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SIMBA SLEEP
IMPACT REPORT

2021/22



ENGINEERED FOR SLEEP



A MESSAGE FROM OUR CO-FOUNDER & CEO

STEVE REID

Simba's purpose has always been clear: we're here to engineer the perfect night's sleep, for everyone. From Day One we felt our mission could and should be much more than selling the most comfortable (and innovative) mattresses; we wanted to offer the world a greater service, by democratising access to good quality sleep.

What started as a reinvention of the mattress has grown into a concise range of genuinely purposeful, ground-breaking products, each of which brings a new perspective to existing categories: from our patented mattress technology to a bed frame you can assemble without tools in 10 minutes and a sleep coaching app.

But underpinning all this is our belief that what's good for health must also be good, or at least better, for the planet and its peoples. This is the vision we're setting out here; this is how Simba Sleep will become not only the world's most innovative Sleep Tech brand, but also the most responsible.

As a business we've taken great strides already, laying sustainable foundations and building our knowledge base. To understand the extent of our environmental impact we've also measured our carbon emissions (scopes 1, 2 and importantly, 3) last year; this knowledge has allowed us to build a roadmap and a set of tangible targets for the future, ultimately aiming for Net Zero by 2030.

The work's already begun: we're now actively incorporating sustainable materials and manufacturing processes into our product line, we're offsetting our outbound logistics emissions, and we're supporting our communities both within the company and further afield. We're also focussing on the future by developing products that will embed circular and lower carbon processes right across our range.

It's going to be a long journey, but I'm happy to say we're on our way and headed in the right direction. We're determined to get there as quickly as we can.

+ SIMBA. ENGINEERED FOR SLEEP.

OUR PURPOSE

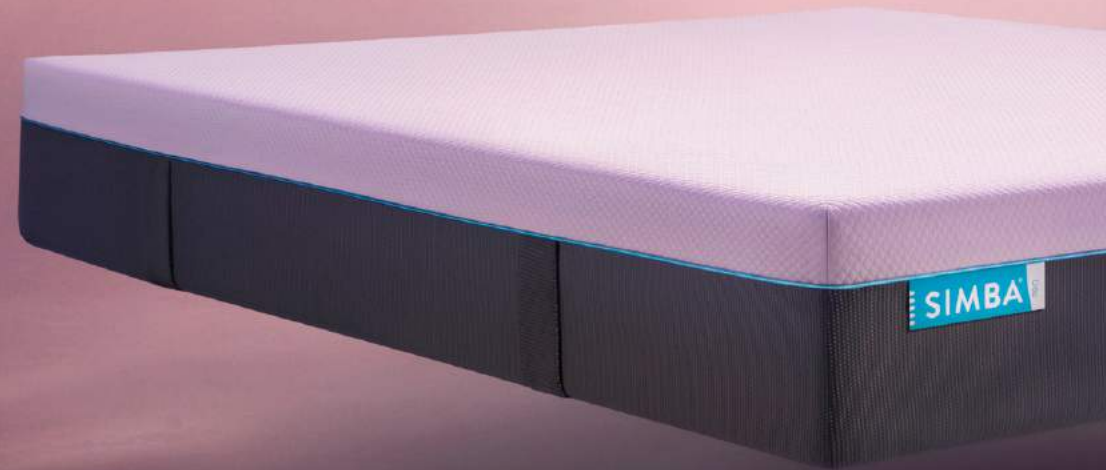
To solve the world's sleep crisis by engineering the perfect night's sleep. It's Simba's way of making our planet a better place to be, one great sleep at a time.

OUR PROMISE

To imagine and create innovative sleep technology that improves the daily life and health of every Simba user.

OUR AMBITION

To fulfil both our Purpose and our Promise, while acting fairly, responsibly, and sustainably.





OUR PLAN

To follow a path based on the three key areas of Health, Planet and People, in alignment with UN Sustainable Development Goals.

01 HEALTH



THE WORLD'S SLEEP CRISIS

To counter the disastrous health effects of poor sleep worldwide, by engineering a range of innovative products that solve the common issues of most sleepers while offering the world a greater service, by democratizing access to good quality sleep.

- Engineer a concise range of purposeful products, including innovative patented mattress and sleep product technology
- Launch sleep coaching app and associated technology products





OUR PLAN

To follow a path based on the three key areas of Health, Planet and People, in alignment with UN Sustainable Development Goals.

