

Grove[®]

COLLABORATIVE

2022-23

SUSTAINABILITY REPORT



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STUART LANDESBURG, CO-FOUNDER & CEO, GROVE COLLABORATIVE

A LETTER FROM OUR CEO

Our goal isn't just to make change at Grove; environmental crises require us to move the needle across our industry.

At Grove, we know that sustainability is the only future—and what we do now matters. Grove started in 2012. By the end of our first year, we had about 150 customers and were selling products packaged in 100% plastic. By 2019, millions of consumers had come to trust Grove for more sustainable products, and we decided to up the game: we pledged to move Beyond Plastic™ by 2025. Since then, we've been astonished at the momentum behind us in adopting new and innovative solutions — as well as by our potential to inspire change across our ecosystems. Change in our category is challenging, but it is necessary... And it is happening.

Since 2017, our Grove-owned brands have avoided 7.8 million pounds of plastic by swapping conventional, single-use plastics for more sustainable options.

We believe change is possible, one home at a time.

We are also realistic. We know that plastic permeates every part of our daily lives, but the future is up to us to decide. Our goals around sustainability (and especially plastic) shape how we do our jobs every day, and how we create a brand that customers rely on for the best available solutions that align with their values of sustainability, safety, and of course — efficacy.

We've also seen the impact of our brand on the industry. Across sectors we are seeing more concentrated options than ever before, and our Plastic Working Group has helped over one hundred companies advance their sustainable packaging goals.

While plastic is what we are most known for — we strive to live our values across how we do business. To that end, I'm thrilled that in 2022, we reached our goal to plant 1 million trees in the U.S. through our "tree positive" Grove Co. paper line.

We are excited to continue to support Indigenous-led forest conservation in Alaska through our new partnership with The Nature Conservancy. Grove has also gone beyond just environmental initiatives, diversifying our brand partners, with more than 15% of shelf space devoted to BIPOC-owned brands, 48% to women-led brands, and 22% to certified B Corporations as of 2022.

Perhaps most exciting, our customers are joining us on the journey to a more sustainable way of life. Nearly 40,000 amazing individuals purchased from our Environmental Impact Shop in 2022, supporting grassland regeneration in Montana, tree planting for wildfire-damaged forests in California, and ocean-bound plastic collection in India. Our company contains the word "collaborative" because we believe the biggest change is created together.

I want to thank each of you — along with our incredible partners, collaborators, and employees — for walking the path to progress with us. It's not always easy, but it's always worthwhile. Together, we're transforming household products into a force for good.



PROGRESS, NOT PERFECTION

Moving the Needle

As we work to advance our industry toward a business model where home essentials are a force for regeneration, we're always considering the balance between individual and collective change. Questions come up.

How far can we go alone? Will others follow? Will our customers support these changes, or stick to conventional products? Is it more impactful to go slower/together, or faster/fewer?

**If you want to go fast,
go alone. If you want to
go far, go together.**

Reflecting on our progress in 2022, it's clear that we're making collective, ever-growing impact on Grove homes around the country. We think the best way to measure true progress is through plastic intensity — a metric that showcases our business' reliance on how much plastic it takes us to earn \$100 of revenue. As of this year, across the site, we ship just over one lb of plastic for every \$100 of revenue, and even less when considering our owned brands.

This progress is not ours — it's entirely from Grove homes, where people are ready and excited to take action and move away from single-use plastic. Our community continues to inspire us. Whether sharing eco-friendly cleaning tips or finding new ways to repurpose packaging and avoid waste, our customers are a force of nature!

While the national recycling rate post-pandemic dropped and larger brands double down on the false promise of recycled plastic, we remain optimistic about the future. We know firsthand the power of a passionate community to inspire change. We're proud to remain the destination for sustainable and safe home essentials.

Looking ahead, we remain focused on striving for progress while considering opportunities for greater impact. We want to change behavior and influence our broader industry to adopt better solutions. Thank you for your interest in our continued progress, however messy! We are inspired by our community of imperfect environmentalists, working toward sustainability in our homes, communities and our planet. It's your example that keeps us hopeful and working hard for change!



GROVE'S GOALS

RIGHT NOW

UP NEXT

Beyond Plastic™

100% plastic neutral

Since 2020, for every ounce of plastic we've shipped to customers, we've collected the same amount of environmental plastic pollution.

Beyond Plastic™

Beyond Plastic™ is our plan to solve the plastic crisis for home and personal care products. We're working hard to remove plastic from everything we make and sell.

Forests & Fiber

Deforestation-free supply chain

In 2022, we reached our goal to plant 1 million trees. Every purchase of Grove Co. paper supported the Arbor Day Foundation in reforesting the U.S.

2 million acres conserved

Grove is partnering with The Nature Conservancy to support Indigenous-led conservation across 2 million acres in the Tongass Rainforest of Southeast Alaska.

Climate & Carbon

CarbonNeutral® certified company

Our direct emissions, including business operations, are all carbon neutral (with nature-based, community-led offsets). We have set, and are aligned with, our Science-Based Target.

Net zero by 2030

We're committed to taking meaningful climate action and will be net zero — as defined by the Science-Based Targets initiative — by 2030.

Healthier Homes

Less harmful chemicals

100% of our products meet Grove Ingredient Standards for less harmful chemicals. 100% of Grove Co. cleaning and personal care fragrances are made with natural ingredients.

Safer products everywhere

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

Justice & Equity

Inclusive sourcing and representation

In 2021, we reached our goal to source \$350,000+ from Black-owned businesses. In 2022, we reached a new milestone of 15% BIPOC brands.

15% shelf space to BIPOC brands

We'll continue to allocate 15%+ (with continual growth) of our shelf space to products from BIPOC-owned partners.

OUR IMPACT

In 2022, customer contributions and partnerships expanded our impact.



38,975

customers who purchased from our Environmental Impact Shop

7.8 million

lbs of plastic avoided by Grove customers since 2017 through plastic-reducing Grove Co. and Peach products

48%

of product vendors were women-led and 15% of shelf space was dedicated to BIPOC vendors in 2022



100%

of new Grove Co. products are now How2Recycle labeled

3 Years

of recognition as an EPA Safer Choice Partner of the Year 2020-2022

12.7 million

lbs of nature-bound plastic waste collected through our plastic neutrality commitment since 2020



1 million

trees planted in the U.S. with the Arbor Day Foundation 2018-2022

55,498

Acres of the Great Northern Plains are being restored across the U.S. through our Impact Shop



Plastic-Free Revenue Growth

We're working hard to separate plastic from profit.

A Broken System

In our industry, single-use plastic creates a host of what are called **negative externalities** — when something's use has a negative consequence for a third party. In this case, the third parties are the planet and its inhabitants.

Plastic requires fossil fuel extraction and manufacturing. This causes air, water and soil pollution — often in low-income areas and communities of color. Plastic's widespread use has health consequences, and at the end of its life, plastic can pollute land, oceans, and cause environmental contamination through microplastics.

While plastic does have many remarkable and life-saving applications, consumer goods and single-use packaging are simply not among them. Regardless of recyclability claims, single-use plastic packaging just isn't sustainable.

As we work to move away from plastic, we also recognize the limitations we face. This change can't happen overnight if we want to bring our customers and our industry along with us.

Holding Ourselves Accountable

As we consider the best way to communicate our progress out of plastic, we want to both hold ourselves accountable, and keep it simple — for us and our customers.

As a way to check both boxes, we landed on a metric called plastic intensity. Plastic intensity is a simple ratio of how much plastic we ship (in lbs.) per \$100 of revenue.

How much plastic do we “use” in order to earn \$100 of revenue?

As we reduce our use of plastic, this number will decrease. We aim to illustrate the decoupling of our revenue from our use of plastic, showing true separation of profit and plastic.

We're proud to publish the industry's first plastic intensity metric. Our hope is that other brands and retailers will follow suit. This is the most apples-to-apples way we've found to compare progress out of plastic across brands and industries. We recognize that inflation will impact this metric over time, so we will continue to explore ways to maintain our transparency in disclosure, including plastic per lb of product sold.

*Products sold on grove.com from brands not owned by Grove Collaborative.

Plastic Intensity

Ibs. per \$100 revenue since 2020



GROVE-OWNED BRANDS (Ibs.)			
	1.07	1.12	0.87
	2020	2021	2022



ALL BRANDS ON GROVE.COM (Ibs.)			
	1.44	1.32	1.06
	2020	2021	2022



THIRD-PARTY BRANDS* (Ibs.)			
	1.74	1.51	1.24
	2020	2021	2022



MEMBERSHIPS & ADVOCACY

Amplifying our Efforts

Improving access to sustainable products requires advocacy. As a mission-driven retailer, it's our responsibility to participate in state and national dialogues around plastics, recycling and climate.

Memberships

Annually, Grove renews membership in groups of like-minded, action-oriented organizations. In 2022, we participated in:

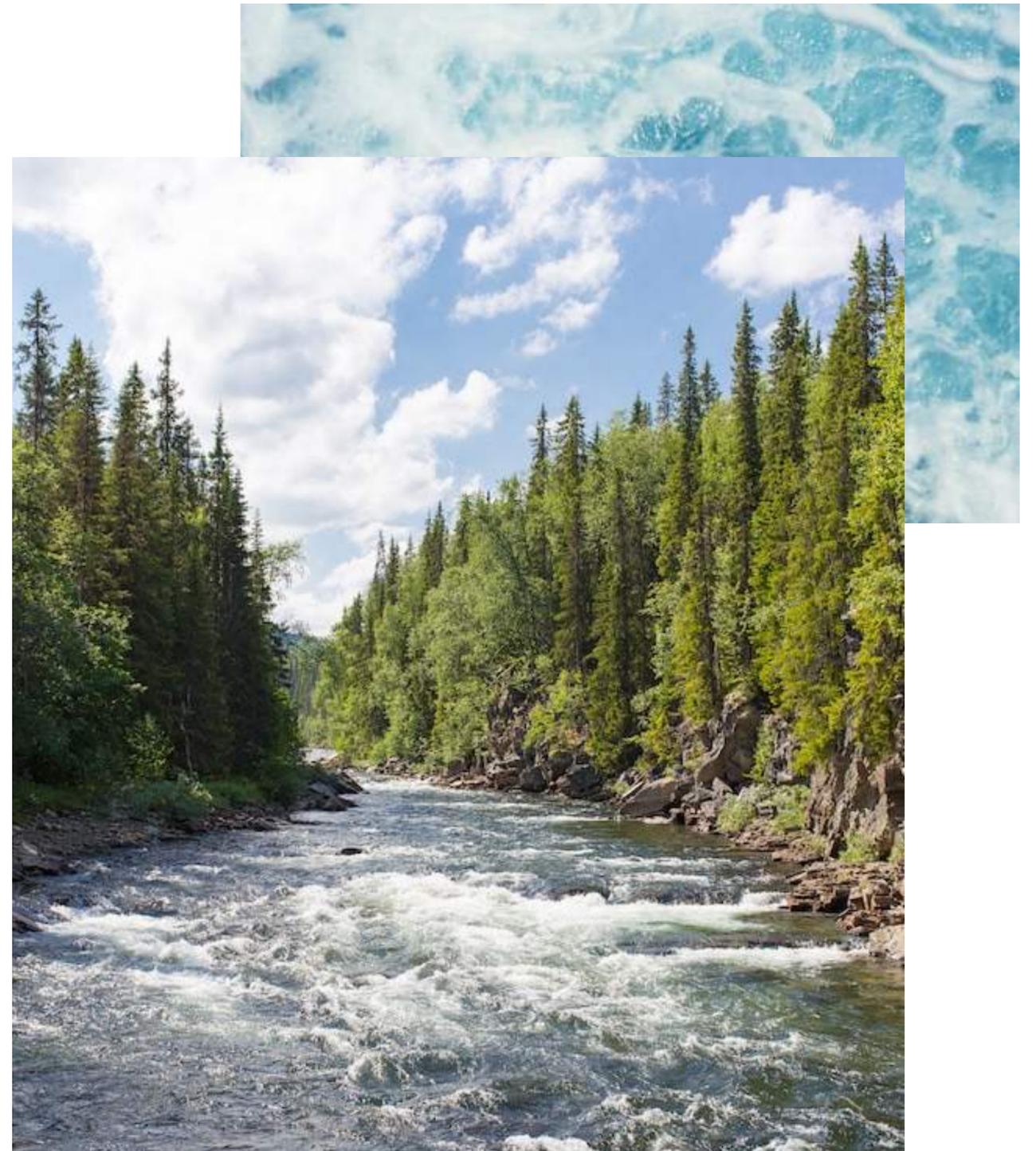
- Ceres
- American Sustainable Business Council (ASBC)
- Ocean Plastics Leadership Network (OPLN)



Advocacy

We were actively involved in conversations with legislators indicating our support for the proposed Build Back Better bill, which evolved into the historic **Inflation Reduction Act**.

