



2022 Impact Report

April 15, 2023

Annual Report of GreenGear Supply Company Inc. under NYS Business Corporation Law
1708.

About Us

At GreenGear, we recognize the responsibility we all have to interact with the environment in a more sustainable way. We're on a mission to help outdoor events & venues switch to more sustainable products. To do so, we are dedicated to creating reimagined plastic products, such as bags and ponchos, that drive positive environmental and social impact, all without compromising on price or quality.

We are a college-student founded company and incorporated in 2017. GreenGear was founded by Monika Dharia, when she was a student at Duke University. Our mission is to inspire a more sustainable and equitable world through innovative products, starting with a rain poncho. Monika's first year full time on the business was in 2022 and we made exponential progress in that year. We plan to continue on this growth trajectory in 2023.

We are a certified minority, woman-owned small business and 1% for the Planet members. From day 1 of our company, more than 1% of all revenue has been donated to environmental nonprofits. In 2022, we also became Green Sports Alliance members and in 2023, we seek to become a part of the B-corp network.

Offering Unique Products

In 2022, GreenGear Supply Company Inc. amended its articles of incorporation to become a benefit corporation under Article 17 of the Business Corporation Law. Our amendment states, "The corporation creates sustainable products, for consumer use, that drive positive environmental and social impact. The corporation is committed to benefit and protect the environment, workers and underserved communities."

In the following sections, we highlight the specific public benefits we pursued in accordance with this amendment. In addition, in our "Reflections and Looking Ahead" section, we discuss circumstances that limited the benefit corporation and how we will be addressing those in the coming years.

Benefit Corporation - Third Party Standard

Per New York State Corporation Code 1708, a Benefit Corporation must utilize a third party to assess its public benefit. GreenGear Supply Company Inc. is undergoing the process to become Certified B Corporation and has elected to utilize these third-party standards, administered by the B Lab - a United States-based non-profit organization. This report template was also inspired by Cultivating Capital to assist clients in preparing an impact report that can be used to increase transparency, follow best practices, and earn points on the B Impact Assessment (BIA)

The B Lab Impact Assessment provides comparability across sectors and industries, and transparency among those certified. Mission-alignment is another consideration, as the B Lab has developed a quantitative and qualitative approach for companies who are pursuing a triple bottom line - people, planet, profit. The role of B Lab is to provide this annual assessment (and potential audit), in which GreenGear has begun to complete. Over 1,000 companies around the globe have utilized B Lab's Impact Assessment, creating a deep network that spans across industries and geography, connecting businesses that have a greater understanding of public benefit.

It is important to note that we are not affiliated nor compensated by B Lab, which remains purely an independent and unbiased 3rd party. The attached B Lab Assessment is therefore objective in nature and utilizes global standards, processes and metrics, which provide consistent and comparable results. This is an active score, as the application is underway. The assessment measures all operations of a business including five impact categories: governance, workers, community, environment, and customers. Businesses must earn a minimum score of 80 out of a possible 200 points in order for a company to be eligible for B Lab certification.

B Corp Certification & Impact Report

We are seeking the B-corp certification because we seek to continue our social mission, while scaling our business. Therefore, as our profits grow and we potentially raise money, GreenGear will still be held to a high socially-responsible standard. We are also using the B-Impact Assessment as a tool to evaluate our supply chain, governance model and product impact in order to determine what impact areas to prioritize first.

According to the B Lab website, in order to achieve and maintain certification, a company must:

1. Demonstrate high social and environmental performance by achieving a B Impact Assessment score of 80 or above and passing our risk review. Multinational corporations must also meet baseline requirement standards.
2. Make a legal commitment by changing their corporate governance structure to be accountable to all stakeholders, not just shareholders, and achieve benefit corporation status if available in their jurisdiction.
3. Exhibit transparency by allowing information about their performance measured against B Lab's standards to be publicly available on their B Corp profile on B Lab's website.

Furthermore, a company must undergo a recertification process every 3 years to demonstrate dedication to continuous improvement and to ensure these socially-responsible standards continue to be met on an ongoing basis. For more background on the B-corp certification process visit: <https://www.bcorporation.net/en-us/certification>

The below image is a screenshot of our B-impact score. Note that this application is currently active and not yet completed. There are questions still unanswered and we expect to be above the 80 point threshold after completion.

GreenGear Supply Company Inc.

For Fiscal Year End Date: 31 Dec 2022



Governance

QUESTIONS ANSWERED 17/17 OVERALL SCORE 4.3



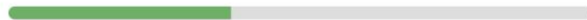
Community

QUESTIONS ANSWERED 25/25 OVERALL SCORE 39.6



Environment

QUESTIONS ANSWERED 30/30 OVERALL SCORE 26.6



Customers

QUESTIONS ANSWERED 5/5 OVERALL SCORE 3.1



Highlights

In 2022, we have grown our business significantly. First, we attained the minority-female owned business certification and became Green Sports Alliance members. We also have begun the process to become B-Corp certified and amended our incorporation documents to become a benefit corporation.

Second, we have made great strides in our supply chain. We've found a partner in the U.S. to add a biodegradable additive to our material. We will start to use this material in merchandise bags and then implement it in our ponchos as well. Therefore, our products will remain being made from renewable resources, reusable, and recyclable, but now also biodegradable for bioconsumption - meaning they can degrade in landfills without releasing methane gas and degrade faster in soil and oceans, all without producing microplastics. Furthermore, this will help us bring more local production to our domestic customers.

From a transportation standpoint, we have found partners to measure and offset all carbon emissions for our shipments. The large order shipment carbon offsets were implemented in 2022 and all parcel shipments will be carbon offsetted, beginning in 2023.

