're proud to be a CarbonNeutral® Certified Company (meaning that our operations, business activities, including facilities and shipments, are all carbon neutral), with Science-Based Targets for emissions reduction across our value chain by 2030, if not sooner.



Image: Grove Co.

UP NEXT

The Path to Net Zero by 2030

Grove Collaborative has achieved CarbonNeutral® Company certification, in accordance with The CarbonNeutral Protocol, the leading global framework for carbon neutrality.

Our commitment to becoming net zero by 2030 is one that we state with a primary focus on mitigation through our operations and supply chain, using emissions as a secondary tool. All offsets are carefully scrutinized to ensure that in addition to meeting leading global standards, they provide long-term, nature-based solutions.

Net Zero

BY 2030 WITH A PRIMARY
FOCUS ON MITIGATION

591 mtCO₂e

BY 2030 FOR SCOPES 1 & 2

1.5 Degree

ALIGNED SCIENCE-BASED
TARGET FOR SCOPES 1, 2 & 3

As of 2021

WE'RE A CARBONNEUTRAL®
CERTIFIED COMPANY

We've outlined our baseline data and initial strategies on the following pages, using these as a foundation for lowering our emissions in line with climate science.





Image: Grove Garden

OUR STRATEGY

Reduce our emissions, transparently.

We've set Science-Based Targets for Scope 1, 2, and 3 in line with a 1.5 degree climate scenario.

Science-Based Target (SBT)

We're on track to lower Scope 1 and Scope 2 emissions to 591 mtCO₂e by 2030, and we're carbon neutral in Scope 1-2. Over the next few years, our efforts will focus on identifying opportunities for energy and emissions reductions through efficiency and renewables, where possible.

We've also completed our Scope 3 inventory and assessment. Taking into consideration our purchase of green tariffs through utility providers—but not our renewable energy credits or offsets—our total Scope 1, 2 & 3 emissions for 2020 was 88,212 mtCO₂e. Based on that work, we've identified a path and science-based target to reach net zero emissions by 2030.

Use of Products

We've excluded the use of sold products—meaning products that indirectly consume fuel or electricity during use—from our target analysis due to lack of control over indirect use-phase emissions. (For example, detergents require heated water to use, but we don't have control over how customers heat their water at home.)

Despite not including this metric within our Scope 3 emissions (see page 50 and the appendix for details), we plan to work with companies who share this challenge to help transition our customers' homes to renewable energy. Renewables are required to truly reach net-zero through the use of our products, and we're exploring opportunities for scalable transitions.



OUR STRATEGY (CONTINUED)

Many of our current products address this challenge. For example, we provide detergent that enables effective cold power washing and high-impact cleaning products that don't require hot water. Products like these help our consumers decrease their carbon footprint at home.

Industry Action

We're excited to be a member of [Drawdown Labs](#), Project Drawdown's cross-industry consortium of private sector partners working to go beyond "net zero" and scale climate solutions in the world—both within and outside their own operations.

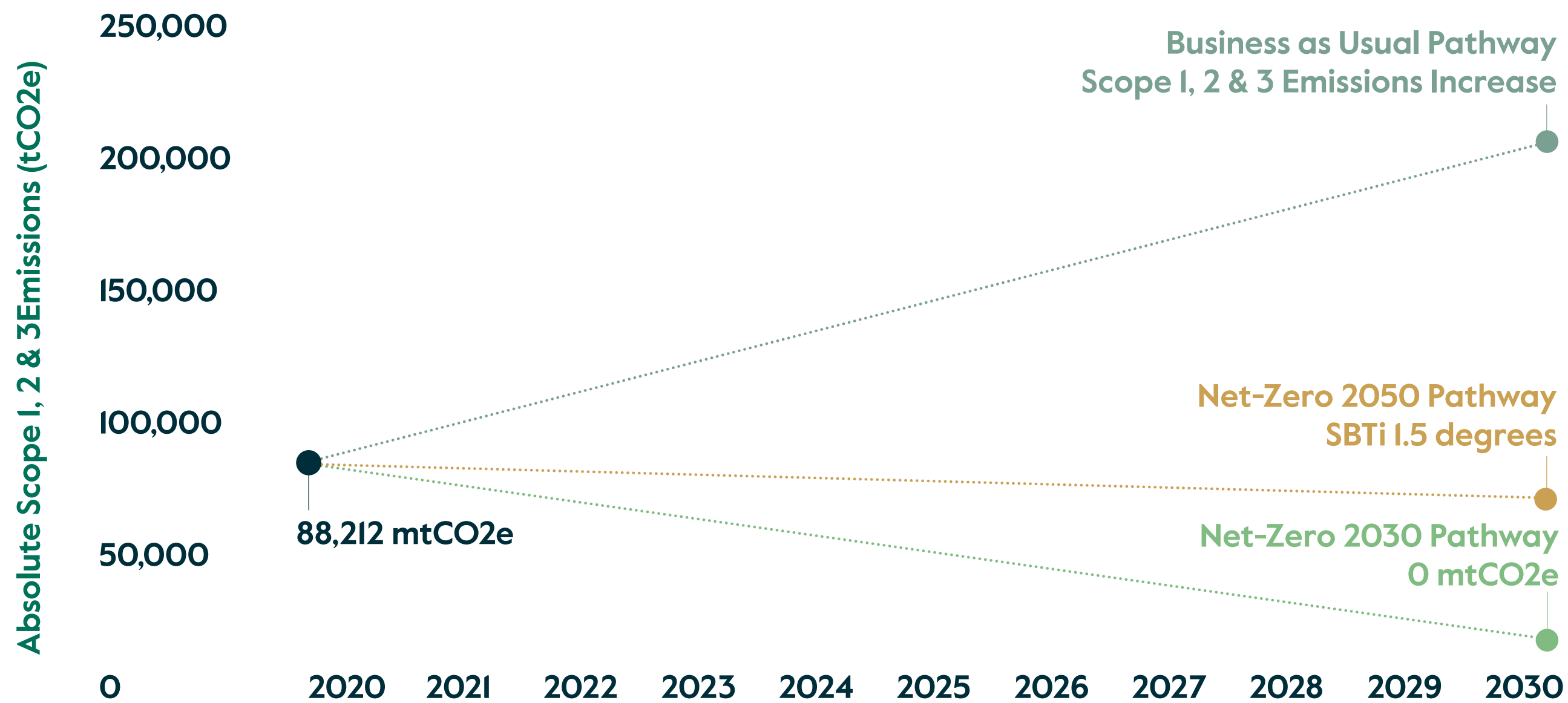
Leveraging Project Drawdown's world-class research and analysis—and the capabilities of participating businesses and funders—Drawdown Labs experiments with collaborative ways to address the climate crisis quickly, safely, and equitably.

Jamie Alexander, Director of Drawdown Labs, has reviewed the carbon section of this report to provide feedback and strategic guidance.



Science-Based Target: Net Zero by 2030

Taking into consideration our purchase of green tariffs through utility providers, our total Scope 1, 2 & 3 emissions for 2020 was 88,212 mtCO₂e. These numbers do not reflect application of renewable energy credits (RECs) and offsets by Grove. A 1.5-degree pathway (shown in gold) is aligned with the upper bounds of the Science Based Target Initiative (SBTi) and results in net zero absolute emissions by 2050. We're taking a more aggressive recommended pathway from SBTi (shown in green), resulting in net zero absolute emissions by 2030. See appendix for details.



| Emissions Category and Number | 2020 GHG Emissions (mtCO ₂ e) | |
|---|--|---------------------------------|
| | No Offsets Applied | Remaining After Offsets Applied |
| 1: Purchased Goods & Services | 67,196 | 67,196 |
| 3: Fuel & Energy Related Activities | 262 | 212 |
| 4: Upstream Transportation & Distribution | 4,588 | 4,588 |
| 5: Waste Generated in Operations | 1,758 | 0 |
| 6: Business Travel | 335 | 0 |
| 7: Employee Commute | 1,197 | 0 |
| 9: Downstream Transportation & Distribution | 10,003 | 0 |
| 12: End of Life Treatment | 2,866 | 2,866 |
| Total Scope 1, 2 & 3 Target Emissions: | 88,212 | 74,881 |

METHODOLOGY: Use-phase emissions of Grove products are indirect and have been excluded from reporting due to lack of primary data and direct mitigation opportunities. An assessment of all relevant Scope 3 categories has been conducted and all emissions quantified. We completed this analysis with the support of Optera (previously known as Point380), a specialized sustainability firm providing us with integrated consulting and software services. Optera is an accredited software and solutions provider with the Carbon Disclosure Project (CDP).