We also supported around the transition to Clean Fleet and Vehicles (which would allow us to reduce our own carbon emissions associated with deliveries), and we advocated for increased climate-risk and ESG disclosures from companies, so that we (and other smaller companies) have access to reliable supply-chain information related to material business risks.



THE EVOLUTION OF OUR STANDARD

Beyond Plastic™

What does Grove's Beyond Plastic™ standard signify?

Beyond Plastic™ is our plan to solve the single-use plastic crisis for home and personal care products. Our goals are, and always have been, to move our industry toward a world where home essentials are a force for positive impact, rather than a drain on our planet.

While we strive to avoid plastic altogether, we currently offer the best available solutions that help reduce and avoid single-use plastic and plastic waste. However, many of these solutions are not entirely plastic free. Solutions either don't yet exist, aren't cost competitive or aren't available at scale.

Beyond Plastic™ is our effort to recognize progress and continue to push forward — while making sure our customers are joining us for the journey. We hope that the logo will become synonymous with the best available solutions.

We've also fine tuned our message so we can continue to set a high bar, increase transparency, and educate customers at the same time. Our path to Beyond Plastic™ recognizes the need for pragmatic progress. On the following page, we've

outlined the Beyond Plastic™ standard and how it applies to products. Our [Grove Reusable Cleaning Glass Spray Bottle](#) is an apt example.

A refillable, reusable bottle designed for use with a concentrated cleaner, our Grove Glass Spray Bottle helps avoid plastic use and carbon emissions from shipping.

However, the plastic sprayer remains until a feasible alternative emerges. Customers who use this cleaning system avoid emissions from shipping water and save costs — but it's not plastic free! Beyond Plastic™ is a way for us to acknowledge that progress, and help our customers identify the best available solutions that align with their sustainability values.



Beyond Plastic™

We identified 3 categories to define products free of plastic waste:



100%
PLASTIC-FREE



No
SINGLE-USE PLASTIC
(EPA DEFINES DURABLES AS LASTING 3 YEARS)



95%+
PLASTIC-FREE BY WEIGHT



Grove Co. Beyond Plastic Badges



100%
Plastic-Free



No Single
Use Plastic*
*EPA defines durables
as lasting 3 years



95%+
Plastic-Free
By weight

No Claim

OVERVIEW

- ✓ The product is 100% plastic-free and does not include any PVA or plastic lacquers, liners, or coatings.
- ✓ Grove Co. products that meet this standard include our wool dryer balls, candles, and bar soaps.
- ✓ The product contains durable, reusable plastic, [defined by the EPA](#) as lasting 3 years or more. There is no single-use plastic, such as polybags.
- ✓ Grove Co. products that meet this standard include our reusable hand and dish soap dispensers and glass spray bottles.
- ✓ The product contains no more than 5% plastic by total weight of the product. This includes products that are packaged in aluminum with a coating containing a very minimal amount of plastic that does not affect recyclability.
- ✓ Grove Co. products that meet this standard include our hand and dish soaps, cleaning concentrates, and laundry detergent pods.
- ✓ The product contains virgin, recycled, or compostable plastic and is not widely recyclable.
- ✓ Products that remain in this category are still required to meet a best-in-class standard, with an understanding that if Grove did not carry these better-than-conventional alternatives, our customers would seek out mass market products without the sustainability component we provide.
- ✓ Grove Co. products that do not meet any Beyond Plastic standard include our 100% recycled plastic trash bags, compostable bags, sponges and wipes.

PERCENT GROVE CO.
2022 NET REVENUE

24%

15%

32%

29%

71%
BEYOND PLASTIC™

PERCENT GROVE CO.
2022 SKUS SOLD

17%

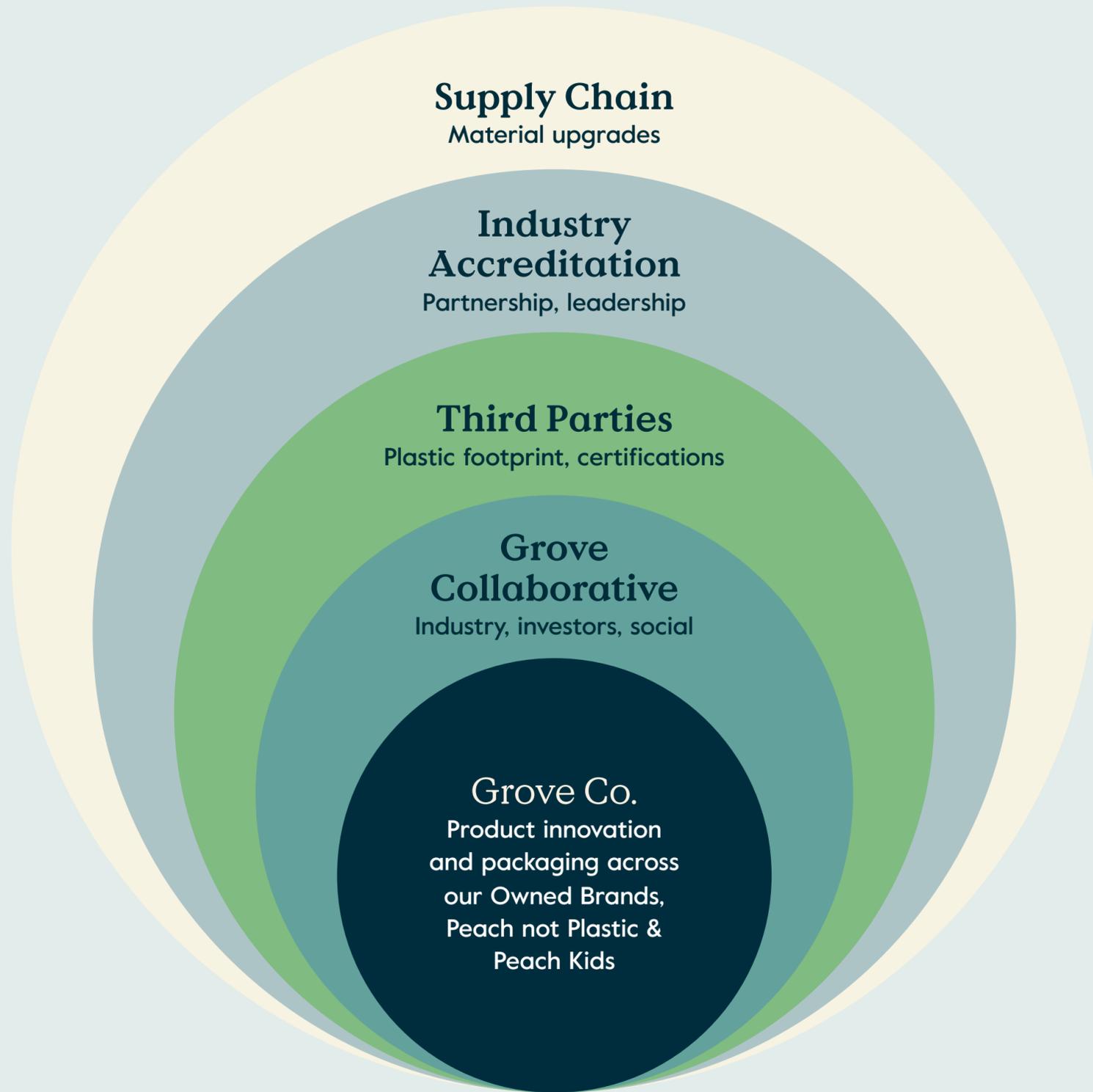
19%

40%

24%

76%
BEYOND PLASTIC™





Our Spheres Of Influence

Beyond Plastic™ is at the heart of our sustainability mission at Grove and beyond.

We believe our industry has the power to change the world by removing plastic from the products we all use at home. But we can't do it alone.

accreditation. Eventually, we hope to transform our industry's supply chain. We're a small but mighty brand that's part of a larger ecosystem.

Our spheres of influence ripple out, from our owned Grove Co. brand, to our website and digital channels, to third-party certifications and industry



PRODUCTS AND PACKAGING

Our third-party brands are innovating new low-waste and plastic-reducing products.



Grab Green mindful tablets in 100% dissolvable paper packaging

UpCircle organic, zero-waste skincare



method all purpose cleaner concentrate starter kit



Wonderbelly antacids packaged in 100% recyclable aluminum



Mrs. Meyer's foaming hand soap concentrates for refillable/reusable kits



Spinster Sisters low-waste bars for face, body, and hair in plastic-free packaging



Dirty Labs laundry & dish detergents free of dyes, sulfates, parabens, preservatives & single-use plastic



OUR PROGRESS

Plastic Site-Wide

Originally published in 2020, Grove's Plastic Scorecard is the first of its kind to publicly report on our total plastic footprint.

We lead with transparency first. That's why we're using these disclosures to challenge our industry to track and publish their progress towards reducing their own plastic use.

Our goal is to decouple business growth from our plastic footprint. As we continue to reduce plastic within our assortment, these are the baseline totals for plastic used site-wide at [grove.com](https://www.grove.com), including all the brands we sell, as well as through our retail partners.

Based on data collected thus far, all numbers shown compare 2022 to 2021 and 2020.

PLASTIC FOOTPRINT

3,241,399 lbs total plastic footprint

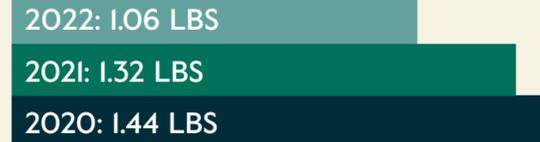


← progress: on track

Year over year we work to reduce our total plastic footprint by introducing more plastic-free or plastic-reducing products into our assortment.

PLASTIC INTENSITY

1.06 lbs plastic sold per \$100 revenue

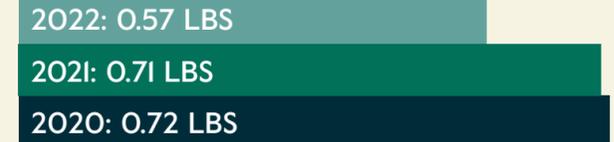


← progress: on track

We aim to decouple our revenue from our use of plastic.

PLASTIC PER SHIPMENT

0.57 lbs plastic per customer shipment



← progress: on track

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

RECYCLED CONTENT

18% post-consumer recycled content



→ progress: on track

When no plastic-free alternatives exist, we aim to increase this metric by maximizing post-consumer recycled plastic whenever possible.

REFILLABLE OR RESUABLE

16% of products are refillable or reusable



→ progress: on track

We seek to increase reusable or refillable products and packaging while reducing single-use plastic.

We're moving in the right direction on all our plastic metrics for 2022. Within our Grove Co. brands, we're at 71% Beyond Plastic™ by revenue and 76% by percent of SKUs sold (see page 10).



Plastic Action in 2022 with rePurpose Global

rePurpose is dedicated to reducing waste, reviving lives, and restoring nature’s balance. Our partnership with the world’s leading plastic action platform has two goals:

1. Collect larger volumes of low-value plastic waste that is most likely to end up as pollution.

In partnership with rePurpose Global, we’re scaling impact in India, Indonesia, and Colombia, where we’re focused on the collection of hard-to-recycle, low-value plastics (such as candy wrappers or chip bags). Through the partnership, we are ensuring that every piece of plastic recovered is one that would otherwise end up in nature for centuries to come, ensuring additionality in our efforts.

2. Support the scaling of local plastic waste management value chains.

At the same time, we are enabling safer working conditions and dignified livelihoods for waste workers on the frontline of the plastic waste crisis. We see verified plastic removal as a realistic way to mitigate our plastic footprint. As a conscious brand, we see it as a critical step in the right direction to address the global plastic pollution crisis — and we only hope to do more.



Sueño Azul
Bogotá, Colombia

Hara Bhoomi
Kerala, India

Laut Yang Tenang
Bekasi & Bandung, Indonesia

3 Projects across the world

3.4 million lbs of additional plastic waste recovered

26,251 households with access to waste management

490 workers provided with dignified livelihoods



Why collect plastic waste?

To better answer this question, we visited waste collection sites in India and met project partners in person. We're excited to share these observations from the field.

Informal and unmanaged waste sites are growing throughout India and many other Asia-Pacific countries, due to underdeveloped or nonexistent public waste collection systems in communities. Poor incentives lead to neglect by local and regional governments, as well as the private sector. Without alternatives, many cities resort to an informal waste sector whose workers are pushed to society's fringes.

