CREATURE S.CO.

IMPACT & BORDER BURDER BURDER

アア XXX

INTRODUCTION

We are a purpose-driven creative agency that helps brands drive positive change for the benefit of all people and our planet.

Our work to date has educated over 24 million children and caregivers – a figure we aim to double by 2025. At Creature & Co., our purpose is to create lasting, positive change that makes the world a greener, fairer and more prosperous place for all. We operate in a virtuous circle: our mission drives our purpose, our purpose drives our growth, and our growth helps us achieve our mission.





PETER JOHNSON MANAGING DIRECTOR



At Creature & Co., our mission is to INFORM, INSPIRE and EMPOWER people to act on the world's challenges through engaging and accurate storytelling. But how can we encourage others to care for people and our planet without getting our own house in order first?

That's why I am delighted to be able to introduce our first ever Impact & Purpose Report. Over the last few years, we've been working on making Nat Geo Kids as sustainable as possible, and working with our partners to change the children's magazine industry for the better. I'm so proud of the achievements we've made so far.

My hope is that one day, this report will no longer need to be named the 'Impact & Purpose Report', but solely a report on the good we do through continuing to change our industry and our products for the better.





HOW WE MEASURED UP THIS YEAR:



3

OUR B CORP JOURNEY



We started the journey to become a B Corp in July 2021.

We still have a bit more work to do before we're ready to submit our application. You can see below how we were scoring in the assessment at the end of 2021*:



AREA OF ASSESSMENT	CREATURE & CO. SCORE	AVERAGE UK B CORP SCORE
WORKERS	23.3	18.8
COMMUNITY	15.8	12.2
ENVIRONMENT	17.2	25
GOVERNANCE	3.5	7.1
CUSTOMERS	7.1	15.3
TOTAL SCORE	67.1	81.6

*To become a B Corp, you must score a minimum of 80 points



PRESERVING THE ENVIRONMENT

OUR ENVIRONMENTAL ACHIEVEMENTS ON NATIONAL GEOGRAPHIC KIDS MAGAZINE IN 2021:



APRIL -

We introduced a 100% paper-based magazine and gift commitment, meaning our gifts aren't ever made of plastic.

JULY

The mag became 100% plastic free, as the glossy (plastic coated) cover was removed.

JUNE

We started printing the magazine on **recycled paper** and removed plastic tape from all magazines – which saves **100km** of plastic tape a year!

OCTOBER

We started tracking our **scope 1 & 2 emissions**.

2021 AS A WHOLE

We retained **63**% of unsold magazines for **resale** as a double issue, resulting in a **12**% uplift in sales and a **20**% increase in RSV in Sainsbury's and Tesco vs. 2020.



COMMUNITY

We declared support for the Better Business Act in August 2021 and have a goal to change our own company articles of association this year.

We support the campaign to change the law in the UK to make it a legal requirement for all companies (no matter what their size) to consider the effect of their operations on people and planet (not just profit).

In line with our mission to inspire and empower people to act on the world's challenges, our goal is to educate 48 million children and caregivers by 2025.

FREE MAGAZINE SUBSCRIPTIONS TO DISADVANTAGED CHILDREN VIA OUR WEBSITE.

IN 2021 NG KIDS GIFTED

IN 2021 NG KIDS GIFTED 52,0000 FREE MAGAZINES TO NHS HOSPITALS VIA THE NATIONAL LITERACY TRUST.

FREE EDITORIAL COVERAGE FOR CHARITIES:

In 2021, Nat Geo Kids editorial features and news coverage mentioned **89 different charitable** organisations a total of **112** times.

FREE/DISCOUNTED ADVERTISING FOR CHARITIES IN 2021:

- PDSA
- <u>RSPCA</u>
- <u>Waterbear</u>
- <u>WDC</u>

In 2021, the value of editorial mentions and free or discounted advertising for charities amounted to 1.6% of annual revenue.

The value of free magazine subscriptions amounted to 1.8% of annual revenue.

The goal for 2022 is to match the amount of donations we made in 2021 and put together a giving programme to reach even more children and caregivers in the future.

CUSTOMERS

CLIENT CASE STUDY: UNILEVER, PERSIL - THE DIRT IS GOOD ACADEMY (STATS FEB 2022)

DIRTIS GOOD PROJECT

XPersil

VISITS SINCE LAUNCH.

OVER 4,000 'TOPICS' COMPLETED.

OVER 2,800 'CHALLENGES' COMPLETED.

REGISTERED USERS.

We are converting about 16% of Academy users into a 'Changemaker'

(a user who completes at least 1 topic + 1 challenge).

TOPICS IN POPULARITY ORDER:

- **1.** GLOBAL WARMING
- 2. POLLUTION
- 3. POVERTY
- **4.** OVERFISHING

TAKE ACTION BY AN AVERAGE OF 6%.