02 PLANET



CLIMATE CHANGE

To reduce our carbon footprint through the SME Climate Hub and BRC Net Zero Climate Roadmap, but also to achieve our own target of net zero carbon emissions by 2030.



SUSTAINABLE MATERIALS

To design more sustainable products, to support responsible production practices, to reduce waste in new and current products via innovative design.



WASTE & RECYCLING

To eliminate any waste going to landfill, to increase recycling capability so that no Simba product ever goes to landfill, and to continue to provide channels for refurbished mattresses and accessories.



CHEMICALS

To eliminate all harmful chemicals from our products and meet the highest industry standards of safety.



OUR PLAN

To follow a path based on the three key areas of Health, Planet and People, in alignment with UN Sustainable Development Goals.

03 PEOPLE



WELLBEING

To foster a new, worldwide culture centered on wellbeing, and to solve the world's sleep problems.



ETHICAL WORKING

To continuously improve working standards, both for our own employees and for those in our supply chains, underpinned by our commitment to the Modern Slavery Act.



EQUALITY, DIVERSITY, INCLUSIVITY

To cultivate a diverse and inclusive workplace across our entire business.



COMMUNITY

To support the communities around us, near and far: the colleagues who develop and make our products and services, the partners that create and deliver our business and brand, our customers and users, as well as fellow humans less fortunate than ourselves via charity involvement.

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THE CORE PRINCIPLES THAT DEFINE US

B CORP VALUES

With a pending certification of 95.4, our B Corp status will be the foundation of all our sustainable and societal goals.

TRANSPARENCY

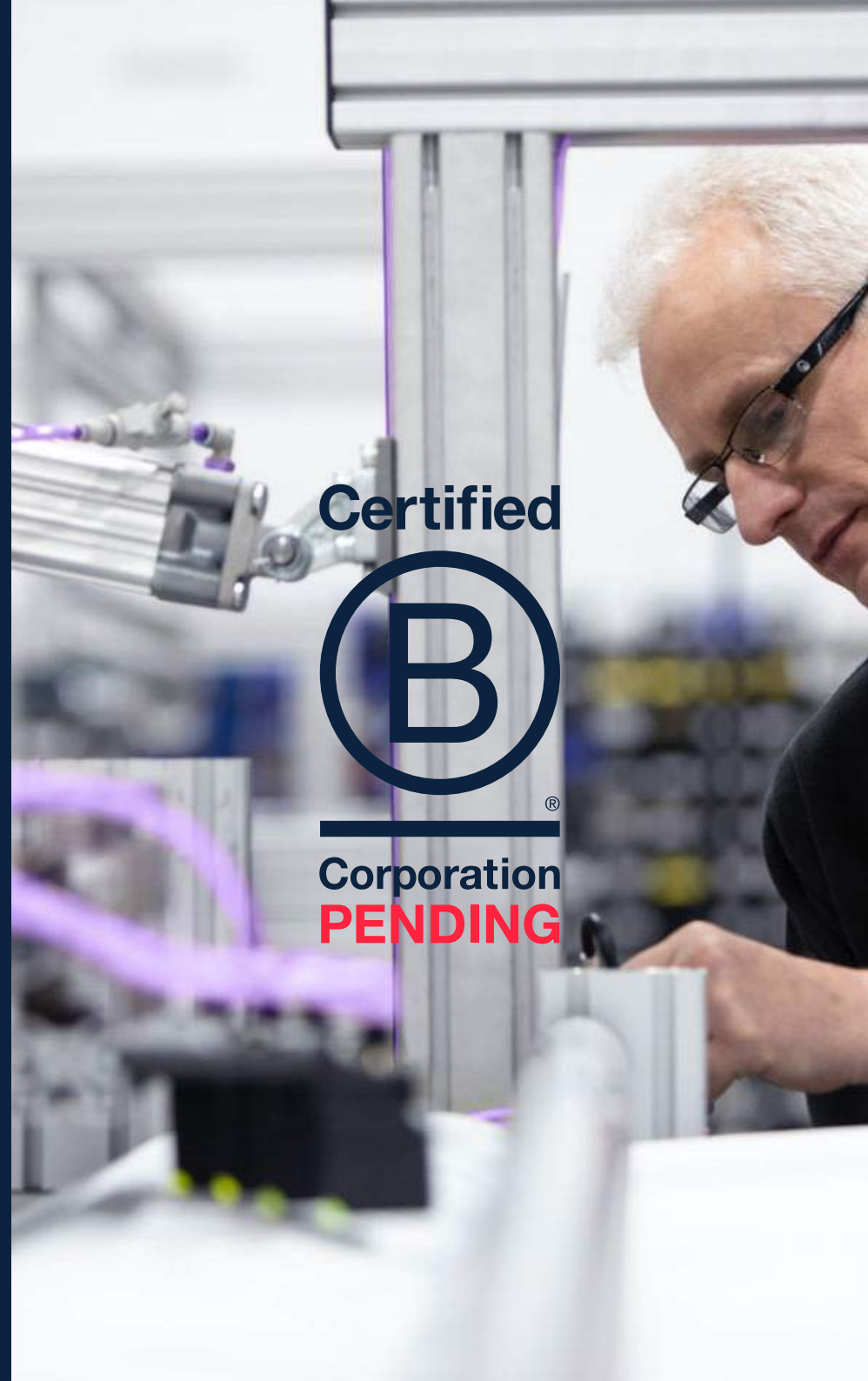
We're committed to full transparency through our business and supply chain, so that we can measure and deliver our commitments effectively.