Compounding this problem, India is one of the leading recipients of waste exports — plastic and other waste streams sent from more developed economies abroad. Americans consume up to ten times more plastic than the average Indian, and a large amount of India's waste problem can be attributed to the U.S.

Witnessing this system in action, my understanding of the plastic problem changed. It's easy for American consumers to see plastic waste as an environmental issue (and of course, it is) but it's also a social and humanitarian crisis. In Chennai, I saw this firsthand.

Pickers typically come from marginalized groups (sometimes referred to as "untouchables" by their communities) and are often segregated from society, lacking access to upward mobility. Working conditions are notoriously unsafe, and workers almost invariably lack access to good healthcare and education. As we toured some of the largest plastic hotspots in Chennai, I heard tragic stories of child pickers who had been buried by trash or severely burned.

It was difficult not to retreat to a dark place when confronted with the human cost of daily plastic consumption. It became impossible to justify my own status quo for wasteful consumption when accounting for the full cost to nature and fellow humans. The next week, I would travel 8,000 miles back to my home in San Francisco, strolling the tree-lined streets past neighbors who have little or no concept of the crisis our planet and its people face as a result of our consumption habits.

As I reflected on my travels, I couldn't escape the realization that my industry — consumer packaged goods — is at the root of this global problem. We're primary stakeholders and contributors to the global plastic crisis, but we can also be impactful agents of change.

Alex Bede, Senior Manager, Sustainability, Grove



Images: Alex Bede



CASE STUDY 2022

Real Impact in Kerala, India

We worked with rePurpose to bring formal waste management systems to five rural villages.

Problem

Kerala boasts a 588 km long pristine coastline, but it has also become increasingly vulnerable to rampant marine plastic pollution.

Intervention

We're financing verified plastic recovery with rePurpose impact project Hara Kal, which deploys a holistic waste management approach. This ensures regular collection and ethical disposal of neglected low-value plastic waste by creating an end-to-end waste management value chain for households in 5 rural villages: Anakkayam, Pulpatta, Morayur, Porur, and Chungathara.

People

Meet Nausiya, one of the many inspiring waste warriors at rePurpose Impact Project Hara Kal in Kerala. At 13, Nausiya miraculously survived a fire at her house. Soon after, she was forced to discontinue her studies. Married at 25, she was abandoned by her husband upon the birth of their daughter.



At first, finding work was challenging for Nausiya but she persevered and managed to secure a part-time job that paid her less than \$3 a day. It was in October 2021 when the opportunity to work at Project Hara Kal came her way, assuring her a steady income and the means to support her family. In her words, "Joining Project Hara Kal transformed my life. It allows me to provide for my elderly parents and daughter. Working here fills me with pride and I finally feel like I belong." Like Nausiya, project Hara Kal supports 144 women waste workers with safe working conditions, steady and increased incomes and an opportunity to lead a dignified life.

Only 3% of plastic is waste managed.

~63% of households don't have access to formal waste collection.

Our Impact

1.2M lbs

OF OCEAN-BOUND PLASTIC
RECOVERED FROM THE ENVIRONMENT

155

WASTE WORKERS PROVIDED
WITH STABLE INCOME STREAMS

26,251

RURAL HOUSEHOLDS PROVIDED
ACCESS TO PLASTIC WASTE MANAGEMENT

Our Plastic Reduction Roadmap

Here's how we're tackling challenges on the path to no plastic waste for our Owned Brands.



PHASE 1 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. 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. Changes in consumer behavior will support this transition.



PHASE 3 INNOVATIONS & SOLUTIONS

While we have less visibility into this chapter, Phase 3 will be the final stretch of our journey. It depends on creating new materials, technologies, and logistics systems that enable us to reach a full assortment of no-plastic-waste products.



Moving Toward Circularity

We believe that refill, reuse, and recovery are more practical alternatives to recycling.

Globally, and especially in the U.S., our current use of plastic is untenable. While barely 9% of plastic is recycled, over 20% is mismanaged towards pollution, and production continues at a breakneck pace — further flooding our oceans. In the U.S., each consumer generates over 480 lbs of plastic waste annually. Research affirms that we have pushed plastic pollution past the planetary boundary, overloading the earth far beyond what it can sustain.

While global alarms are sounding, the consumer goods industry remains largely unconcerned — at least on the surface. Most major CPG brands have set unachievable goals to transition to recycled plastic content, yet their calculations are faulty. Doubling down on a single-use system that is already bursting at the seams won't solve the problem.

Plastic recycling remains a myth, and recovery of other materials is not much farther along. While aluminum and glass can be infinitely recycled without deteriorating, the main barrier to a

functional materials recovery system is collection and recycling infrastructure.

Single-use packaging cannot remain our end state. Our goal is to keep packaging in rotation. Why would we recycle an aluminum bottle into the same aluminum bottle?

Identifying pragmatic solutions has been our biggest challenge. At our scale, we can't build out the logistics to make these systems affordable or accessible. Our initial experiments have tested consumer behavior and methods to transition to reuse models, but we have a long way to go.

In 2022, we actively supported CA legislation that included a requirement for extended producer responsibility (EPR), a cornerstone of transitioning away from single-use models. Looking ahead, our focus will remain on partnerships, legislation, and networks that we can participate in to scale circular solutions.

OUR PROGRESS

Sustainable Swaps

Designing for circularity means making more plastic-reducing, plastic-free, refillable, and reusable products. We're innovating out of products containing single-use plastic. 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 are some of those statistics.



Conventional cleaning bottles and sprayers



Grove Co. Cleaner Concentrates

We transitioned out of plastic tubes into infinitely recyclable glass, shipped in FSC® certified, 100% recycled paper packaging.



Conventional deodorant and shampoo



Peach Not Plastic™ Forever Cases

We launched Peach Not Plastic 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 the plastic packaging.



Plastic Avoided*

2,175,519

LBS AVOIDED FROM GROVE CO. CLEANER CONCENTRATES

181,893

LBS AVOIDED FROM PEACH PLASTIC-FREE DEODORANT, HAIR AND BODY CARE BARS



*All plastic avoided metrics are since the launch of the product.

SUSTAINABLE SWAPS (CONTINUED)



Conventional hand soaps and dish soaps



Grove Co. Hand & Dish Soaps
We transitioned out of plastic pouches into infinitely recyclable and post-consumer recycled aluminum bottles.



Conventional snack and sandwich bags



Grove Co. Reusable Snack & Sandwich Bags
Each snack and sandwich bag is designed to replace hundreds of single-use plastic bags.



Conventional soaps and laundry detergent



Grove Co. Hand Soap & Laundry Detergent Sheets
We created laundry detergent sheets as a minimal waste alternative to conventional liquid laundry detergents and pods on the market.



Plastic Avoided*

882,210

LBS AVOIDED FROM GROVE CO. HAND AND DISH SOAPS

2,839,146

LBS AVOIDED FROM GROVE CO. SNACK AND SANDWICH BAGS

155,315

LBS AVOIDED FROM GROVE CO. HAND SOAP AND LAUNDRY DETERGENT SHEETS

*All plastic avoided metrics are since the launch of the product.



PRODUCTS AND PACKAGING

We've avoided 7,789,311* lbs of plastic in all our plastic-reducing products.



Grove Co.



Peach Not Plastic™



Grove Co.



Grove Co.

* 7,789,311 lbs of plastic avoided from Grove-owned brands, Grove Co. and Peach from 2017-2022. Data does not include third-party brands or plastic collected through our plastic neutral program.



FORESTS & FIBER

The Forest or the Trees?

As of April 2022, Grove reached our goal to plant 1M trees in partnership with The Arbor Day Foundation, helping restore critical areas of deforestation in the U.S. Forests help address some of the most pressing issues facing people and our planet: climate change, water quality and quantity, biodiversity, human health and environmental inequalities. As we considered what's next, we wanted to find the most impactful way to allocate our resources.

Scientific consensus is rallying around a 30 by 30 conservation goal, acknowledging the urgent need to protect 30% of the world's natural habitat by 2030 to avoid critically interconnected biodiversity and climate losses. Keeping existing ecosystems and forests intact is recognized by the scientific community as the most effective way to stabilize our climate and protect biodiversity. Despite this, forests continue to face increasing demands of packaging, paper and fashion fabrics — putting the climate at odds with global consumption. With this in mind, we know we can have the greatest impact by supporting community partnerships in active protection and conservation.

Going forward, we're partnering with The Nature Conservancy. Through 2030, we'll help bring two million acres of Alaska's Tongass Rainforest under community authority to steward critical ecosystems and advance global climate action.

While our focus will be on this new partnership with the Nature Conservancy, we will also continue to support Arbor Day's work in wildfire restoration through our Impact Shop. We also continue to advocate for protection of the Canadian Boreal forest — one of the world's most critical carbon sinks, where several major household paper brands source virgin fiber to the great expense of all life on earth. Our Grove Co. Paper is made of fast-growing, FSC®-Certified bamboo — because household essentials shouldn't come at the expense of the planet.

1 million

TREES PLANTED WITH THE ARBOR DAY FOUNDATION 2018-2022 ACROSS THE U.S.

568,518

TONS OF CO2 SEQUESTERED, EQUAL TO 123,591 FEWER CARS ON THE ROAD

2,623

TONS OF AIR POLLUTANTS REMOVED, EQUAL TO ENOUGH OXYGEN FOR 249,899 PEOPLE

55 million

GALLONS OF AVOIDED WATER RUNOFF, EQUAL TO 629,797 PEOPLE WITH CLEANER WATER

The Arbor Day Foundation uses several default parameters designed to simulate real-world tree conditions and project outcomes. All project types are estimated using a 50% mortality rate. Urban plantings and distributions use a projected 40-year project lifespan. Reforestation projects use a 33-year horizon given that seedlings, on average, take 7 years to reach the point where DBH can be measured, effectively creating a 40-year project lifespan. Since urban plantings and distributions often occur in settings obstructed by tall buildings and other artificial factors, these projects are calculated with a partial measurement of sun exposure, while reforestation projects are quantified using a measurement of full exposure to sunlight. We use a Diameter at breast height (DBH) of .25 or .5 for 1-3 gallon and 5-7 gallon distributions, a DBH of 1.5 for urban plantings and a DBH of .25 for reforestation plantings.



GROVE'S NEW CONSERVATION PARTNERSHIP

The Nature Conservancy

Two million acres closer to a sustainable future. Grove is partnering with The Nature Conservancy to support Indigenous-led conservation across two million acres in the Tongass National Forest within the Emerald Edge.

The Emerald Edge is the world's largest remaining temperate rainforest, stretching from Southeast Alaska, through coastal British Columbia and down through Washington state and Oregon.

At the invitation of the Emerald Edge's Indigenous Peoples and local communities, The Nature Conservancy is supporting Indigenous leadership and capacity, creating alternative and sustainable economic opportunities and upholding Indigenous rights and authority. By working together to collectively define conservation and community outcomes, The Nature Conservancy and community partners are working to safeguard the region's climate mitigation capacity, rich biodiversity and the social and economic well-being of

local communities. The Emerald Edge represents an unparalleled opportunity to support an initiative with significant momentum that is showing the world what is possible when Indigenous peoples have the authority and capacity to care for their land and waters.

The Emerald Edge is a massive carbon sink, trapping an estimated 300M tons of CO2 equivalent annually. Recognized as a high-conservation value ecosystem, the forest is home to bears, birds and fish species. Healthy rivers are supported by healthy forests, and the Emerald Edge river system is where a quarter of the world's wild salmon are estimated to return to spawn.



Image: © Erika Nortemann / TNC

The Tongass National Forest is home to part of the Emerald Edge. Established as a national forest by Theodore Roosevelt in 1907, the Tongass National Forest is the United State's largest national forest, spanning over 16 million acres.

Home to Alaska Native peoples as well as thousands of animal species, this initiative is helping bring the rainforest under community authority to advance climate action and steward the ecosystem for generations to come. Protecting the Tongass National Forest is key to maintaining its function as a carbon storehouse for the planet.



Image: © Chris Crisman

*Between January 1, 2023 and December 31, 2030, Grove Collaborative will contribute \$1,500,000 to The Nature Conservancy's Emerald Edge Conservation Program. The purchase of Grove Collaborative products will not result in an additional contribution to TNC. The mission of The Nature Conservancy is to conserve the lands and waters on which all life depends. More information about TNC is available by mail at 4245 N Fairfax Dr, Ste 100, Arlington, VA 22203, USA, by phone at 1-800-628-6860 or at nature.org.