Carbon Offsets

At the time of writing, the sustainability community is debating the role that carbon offsets play. While we agree that carbon offsets cannot take the place of meaningful emissions reductions, they do offer us a way to address our impact in the short-term. They also enable us to support nature-based solutions and conservation efforts that we otherwise would only access through philanthropy.

Without ownership of our facilities and fleet, our ability to reduce emissions is limited. Offsets offer us the most direct route to net zero. We're committed to using our advocacy efforts and conversations with industry partners and suppliers to push for decarbonization, rather than using offsetting as a strategy to reach climate goals.

We consider decarbonization a step towards environmental justice, rather than a net-zero result driven by emissions only. These checklists show the methodology we use to consider offsets, but our driving objective is to support projects that protect wild places and indigenous territories. Our priorities include supporting land tenure, creating opportunities for livelihoods, and promoting a green economy that protects natural landscapes while providing jobs. Carbon offsets help us access key projects in support of biodiversity and planetary health.

RECs: Sourcing Considerations & Methodology

-  **Transparency**
Invest in projects accounted for via public registry to avoid double-counting
-  **Proximity**
Invest within same state or country
-  **Additionality**
 - Add new renewable energy to the grid to maximize impact
 - Move toward bundled RECs versus unbundled (RE100 Buyer's Principles)
 - Purchase from new generators within high-fossil-fuel grids
 - Align purchases with broader SDGs and social impact

Offsets: Sourcing Considerations & Methodology

-  **Verifiability**
Move toward third-party or global standard
-  **Methodology**
Invest in projects with established, public methodologies
-  **Transparency**
Invest in projects accounted for via public registry to avoid double-counting
-  **Proximity**
Invest within same state or country
-  **Nature-Based**
Prioritize nature-based projects that protect wild places and indigenous territories



Map of Offset Projects



1.

Darkwoods

BOREAL FOREST, CANADA

In collaboration with Natural Capital Partners, [this project](#) conserves 156,000 acres of Boreal forest in British Columbia—avoiding 415,000 tons of emissions annually by protecting against timber harvesting, road building and other operations.

2.

Acre

AMAZON RAINFOREST, BRAZIL

Although 90% of Brazil's Acre state is forested, current rates of destruction predict a decline to 65% by 2030. By granting land tenure to family farmers and providing agricultural training, this project prevents deforestation of over 250,000 acres while promoting sustainable livelihoods.

3.

Rimba Raya

BIODIVERSITY RESERVE, INDONESIA

Protecting over 16,000 acres of tropical swamp from palm oil harvesting, this project engages local communities in education and agroforestry training. The project impacts 2,500 households and has helped protect 105,000 endangered Borneo Orangutans.



Moving Towards Circular Business Models

Sustainability has become an industry buzzword. It describes basic modifications to existing business models and mitigation of environmental impacts. We can think of these as Sustainability I.O. Truly using our business as a force for positive impact requires a paradigm shift. Moving from “less bad” (I.O) to “more good” (2.0) requires a solution based in principles of circularity. Our plastic goal is a good example, in that our aim is not to move from plastic into more commonly recycled (but higher carbon footprint) materials such as glass and aluminum, but rather into a model built of reuse and return. There’s no reason that we need to recycle an aluminum bottle into a new aluminum bottle! We need to find ways to keep that original aluminum bottle in rotation.

In 2021, we’re focused on experimentation, understanding consumer behaviors and testing out models that enable materials recovery and support a more circular business model. While initial projects focus on improving materials recovery through recycling, we consider this the first step in the journey towards more refill/reuse-based models.

RIGHT NOW

Initial Progress

- We’re launching the first Grove refill stations in 2021, with an eye towards expanding into locations around the country.
- In partnership with [Recyclops](#), we brought glass recycling to Grove customers in Nashville, Kansas City and Alexandria.
- We expanded our customer return program to accept Grove reusable bags and refill pouches, helping to divert landfill waste.

UP NEXT

In 2021-22 We Plan To:

- Pilot reusable/returnable Grove boxes across several geographies
- Expand refill locations
- Expand take-back for hard-to-recycle materials
- Continue to partner with our industry on scalable, cross-brand solutions



Image: Grove Collaborative



How can we make natural products more accessible, affordable and available to all consumers?



Image: Grove Collaborative

INTRODUCTION: JUSTICE, EQUITY, DIVERSITY & INCLUSION (JEDI)

Change requires action and accountability.

We're starting with our site and our teams.

This past year saw no shortage of corporate commitments around inclusion and change, but lasting success will depend on specific intent, tailored actions and accountability—and even defining what success looks like. The natural products industry, from our customer base to the ownership of natural brands, has significant room for improvement.

As a values-driven business, we aim to chip away at over-representation and belief-systems that stifle our ability to reach and include groups that are not over-represented, starting with our site and our teams. Considering the areas where we can make the largest impact, we continue to increase our support of black-owned and BIPOC-owned brands as well as virtual shelf space, while engaging in meaningful internal conversations

that lead us to challenge the way we do things. This requires a shift to the perspective of those whose voices are missing, rather than those are the loudest. Thinking more broadly about our role in the world of consumer goods, we believe that our policy advocacy efforts play a critical role in consumer protections, given the intersectionality of environmental justice and climate with low-income communities.

From the beginning, we weren't interested in counting people but rather measuring impact. At Grove Collaborative, we began our Justice, Equity, Diversity and Inclusion (JEDI) journey a little differently than traditional companies. Instead of starting with counting how "diverse" we were, we decided to focus on leading with inclusion and belonging first.



JEDI (CONTINUED)

Rather than poring over quotas, we seek to first provide the psychological grounds for safety at Grove by engaging our employees and leaders in trainings that require critical thinking, programs that inspire grassroots action, and conversations that open us up to diversity of thought. This foundational framework was more important for us to focus on before we hit the checkmarks, because a company with good-looking numbers means nothing if we cannot thrive.

The following pages detail our progress and aim to provide transparency about our teams and internal initiatives. Looking ahead, we continue to expand representation amongst our virtual shelves, advocate for causes related to social and environmental justice, and dig in on our own internal perceptions and practices—from hiring, to the way we run meetings, to our career opportunities. We can only say “everyone is our people” when we demonstrate a meaningful commitment to equity and representation.



GOALS AND MILESTONES

Supporting Black-Owned Businesses

We support Black-owned businesses, and last year we committed to increasing our purchases from them by at least \$250,000 through 2021. We're proud that since June 2020, we've increased our purchases by \$377,440.* This year, our entire senior leadership team took on an in-depth study of Justice, Equity, Diversity, and Inclusion (JEDI) and facilitated several open conversations with our teams. Grove's Diversity & Inclusion Squad leads our equity and anti-racism initiatives. We've pledged donations to relevant organizations committed to change, voted on by our full Grove team. Additional details on charitable giving are included at the end of this report.