ADVOCACY

We pledge to lead positive change by sharing our journey and advocating innovation with our customers, employees, suppliers and stakeholders.

COLLABORATION

We will seek out and nurture industry wide partnerships, to validate our ideas and develop innovative solutions.





2021 SUMMARY: WHAT WE'RE PROUD OF

1. More than 1 million happy sleepers
2. A Life Cycle Assessment (LCA) of the carbon footprint of all products in the UK, France, Canada and China
3. 100% traceability and auditing of our most immediate, Tier 1 supply chain
4. 30% of our products are now made from recycled materials
5. Zero waste to landfill achieved at our Tier 1 manufacturing facilities
6. We recycled 6,472 mattresses and refurbished a further 16,660 to re-distribute via secondary sale sites
7. Flexible working for all employees and a new 'work from anywhere' policy
8. A whopping 42 industry awards for our innovative products
9. Over 35,000 mattresses and 28,000 sleep accessories delivered to NHS and Blue Light employees
10. Initiation of new carbon offset projects covering scope 1,2 and parts of scope 3
11. New partnership established with End Youth Homelessness, delivering mattresses and bedding accessories to individuals moving into independent accommodation.
12. Free access sleep support platform: completion of App strategy, research and development work, software/hardware technology and content creation in progress.



FIVE YEAR FOCUS: WHAT'S NEXT ON THE LIST?

1. Grow the user base of our sleep technology, improving the life and health of more and more people.
2. Become a B Corp certified business
3. Achieve Net Zero carbon emissions by 2030
4. Reduce carbon intensity by 5% each year to help balance growth
5. Reduce the carbon footprint of foam in our mattresses by 25% before 2025
6. Launch new and innovative carbon neutral range of products in 2022
7. Ensure at least 50% of materials used are from recycled sources by end of 2023
8. Deliver zero waste to landfill and improve solutions for product end-of-life ("Zero Simba to Landfill") in 2023
9. Ensure 100% of products are OEKO-TEX certified
10. Further improve our Employee Wellbeing survey score
11. Improve representation of females and people with diverse backgrounds in our recruitment
12. Attain full transparency on suppliers in Tier 2 and Tier 3 in 2023
13. Develop community investment partnerships aligned with sleep (such as children's bed poverty)



