

# IMPACT REPORT

2024

love the planet



you play on



BIG TREES  
COOL  
EARTH  
FRESH AIR

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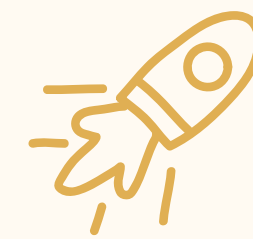
# WELCOME TO OUR IMPACT REPORT

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## Our first annual impact report.

What a year. 2023 was all about restoring and building. Since joining the Refined Brands Group we've worked hard to chart a positive course for the future. In this report we'll keep things simple; what we did and what we will do. It's about keeping us accountable, reflective, and moving forward on our journey while staying true to our values and recognising our responsibilities as a global clothing company.

Here's a glimpse into our transformative journey this past year:



Relaunched our new Frugi website.



Relocated both our office and warehouse, retaining as many jobs as possible in Cornwall.



Built trust through improving our processes and customer service.



Pioneered a new direct route for wholesale orders into Europe.



Returned to a positive EBITDA in March 2023.



# A LITTLE ABOUT US

Frugi began life in 2004 as a solution for an environmentally aware mother, unable to find the right (and bright) clothing to fit over her new baby's cloth nappies. In a world of drab organic cotton offerings...  
enter Frugi!

Starting out in a little Cornish cottage, Frugi quickly became renowned for doing business differently. Not only with profitability in mind but with **people and our planet too. This is inherent in everything we do.**



**OUR VISION**  
A world without waste!



**OUR PURPOSE**  
To inspire every human to love and protect the planet we play on.



**THE PROBLEM**  
The cheap throw-away convenience culture destroying our planet.

OUR VISION:

# A WORLD WITHOUT WASTE

We need to talk. About the fact that cheap things cost more. Cheap things wear down, wear out and fall apart.

The clothing industry fills our oceans with microplastics, our rivers with pesticides and our air with CO2. Every second, a rubbish truck of clothes is dumped into landfill. All in the pursuit of fast fashion.

We're Frugi. We sell things, yes, but we're creating them differently. Durable, sustainable clothing designed for adventure and made to last. That's what we do. Made with care, crafted from gentle fabrics and created with kindness. To pass on, patch up or recycle.

Because a cheap, throwaway society is costing us all the one thing we can't buy back: Our home.

Really, kids don't need more clothes. What they need is more trees, fresher air and cleaner oceans. More joy, more fun, and a bright, bright future - for them, and for the planet they play on.



## A NOTE FROM JENI



JENI, FRUGI PRODUCT & BRAND DIRECTOR HAS BEEN WITH FRUGI SINCE 2010 AND SHAPED OUR DISTINCTIVE DESIGN HANDWRITING AND COLOURFUL BRAND SPIRIT.

“ Colourful, joyful, playful and full of **MAGIC**, Frugi is brimming with **COURAGE** and a clear purpose and reason for being. To do things differently. Better. More considerately. To challenge ‘normal’ practice. To offer beautiful bright children’s clothing that’s organic, clever, and kinder to our planet.

These values and approach to design remain our priority. Almost 20 years on we are still creating products with purpose. Not only in their ability to support and enable the joy of play and outdoor adventure but also in how they have been produced. Gentle, durable, and sustainably sourced fabrics created with love by a supply base we trust and nurture.

In the past year, Frugi has navigated many challenges and obstacles. Thankfully, we’ve got an incredible team bursting with enthusiasm to propel the brand forward. This new chapter has demonstrated our resilience and commitment to sustainable growth.

We will continue to challenge ourselves and the industry to create products that not only bring joy and adventure to children’s lives but also contribute positive change to our planet and its people”

# PEOPLE & COMMUNITY

At Frugi, our commitment to people extends beyond our customers to encompass everyone involved in the Frugi brand, from our dedicated team to our valued wholesale partners and suppliers. Here's a glimpse into how we've nurtured our people and community in 2023.