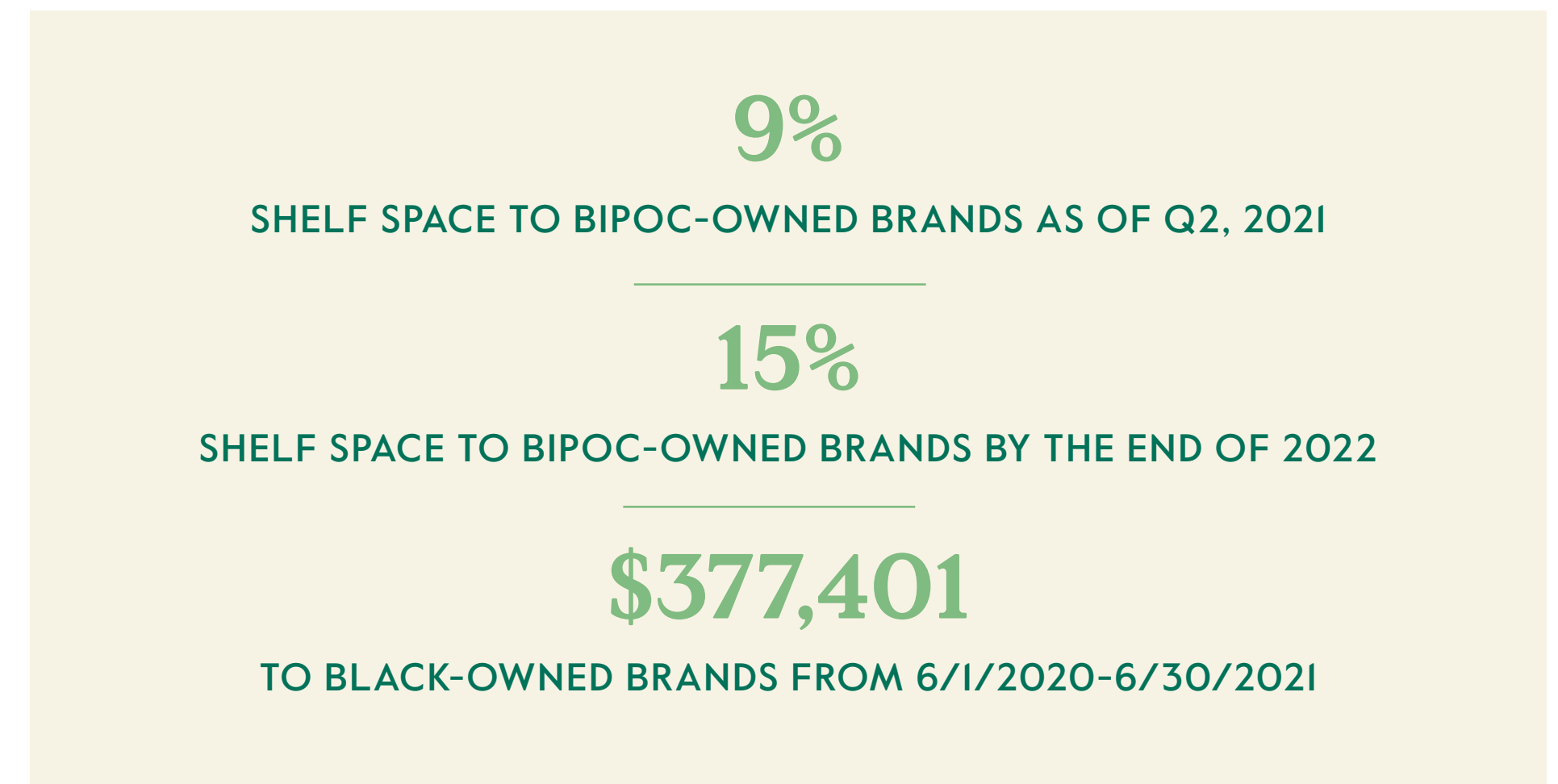
UP NEXT

15% of Shelf-Space to BIPOC-Owned Brands

We can make a meaningful impact by engendering diversity in the natural products industry. To this end, we've made a pledge to allocate 15% of our shelf space to products from BIPOC-owned vendors and brand partners by the end of 2022. As of Q2, 2021, we are at 9%. If you have natural brands you love that are BIPOC-owned, feel free to share them with our team at ideas@grove.co and look out for new brands you can support at Grove in the coming year and beyond.



Image: Alaffia at Grove



*Metrics from 6/1/2020 to 6/30/2021



Vendor Diversity & Inclusion

Our baseline numbers are below, based on voluntary disclosure of ownership.*

VENDORS

Non-Women, BIPOC, LGBTQ+ and Veteran-Owned

*Please note disclosure of ownership is voluntary, therefore the metrics below do not represent 100% of our vendors (see last column to show what % is undisclosed). Percentages in the table below for non women, BIPOC, and veteran-owned reflect % of total brand partners or suppliers, including those who have not disclosed their ownership details. Therefore, percentages may be overstated.

| | Male Owned | White Owned | Veteran Owned | % of Total Undisclosed |
|------------------------|------------|-------------|---------------|------------------------|
| Brand Partners | 65% | 88% | 3% | 9% |
| Grove Suppliers | 98% | 74% | 3% | 42% |

VENDORS

Certified B Corporations

As part of a community of [Certified B Corporations](#), we believe all business should be conducted as if people matter first and foremost. Through the B Corp community's products, practices, and profits, businesses should strive to do no harm and benefit all. Grove is proud to not only be a Certified B Corporation ourselves, but to have many vendors who are also B Corps.

| | B Corps | % of Total Vendors |
|------------------------|---------|--------------------|
| Brand Partners | 25 | 16% |
| Grove Suppliers | 7 | 14% |





Image: Grove Collaborative

JUSTICE, EQUITY, DIVERSITY & INCLUSION (JEDI)

Teams & Initiatives

How can we understand whether Grove is an inclusive employer?

Examining our own virtual walls, we believe that a more inclusive and equitable consumer packaged goods industry starts with a strong commitment within our workplace. All Grove employees and customers should be seen, heard and valued. According to [Gartner® research](#), “In many organizations, most employees remain disengaged from D&I initiatives: 65% of organizations cite leader and manager unwillingness to own roles and responsibilities as the No. 1 barrier to executing D&I strategy. On the front lines, only 33% of employees believe they can influence inclusion at their organizations, and only 27% understand how to promote inclusion in their day-to-day work.” We created a roadmap to make meaningful progress in addressing these barriers—which also result in a lack of human ingenuity, perspective and talent. We wanted to do more than just divide and count small demographic groups of

job candidates and employees. Rather, we led with an examination of how systemic structures can impact our people, customers, company, and communities. We partnered with the [JEDI Collaborative](#) to design a program that forced us to examine our own acquiescence in blocking efforts to correct overrepresentation. As part of this work, we’ve challenged our leadership team to inspect how each of them might either underwrite exclusionary behaviors or bolster inclusionary ones for our employees, customers, and communities. Weaving JEDI principles into the fabric of our company, we’re optimistic about our ability to foster a more prosperous company culture and reach a broader customer base. The following pages detail our work in this area, a first step. We’re committed to continuing this work, as well as tracking and reporting on our progress through this report.



TEAMS & INITIATIVES (CONTINUED)

The JEDI Squad & Scorecard

In the second half of 2020, Grove committed to the first ever JEDI-focused, company-wide objectives and key results (OKRs) around inclusion. All members of our senior leadership team actively participated, and we designed several opportunities for company-wide engagement. Grove has an active JEDI Squad that leads ongoing engagement and education. The JEDI Squad created a curriculum for senior leadership which included articles, videos, essays, team discussions, and company panels to process insights. In an effort to integrate JEDI principles into all facets of our organization, we've created a scorecard to track progress in three focus areas: culture, consumer and communities. In 2021, every senior leader's team adopted at least one JEDI-focused OKR, resulting in commitments across marketing, creative, the supply chain, recruiting, internal meeting management, internal career development, and executive leadership. Rather than a checklist, the scorecard reflects our intended key results, tracks the success of our strategies, and provides transparency around the every team's goals. JEDI Scorecard Ambassadors—volunteer employees across all departments—monitor

the progress of their team's commitments. Simultaneously, Senior Leadership incorporates their team's work into their OKRs to maintain the JEDI focus at a strategic level.

Women at Grove

55% of Grove employees identify as women. In 2020, we launched an internal Women's Caucus. By providing access to mentoring, coaching, and sponsorship through executive leadership, we can empower participants, increase alignment and social connectivity across teams, improve the talent development pipeline, and engage all members of the Grove community.

JEDI Giving

Our employees participate in and guide our financial contributions to JEDI causes. In 2020, we donated \$10,000 to charities and organizations fighting racism and injustice, including the [American Civil Liberties Union](#), [Black Girls CODE](#), [Black Lives Matter](#) and [The Innocence Project](#). In support of pride month June 2021, Grove matched employee donations to LGBTQ+ organizations, donating \$8,717 to three non-profit organizations: [Equality Maine](#), [National Black Justice Coalition](#), and [The Trevor Project](#).