OUR PLAN

WHERE WE ARE NOW

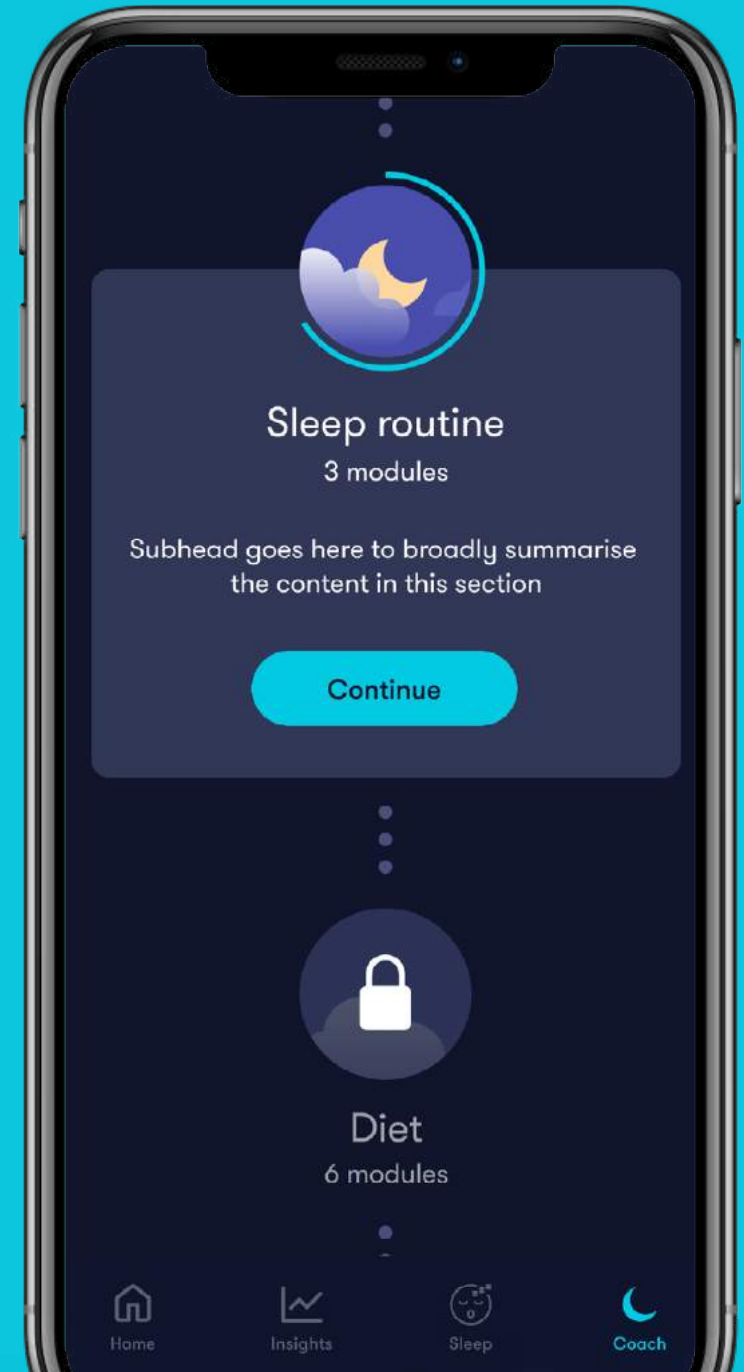
WHERE WE'RE GOING



01 HEALTH

02 PLANET

03 PEOPLE



OUR PLAN

01 HEALTH

THE WORLD'S SLEEP CRISIS

It's one of the most invisible, and underestimated, health crises of our time.

We know for example that 2 out of 3 adults experienced a decline in sleep quality since the start of the pandemic. Also, less than 6 hours a night of quality sleep doubles the risk of cancer, and that poor sleep is the biggest single cause of mental health issues. Which is scary when you consider that 47m US adults say they do not get a restorative night's sleep, and that 85m EU consumers describe themselves as having insomnia. That's a lot of people heading for serious ill health, and it's probably just the tip of the iceberg.

In order to have the greatest impact on and improve the world's health, Simba strives to engineer innovative patented sleep technology which solves the 21st century problems that disrupt sleep.

Simba will also democratise access to good quality sleep by building the world's first sleep platform; our personalised sleep coach Luna will teach users how to reach their full sleep potential.