WE ARE

IMPROVING

USERS'

PROPENSITY TO

THE GOAL FOR 2022 **IS TO LAUNCH** THE D.I.G. ACADEMY IN THREE NEW TERRITORIES.

5. SUSTAINABILITY

- **6. WATER SCARCITY**
- 7. CLEAN ENERGY
- 8. EOUALITY
- 9. HABITAT DESTRUCTION **10. PEACE & JUSTICE 11. BIODIVERSITY LOSS 12. INTENSIVE FARMING**

NAT GEO KIDS **CUSTOMER SERVICE** SATISFACTION

GATHERING BASELINE **DATA** TO IMPROVE THE **CUSTOMER** EXPERIENCE **IN FUTURE:**

In 2022 the customer service team will begin recording the number of missed calls that received a call back...

...and the number of courtesy renewal letters sent/renewal phone calls made to customers.

EDUCATING READERS

NG KIDS MAG EDUCATES CHILDREN ABOUT THE CHALLENGES WE FACE IN THE WORLD. IN 2021 WE PUBLISHED EDUCATIONAL MATERIAL CORRESPONDING WITH THE FOLLOWING UN SDGS IN OUR PRINT MAGAZINE AND ON OUR WEBSITE:

NUMBER OF FEATURES/ARTICLES/NEWS | UN SDG

- **#1** NO POVERTY 2
- 2 #2 ZERO HUNGER
- 5 #3 GOOD HEALTH & WELL-BEING 2
 - **#** QUALITY EDUCATION
- 2 6 **#5** GENDER EQUALITY **#6** CLEAN WATER & SANITATION
- **#7** AFFORDABLE & CLEAN ENERGY í
- **#8** DECENT WORK & ECONOMIC GROWTH **#9** INDUSTRY INNOVATION & INFRASTRUCTURE 2 8
- 8 **#10** REDUCED INEQUALITY 6
 - #11 SUSTAINABLE CITIES & COMMUNITIES
 #12 RESPONSIBLE CONSUMPTION & PRODUCTION
- 19 **#13** CLIMATE ACTION
- #14 LIFE BELOW WATER 14

15

- 42
- #15 LIFE ON LAND #16 PEACE JUSTICE & STRONG INSTITUTIONS 3
- **#17** PARTNERSHIP FOR THE GOALS 0

2021 TOTAL: 137 UN SDGS

WITH NEWSTRADE, SUBS **& ONLINE PAGEVIEWS** COMBINED, 24.7 MILLION KIDS AND PARENTS READ CONTENT RELATED TO THE UN SDGS DURING 2021.

SUSTAINABLE

DEVELOPMENT

COMMITMENTS FOR THE FUTURE

Reduce our absolute Scope 1 and Scope 2 GHG emissions by 50% by 2030 from a 2018 base year^{*}

crisis and rising costs.

This means achieving a 4.2% reduction each year to align with limiting the global temperature from increasing beyond 1.5°C. We plan to achieve this by incentivising staff who are working from home to switch to a renewable energy supplier. Currently 1/3 of our employees use renewable energy, 1/3 don't know who their supplier is and 1/3 aren't using renewables. We anticipate that meeting this reduction goal is going to be difficult this year due to the energy

*To learn more about emissions and setting reduction targets visit <u>Science Based Targets</u>

Begin measuring and reducing scope 3 GHG emissions

We will encourage all our suppliers to measure their emissions so we can calculate the Scope 3 emissions footprint of our magazine and begin to work on ways to reduce the NG Kids / industry-wide impact.

Survey all our suppliers on an annual basis

In 2021 we sent a survey to our suppliers for the first time. From this point onwards we commit to surveying our suppliers on an annual basis to keep up to date with changes to certifications and quality assurance processes, tracking emissions and waste, community development activities and charitable giving, and treatment of employees.

Visit our suppliers more frequently

Due to the pandemic we haven't visited any of our suppliers in person recently, but this is something we're kicking off again in 2022 to maintain our good relationships. The average length of our supplier relationships across the agency and magazines business is 5.5 years.

Our money has the power to change the world, so we're switching banks and pension providers!

In 2022 we'll be moving to an ethical bank, along with moving our employee pensions to an ethical pension provider. We don't want our money funding things we don't agree with!

Launch a new sustainability area on the NG Kids website

We're increasing our transparency by showing the world how we make our magazine, what we've improved so far, and what we've committed to change in the future.

THANK VOU

for taking the time to read our 2021 Impact and Purpose Report.

Whilst we've made a lot of progress, we still have so much we want to do. In our 2022 report we want to be able to say that we've met all the goals laid out here.

We can't wait to tell you about everything we've yet to do, and really hope you'll take the time to read all about it next year!

CREATURE S.CO.