JEDI MISSION STATEMENT

Grove is all about people and everyone is our people.

- Our purpose is to make our workplace, our products, our services, and our communities more equitable and inclusive.
- We engage Grove and the communities we touch through programs designed to eradicate barriers, encourage awareness and self-reflection, and celebrate different perspectives.
- We believe an inclusive culture contributes to Grove's success in spreading healthy habits.



Benefits, Health & Safety

We're invested in developing talent and providing our employees with the resources they need to succeed. Here are some of the benefits and opportunities we provide to people who join our teams, either at our corporate headquarters in San Francisco, CA, our community hub in Portland, ME, or our three fulfillment centers in Missouri, Nevada, and Pennsylvania.

| Employee Benefits | Corporate | Fulfillment Center | Part-Time |
|---------------------------------|-----------|--------------------|-----------|
| Medical | ✓ | ✓ | |
| Dental | ✓ | ✓ | |
| Vision | ✓ | ✓ | |
| Company-Paid Life Insurance | ✓ | ✓ | |
| Short-Term Disability Insurance | ✓ | ✓ | |
| 401(k) | ✓ | ✓ | ✓ |
| Employee Assistance Program | ✓ | ✓ | |
| Parental Leave | ✓ | ✓ | |
| Paid Time Off | ✓ | ✓ | ✓ |

Safety During COVID-19

As a designated essential business, the health of our employees is paramount. Throughout the COVID-19 pandemic, we have taken the following measures to keep our Fulfillment Center staff healthy:

We established a Safety Lead position, which is a dedicated leader on each shift, to help train employees and follow up on safety practices, procedures and concerns. We created COVID-19 protocols that included gloves, masks, social distancing, and staggered schedules.

Each newly hired employee attends Safety School for training in safety practices. Additional COVID-19 safety practices include the following: temperature checks when entering and exiting the FCs, sanitizing floor mats at the entrances to sanitize the bottom of employees shoes as they enter and exit the building, and installing UV lighting to kill germs. We have increased the frequency of sanitation and cleaning of high traffic surfaces and areas.

We have provided employees with flexible work schedules and additional time off when impacted by COVID-19. During the height of the pandemic, we provided additional compensation to our employees working in the FCs. We purchased COVID-19 testing equipment to ensure all employees had access to testing if they believe they were exposed to the virus.





Image: Grove San Francisco

PEOPLE

Opportunities & Training

We're committed to providing training and tools to enable employees to succeed in their current roles, as well as develop new skills to further their careers. We value employee input as a way to preserve our culture, so we conduct annual employee engagement surveys (with over 80% participation) that hold our senior leadership team accountable to providing actionable plans for progress on any issues to be addressed.

Onboarding & Management

Every employee goes through an onboarding session to learn about the history of the company, company values, key sustainability initiatives, and the future impact we hope to make on the planet. We offer training for managers on topics ranging from compliance to leadership skills, such as coaching, feedback, and inclusive leadership.

Bootcamp

In the beginning of 2021, we launched a Leadership Bootcamp—a rotating cadence of skills-based training, available to both new and existing leaders year round. The program focuses

on a different topic each month. From stress management to conflict resolution, leaders can sharpen their skills to further their development.

VIBE (Values, Inclusion, Belonging & Engagement) at Grove

An umbrella program that supports cultural initiatives at Grove, VIBE empowers employees to foster a diverse and inclusive workplace aligned with Grove's mission and values. Corporate staff members have the opportunity to engage and lead resource groups. The program cultivates the development of employee leadership, fosters workplace belonging, increases employee engagement and morale, and supports long-term business objectives.

Through engagement, surveys, and leadership, we're learning how to bridge our corporate programs with our Community Happiness and Fulfillment Center teams in a dynamic, supportive, and inclusive way. VIBE supports our Women's Caucus, JEDI initiatives, wellness programs, and other employee-led squads across the company.



Social Compliance

We take pride in providing products that are good for both human and environmental health. We make the greatest impact in the production of our own Grove-branded products, and we value producers who provide equitable, safe, and healthy working conditions. We believe in continuous improvement, and we consider suppliers’ economic and operational realities in a path to gradual progress.

We have producers around the world—in the U.S., Canada, China, India, and more. We require all our direct finished producers located in a non-low-risk country (according to [Amorfi](#)) to be audited according to [Amorfi’s BSCI Standard](#). We monitor for social compliance and continuous improvement in accordance to [Amorfi’s BSCI Code of Conduct](#) and evaluate our producers on: I) The rights of freedom of association and collective bargaining, 2) No discrimination, 3) Fair remuneration, 4) Decent working hours, 5) Occupational health and safety, 6) No child labor, 7) Special protection for young workers, 8) No precarious employment, 9) No bonded labor, 10) Protection of the environment, and II) Ethical business behavior. Our producers’ audit scores are determined by their scores in each performance area (PA).

| Audit Score | A: Very Good | B: Good | C: Acceptable | D: Insufficient | E: Unacceptable |
|--------------------------|---|---|---|---|---|
| Requirements | Min. 7 PAs rated A. No PA rated C, D, or E. | Max. 3 PAs rated C. No PA rated D or E. | Max. 2 PAs rated D. No PA rated E. | Max. 6 PAs rated E. | Min. 7 PAs rated E. |
| Action | No action | Develop CAP with in-person workshops and online trainings | Develop CAP with in-person workshops and online trainings | Develop CAP with risk & sustainability solutions provider | Hold production and develop CAP with risk & sustainability solutions provider |
| Audit Schedule | Next audit: 24 months | Next audit: 24 months | Next audit: 12 months | Next audit: 6-12 months | Next audit: 3-6 months |
| Zero Tolerance Incidents | In zero-tolerance cases, we terminate the relationship and seek alternative sourcing. If we exit from a production partner, we explore resources to help its leadership address the issue that led to our exit. Incidents include, but are not limited to: child labor, bonded labor, abuse, bribery, intentional misrepresentation, and health and safety violations that put a worker’s life in danger. | | | | |

OUR PROCESS

- CODE OF CONDUCT**
 For any prospective producer, we conduct a Workers Sentiment Survey and have them sign Grove’s Code of Conduct.
- AUDIT**
 We request a semi-announced BSCI audit with a leading business risk and sustainability solutions provider. The producer is provided with a 4-week time frame in which the audit could take place, but not a specific date or time.
- CORRECTIVE ACTION PLAN**
 Once the audit takes place and the report is reviewed, we share the details with our producer and put together a Corrective Action plan (CAP).
- CHECK IN**
 We check in with our producer to ensure any trainings, corrective, and preventative actions are completed.
- FOLLOW UP**
 If required, follow-up audits are conducted in an appropriate time frame.

Giving & Donations

As a small and not yet profitable company, our hope through charitable giving is to make the greatest possible impact to our spheres of influence through our philanthropic and product donations. We have several pillars of giving that support our sustainability pillars and the communities in which we operate. The overall outcome is intended to support people and planet based on Grove’s values where we feel we can make a meaningful positive impact, as well as to enrich the lives of our employees as a mission-driven organization. Donations are employee-directed, as much as possible.