CLIMATE

Grove is a CarbonNeutral® Certified Company

We're proud to be a CarbonNeutral® Certified Company, with Science-Based Targets for emissions reduction across our value chain by 2030.

We're committed to taking meaningful action on climate, including advocating for policy change that enables decarbonization at scale.

We have pledged 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, community-led solutions and focus on emissions mitigation.

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.

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.

1.5 Degrees

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

591 mtCO₂e

BY 2030 FOR SCOPES 1 & 2

As of 2021

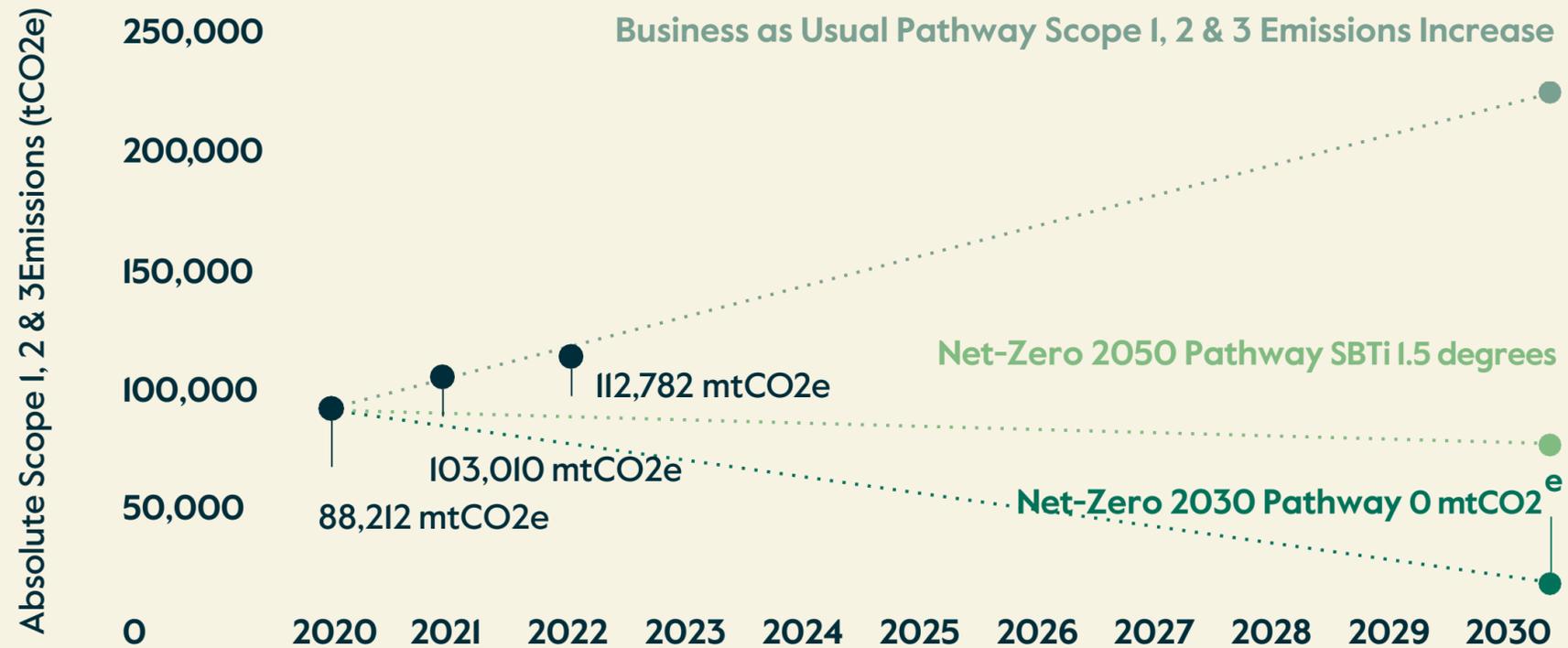
WE'RE A CARBONNEUTRAL® CERTIFIED COMPANY MEANING THAT OUR OPERATIONS, BUSINESS ACTIVITIES, FACILITIES AND SHIPMENTS ARE ALL CARBON NEUTRAL

SCIENCE BASED TARGET

We're aiming for net zero emissions by 2030.

A 1.5-degree pathway (light green) is aligned with the upper bounds of the Science-Based Target initiative (SBTi) and results in net zero absolute emissions by 2050. We're aiming for a more aggressive recommended pathway from SBTi (dark green), resulting in net zero emissions by 2030.

Taking into consideration our purchase of green tariffs through utility providers, our total Scope 1, 2 & 3 emissions for 2022 was 112,782 mtCO₂e. These numbers do not reflect application of renewable energy credits (RECs) and offsets by Grove. See appendix for details.



Emissions Category	2022 GHG Emissions: mtCO ₂ e	
	No Offsets	With Offsets
Scope 1	545	0
Scope 2**	826	0
Scope 3: Purchased Goods & Services	91,969	91,969
Scope 3: Fuel & Energy Related Activities	229	190
Scope 3: Upstream Transport/Distribution	3,415	3,415
Scope 3: Waste Generated in Operations	591	0
Scope 3: Business Travel	278	11
Scope 3: Employee Commute	385	322
Scope 3: Upstream Leased Assets	55	55
Scope 3: Downstream Transport/Distribution	9,031	0
Scope 3: End of Life Treatment	5,458	5,458
TOTAL SCOPE 1, 2 & 3 TARGET EMISSIONS	112,782	101,420

METHODOLOGY: Capital goods emissions included in Purchased Goods and Services. 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). **Scope 2 emissions will be offset through the purchase of Renewable Energy Credits (RECs).



BENDING THE CURVE

Meeting 2030 targets requires shared decarbonization with our suppliers.

While transitioning away from plastic may result in a short-term rise in emissions, we've set a goal to reach net zero emissions by 2030, as well as Science-Based Targets for reduction across Scopes 1-3. In 2022, we began to bend the curve toward our targets.

REDUCTION STRATEGY

We're focused on our largest emissions, which come from purchased goods and services, transport from suppliers and to customers, and a product's end-of-life.

Purchased Goods & Services

- Certified and low-emissions materials
- Renewable energy
- Reforestation
- Supplier engagement

Upstream Transport (From suppliers)

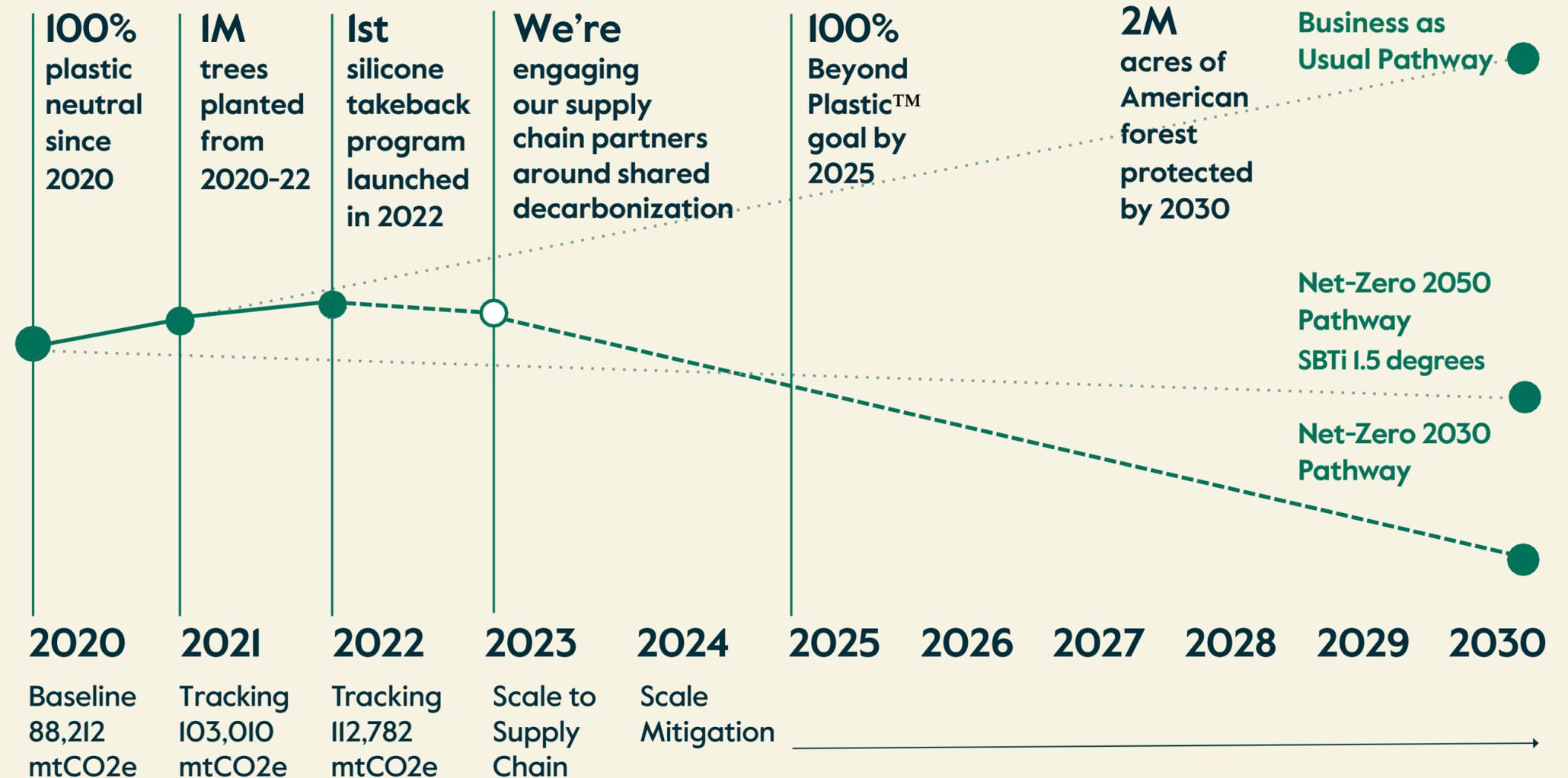
- Supplier engagement

Downstream Transport (To customers)

- 100% CarbonNeutral® shipment offsets

End of Life Treatment (Reuse, Recycle, etc.)

- Product takeback
- Circular programs



CARBON OFFSETS

High-quality offsets offer a way to address our impact in the short term.

These checklists show the methodology we use to source offsets and renewable energy credits (RECs), led by our objectives to protect wild places and Indigenous territories.

We know that carbon offsets cannot take the place of meaningful emissions reductions. Yet, as a relatively small player in our industry without major levers of decarbonization at our disposal — such as owned manufacturing or delivery fleets — offsets provide a way to address our impact in the short-term.

They also enable us to support nature-based solutions and conservation projects that we feel are urgently needed.

We're committed to using our advocacy efforts and relationship with industry partners and suppliers to push for decarbonization, rather than using offsetting as a standalone strategy to reach climate goals.

We're focused on supporting land tenure and livelihoods, while promoting a green economy that protects natural landscapes and provides local jobs.