✔ WHAT WE'VE ACHIEVED SO FAR

More than 1 million happy sleepers

We've launched the Simba Sleep App

➔ WHAT'S NEXT ON THE LIST

We plan to attract new Simba users this year (worldwide), targeting 50m users of Simba technology by the end of 2025

UN SDG's Alignment

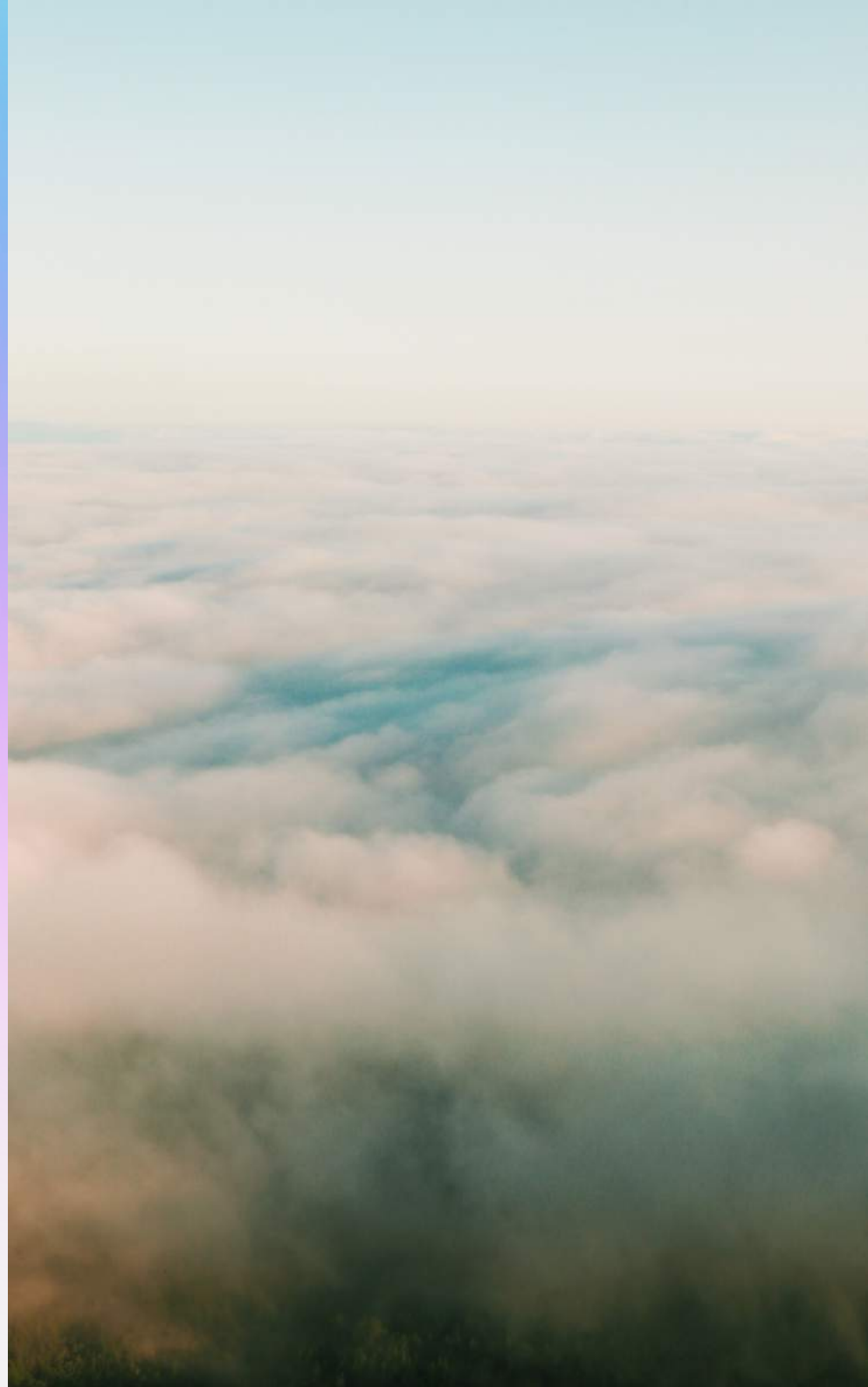




01 HEALTH

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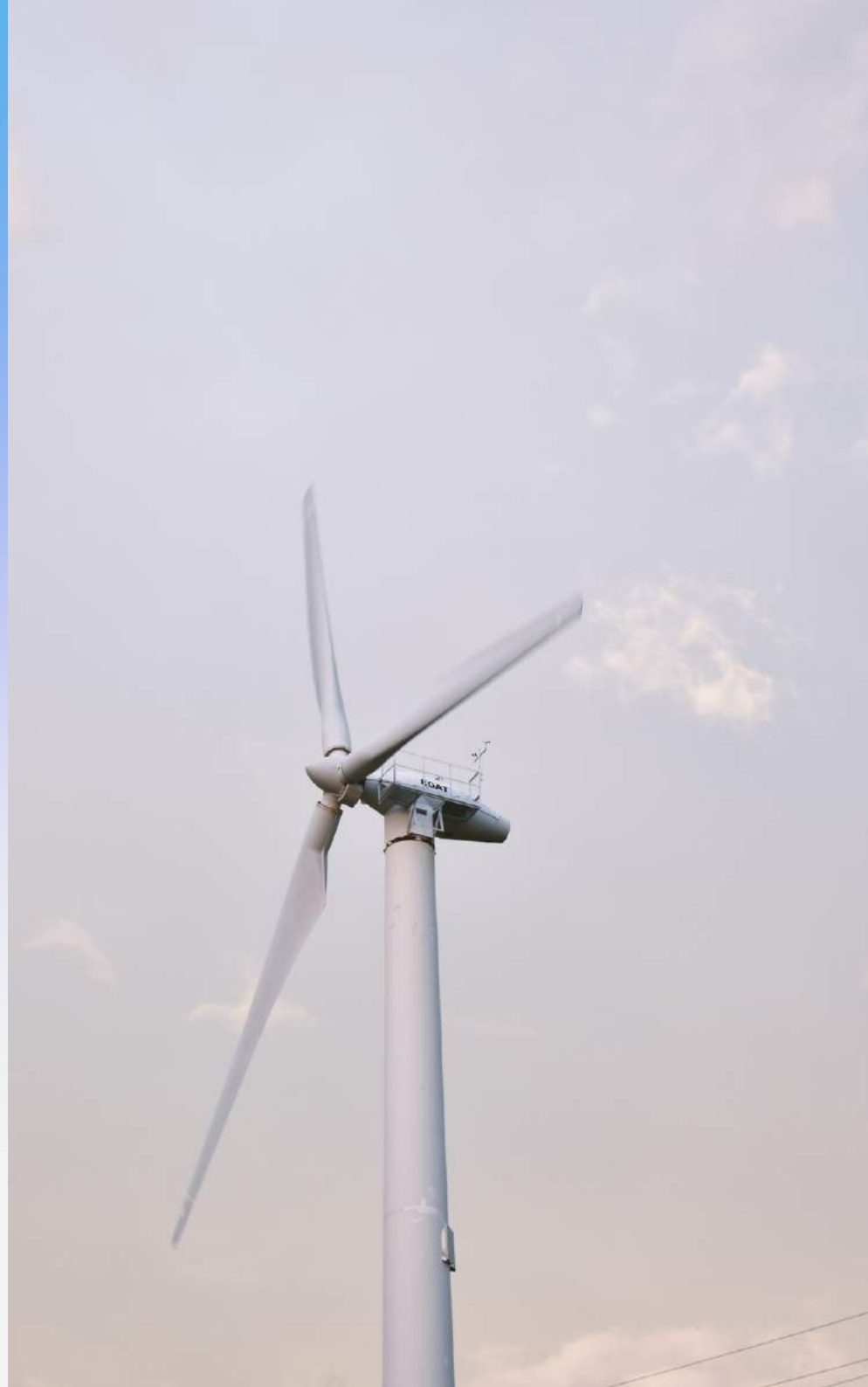
OUR PLAN

02 PLANET

CLIMATE CHANGE

Climate change is the greatest threat ever to face our planet; we're going to need to work together to avert disaster. That's why we've signed up to the SME Climate Hub (part of the United Nation's Race to Zero campaign). This commits us to halve our greenhouse gas before 2030, achieve net zero emissions before 2050 and disclose our progress on a yearly basis. But we think we can go further, so we've set ourselves a net zero deadline of 2030. We've also joined the British Retail Consortium's Climate Action Roadmap, along with other UK retailers; this commits the participants to net zero emissions by 2040.

This net-zero commitment applies to our own operations and our entire supply chain, including third parties.



OUR PLAN

02 PLANET

OUR CARBON FOOTPRINT

In 2021 we conducted our first ever carbon footprint assessment, looking at our product range as well as Simba as a whole, including Scope 1, 2 and 3.