Image: Grove Collaborative

Charitable Giving Policy

On an annual basis, Grove Collaborative is committed to donating the equivalent of a minimum of \$1M of cash and in kind donations to its selected non-profit and community partners. These causes are either environmentally or locally focused, intended to support healthy forests, oceans, ecological health, as well as social justice and Grove’s direct communities. In 2020, Grove donated \$2.4M of cash and in-kind donations towards charitable causes. The breakdown follows below, with further disclosures included in the appendix of this report:

| 2020 DONATIONS | |
|----------------------|-------------|
| Total Cash | \$149,289 |
| Total Site Credit | \$21,100 |
| Total In Kind | \$2,258,785 |
| Total Donation Value | \$2,429,174 |



ESG Metrics & SASB Tables

APPENDIX

U.S. Plastics Pact Reporting 2020

| Packaging Category | Form: Category | Primary Polymer Type | Form: Description | Total Plastic Weight (lbs.) | Recycled Content % | Mono or Multi Material | Global Recycling System* | Local Recycling System** | Plastic Tonnage | Content: Virgin | Content: Recycled | Recyclable | Reusable | Compostable, Recyclable or Reusable |
|---|--------------------|----------------------|-------------------|-----------------------------|--------------------|------------------------|--------------------------|--------------------------|-----------------|-----------------|-------------------|------------|----------|-------------------------------------|
| <A4 PE flexibles | Other Flexible | LDPE | Pack | 29,283.07 | 0% | Multi | No | No | 13.28 | 13.28 | 0 | 0 | 0 | 0 |
| <A4 PE flexibles | Other Flexible | LDPE | Pouch | 94,237.87 | 0% | Multi | No | No | 42.75 | 42.75 | 0 | 0 | 0 | 0 |
| <A4 PE flexibles | Other Flexible | LDPE | Sachet | 2,044.53 | 0% | Multi | No | No | 0.93 | 0.93 | 0 | 0 | 0 | 0 |
| <A4 PE flexibles | Other Flexible | LDPE | Tube | 31,322.66 | 28% | Multi | No | No | 14.21 | 10.27 | 3.94 | 0 | 0 | 0 |
| <A4 PE flexibles | Other Flexible | LDPE | Wrap | 2,356.72 | 0% | Mono | No | No | 1.07 | 1.07 | 0 | 0 | 0 | 0 |
| >A4 mono-material PE flexibles in B2C context | Mono-material Film | LDPE | Bubble Wrap | 17,685.81 | 0% | Mono | No | No | 8.02 | 8.02 | 0 | 0 | 0 | 0 |
| >A4 mono-material PE flexibles in B2C context | Mono-material Film | LDPE | Pad Cover | 2,142.80 | 0% | Mono | No | No | 0.97 | 0.97 | 0 | 0 | 0 | 0 |
| >A4 mono-material PE flexibles in B2C context | Mono-material Film | LDPE | Wrap | 36,670.80 | 0% | Mono | No | No | 16.63 | 16.63 | 0 | 0 | 0 | 0 |
| HDPE Bottle | Bottle | HDPE | Bottle | 40,902.41 | 43% | Mono | Yes | Yes | 18.55 | 10.6 | 7.95 | 18.55 | 0 | 18.55 |
| Other | Other Rigid | HDPE | Applicator | 7,791.33 | 0% | Mono | No Data | No Data | 3.53 | 3.53 | 0 | 0 | 0 | 0 |
| Other PET Rigid | Other Rigid | PET | Jar | 6,557.47 | 80% | Mono | No | No | 2.97 | 0.6 | 2.38 | 0 | 0 | 0 |
| PET Bottle | Bottle | PET | Bottle | 72,114.14 | 27% | Mono | Yes | No | 32.71 | 23.88 | 8.83 | 32.71 | 0 | 32.71 |
| PET Thermoforms | Other Rigid | PET | Jar | 707.35 | 100% | Mono | No | No | 0.32 | 0 | 0.32 | 0 | 0 | 0 |
| PP Other Rigid | Other Rigid | PP | Bottle Stopper | 372.01 | 0% | Mono | No | No | 0.17 | 0.17 | 0 | 0 | 0 | 0 |
| PP Other Rigid | Other Rigid | PP | Cap | 29,657.11 | 0% | Mono | No | No | 13.45 | 13.45 | 0 | 0 | 0 | 0 |
| PP Other Rigid | Other Rigid | PP | Dropper | 33.73 | 0% | Mono | No | No | 0.02 | 0.02 | 0 | 0 | 0 | 0 |
| PP Other Rigid | Other Rigid | PP | Dropper Collar | 22.34 | 0% | Mono | No | No | 0.01 | 0.01 | 0 | 0 | 0 | 0 |
| PP Other Rigid | Other Rigid | PP | Lid Disc | 14.55 | 0% | Mono | No | No | 0.01 | 0.01 | 0 | 0 | 0 | 0 |
| PP Other Rigid | Other Rigid | PP | Pump | 19,440.47 | 0% | Mono | No | No | 8.82 | 8.82 | 0 | 0 | 0 | 0 |
| PP Other Rigid | Other Rigid | PP | Sprayer | 53,004.36 | 0% | Mono | No | No | 24.04 | 24.04 | 0 | 0 | 0 | 0 |

SCOPE OF REPORTING: Includes Grove Collaborative owned brand products sold directly to consumers through Grove.com. Brands include Grove Co., Seedling by Grove, HONU, Superbloom, Peach Not Plastic, Sustain, and Rooted Beauty.

Excludes Grove Collaborative manufacturing and operations. Excludes other non-Grove owned products sold on Grove's marketplace and Grove Co. products sold at retail (Target, Whole Foods, Amazon). COUNTRY: United States.

PLASTIC USE CLASSIFICATION: Use of Sold Products. PROCUREMENT OR SALES: Sales. END OF USE/FATE OF PRODUCT: Sold to Consumer. CONTENT: Responsibly Sourced = 0%.

CONTENT: Biobased = 0%. CONTENT: Compostable = 0%. *Is there evidence of a 'system for recycling' globally according to the New Plastics Economy 2020 Recycling Rate Survey?

**Is there evidence of a 'system for recycling' in the local market (30% post-consumer recycling rate in the Pact market/s)?



APPENDIX

rePurpose Plastic Collection Impact 2020

| Location | Plastic Collected* | Jobs Created | Households Impacted | Equipment Facilitated | Socio-Economic Benefits |
|-----------------------------|---|--|--|--|--|
| Malappuram, Kerala, India | 242,508 lbs. | 86 Women employed | Regular waste collection established for 42,600 households in 5 villages | <ul style="list-style-type: none"> • 8 Sorting tables • 1 Portable toilet • 168 Uniforms • 40,000 Collection bags • Educational materials | <ul style="list-style-type: none"> • Worker compensation for COVID-19 lockdown: INR 2500/3000 to 76 workers, dependent on location • 86 PPE kits distributed |
| Hyderabad, Telangana, India | 220,462 lbs. | 70 Formal workers | No information reported | No information reported | <ul style="list-style-type: none"> • 215 PPE kits distributed • 40 worker vaccinations facilitated as of 6/30/2021 |
| Goa, India | 440,925 lbs. | 15 Formal workers | No information reported | No information reported | No information reported |
| Totals | 903,895 lbs Equivalent to 16.4 million plastic bottles | 171 Formal workers Approximately 450 informal workers | At least 42,600 households in 5 villages | <ul style="list-style-type: none"> • 8 Sorting tables • 1 Portable toilet • 168 Uniforms • 40,000 Collection bags • Educational materials | <ul style="list-style-type: none"> • Worker compensation for COVID-19 lockdown, dependent on location • At least 301 PPE kits distributed • At least 40 worker vaccinations facilitated as of 6/30/2021 |

*Plastic waste collected and co-processed, totaling 903,895 lbs (410,000 kgs) in 2020.



Plastic Bank Collection Impact 2020-21

| Location | Plastic Collected* | Communities Impacted | People Impacted | Socio-Economic Benefits |
|---------------|--|--------------------------|-----------------------|--|
| Indonesia | 870,321 kg.* | 169 Local branches | 1,563 People impacted | <ul style="list-style-type: none"> • Premiums paid to workers • Access to financial literacy education • Access to Plastic Bank digital education platform • Access to local school programs |
| Philippines | 1,520,196 kg.** | 61 Local branches | 1,176 People impacted | <ul style="list-style-type: none"> • Premiums paid to workers • Access to financial literacy education • Access to Plastic Bank digital education platform • Access to local school programs |
| Totals | 2,390,517 kg. Equivalent to 119 million plastic bottles | 230 Communities impacted | 2,760 People impacted | <ul style="list-style-type: none"> • Premiums paid to workers • Access to financial literacy education • Access to Plastic Bank digital education platform • Access to local school programs |

*October, 2020 to March, 2021. **October, 2019 to February, 2021.