> Renewable Energy Credits

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

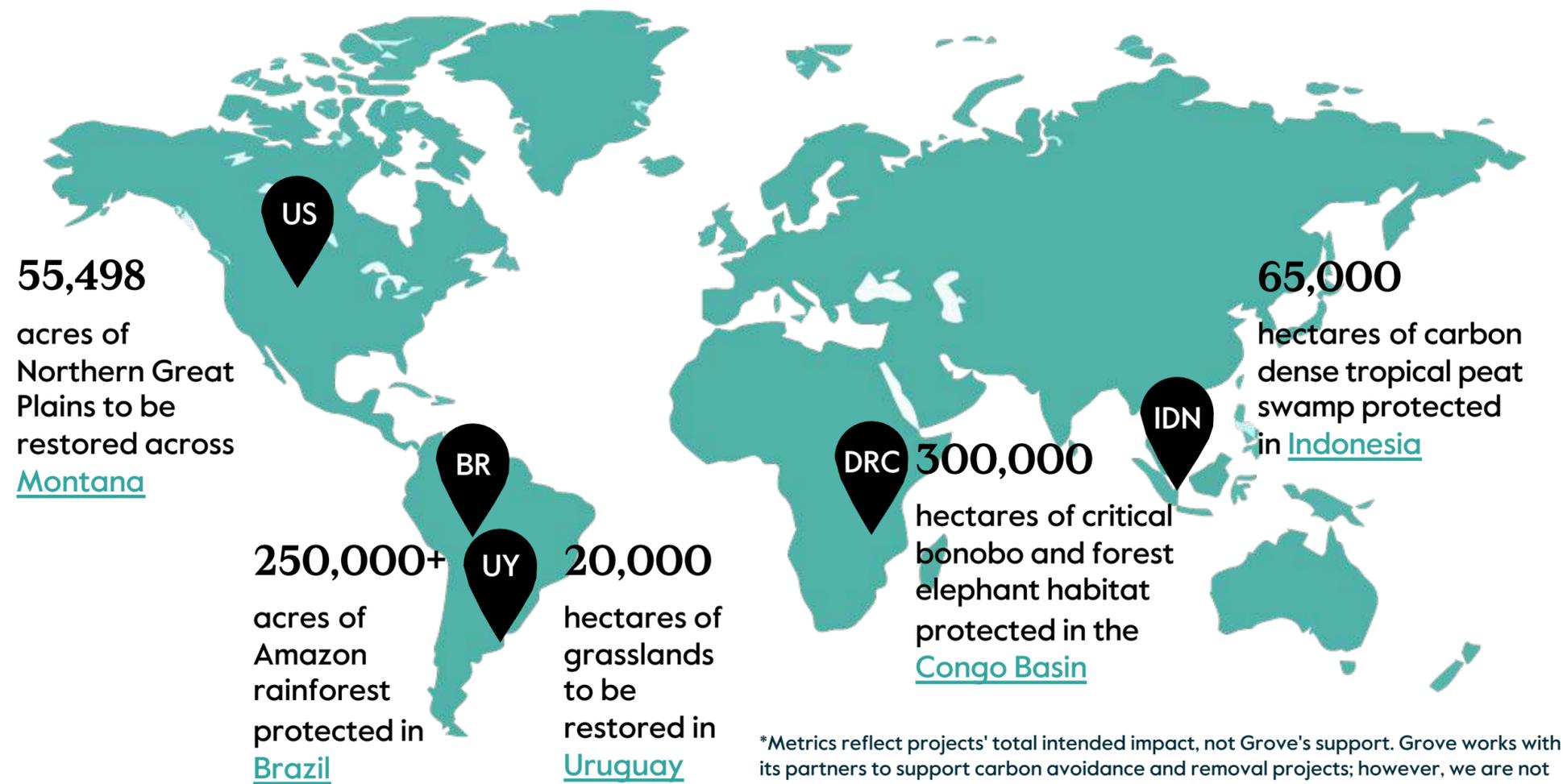
> Offsets

- ✓ **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
- ✓ **COMMUNITY LED**
Projects should be led by and directly benefit Indigenous or local communities
- ✓ **NATURE BASED**
Prioritize nature-based projects that protect wild places



Map of Offset Projects

We work with Climate Impact Partners and Wildlife Works* to protect wild places and community-led conservation efforts.



*Metrics reflect projects' total intended impact, not Grove's support. Grove works with its partners to support carbon avoidance and removal projects; however, we are not the sole supporter of these projects. **Northern Great Plains Grassland Regeneration credits were purchased by customers in 2022 through our Environmental Impact Shop.

SELECT PROJECT CASE STUDIES

Amazon Rainforest

NATURE-BASED CARBON AVOIDANCE, BRAZIL

90% of Brazil's Acre State is forested, but current rates of destruction predict 65% by 2030. By granting land tenure and training to family farmers, [this project](#) helps to prevent deforestation of 250,000+ acres.

Grassland Restoration

NATURE-BASED CARBON REMOVAL, URUGUAY

[This project](#) aims to restore native grasslands in an area of Uruguay that has been grazed for over 300 years. Main objectives are land restoration, carbon sequestration through afforestation, and sustainable wood production. Over 20,000 hectares will be harvested on a 22-year rotation and FSC Certified to balance habitat creation.

Grassland Regeneration

NATURE-BASED CARBON REMOVAL, U.S.A.

Through our Environmental Impact Shop**, Grove's community supported [Native's HelpBuild project](#). We deployed funding to degraded, over-grazed Montana grasslands, helping install new fencing and water infrastructure to limit cattle grazing. By increasing rest and recovery for the grasses, this restores natural habitat, enabling better carbon sequestration, improved drought and extreme weather resilience, and better biodiversity. Due to its success, the project has expanded beyond the four initial ranchers and has a goal to reach one million acres across the Northern Great Plains.



ENCOURAGING HEALTHIER HOMES

Chemical Transparency

Our customers tell us that they shop at Grove for two primary reasons: safety and sustainability. One could argue that these are two sides of the same coin — as are human and environmental health.

In our view, the chemicals we use in our formulated and third-party products require an extension of our materials standards in terms of both safety and sourcing. Across our Grove-owned brands, our products will never include anything on our anti-ingredients list, and everything we carry will always meet our rigorous standards. In addition to prioritizing plant-based ingredients, the Grove standard lists all the anti-ingredients you'll never find in our products, from parabens to phosphates and triclosan.

As of 2021, we are providing Safety Data Sheets for Grove Co. home care products, publicly available on our site in compliance with the CA Right To Know Act. In our ongoing efforts toward transparency, Grove is proud

to have participated in the **Chemical Footprint Project** to disclose our management, practices, and chemical policies as of 2020.

We also advocate for stronger chemical regulation and transparency requirements on a state and federal level, whenever possible. Recent legislative efforts included advocacy around the banning of “Forever Chemicals” or PFAS.

We never use synthetic fragrance, just essential oils and other plant extracts.



Transparent Ingredients

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.

100%

TRANSPARENT FRAGRANCES FOR PEACH, SUPERBLOOM & GROVE CO.

24,105

LBS. SYNTHETIC FRAGRANCES AVOIDED IN 2022 *

*Products include Grove Co. liquid laundry, powder laundry, cleaning concentrates, hand and dish soaps. We've adjusted this statistic to solely reflect our use of 100% natural fragrances instead of synthetic, which we believe truly differentiates our products.



The Grove Standard

Everything across grove.com has met our standards for ingredient transparency, is cruelty-free, and is 100% plastic neutral.

-  **Plant-based Formulas**
We lead with organic and plant-based ingredients whenever they are available.
-  **100% Cruelty-free**
We work 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.

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 (where relevant to each product category).

We provide full ingredient transparency because we have nothing to hide.





Our Anti-Ingredient List

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

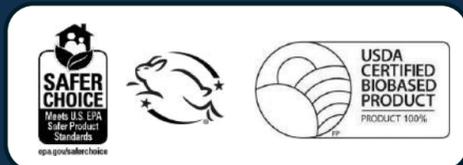
Ammonia	A polishing agent found in glass cleaner, ammonia can cause irritation in skin and eyes as well as asthma.	Octinoxate, Oxybenzone, Sulisobenzene	A UV blocker found in chemical sunscreens that is a possible allergen and known to be toxic to coral reefs.
BHA/BHT	A preservative found in anti-aging skin care products known to be a carcinogen and skin irritant, as well as known aquatic toxicity.	Parabens	A preservative found in fragrances and personal care products known to mimic estrogen and possibly be an endocrine disruptor.
Chlorine	A disinfectant found in household cleaners known to be a respiratory irritant and suspected to be a thyroid disruptor, forming carcinogenic byproducts.	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.
Ethanolamines (MEA/DEA/TEA)	A buffer and emulsifier found in detergents, soap, shampoos, and household cleaners suspected to be a contaminant with carcinogenic components and cause asthma.	Phthalates	A group of chemicals found in personal care products known to be hormone disruptors and irritants.
Formaldehyde	A preservative found in personal care products known to be a carcinogen and skin irritant.	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.
Cyclomethicones (D4/D5/D6)	A non-biodegradable emollient found in lotions, creams, and shampoos known to cause reproductive harm.	Triclosan	An antibacterial found in dish soaps, countertop cleaners, and hand sanitizers suspected to be a hormone disruptor and known to have aquatic toxicity.

PRODUCT CERTIFICATIONS

For the third year in a row, we're proud to be recognized as an EPA Safer Choice Partner of the Year (2020-22).

100% of Grove's core pouch-based collections are EPA Safer Choice Certified

From 2019-2023 Grove's core pouch-based collections were EPA Safer Choice certified. Through our EPA partnership, a product's ingredients, performance, and packaging are assessed against robust standards. As we transition to recyclable, plastic-free aluminum, we're seeking ways to reach certification with these new packaging formats.



100% of our core cleaning products are part of the USDA BioPreferred Program

Products are formulated from plants and other renewable materials, not conventional petroleum-derived sources. We voluntarily partner with the USDA to test our products' high bio-based content. Where possible, we work with suppliers to meet stability, performance, and plant-based requirements. For example, our fabric softener includes plant-derived solvent and softening active, plus food-grade preservative.

100% of Grove owned brand products (for relevant categories) 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. 98% of third-party brands are currently certified cruelty-free, and we're actively working towards 100% certification in the near future.

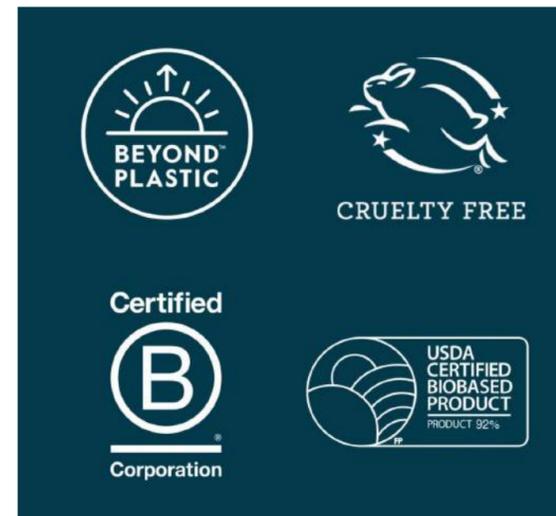
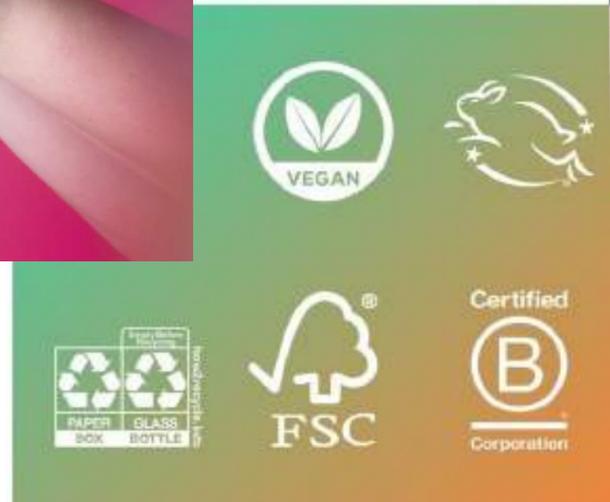


PRODUCT & MATERIAL CERTIFICATIONS

Third-party organizations certify many of our products, ingredients, and packaging materials.



Superbloom



Grove Co.



MATERIAL CERTIFICATIONS

100% of new products are now How2Recycle labeled, and we're increasingly certifying materials.



Global Organic Textile Standard (GOTS)

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. 100% of Grove Co. textiles and cotton Sustain products are GOTS certified.



Forest Stewardship Council (FSC)

The gold standard of forest management, FSC® wood and pulp is sourced from responsibly managed forests. Our FSC® certified packaging includes cartons, filler, and boxes, and 100% of Grove Co. (previously Seedling) paper products are FSC® certified.



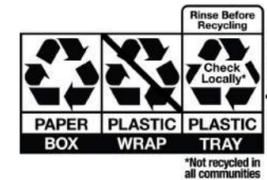
Fair Rubber Association

Rubber is sourced responsibly and at a premium to support smallholder farmers, while encouraging improved ecological and social standards within the natural rubber industry. Our Sustain condoms are the first Fair Trade Certified® brand of condoms in the U.S.



USDA Organic & Oregon Tilth Certified Organic (OTCO)

Ingredients are grown without pesticides and fertilizers, benefiting waterways, workers, and the planet. Our Sustain personal care products, Grove Co. Hydrating Hand Soaps and Grove Co. Essential Oils are certified organic.



How2Recycle

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



COMPOSTABLE
Biodegradable Products Institute | US COMPOSTING COUNCIL

Biodegradable Products Institute

These products are tested and proven via a third-party lab to meet ASTM standards for compostable products, meaning they break down naturally. Grove Co. Wipes are certified by the Biodegradable Products Institute (BPI).



JUSTICE & EQUITY

Championing Diverse Suppliers & Brand Partners

One way we cultivate diversity and inclusion in our value chain is through partnerships with product suppliers and brands. As a Certified B Corporation, we believe all business should be conducted with the wellbeing of people and planet first and foremost.



Grove is proud to work with diverse suppliers and brand partners, including women, BIPOC, veteran, and LGBTQ-owned or led businesses.