**"Beautiful quality clothing**

*Beautiful quality clothing. They are sized generously, so will last longer. I love how bright and fun they are. Will definitely return to buy in the future.*

- NIAMH, FRUGI CUSTOMER



## WE DID...

- Initiate wholesale partner and consumer surveys to gather feedback and insights into their needs and views of our brand. With over 1,500 responses collected, we've delved into the data, ensuring that valuable learnings are translated into actionable improvements across our brand.
- Put our people at the heart of everything we do. During the administration process, we prioritised our exceptional team, retained as many as possible and supported those transitioning out. To stay aligned to our team's views, we conducted our first internal survey since administration with 84% of people saying they enjoy working for Frugi. We will be continuing these annually, paving the way for ongoing dialogue.
- Visit our suppliers in India and hosted reciprocal visits at our Cornwall headquarters.
- Enable 21% of our team to volunteer a total of 154 hours to support charitable causes.
- Work hard on improving our processes and customer service, which has been recognised in our Trustpilot score as it soared from 1.6-stars to an excellent 4.3-stars.
- Re-establish ourselves as a Real Living Wage Employer in April 2024

Our dedication to our people and community remains a priority as we continue to create a culture of collaboration, compassion, and action into 2024 and beyond.

VOLUNTEER DAY WITH CORNWALL WILDLIFE TRUST



**"Volunteering with the Cornwall Wildlife Trust was great. Clearing pheasant berry was quite the workout, and it felt good to help our local environment. It was a fun way to bond with our wider team, and it was amazing how much we accomplished."**

- ROWAN, FRUGI GRAPHIC DESIGNER



# PEOPLE & COMMUNITY

## WE WILL..

- Publish our Refined Brands Group Modern Slavery Statement to address our commitment to combating forced labour and human trafficking within our direct supply chain, by August 2024.
- Extend our Modern Slavery commitment by mapping our tier 2 suppliers (such as suppliers of fabrics) by October 2024.
- Continue to improve our customer experience, increasing our Trustpilot score from 4.3-stars to 4.7-stars by December 2024.
- Increase paid volunteering so that 50% of our permanent team contribute one working day to a charitable cause. Increasing from 21% in 2023.
- Improve our employee well-being score in the employee engagement survey from our January 2024 results by September 2024.





Reconnecting with our suppliers face-to-face is incredibly rewarding. Despite being in constant communication online, there's something special about being able to sit down with our partners, share learnings, and strengthen our bonds. It reaffirmed the importance of these relationships in ensuring that our supply chain remains ethical and sustainable."

- SARAH, FRUGI BUYER

INDIA SUPPLIER TRIP 2023



JENI

FRUGI PRODUCT &  
BRAND DIRECTOR

DIGAMBER

HEAD OF INDIA  
OPERATIONS

SARAH

FRUGI BUYER

# PLANET

Love the planet you play on

– a simple mantra that guides everything we do at Frugi.

We acknowledge the urgent need to safeguard our environment for both present and future generations.

That’s why we’re dedicated to taking meaningful action to transform the clothing industry’s norms.

## WE DID...

- Enable all employees to set social and environmental mission-related objectives in their Personal Development Plans, ensuring sustainability remains a core focus across the organisation.
- Start our Bcorp journey.
- Donated unwearable clothing to the Cotton Lives On initiative, diverting them from incineration and repurposing as mattress filling. These mattresses were donated to homeless shelters and hostels.
- Relocate our office and warehouse to our new home in Indian Queens, Cornwall, sharing knowledge and resources with our sister brand, Celtic & Co. with a 43% saving in electricity consumption and 22% water saving through 2023.
- Order only sustainable labelling and packaging for our product: recycled plastic for garment bags, recycled polyester for labels and FSC-certified paper for swing tags.



## ENVIRONMENTAL RESPONSIBILITY

IMPORTANT TO CUSTOMERS

96.6%\*



GOTS ORGANIC COTTON USES

62%.

LESS ENERGY

THAN CONVENTIONAL COTTON\*\*

13% OF OUR TIER ONE SUPPLIERS ARE USING



RENEWABLE ENERGY

GROWING GOTS ORGANIC COTTON PRODUCES

94% LESS

GREENHOUSE GASES\*\*\*



# PLANET WE WILL...

- Complete our BCORP submission by May 2024.
- Introduce Frugi to our sister brands' audiences, to offer sustainable childrenswear to 4.8k new customers. (Celtic & Co., Kettlewell Colours and Turtle Doves (Not Just Gloves) Ltd.) by December 2024.
- Improve our supply chain transparency by publishing supplier information, including Code of Conduct requirements and sustainability practices, on the Frugi website by July 2024.
- Publish our first annual Impact Report by the end of June 2024 to transparently communicate progress, achievements, and future sustainability goals.
- Together with our sister brand reduce our warehouse waste by reusing 50% of cardboard cartons, 30% of plastic bags and 100% of wooden pallets by December 2024.
- Reduce our head office water consumption by 5% and electricity by 15% compared to last year by May 2024.