ESG Metrics: Beyond Plastic

GROVE-OWNED BRANDS

| Plastic Metrics | 1H2021 | 1H2020 | Year Over Year |
|------------------------------------|---------------------|---------------------|----------------|
| Grove Co.™ Plastic-Free Products* | 31% | 25% | +6% |
| Seedling Plastic-Free by Weight** | 99% | 99% | No change |
| HONU Plastic-Free by Weight** | 98% | 98% | No change |
| Rooted Beauty PCR Products*** | 42% | 43% | -1% |
| Sustain Plastic-Free Products** | 23% | 23% | No change |
| Peach Not Plastic Products* | 100% 20 products | 100% 10 products | +10 products |
| Superbloom Plastic-Free Products** | 99% | N/A | Launched 2021 |

METHODOLOGY: *Percent of total product count that is plastic-free. 1/1/21 - 6/30/21. Because 2020 reporting tracked Q1-2 (1/1/20 - 6/30/20), we used 2021 Q1-2 (1/1/21 - 6/30/21) for comparison. **Plastic as a percent of product weight. ***Post-consumer recycled content.

GROVE CO. PRODUCTS

| Plastic Metrics | 1H2021 | 1H2020 | Year Over Year |
|-----------------------------------|---------------|-------------|----------------|
| Plastic-Free Products* | 31% | 25% | +6% |
| Packaging as Percent of Plastic** | 26% | 37% | -11% |
| Single-Use Plastic*** | 60% | 61% | -1% |
| Total Plastic Footprint | 1,035,108 lbs | 705,347 lbs | +329,761 lbs |

METHODOLOGY: *Percent of total product count that is plastic-free. 1/1/21 - 6/30/21. Because 2020 reporting tracked Q1-2 (1/1/20 - 6/30/20), we used 2021 Q1-2 (1/1/21 - 6/30/21) for comparison. Note: Of the total number of Grove-branded products that we've shipped to our customers in 2021, 69% of those products contained plastic, 40% of those plastic products were reusable, and contained an average of 29% post-consumer recycled plastic by weight. **This is the ratio of plastic that is packaging versus plastic that is part of the product itself. ***Plastic as a percent of product weight.



ESG Metrics: Beyond Plastic & Reforestation

PLASTIC FOOTPRINT

| Total Plastic Sitewide | 1H2021 | 1H2020 | Year Over Year* |
|--|---------------|---------------|-----------------|
| Plastic-Free Products | 15% | 11% | +4% |
| Reusable Plastic Products | 11% | 10% | +1% |
| Post-Consumer Recycled Plastic | 15% | 14% | +1% |
| Total Plastic Footprint | 2,582,976 lbs | 2,464,261 lbs | +118,715 lbs |
| Average Plastic Per Shipment | .75 lbs | .71 lbs | +.04 lbs |
| Plastic as a Percent of Total Product | 13% | 7% | +6% |
| Plastic Packaging vs. Plastic In Product | 53% | 50% | +3% |

*METHODOLOGY: 1/1/21 - 6/30/21. Because 2020 reporting tracked Q1-2 (1/1/20 - 6/30/20), we used 2021 Q1-2 (1/1/21 - 6/30/21) for comparison. As our data collection has improved and become more accurate, we've modified our historic plastic footprint to reflect the most accurate information available.

TREES PLANTED

| Reforestation | 2021 | 2020 |
|-------------------------|---------------|--------------|
| Total Trees Planted | 635,000* | 365,000** |
| CO2 Sequestered | 209,516 tons | 66,662 tons |
| Air Pollution Removed | 11,491 pounds | 4,644 pounds |
| Rainfall Intercepted*** | 28B gallons | 18B gallons |

METHODOLOGY: *Metrics as of 6/30/2021. **Metrics as of 6/30/2020. ***For more information on metrics, see [How Trees Can Retain Stormwater Runoff](#).



ESG Metrics: Scope 1-3 Carbon Emissions

EMISSIONS BY SOURCE & SCOPE

| GHG Emissions (mtCO2e)* | 2020 | 2019 |
|-------------------------|-----------|------|
| Scope 1 | 445 | 370 |
| Scope 2 | 895 | 790 |
| Scope 3 | 88,212*** | N/A |

RENEWABLE ENERGY CREDITS

| Purchase Amount | 2020 | 2019 |
|-----------------|------------|------------|
| 3,695 RECs** | 1,844 RECs | 1,851 RECs |

*SCOPE OF REPORTING: Scope 1, 2 & Scope 3 included for YOY metrics. Full Scope 3 reporting begins from 2020 onward (see following page). Greenhouse gas emissions (GHGs) in metric tons of carbon dioxide equivalent (MTCO2e).
 Grove purchased Renewable Energy Credits (RECs) equivalent to its non-renewable energy. *Use-phase emissions of Grove products are indirect and have been excluded from reporting due to lack of primary data and direct mitigation opportunities. An assessment of all relevant Scope 3 categories has been conducted and all emissions quantified.



ESG Metrics: Scope 3 Carbon Emissions

| Emissions Category and Number* | Notes | 2020 GHG Emissions (mtCO ₂ e) | |
|--|---|--|---------------------------------|
| | | No Offsets Applied | Remaining After Offsets Applied |
| 1: Purchased Goods & Services | Production and sale of products, i.e. suppliers, including capital goods. | 67,196 | 67,196 |
| 3: Fuel & Energy Related Activities | Extraction, production, transportation of fuels and energy not accounted for in Scope 1, 2. | 262 | 212 |
| 4: Upstream Transportation & Distribution | To/from supply chain and operation, and facilities | 4,588 | 4,588 |
| 5: Waste Generated in Operations | Disposal and treatment of waste from Grove facilities | 1,758 | 0 |
| 6: Business Travel | Employee transportation for business (using 2019 due to COVID-19 shifts in 2020). Incl. air, car & hotel. | 335 | 0 |
| 7: Employee Commute | Employee transportation between homes & workspaces (using 2019 due to COVID-19 shifts in 2020). | 1,197 | 0 |
| 9: Downstream Transportation & Distribution | To/from Grove facilities to end consumer | 10,003 | 0 |
| 12: End of Life Treatment | Waste disposal and treatment of sold products | 2,866 | 2,866 |
| 13: Downstream Leased Assets | Assets leased to other entities, i.e. leases/subleases | 8 | 8 |
| Total Scope 3 Emissions (mtCO₂e): | | 88,212 | 74,881 |

METHODOLOGY: Use-phase emissions of Grove products are indirect and have been excluded from reporting due to lack of primary data and direct mitigation opportunities. An assessment of all relevant Scope 3 categories has been conducted and all emissions quantified. We completed this analysis with the support of Optera (previously known as Point380), a specialized sustainability firm providing us with integrated consulting and software services. Optera is an accredited software and solutions provider with the Carbon Disclosure Project (CDP).



Sourcing Considerations for Offsets & RECs

| Methodology | Priority | Strategy |
|---------------------------------|---|--|
| Carbon Offsets | Verifiability | Move toward third-party or global standard |
| | Methodology | Invest in projects with established, public methodologies |
| | Transparency | Invest in projects accounted for via a public registry to avoid double-counting |
| | Proximity | Invest within same state or country |
| | Nature-Based | Prioritize nature-based projects that protect wild places and indigenous territories |
| Renewable Energy Credits (RECs) | Additionality | Add new renewable energy to the grid to maximize impact |
| | | Move toward bundled RECs versus unbundled (RE100 Buyer's Principles) |
| | | Purchase from new generators within high-fossil-fuel grids |
| | | Align purchases with broader SDGs and social impact |
| | Proximity | Procure from local grid within same state or community |
| Load Match | Match REC purchases to consumption (RE100 Technical Criteria) | |