2022 Vendors At A Glance

48%

OF VENDORS ARE WOMEN-LED

15%

OF SHELF SPACE IS DEDICATED TO BIPOC-OWNED BRANDS

22%

OF VENDORS ARE CERTIFIED B CORPORATIONS

VENDOR DIVERSITY & INCLUSION

Supporting Vendor Leadership & Ownership

Our baseline numbers* are shown at right by percent of vendors, based on voluntary disclosure of ownership and leadership. Grove requires at least 51% ownership and control of the business in order to be considered BIPOC, women, veteran, or LGBTQ-owned.

We recognize that as businesses grow their ownership structure may change. We want to continue to recognize partners in which leadership identifies as women, BIPOC, veteran, or LGBTQ. We define leadership as the individual having long-term control and management of the business, equity stake, and an active role in both strategic and day-to-day decision-making.

	BIPOC Owned	Women Owned	Veteran Owned	LGBTQ+ Owned	B Corporations
Grove Brand Partners	17%	36%	2%	2%	24%
Grove-Owned Brand Suppliers	28%	15%	0%	0%	13%
TOTAL	20%	32%	2%	2%	22%
	BIPOC-Led	Women-Led	Veteran-Led	LGBTQ+ Led	
Grove Brand Partners	20%	54%	4%	4%	
Grove-Owned Brand Suppliers	33%	26%	2%	0%	
TOTAL	23%	48%	3%	3%	

*These numbers are self-reported by vendors and may therefore be under-reported or under-representative.



HEALTH & BENEFITS

We provide our people 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 offices, remote staff, or our three fulfillment centers in Missouri, Nevada, and Pennsylvania.

Eligible hourly employees have the opportunity to be involved with initiatives they're passionate about.

It increases interaction between Grove teams and senior leaders, providing people with key skills and experiences they can apply to future roles and career paths.

Community time supports a strong, long-lasting company culture.

In addition to our general employee benefits, we offer Grove Community Time.

Employee Benefits	Corporate Office	Fulfillment Center	Part Time
Health, dental & vision insurance	✓	✓	
Wellness program & telehealth	✓	✓	
Health & dependent care tax-free spending accounts	✓	✓	
Paid life & disability Insurance	✓	✓	
Access to (in)fertility resources	✓	✓	
Paid parental leave	✓	✓	
Tax-free commuter benefits	✓	✓	
401(k) plan	✓	✓	✓
Paid vacations, holidays and other time-off programs	✓	✓	✓



Culture, Growth & Development

We're creating an environment where employees' voices are heard. Where everyone can grow and do their best work — at Grove and beyond.

Amplify Voices

Employee input leads us to preserve and enhance our culture. Employee engagement surveys hold us accountable, and we make actionable plans for progress on any issues to be addressed.

Every year, we conduct an annual employee engagement survey, with historically 80%+ participation.

Onboarding

In our onboarding experience, everyone who joins us learns about company values, goals, our business model, and key sustainability initiatives.

Every employee learns the impact we hope to make on the planet.

Development

Our managers and team members have access to development opportunities on topics including coaching, feedback, inclusion, goal-setting, listening, and more.

Values, Inclusion, Belonging & Engagement (VIBE)

An umbrella program that supports cultural initiatives at Grove, VIBE empowers employees to foster a diverse and inclusive workplace aligned with our mission and values.

Team members have the opportunity to engage and lead resource groups. The program cultivates employee leadership, fosters workplace belonging, increases employee engagement and morale, and supports long-term business objectives. VIBE supports our Justice, Equity, Diversity & Inclusion (JEDI) initiatives, wellness programs, and other employee-led squads across the company.



SOCIAL COMPLIANCE

Equitable, Healthy & Safe 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 beyond. We require all our direct finished producers 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 with Amorfi's BSCI Code of Conduct. We evaluate our producers on:

1. 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 (zero tolerance)
7. Special protection for young workers
8. No precarious employment
9. No bonded labor (zero tolerance)
10. Protection of the environment
11. Ethical business behavior

Our Audit Process

Code of Conduct

We conduct a Workers' Sentiment Survey and have our producers sign Grove's Code of Conduct.

Audit

We request a semi-announced BSCI audit with a leading business risk and sustainability solutions provider. We provide the producer with a 4-week time frame in which the audit could take place, but no specific date or time.

Corrective Action Plan

Once the audit takes place and the report is reviewed, we share details and develop a Corrective Action Plan.

Check-In

We check in to ensure any trainings, corrective, and preventative actions are completed.

Follow-Up

If required, follow-up audits are conducted in an appropriate time frame.



SOCIAL COMPLIANCE

Our producers' audit scores are determined by their scores in each performance area (PA).



Score: Min. 7 PAs rated A. No PA rated C, D, or E

Action: none

Next audit: 24 months



Score: Max. 3 PAs rated C. No PA rated D or E

Action: Develop CAP with in-person workshops and online trainings

Next audit: 24 months



Score: Max. 2 PAs rated D. No PA rated E

Action: Develop CAP with in-person workshops and online trainings

Next audit: 12 months



Score: Max. 6 PAs rated E

Action: Develop CAP with risk & sustainability solutions provider

Next audit: 6-12 months



Score: Min. 7 PAs rated E

Action: Hold production and develop CAP with risk & sustainability solutions provider

Next audit: 3-6 months



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.

In such 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.



Giving & Donations

As a small company, we hope to make the greatest possible impact through relevant philanthropic and product donations.

Our philanthropic pillars support our sustainability work and the communities in which we operate. We use Grove's values as a guide in supporting people and planet, and we donate where we feel we can make the most meaningful positive impact.

Charitable Giving Policy

The causes we champion are intended to support healthy forests, oceans, and ecologies, as well as social justice and Grove's direct communities. On an annual basis, Grove Collaborative donates the equivalent of a minimum of \$1M of cash and in-kind donations to select non-profit and community partners. We disclose our donations annually, with further details included in the appendix of this report.

As a mission-driven organization, we hope to enrich the lives of our employees. Donations are employee directed, as much as possible.

2022 Giving At A Glance

\$16,444

TOTAL CASH DONATIONS

\$11,500

TOTAL SITE CREDIT

\$3,788,116

TOTAL IN-KIND

\$3,816,060

TOTAL DONATION VALUE

Appendix: Plastic Collection Impact 2022

Project	Location	Plastic Collected*	Workers Impacted	Households Impacted	Socio-Economic Benefits
Sueño Azul	Bogota, Columbia	1,322,770 lbs.	110 workers	341 people positively impact (assuming average family size of 3.1 in Colombia)	<ul style="list-style-type: none"> • New job creation, ensures social safeguards • Lifts waste workers to formal sector
Hara Bhoomi	Kerala, India	1,201,520 lbs.	155 workers	26,251 households provided with waste management services	<ul style="list-style-type: none"> • New job creation, ensures social safeguards • New uniforms, hats, raincoats, and shoes provided to workers • First aid kits provided at all locations
Laut Yang Tenang	Bekasi & Bandung, Indonesia	914,918 lbs.	225 workers	1,033 people positively impacted (assuming average family size of 3.3 in Indonesia)	<ul style="list-style-type: none"> • New job creation, ensures social safeguards • Helmets, jackets, boots provided to workers • First aid kits and fire extinguishers provided
Totals		3,439,208 lbs.	490 workers		

*Plastic waste collected and co-processed, totaling 3,306,935 lbs (1,510,000 kgs) in 2021.



ESG Metrics: Plastic and Reforestation

PLASTIC INTENSITY (LBS OF PLASTIC PER \$100 NET REVENUE)	2022	2021	2020	2022 Δ vs. 2021
Grove.com + Retail	1.06	1.32	1.44	-20%
Grove Owned Brands	0.87	1.12	1.07	-22%
Grove Third Party Brands	1.24	1.51	1.74	-18%

REFORESTATION	2018 - 2022
Total Trees Planted	1,000,000*
Tons of CO2 Sequestered	568,518
Lbs Air Pollution Removed	568,518
Gallons of Runoff Avoided	55,422,214

PLASTIC METRICS (GROVE.COM + RETAIL)	2022	2021	2020	2022 Δ vs. 2021
Plastic Footprint (lbs)	3,241,399	4,926,659	5,119,887	-34%
Average Plastic per Customer Shipment (lbs)*	0.57	0.71	0.72	-20%
% Refillable or Reusable**	16%	13%	12%	23%
% PCR Content by Weight	18%	16%	15%	13%

BEYOND PLASTIC™ (GROVE CO.)	100% Plastic-Free	No Single Use Plastic	95%+ Plastic-Free	No Badge
% Net Revenue from Products that meets Beyond Plastic™	24%	15%	32%	29%
% of Products that meet Beyond Plastic™	17%	19%	40%	24%

PLASTIC METHODOLOGY: *Grove.com only; **Percent of total product count that is refillable or reusable



ESG Metrics: Scope 1-3 Carbon Emissions

EMISSIONS BY SOURCE & SCOPE

GHG Emissions (mtCO2e)*	2022	2021	2020	2019
Scope 1	545	486	445	370
Scope 2	826**	1,076	895	790
Scope 3	111,411***	103,010****	88,212	N/A

RENEWABLE ENERGY CREDITS (RECs)

Purchase Amount	2022	2021	2020	2019
6,990 RECs*****	1,410 RECs	1,885 RECs	1,844 RECs	1,851 RECs

SCOPE 3 2022 GHG EMISSIONS

Emissions Category and Number*	Notes	2022 GHG Emissions (mtCO2e)	
		Total Emissions	Net Emissions (with Offsets)
1: Purchased Goods & Services	Production and sale of products, i.e. suppliers, including capital goods.	91,969	91,969
3: Fuel & Energy Related Activities	Extraction, production, transportation of fuels and energy not accounted for in Scope 1, 2.	229	190
4: Upstream Transportation & Distribution	To/from supply chain and operation, and facilities.	3,415	3,415
5: Waste Generated in Operations	Disposal and treatment of waste from Grove facilities.	591	0
6: Business Travel	Employee transportation for business. Includes air, car, rail & hotel.	278	11
7: Employee Commute and Remote Work	Employee transportation between homes & workspaces. Remote work.	385	322
8: Upstream Leased Assets	Leased warehouse overflow space.	55	55
9: Downstream Transportation & Distribution	To/from Grove facilities to end consumer.	9,031	0
12: End of Life Treatment	Product waste disposal (e.g., landfilling, incineration, and recycling).	5,458	5,458
Total Scope 3 Emissions (mtCO2e):		111,141	101,420

*SCOPE OF REPORTING: Scope 1, 2 & Scope 3 included for YOY metrics. Full Scope 3 reporting begins from 2020 onward. Greenhouse gas emissions (GHGs) in metric tons of carbon dioxide equivalent (MTCO2e). **Scope 2 emissions will be offset through the purchase of renewable energy credits (RECs). ***Capital goods emissions included in Purchased Goods and Services. 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. ****2021 Scope 3 increased 623 mtCO2e from 2022 reporting due to updated methodologies. *****Grove purchased Renewable Energy Credits (RECs) equivalent to its non-renewable energy. METHODOLOGY: 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).



ESG Metrics: Energy, Water, Waste

ENERGY USE

Fulfillment Centers and Offices	2022	2021	2020	2019
Electricity* (kWh)	1,669,284	2,179,838	2,128,601	1,844,625
Natural Gas (kWh)	3,009,178	2,681,946	2,451,240	1,836,401
Total (kWh)	4,678,462	4,861,784	4,579,851	4,960,578
GHG (mtCO2e)	1,304	1,611	1,400	1,122

WASTE DIVERSION

Fulfillment Centers and Offices	2022	2021	2020	2019
Compost (sh. tn.)	0.09	2.31	5.48	2.14
Recycling (sh. tn.)	951.35	1,883.35	2,002.23	1,546.16
Landfill (sh. tn.)	771.23	945.98*	2,438.28	2,985.6
Diversion Rate	55%	67%	45%	34%

WATER USE

Fulfillment Centers and Offices	2022	2021	2020	2019
Water Use** (gal.)	645,719	564,587	710,364	1,276,013
Gal. per sq. ft.	1.17	1.00	1.27	2.29
Sq. footage	551,828	565,090	557,289	557,289

*Emissions from electricity based on location-based calculations.

**WATER USE METHODOLOGY: Water usage for 2020-2022 for Grove fulfillment centers are modeled, resulting in consistent amounts year-over-year.