*We are committed to the best and most sustainable way of working, and are always looking to find innovative ways of making our processes even more efficient.*

*The 2024 waste reduction target builds on progress already made with sustainable packaging and paper usage to focus on the re-use of materials within the warehouse facility.*

*- PAUL, SENIOR WAREHOUSE MANAGER*



# PRODUCT

At Frugi, our commitment to sustainability runs deep, driving every decision we make, from design to production and beyond.

## WE DID...

- Continue our longstanding relationship with GOTS (Global Organic Textile Standard) and only used GOTS certified organic cotton for our virgin cotton sourcing. These garments made up 77% of our unit sales in 2023.
- Remain focused on making clothes live for longer, from introducing more extendable features into key categories like outerwear to continuing our commitment to durable materials and product features.
- Launch the planet's first circular childrenswear collection to be certified by the Circular Textiles Foundation. This initiative allowed 17% of garments from our 2023 collections, to be recycled at the end of their wearable life, thereby eliminating 123,806 products needing to end up in landfill, reducing the need for virgin materials and lowering CO2 emissions.
- Launch our collaboration with Clarks which marked a milestone in sustainable children's footwear, the first collection of kids' organic cotton shoes for both brands.
- Streamline our product swing tags to reduce variations and eliminate waste at the end of each season.



Out of those who were aware of **CIRCULAR PRODUCTS**, **53%** actively seek out circular product.  
Results from Frugi consumer survey, 2024

GOTS Organic Cotton has **0 TOXIC CHEMICALS** compared to conventional cotton\*  
\*global-standard.org

IN 2023... **9%** of units sold were from our **CIRCULAR COLLECTION**

**14%** of units sold were from our **RECYCLED PLASTIC COLLECTION**

**77%** of units sold were from our **GOTS ORGANIC COTTON RANGE**

☆ 91.9%

OF CUSTOMERS SURVEYED  
RATED THE LONGEVITY  
OF FRUGI PRODUCT AS  
GOOD TO EXCELLENT.

★ ★ ★ 58.4%

OF CUSTOMERS SURVEYED  
STATED THE CHILD GREW  
OUT OF PRODUCT BEFORE IT  
SHOWED ANY SIGNS OF WEAR.

🔄 75.4%

PASS ON THEIR  
FRUGI CLOTHING.



## PRODUCT WE WILL...

- Increase our self-certified circular products to make up 33% of our 2025 collections by October 2024.
- Introduce a minimum of 10 textile to textile closed-loop circular products and incorporate recycled textile fibres into our AW25 outerwear range, landing to wholesale partners November 2024.
- Increase the volume of fit for longer products that are designed to fit an additional year by 15% from AW24 to AW25.
- Launch consumer wearer trials in April 2024 to test and quantify product durability over an 18 month period. Continuing to promote product longevity and Frugi's 'Fit for Longer' design ethos in our 2025 collections.
- Support and encourage customers to extend product lifespan by providing online repair & care resources and relaunching repair patches by July 2024.

”

*It's our norm to create lasting clothes, using durable fabrics and clever features. But extending this ethos to a circular range, expanding it season by season, has been truly rewarding. Winning the Drapers Sustainability Award affirmed our commitment to innovation and end of life solutions for our products. It's about more than just great products; it's about closing the loop, ensuring our garments can be recycled back into textiles.”*

*- MARY, FRUGI PRODUCT MANAGER*

FRUGI CIRCULARITY TEAM 2024



# FOLLOW OUR JOURNEY...

Thank you for taking the time to read our accomplishments in 2023 and our ongoing commitments and sustainability goals for the year ahead.

We recognise there is always room for improvement, and we continue to strive for best in class practices and pioneer innovation whilst considering people and planet with every step we take. Whilst Frugi can offer a more planet-conscious alternative within the childrenswear market we know we have a clear reason for being.

Our mission remains focused on inspiring every human to love and protect the planet we play on by being the most loved, used and sustainable clothing in every child's wardrobe. We want our joy-inducing colourful products to be the ones on all those memory-filled childhood adventures.

Go forth and love the planet you play on.



(PRODUCT & BRAND DIRECTOR)



(TRADING DIRECTOR)