ESG Metrics: 2020 Offsets

| Scope | Emissions Source/Category | Offset Source | Offsets Applied | Net Emissions (With Offsets) |
|---|--|--|---------------------------------|------------------------------|
| 1 | Onsite Fuel | Arbor Day Foundation: Rimba Raya Biodiversity | 444 mtCO ₂ e | 0 |
| 2 | Indirect Electricity | Native Energy | 895 mtCO ₂ e | 0 |
| 3 | Fuel and Energy Related Activities: Transmission & Distribution Only | Arbor Day Foundation: Rimba Raya Biodiversity | 50 mtCO ₂ e | 0 |
| 3 | Waste Generated in Operations | Arbor Day Foundation: Rimba Raya Biodiversity & Natural Capital Partners | 1,758 mtCO ₂ e | 0 |
| 3 | Business Travel (Air, Car) 2019 | Natural Capital Partners: Acre Amazon REDD + Rainforest | 316 mtCO ₂ e | 0 |
| 3 | Employee Commute & Remote Work 2019 | Arbor Day Foundation: Rimba Raya Biodiversity Natural Capital Partners: Acre Amazon REDD + Rainforest | 1,197 mtCO ₂ e | 0 |
| 3 | Downstream Transportation & Distribution | UPS Carbon Offset Program Arbor Day Foundation: Rimba Raya Biodiversity | 10,003 mtCO ₂ e | 0 |
| All offset sources are recognized by the CarbonNeutral protocol. | | | 13,324 mtCO₂e | 0 |

*METHODOLOGY: Fiscal Year 2020. We completed this analysis with the support of Optera (previously known as Point380), a specialized sustainability firm providing companies with integrated consulting and software services. Optera is an accredited software and solutions provider with the Carbon Disclosure Project (CDP).



ESG Metrics: Energy & Water Use

ENERGY USE BY FACILITY

| Fulfillment Centers | 2020 | 2019 |
|---------------------------|-----------|-----------|
| Electricity (kWh) | 1,812,728 | 1,378,102 |
| Natural Gas (kWh) | 2,177,050 | 1,406,995 |
| Total (kWh) | 3,989,788 | 2,785,098 |
| GHG (mtCO ₂ e) | 1,282 | 1,026 |

| Offices | 2020 | 2019 |
|---------------------------|---------|-----------|
| Electricity (kWh) | 315,873 | 466,523 |
| Natural Gas (kWh) | 274,190 | 429,406 |
| Total (kWh) | 590,063 | 2,175,480 |
| GHG (mtCO ₂ e) | 118 | 96 |

WATER USE BY FACILITY

| Fulfillment Centers | 2020 | 2019 |
|---------------------|---------|---------|
| Water Use (gal.) | 549,025 | 434,326 |
| Gal. per sq. ft. | 1 | 1 |

| Offices | 2020 | 2019 |
|------------------|---------|---------|
| Water Use (gal.) | 161,339 | 841,687 |
| Gal. per sq. ft. | 4 | 26 |



ESG Metrics: Waste Diversion

WASTE DIVERSION BY FACILITY

| Fulfillment Centers | 2020 | 2019 | YOY |
|---------------------|--------|-------|---------|
| Compost (sh. tn.) | 0 | 0 | N/A |
| Recycling (sh. tn.) | 1,998 | 1,544 | +29.38% |
| Landfill (sh. tn.) | 2,429 | 2,981 | -18.53% |
| Diversion Rate | 45.13% | 34% | +32.74% |

| Offices | 2020 | 2019 | YOY |
|---------------------|--------|------|----------|
| Compost (sh. tn.) | 5.48 | 2.14 | +156.37% |
| Recycling (sh. tn.) | 4.23 | 2.16 | +95.61% |
| Landfill (sh. tn.) | 9.28 | 4.6 | +100.65% |
| Diversion Rate | 51.13% | 45% | +13.63% |

ESG Metrics: Diversity & Inclusion

VENDOR DIVERSITY & INCLUSION

| Women Owned | 2020 | 2019 | YOY |
|-----------------|------|------|------|
| Brand Partners | 54 | 40 | 35% |
| Grove Suppliers | 1 | 2 | -50% |

| Minority Owned | 2020 | 2019 | YOY |
|-----------------|------|------|------|
| Brand Partners | 19 | 9 | 111% |
| Grove Suppliers | 13 | 13 | 0% |

| Veteran Owned | 2020 | 2019 | YOY |
|-----------------|------|------|-----|
| Brand Partners | 4 | 3 | 33% |
| Grove Suppliers | 0 | 0 | 0% |

| % of Total WMV-Owned | 2020 | 2019 | YOY |
|----------------------|--------|------|---------|
| Brand Partners | 41.14% | 43% | -4.33% |
| Grove Suppliers | 28% | 33% | -15.15% |

| % of Total Undisclosed | 2020 | 2019 | YOY |
|------------------------|-------|------|-----|
| Brand Partners | 8.86% | 5% | 5% |
| Grove Suppliers | 42% | 50% | 50% |

| Certified B Corporations | 2020 | 2019 | YOY |
|--------------------------|------|------|--------|
| Brand Partners | 25 | 40 | -37.5% |
| Grove Suppliers | 7 | 2 | 250% |

| % of Total Vendors (Brand Partners) | 2020 | 2019 | YOY |
|-------------------------------------|------|------|--------|
| | 16% | 9% | 77.78% |

| % of Total Vendors (Grove Suppliers) | 2020 | 2019 | YOY |
|--------------------------------------|------|------|-------|
| | 14% | 13% | 7.69% |



ESG Disclosures: Giving & Donations

Grove Co.™ Corporate Giving 2020 Giving at Grove falls into four categories, outlined below:

| | |
|-------------------------|---|
| Annual Donations | Non-profit partners (5 Gyres, Arbor Day, Women’s Voices for the Earth, Living Lands and Waters) |
| Disaster Relief | Wildfire relief donations made in Australia, California and Oregon; Feeding America |
| Campaigns | Advocates for Youth |
| Social Impact | Black Lives Matter, Black Girls Code, The Innocence Project, ACLU |

In-Kind Donations 2020 Donations of Grove products to over 20 recipients, including:

| | |
|---------------------|--|
| \$1,300,000+ | Product donated to community organizations near our fulfillment centers: primarily the Central Pennsylvania Food Bank and the St. Louis Food Bank. |
| \$240,000+ | Hand sanitizer to the National Association of State Election Directors to support safe conditions for election workers. |
| \$100,000+ | Products donated to charter schools around the US as part of a COVID-readiness campaign. |
| \$10,000+ | Hand sanitizer to hospitals near all Grove facilities in California, Nevada, Missouri, Maine and Pennsylvania for essential health care workers. |

Other Recipients The People Concern, Money Matters for Youth/Shinola Black Santa Event, Turning Green, Embrace Refugee Birth Support, Send It Foundation, I Support the Girls, Cooperative Home Care Associates, Thomas Jefferson Hospital, Suay Sew Shop Essential Worker Campaign, Columbia Hospital COVID ICU, Ovee

Office Donations 2020

Both cash and in-kind donations made by individual offices to local organizations or surrounding holiday give back, including:

- Compass Family Services SF
- Pancreatic Cancer Action Network
- Environmental Defense Fund
- Replate SF
- Maine Animal Coalition
- In Her Presence
- Habitat for Humanity of Greater Portland ReStore
- Furniture Friends

Site Credit Donations

This includes Grove site credit given to individual customers to fulfill charitable requests such as local fundraisers or donations.



SASB Reporting 2020: Multiline Retail

| Topic | Accounting Metric | Category | Unit of Measure | Code | Contact | Response | References |
|--|---|-------------------------|---------------------------------|---------------|---------------------|--|---|
| Energy Management in Retail & Distribution | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable | Quantitative | Gigajoules (GJ), Percentage (%) | CG-MR-130a.1 | Sustainability Team | (1) 7,679 GJ (2) 100% (3) We purchase renewable energy through our utility provider at all locations available, which currently accounts for approximately 6% of our energy use. However we purchase RECs and carbon offsets equivalent to the remaining energy use to result in carbon neutral facilities. | See Pgs. 45-53 and 71-76 for further reporting. |
| Data Security | Description of approach to identifying and addressing data security risks | Discussion and Analysis | N/A | CG-MR-230a.1 | Privacy Policy | Grove has a defined Security Incident Protocol and Information Gathering Process established for our baseline security measures. Although we've had no data breaches, we used these processes to identify and remediate other security incidents related to fraud, abuse, or otherwise malicious attempts to take down our site. Grove also has preventative measures put in place as part of PCI compliance including but not limited to: Web Application Firewall; Network monitoring; Audit logs of network activity; Drift detection of infrastructure and application code; Encryption at rest and encryption in transit; Automated Threat Detection. | See our Privacy Policy for further information. |
| | (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected | Quantitative | Number, Percentage (%) | CG-MR-230a.2* | | (1) 0 (2) 0 (3) 0 | |

* Disclosure shall include a description of corrective actions implemented in response to data breaches.