ESG Metrics: Vendor Diversity & Inclusion

	2022	2021	2020	% pt. Δ (2022 vs. 2021)
BIPOC-owned				
Grove Brand Partners	17%	16%	12%	+1%
Grove-Owned Brand Suppliers	28%	21%	26%	+7%
Women-owned				
Grove Brand Partners	36%	34%	35%	+2%
Grove-Owned Brand Suppliers	15%	2%	2%	+13%
Veteran-owned				
Grove Brand Partners	2%	2%	3%	0%
Grove-Owned Brand Suppliers	0%	0%	3%	-
LGBTQ-owned				
Grove Brand Partners	2%	Not previously tracked		-
Grove-Owned Brand Suppliers	0%	Not previously tracked		-
B Corporations				
Grove Brand Partners	24%	19%	16%	+5%
Grove-Owned Brand Suppliers	13%	16%	14%	-3%

2022	Grove Brand Partners	Grove-Owned Brand Suppliers	TOTAL
BIPOC-Led	20%	33%	23%
Women-Led	54%	26%	48%
Veteran-Led	4%	2%	3%
LGBTQ+ Led	4%	0%	3%

Metrics are based on voluntary disclosure. Grove requires at least 51% ownership and control of the business in order to be considered BIPOC, women, veteran, or LGBTQ-owned.



ESG Disclosures: Giving & Donations

GROVE CO. CORPORATE GIVING 2022 Grove corporate giving fell into the following categories:

- **Annual Donations:** Corporate non-profit partners including 5 Gyres and Arbor Day
- **Community Events:** Donations made to support local San Francisco community events, such as de Youngsters Day Out in San Francisco
- **Social Impact:** Donations made to the Center for Black Educator Development, Make A Wish, Partners in Health, Good Shepard Food Bank of Maine, SF Marin Food Bank, and Food Bank of Central and Eastern NC
- **Environmental Impact:** Donations made to Rainforest Trust as part of our annual holiday donations and selected by Grove employees

IN-KIND DONATIONS 2022

Donations of Grove products to over 20 recipients, including:

\$1,425,000+	Product donated to community organizations near our fulfillment centers: primarily the Central Pennsylvania Food Bank, St. Louis Food Bank, Reno City Mission and Lancaster EMS.
\$1,770,000	Period care products donated to organizations focused on women’s health, including Violet Project and Sister Friend.
Other Recipients	Philadelphia Diaper Bank, Western Pennsylvania Diaper Bank, Parts of Peace, Period Collective, Project I50 Reno, Period Project, No More Secrets: Mind Body Spirit, Inc., Covenant House Missouri, Potter's House Mission, Self, Lancaster Barnstormers, HER Idea, Habitat for Humanity, Turning Green

OFFICE DONATIONS 2022

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

- Summer Search: we donated 43 unused employee laptops

SITE CREDIT DONATIONS: \$11,500

Each month extend site credits valued at \$500, given to individual customers to fulfill charitable requests on behalf of registered non-profit organizations.



SASB Reporting 2022: Multiline Retail

Topic	Accounting Metric	Category	Unit of Measure	Code	Grove Contact	Response
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	<ol style="list-style-type: none"> 1) 6,009 GJ 2) 100% 3) We purchase renewable energy through our utility provider at all locations available, which currently accounts for approximately 16% of our energy use. However we purchase RECs and carbon offsets equivalent to the remaining energy use to result in carbon neutral facilities.
Data Security	Description of approach to identifying and addressing data security risks	Discussion and Analysis	n/a	CG-MR-230a.1	Technology team	<p>Grove has data security policies & procedures in place that provide guidance around cybersecurity and risk management requirements. The policies align with industry standards and regulatory requirements such as PCI-DSS, NIST CSF and applicable data privacy regulations.</p> <p>Technology Data Security Risk:</p> <ul style="list-style-type: none"> • Vulnerability Identification: Grove identifies vulnerabilities using vulnerability management tools and penetration tests. • Protective and Detective Measures: Grove has deployed cybersecurity controls and technologies to protect data and systems appropriately. Examples include Web Application Firewall, Logging, Network Monitoring, Encryption and Threat Detection. • Process Data Security Risk: • Information Risk Management: Grove has an Information Risk Management Policy, and a Risk Register that provides the inherent risks native to Grove’s business. The IT/Security team identifies risks through various methods including third-party engagements, project reviews, compliance assessments and audits

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



SASB Reporting 2022: Multiline Retail

Topic	Accounting Metric	Category	Unit of Measure	Code	Grove Contact	Response
Data Security (continued)	Description of approach to identifying and addressing data security risks	Discussion and Analysis	n/a	CG-MR-230a.1	Technology team	<ul style="list-style-type: none"> Third-Party Risk Management: Grove has Third-Party Risk Management policies and procedures which are aligned against industry standards and regulations. The IT/Security team reviews third-party vendors when they are onboarded, upon contract renewal, when scope of work changes, or when the vendor is due for review in accordance with its tier, as defined by internal policies and procedures. Cybersecurity Awareness: Grove has recently established a cybersecurity awareness program and is in the process of operationalizing it. This program provides employees with an understanding of the foundations of cybersecurity. The program includes an annual training and policies acknowledgement to ensure that employees understand their roles and responsibilities in protecting Grove data and systems appropriately. If a data security risk is realized, and an incident occurs, Grove has an Incident Response Plan, and a Business Continuity & Disaster Recovery Policy that include all the appropriate measures that the various Grove stakeholders have to take to be able to respond and recover from such incidents appropriately.
	(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	Technology team	1) 0 2) 0 3) 0

¹Disclosure shall include a description of corrective actions implemented in response to data breaches.



SASB Reporting 2022: Multiline Retail

Topic	Accounting Metric	Category	Unit of Measure	Code	Grove Contact	Response
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	<p>We're proud to offer competitive wages and benefits for employees across our Corporate, Customer Care, Store and Fulfillment Center teams. See Pgs. 37-38 for partial reporting.</p> <p>Our Avg FC Hourly Rate is \$18.64. Our Avg CH Hourly Rate is \$17.15. All of our hourly employees are paid above the Federal and State minimum wages.</p>
	1 Voluntary and 2 involuntary turnover rate for in-store employees	Quantitative	Rate	CG-MR-310a.2	People team	<p>1) Fulfillment Center annual turnover rate: 170%</p> <p>2) Customer Happiness annual turnover rate: 91%</p>
	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Quantitative	Reporting Currency	CG-MR-310a.3 ²	Legal team	Nothing to report for 2022.
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 ³	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.
	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Quantitative	Reporting Currency	CG-MR-330a.2 ⁴	Legal team	In 2022, Grove paid approximately \$90,000 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.

¹Disclosure shall include a description of corrective actions implemented in response to data breaches. ²The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.

³The entity shall describe its policies and programs for fostering equitable employee representation across its global operations. ⁴The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.



SASB Reporting 2022: Multiline Retail

Topic	Accounting Metric	Category	Unit of Measure	Code	Grove Contact	Response
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%
	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	Owned brands team	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. 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.
	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	n/a	CG-MR-410a.3	Sustainability team	See Pages 7-21 and pg. 5 for details around our sourcing requirement, packaging strategy, FSC requirements and plastic goals, including goals to be 100% plastic free by 2025. Also see our Responsible Fiber Policy .
Number of: (1) retail locations and (2) distribution centers		Quantitative	Number	MEASURE CODE CG-MR-000.A	Sustainability team	1) No retail locations. 2) 3 distribution centers located in Reno, NV; Elizabethtown, PA and St. Peters, MO.
Total area of: (1) retail space and (2) distribution centers		Quantitative	Reporting Currency	CG-MR-000.B	Sustainability team	1) 0 sq feet 2) 509,300 sq feet



Grove TCFD Responses FY2022

As a B Corp and Public Benefit Corporation (PBC), our corporate sustainability ethos and sustainable product offerings are Grove's primary differentiators. As part of that value proposition, we pride ourselves on our industry-leading work in sustainability around the areas most material to our business: plastic, carbon and forests.

Grove remains dedicated to aligning our foundational mission with traditional boundaries of ESG integration, and a path of more formalized oversight of climate-related risk as outlined by this framework. Since its inception, Grove has integrated principles of sustainability into business objectives and financial planning; materiality and the opportunity of addressing sustainability challenges is not a new undertaking for our leadership and our board. We look forward to this additional level of rigor, and further reporting on our progress as we share more on our developing strategy, oversight and management of climate-related risk.

In addition to these responses, which are part of our 2022 annual sustainability report and plastic scorecard, we encourage stakeholders to read our 2020 and 2021 sustainability reports, which outline our approach to materiality, plastic, and climate in depth as well as the extent to which managing these risks and opportunities in redefining the CPG industry is central to our business.



TFCD Reporting FY2022: Governance 1a

I. Governance: Disclose an organization’s governance around climate-related risks and opportunities.

References

a. Describe the board’s oversight of climate-related risks and opportunities.

Grove’s board of directors has created a Sustainability, Nominating, and Governance Committee, composed entirely of independent directors, which directly oversees the Company’s sustainability program and ESG strategy, including climate-related risks/opportunities.

See Pgs. 7-21 and 22-29 for further reporting.

Grove’s sustainability team presents to the Sustainability, Nominating, and Governance Committee on a bi-annual basis (and more frequently as requested by the committee). Grove’s investor relations and sustainability teams provide the Audit Committee of the board of directors with quarterly communications related to climate-related or ESG- disclosures included within quarterly earnings. Grove’s sustainability team provides regular updates to the board of directors on existing sustainability goals, as well as an in-depth review of key metrics on an annual basis. Additionally, our sustainability team reports directly to our CEO, who is responsible for ESG oversight.

Committee	Climate Oversight	Climate Topics Addressed Annually
Board	Oversight of ESG risks and opportunities, including climate risk (both physical and transition risk)	<ul style="list-style-type: none"> Emissions / climate strategy, goals and progress Annual: sustainability report review, OKRs and sustainability roadmap
Audit Committee	Review of all ESG disclosures, particularly those related to updated SEC guidelines around emissions disclosures	<ul style="list-style-type: none"> Quarterly review of ESG-related disclosures made in earnings-related materials and annual sustainability report
Sustainability, Nominating and Governance Committee	Sustainability strategy and roadmap	<ul style="list-style-type: none"> Bi-annual review of sustainability program including all internal and external benchmarks



TFCD Reporting FY2022: Governance 1b

I. Governance: Disclose an organization’s governance around climate-related risks and opportunities.

References

b. Describe management’s role in assessing and managing climate-related risks and opportunities.

Grove’s CEO directly oversees our sustainability team, annual roadmap, climate-related strategies, goals, and reporting and is directly involved with creating and approving Grove’s emissions and sustainability goals. Our CEO is closely involved in setting and overseeing our sustainability and climate targets and strategies.

Climate-related issues are monitored across our organization—from operations and supply chain emissions, to sourcing more recycled and responsibly sourced materials. The sustainability team partners with all of these teams and other key cross-functional partners across the organization to drive progress toward shared goals and to embed accountability for sustainability programs across departments.

Sustainability is the key differentiating factor in Grove’s business. Our sustainability strategy as it relates to our core business and operations is reported on during regular intervals at key leadership meetings and strategic working sessions to ensure that all departmental leaders have a baseline understanding of the topic and its relevance to their teams.

See Pgs. 7-21 and 22-29 for further reporting.



TFCD Reporting FY2022: Strategy 2a

2. Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on an organization's businesses, strategy, and financial planning where such risks are material.

References

a. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long-term.

When considering climate-risk and Grove's primary opportunities to address and improve upon our industry, from the near to long-term, we have identified that the key material, climate-related risk factor (and opportunity for Grove to lead by providing an alternative) is addressing our industry's reliance on single-use plastic packaging, which is not aligned with a 1.5 DS and has clear climate risk through its link to fossil fuel extraction and manufacturing in addition to the numerous hazards to human and environmental health associated with the plastic pollution crisis.

We take on operational and financial risk by transitioning our products out of plastic, as we face supply-chain shortages and potentially higher costs of alternative materials, we also realize that this is a primary "transitional" opportunity for Grove in terms of being an early adopter to the topic, and a brand whose consumers are keenly focused on reducing both their plastic and carbon footprint through our offering of home essentials.

In addition to plastic, we view our central climate-related risks as forestry loss and industry-related deforestation. This focus on avoiding deforestation is central to our climate-related risks given the clear connection between forest conservation and planetary health. We take every assurance to ensure that our supply chain is deforestation-free partially based on the climate-related risk associated with the loss of forests globally. These risks also define our key opportunities for leadership. (Continued on following page.)

See Pgs. 7-21 and 22-29 for further reporting.



TFCD Reporting FY2022: Strategy 2a (Continued)

2. Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on an organization’s businesses, strategy, and financial planning where such risks are material.

References

a. Describe the climate-related risks and opportunities the organization has identified over the short, medium and long-term.

The risks outlined on the previous page also define our key opportunities for leadership. For example:

See Pgs. 22-29 for further reporting.