We are also committed to donating at least 1% of all revenue to environmental nonprofits. This year, we have donated over 1% and, to date, we have contributed over \$7000 to environmental causes. We have also begun expanding our relationships with our nonprofit partners, such as Black Jaguar Foundation and EcoAthletes, to begin developing plans to provide value in addition to monetary donations.

Finally, we have grown our team significantly in 2022, expanding to 8 contractors and 5 outsourcing agencies. We are now on a path to provide more benefits to our contractors and create more part-time and full-time employment opportunities in 2023.

Governance

GreenGear has begun the B-Impact Assessment in an effort to formalize and continuously improve our high socially-responsible standards as we grow. To do this, we have amended our corporate documents to become a benefit corporation. We are now going through the B-Impact Assessment to become a part of the B-Corp network and choose the top priority impact areas to improve our supply chain and business model. This year is also our first of many impact reports, which will be used to provide transparent communication of our mission, growth, impact, and improvements.

Within our supply chain, we have communicated our pursuit of the B-Corp certification. We hold ourselves, suppliers, customers, partners, contractors and other relationships accountable for our shared ethical and business values. We will terminate relationships that do not adhere to these values.

Workers

GreenGear does not have any full-time workers, besides our founder, at this time. We do collaborate with other businesses and have independent contractors, with the goal to expand the roles of these contractors. In all working relationships, we prohibit discrimination & harassment of any type, including but not limited to: race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, gender identity & expression, or any other characteristic protected by law.

We also provide equal employment opportunities and provide transparency to our contractors. We provide employee training to help create equitable opportunities for those in underserved groups or from underserved communities. We also have written agreements with our sales

agents and provide informal feedback to our contractors and business partners. We seek to formalize this process in 2023.

Finally, we are also using the B-Impact assessment to build our hiring, training and benefit platforms. We will be utilizing the worker section, formally, once we have permanent workers in place.

Community

GreenGear is an active community member on both a national and international level. First, at least 1% of all revenue is donated to our nonprofit partners. This year, we partnered with nonprofits EcoAthletes, Black Jaguar Foundation and UpCycle4Good. Since our founding, we have donated \$7393 to environmental causes.

We have also participated in speaking events such as with students and through nonprofits (e.g., Green Sports Alliance and Acting Green Forum). These speaking opportunities were used to share how we are innovating and provide resources on how to grow a business, especially one that starts from a student. From a mentorship perspective, we also dedicate time to mentor students to help them create businesses and join the sustainable innovation space.

In terms of growth, we've also begun to diversify our supply chain so we can allocate more production to the U.S. and support businesses in the area. We are also allocating more resources to social media to educate our end-users on plastic alternatives, our products, and general sustainability practices. This has also extended to our website, in which we recently updated to provide free sustainability resources to all people.

Environment

GreenGear aims to protect and conserve the environment in many ways, including:

1. Using sugarcane and renewable resources to create our products
2. Reducing carbon emissions through our products and supply chain
3. Optimizing end-use for our products, informing our decisions based on lifecycle analyses
4. Utilizing recycled kraft paper and soy-based ink for our packaging, since ~80% of plastic waste is from single-use packaging
5. Supporting nonprofit organizations by donating >1% of all revenue annually and providing outside resources where possible, like ponchos to be used as PPE in remote environments.

This year, we've expanded on our environmental impact in the following ways:

1. Carbon offsets for all shipments after production
2. Began testing a biodegradable additive to be used in our products

3. Switched to renewable energy for our home office location by electing to switch our electric supply to CleanChoice Energy
4. Took away plastic wrap that was typically used in our boxes
5. Conducted a supply chain emissions analysis to measure where our highest areas of carbon emissions are; the next large area of impact lies within our manufacturing

Customers

GreenGear is committed to providing an exceptional and educational customer experience. First, we've been working to improve our feedback channels by incorporating a platform on our website and informally engaging current customers to get product input. Furthermore, we often showcase our product at conferences (e.g., Marketplace for the Future, Green Sports Alliance, Sport Positive, 1% for the Planet and more) to get thoughts on our product and business. Conferences have allowed us to get input from industry experts, sustainability leaders, and the general public.

To help bring our products to more communities, we have begun to provide a 40% discount to all nonprofits and small businesses. This is to help all people have access to our products. From time to time, we will also donate our ponchos, such as our Covid-19 fundraiser, in which our ponchos helped serve as PPE for remote healthcare workers.

We also believe in providing robust sustainability messaging guidelines and resources to both our large business customers and end-users. We recently updated our website so our sustainability messaging is easier to follow and our recycling guide is easier to access. For our large customers, we provide a PDF on our sustainability specifications, how this compares to other types of plastics and general resources to third-party research on bioplastics.

To protect client privacy, all platforms that have any type of customer data require 2FA to access. We also moved to more encrypted passwords for our platforms and use an antivirus software that provides a secure VPN for all public wifi connections.

Reflections & Looking Ahead

Our main limitation this year in expanding our public benefit has been cash flow. The tighter cash-flow has been due to Covid-19 and our founder going full-time for the first year. We are focused on building a team, continuing to bootstrap and working with mission-aligned partners as we believe that will be pivotal to creating long-term environmental and social impact.

Furthermore, we have high goals to continuously improve in 2023. Specifically, this year we seek to:

- Rollout our products with enhanced biodegradation
- Allocating more of our business purchases to support local, purpose-driven companies

- Improve pallet options for B2B orders, minimizing waste
- Creating more purpose-driven jobs
- Finalize building out a plan to move manufacturing to support more sustainable energy, such as initially through power purchasing agreements. The goal will be to start implementing at certain locations by the end of 2023.
- Institute supplier agreements to formalize B-corp values within our manufacturing
- Track more of our sustainability metrics, quantitatively, through the EPA Warm Assessment

Contact Us

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