SASB Reporting 2020: Multiline Retail

| Topic | Accounting Metric | Category | Unit of Measure | Code | Contact | Response | References |
|---------------------------------|--|--------------|------------------------------------|-----------------|-------------|---|---------------------------------------|
| Labor Practices | (1) Average hourly wage (2) percentage of in-store employees earning minimum wage, by region | Quantitative | Reporting currency, Percentage (%) | CG-MR-310a.1 | People Team | We're proud to offer competitive wages and benefits for employees across our Corporate, Customer Care, Store and Fulfillment Center teams. See Pgs. 55-64 for partial reporting. | See Pgs. 55-64 for partial reporting. |
| | (1) Voluntary and (2) involuntary turnover rate for in-store employees | Quantitative | Rate | CG-MR-310a.2 | People Team | FC annual turnover rate: 34% CH annual turnover rate: 38% | |
| | Total amount of monetary losses as a result of legal proceedings associated with labor law violations | Quantitative | Reporting Currency | CG-MR-310a.3** | Legal Team | Nothing to report for 2020. | |
| Workforce Diversity & Inclusion | Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees | Quantitative | Percentage (%) | CG-MR-330a.1*** | People Team | Grove provides equal opportunity for all employees and no employee may be discriminated against due to race, color, religion, gender identity, gender expression, sexual orientation, ancestry, national origin, age, marital or veteran status, or disability. See Pgs. 55-64 for partial reporting. | See Pgs. 55-64 for partial reporting. |
| | Total amount of monetary losses as a result of legal proceedings associated with employment discrimination | Quantitative | Reporting Currency | CG-MR- | Legal Team | In 2020, Grove paid approximately \$20,000 in connection with mutual settlements and/or mediation agreements with claimants alleging labor law claims. None of these claims resulted in any finding of wrongdoing against Grove. | |

** The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses. *** The entity shall describe its policies and programs for fostering equitable employee representation across its global operations. **** The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.



SASB Reporting 2020: Multiline Retail

| Topic | Accounting Metric | Category | Unit of Measure | Code | Contact | Response | References |
|---|---|-------------------------|--------------------|--------------|--------------------------------|---|--|
| Product Sourcing, Packaging & Marketing | Revenue from products third-party certified to environmental and/or social sustainability standards | Quantitative | Reporting currency | CG-MR-410a.1 | Sustainability Team, Analytics | 90% (or close to it) based on our requirements detailed in vendor onboarding. | See Pgs. 40-42 for further reporting. |
| | Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products | Discussion and Analysis | N/A | CG-MR-410a.2 | Vendor Onboarding Team | <p>Grove exists to provide safe and sustainable products, and relies on third party certifications, such as EWG, USDA Biobased, or EPA Safer Choice, wherever possible. Our standards page details our “anti-ingredients list” of prohibited chemicals.</p> <p>We lead with organic and plant-based ingredients whenever available. We never use synthetic fragrance or these harmful ingredients. We work exclusively with Leaping Bunny certified manufacturers to ensure everything we offer is 100% cruelty-free. We constantly seek ways to minimize plastic in our products and packaging. We review supplier factories for safety and well-being according to the International Business Social Compliance Initiative.</p> | See Pgs. 36-43 for further reporting. |
| | Discussion of strategies to reduce the environmental impact of packaging | Discussion and Analysis | N/A | CG-MR-410a.3 | Sustainability Team | See Pages 16-21 and 34 for details around our packaging strategy, FSC requirements and plastic goals, including goals to be 100% plastic free by 2025 and 100% FSC Certified by 2022. | See Pgs. 16-21 and 34 for further reporting. |



SASB Reporting 2020: Multiline Retail

| Topic | Accounting Metric | Category | Unit of Measure | Code | Contact | Response | References |
|---------------------|--|--------------|---------------------------------|-------------|------------------------|---|---------------------------------------|
| Facilities Activity | Number of: (1) retail locations and (2) distribution centers | Quantitative | Number | CG-MR-000.A | Sustainability Team | (1) No retail locations. (2) Three distribution centers located in Reno, NV; Elizabethtown, PA and St. Peters, MO. | See Pgs. 71-76 for further reporting. |
| | Total area of: (1) retail space and (2) distribution centers | Quantitative | Square meters (m ²) | CG-MR-000.B | Vendor Onboarding Team | (1) 0 sq feet (2) 509,300 sq feet | See Pgs. 71-76 for further reporting. |



U.N. Sustainable Development Goals





The [United Nations Global Sustainable Development Goals](#) (UN SDGs) are an internationally recognized blueprint to achieve a sustainable and inclusive future. Each goal identifies interconnected issue areas of the world's greatest challenges in an attempt to provide a shared language for alignment.

It has become standard practice for corporate sustainability reports to map to the relevant SDG. While we do view SDG-mapping as subjective in many regards and therefore prone to self-congratulatory narratives, we're committed to participating in a shared framework and language of sustainability, especially as relevant to the growing portion of ESG-focused investors.

We're also committed to honesty and transparency in our reporting, so we've provided an overview of our sustainability initiatives and philanthropy against the relevant SDGs, as well as an assessment of where we fall short.





U.N. Sustainable Development Goals

| SDG | UN Target | No. | Description | References |
|---|---|--------------|--|--|
|  | By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination. | 3.9 | With a clear connection between human and environmental health, Grove’s rigorous standards prevent the use of hazardous or questionable chemicals in any of our products, or those of our third party brands. | See Pgs. 36-43 and the Grove Standard for further reporting. |
|  | Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life. | 5.5 | Throughout our business—from our fulfillment centers to our corporate offices—we remain focused on ensuring that women are equally represented and engaged at all levels of leadership. We also measure and report on our vendor and supplier base’s representation—and are proud to support many women-founded and women-led businesses. | See Pgs. 55-60 for further reporting. |
|  | By 2030, achieve the sustainable management and efficient use of natural resources. Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle. | 12.2 12.6 | The concept of this SDG is foundational to Grove’s business, and encapsulates our motivation for being plastic free. Through innovation and transparency around our use of natural resources, we’re committed to doing so in a sustainable way that regenerates the natural environment—rather than degrades it. For example, we’re committed to moving out of plastic and into lightweight, low-impact products packaged in renewable, reusable or truly recyclable materials (as a last priority). | See Pgs. 09-26 for further reporting. |
|  | Integrate climate change measures into policies, strategies and planning. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. | 13.1 13.2 | Grove is led by scientific consensus around climate change and, based on that, has set Science-Based Targets and a goal to achieve net zero emissions by 2030. We’re also considering methods for reforestation that protect biodiversity—another area of emerging thought that supports planetary health through ecological restoration. | See Pgs. 45-53 and 71-76 for further reporting. |



U.N. Sustainable Development Goals (Cont.)

| SDG | UN Target | No. | Description | References |
|---|--|------|---|--|
|  | By 2025, prevent and significantly reduce marine pollution of all kinds, particularly from land-based activities, including marine debris and nutrient pollution. | 14.1 | As an interim step in the journey to being plastic-free, Grove is Plastic Neutral, a commitment which supports funding for the collection of millions of pounds of marine and terrestrial plastic pollution, rerouting plastic to proper disposal or recycling. Through this program, millions of pounds of plastic have been avoided in areas where marine plastic leakage is a major problem. | See Pg. 15 for further reporting. |
|  | By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally. | 15.2 | Grove's business exists to provide an alternative to household products that contribute to deforestation, through tree-free paper products. We're nearing our goal to plant 1 million trees, and we're ensuring that our supply chain remains deforestation free. | See Pgs. 28-34 and our Responsible Fiber Policy for further reporting. |