Risk Avoiding deforestation in our supply chain through industry partnerships with Canopy Planet, requirements around Forest Stewardship Certified (FSC®) fiber content.

Opportunity Creating ambitious commitments around reforestation (having planted 1M trees to date in partnership with Arbor Day) and forest protection (supporting conservation and local stewardship of 2M acres in Alaska including within the Tongass National Forest).

Risk & Opportunity Our pledge to reach carbon neutrality by 2030 through a combination of mitigation, supplier engagement and offsets purchased through long-term forest conservation partnership with Family Forest Carbon— which will both provide Grove with Certified nature-based carbon offsets as well as act as an engine of forest conservation through guaranteeing our demand through 2030.

Opportunity Avoiding deforestation and sourcing responsible and alternative fiber (bamboo) helps mitigate the risks of supply chain disruptions due to wildfire, or dependence on forests in our paper products, home essentials and packaging - as well as protects our supply chain from over-harvesting and promotes long-term sustainable management of resources.



TFCD Reporting FY2022: Strategy 2b

2. Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on an organization’s businesses, strategy, and financial planning where such risks are material.

References

b. Describe the impact of climate-related risks and opportunities on the organization’s business, strategy and financial planning.

As a mission-driven Company and PBC, Grove has incorporated sustainability leadership into business and financial planning since inception. In terms of addressing climate-related risks, the primary way we address this is by creating and publicly reporting on metrics that tie our use of plastic to our financials. (A longer discussion of our view on the relationship between plastic and climate follows in the “Metrics and Targets” section that follows.)

See Pgs. 7-21 and 22-29 for further reporting.

Also see our [S-4](#).

- **Internal EPR (Extended Producer Responsibility) and Plastic Neutral Program:** Since 2020, Grove has put into place an effective internal tax on plastic through our plastic neutral program - as that which we pay our plastic neutral partner, rePurpose Global, to collect the equivalent of amount of plastic pollution as to the volume of plastic that we ship to customers. This effectively means that our use of plastic is considered within our financial planning, as a small percentage of every dollar of profit on products containing plastic must fund these programs.
- **Plastic Intensity:** We also publicly report on our progress to move away from plastic in our products by reporting on plastic intensity (lbs of plastic shipped to customers per \$100 of revenue) within our quarterly earnings. This factors our sustainability goals within our financial planning—better aligning incentives between our use of plastic and its connection to climate.

As an opportunity related to addressing climate-related risk within financial planning, given our long-term commitment to reach carbon neutrality by 2030 and high standard for carbon offset projects, we were able to commit to a long-term partnership that provides us with certified, nature-based, community-led carbon offsets that support forest protection in the United States – while locking in a price per ton through 2030 given our ability to forecast long-term demand. Our models estimate that this partnership will save us at a minimum \$9M, and potentially upwards of \$50M, depending on the price per ton over the coming eight years. This partnership will minimize our financial liability as carbon offset prices increase (as they are expected to) while both guaranteeing access to certified carbon offset projects which mitigate climate risk associated with deforestation.

For a more complete discussion of the opportunity related to how Grove’s products address the climate and associated plastic crisis, please reference [our S-4](#), which discusses the integration of these material issues within our core business and products.



TFCD Reporting FY2022: Risk Management & Metrics

3. Risk Management

References

Disclose how the organization identifies, assesses and manages climate-related risks.

Grove is still formalizing oversight processes and our approach to climate-related risk management. In 2024, we plan to undertake a scenario planning exercise that explores Grove’s physical and transition risk assessment processes through two climate scenarios and time horizons, as aligned with industry best practices. Our objectives will be understanding and testing the most material risks to our supply chain and operations as a result of physical climate-related events—as well as the most material transition risks that relate to our operations, supply chain and distribution.

See Pgs. 22-29 for further reporting.

4. Metrics & Targets

References

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

At Grove, we recognize not only the risks posed by climate change, but the extreme human and environmental health risks posed by our global reliance on plastic—as well as their link to climate based on the connection between plastic and the fossil fuel industry. As supported by research, there are growing connections between plastic and the climate crisis*—through continued fossil fuel extraction (99% of plastic is made from fossil fuels**), manufacturing, pollution, and associated emissions, all of which are measured on an absolute basis and do not take into account more intersectional climate issues such as human health, social impact, air pollution, ocean pollution and degradation, and so on. In summary, making, using and discarding plastic poses a material risk to keep planetary warming below a 1.5 DS.***

As such, we consider our climate goals to be two pronged: reduce emissions, and transition away from plastic into circular packaging. We view our climate risk as dependent upon both strategies in tandem. We have set a goal to become plastic free across our site and disclose our progress annually in this report—see pages 7-21 for this year’s reporting.

See Pgs. 7-21 for further reporting.

[.Bennington College, Beyond Plastics, 2021.](#) [**The Hidden Costs of a Plastic Planet: Climate, CIEL, 2022.](#) [***Ibid.](#)



TFCF Reporting FY2022: Metrics & Targets (Continued)

4. Metrics & Targets

References

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Grove is committed to demonstrating sustainability leadership, primarily around our transition away from plastics, however we know that transition may result in a short-term rise in emissions, so we have set a goal to reach net zero emissions by 2030, as well as Science-based targets for reduction across scopes 1-3 to reduce our emissions as much as possible. By setting a Science-Based Target, we track progress towards climate-related risks and opportunities for emissions reduction and dependence on non-renewable resources. Our SBT goal requires a 50% reduction in emissions by 2030 across Scope 1 and 2 (compared with a 2019 baseline) and Scope 3 (compared with a 2020 baseline), mapped to a 1.5 degree scenario. Page 25 of this report discloses our SBT data.

Looking ahead, our focus is primarily on reducing our emissions through purchased goods and services (which account for approximately 80% of our scope 3 emissions) in order to address the areas of primary risk in our business. In 2023, we formally began engaging with our suppliers to better understand their emissions sources and mitigation plans.

As a way to codify this commitment as we grow, as of 2021, Grove is a CarbonNeutral Certified® Company, which means that all of our direct emissions (Scope 1, Scope 2 and part of Scope 3) are neutral and in alignment with the Carbon Neutral protocol.

Our shipments and facilities have been carbon neutral since 2019. We utilize UPS's carbon neutral shipment option and offset the remainder of our shipments made through other carriers. For all of our facilities, which are leased, we purchase renewable energy from our utility providers where possible, and purchase a combination of REC and VCS Certified carbon offsets of the remainder. For additional detail on our carbon offset and REC purchase methodology please see pages 27-28 and 60-63, which outline our focus on nature-based, community-led projects that protect forests as the highest-impact carbon sequestration available to us to support climate objectives.

See Pgs. 7-21 and 22-29 for further reporting.



TFCO Reporting FY2021: Metrics & Targets (Continued)

4. Metrics & Targets

References

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Regarding our offset purchases:

- All projects are directly vetted by our Sustainability team.
- All projects align with the Carbon Neutral Protocol—considered the gold standard of verification, which is updated annually to incorporate developments in climate science, international policy and standards, well as other third party verified standards (see p. 68 of the [Carbon Neutral Protocol](#)).
- We vet our projects closely to ensure that we are not chasing down a low price for carbon emissions, but paying a fair price for nature-based, community-led projects that meet our required list of co-benefits including habitat protection, biodiversity and other ecosystem benefits that are linked to planetary health. We worked with Drawdown Labs to align on this approach.
- We publish a full list of offset projects supported (including amounts, project names, project provider and locations) in our annual sustainability report—see page 28.

See Pgs. 7-21 and 22-29 for further reporting.

Overall, we are still on a feasible track to meet our emissions targets and have started to bend the curve, but have a long way to go. The next three to four years will determine if we are on track to meet our ambitious 2030 goals in terms of how effectively we are able to partner with suppliers who share our commitment to decarbonization. Our 2022 emissions are included below, and in the Climate & Carbon section of this report.

- 2022 Scope 1: 545 MT CO₂e
- 2022 Scope 2: 826 MT CO₂e
- 2022 Scope 3: 111,411 MT CO₂e (does not include use of sold product)

In terms of metrics, key plastic metrics are included within our earnings report, including plastic-intensity (lbs of plastic shipped per \$100 of revenue), total plastic footprint and percentage of no- and low-plastic products, as well as refillable/reusable products.

TFCD Reporting FY2021: Metrics & Targets (Continued)

4. Metrics & Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Sourcing Considerations for Offsets & RECs

Methodology

Carbon Offsets

Priority

Strategy

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

Community-Led

Projects should be led by or directly benefit indigenous or local communities

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)

References

See Pgs. 24-28 for further reporting.



TFCO Reporting FY2021: Metrics & Targets (Continued)

4. Metrics & Targets

References

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Within this sustainability report, and also broken out as a separate document, we publish an annual plastic scorecard, which details our total plastic footprint, as well as numerous other metrics that chart our progress away from plastic, and particularly single-use plastic, including refillable and reusable products. Overall, we are making solid progress towards decreasing our assortment of plastic and decoupling our revenue growth from our use of plastic.

See Pgs. 7-21 and 22-29 for further reporting.

Emissions are collected manually and through Urjanet, as well as calculated by Optera. They are reported to Climate Impact Partners to confirm alignment with the Carbon Neutral Protocol as part of our CarbonNeutral® - Certified Company status, active as of 2020, as well as included in the table below (with additional reporting down to the project level).

- Scope 1: Direct GHG emissions from fuel consumption (all offset)
- Scope 2: Market-based purchases of electricity across our offices and fulfillment centers (all offset/RECs)
- Scope 3: Following GHG protocol, we include the following categories within our Scope 3 calculations:
 - Purchased goods and services, capital goods
 - Fuel and energy related activities
 - Upstream transportation and distribution
 - Waste generated in operations
 - Business travel, employee commute
 - Downstream transportation and distribution
 - End of life treatment
 - Downstream leased assets

We do not include Use of sold product, per the GHG protocol (partially offset).



TFCO Reporting FY2021: Metrics & Targets (Continued)

4. Metrics & Targets

References

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

On an annual basis, we disclose our progress towards our Science-based climate targets for Scope 1-3, as well as a complete disclosure of our GHG inventory (Scope 1-3) annually on pgs. 25-28 of this report, including a breakdown of total emissions by category, as well as what portion has been offset, down the offset project level detail. Through the purchase of offsets, we are on track to reach our SBT climate targets, as outlined by the chart below.

See Pgs. 22-28 for further reporting.

Scope	Emissions Source/Category	Offset Source	Offsets Applied	Net Emissions (With Offsets)
1	Onsite Fuel	Climate Impact Partners: Uruguay Grassland Restoration	545 mtCO2e	0
3	Fuel and Energy Related Activities: Transmission & Distribution Only	Climate Impact Partners: Uruguay Grassland Restoration	39 mtCO2e	0
3	Waste Generated in Operations	Climate Impact Partners: Uruguay Grassland Restoration	591 mtCO2e	0
3	Business Travel (Air, Rail, Car)	Climate Impact Partners: Uruguay Grassland Restoration	267 mtCO2e	0
3	Employee Remote Work	Climate Impact Partners: Uruguay Grassland Restoration	63 mtCO2e	0
3	Downstream Transportation & Distribution	Climate Impact Partners: Brazil , Uruguay and Indonesia Wildlife Works: Mai N'Dombe, DRC	9,031 mtCO2e	0
All offset sources are recognized by the CarbonNeutral protocol.			10,536 mtCO2e	0

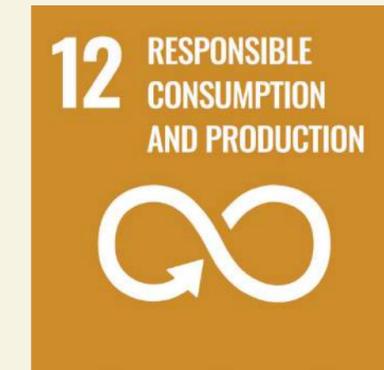
METHODOLOGY: Fiscal Year 2022. We completed this analysis with the support of Optera (previously known as Point380), a specialized sustainability firm providing companies with integrated consulting and software services. Optera is an accredited software and solutions provider with the Carbon Disclosure Project (CDP).

U.N. Sustainable Development Goals

The United Nations 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. 29-34 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. 35-41 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 Beyond Plastic™ and into lightweight, low-impact products packaged in renewable, reusable or truly recyclable materials (as a last priority).	See Pgs. 7-21 and 22-29 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. and 22-29 for further reporting.



U.N. Sustainable Development Goals

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 move Beyond Plastic™, 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 Pgs. 7-21 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. 22-23 and our Responsible Fiber Policy for further reporting.



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