Simba's total 2020 carbon footprint was 62,917 tCO2e (tonnes of carbon dioxide equivalent), practically all of which was attributed to our value chain (scope 3) emissions. This was calculated by a third party, Anthesis Ltd, using the GHG Protocol approach.

Our target is to reduce our carbon intensity by 5% in 2022 and every year following, decoupling emissions from revenue growth within a framework aligned to the Science Based Target Initiative.

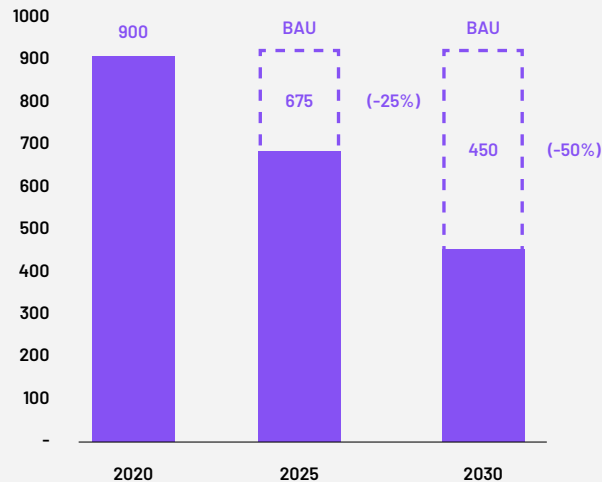
Partnerships



We've identified four key levers for decarbonization:

- The substitution of materials with more sustainable fibres
- Working with our suppliers to reduce their environmental and social impact
- The introduction of low carbon logistics
- Improved end of life treatment for our products

Phased Deployment of Reduction Levers to Reduce Carbon Intensity



WHAT WE'VE ACHIEVED SO FAR

Local mattress manufacture for each region

Factories audited to ISO14000 compliant

Duvet and pillow factories using 100% renewable energy

100% of deliveries are Carbon Neutral, via carbon offsetting strategy

Joined SME Climate Hub and aligned our targets

WHAT'S NEXT ON THE LIST

Net Zero carbon emissions by 2030

Reduction of carbon intensity by 5% each year, totaling 20% to 2030, and 40% to 2040

To reduce the carbon footprint of our foam by 25% before 2025

Simba to become carbon neutral in 2022

Reduction of manufacturing emissions by sourcing renewable energy

UN SDG's Alignment



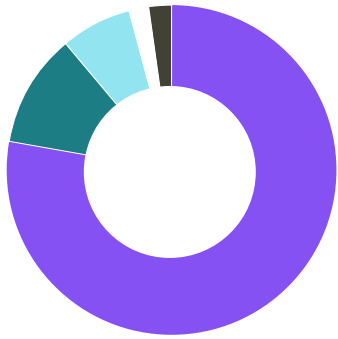
† SUSTAINABLE MATERIALS

Simba is committed to improving the sustainability credentials of all our products; our target is for at least 50% of the materials we use to come from recycled sources by 2023.

By measuring our product footprint and Life Cycle Assessment with our colleagues at Climate Partner, we were able to fully understand the detail of our climate impact; we could see that the best way to reduce our emissions is to review our use of raw materials and exchange them for more sustainable choices. In our mattresses for example, raw materials account for 87% of the emissions – and mattresses, pillows and duvets account for 95% of Simba products sold.

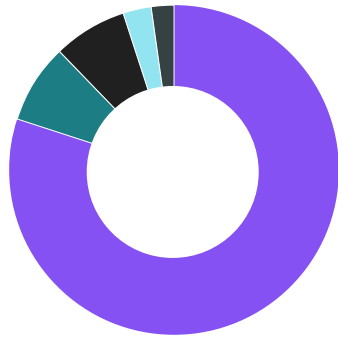


+ SUSTAINABLE MATERIALS



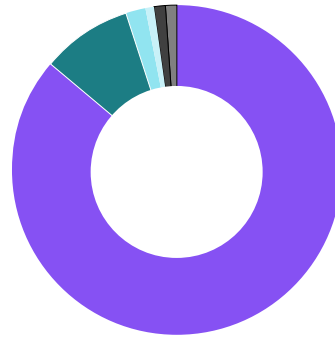
PILLOW

- Raw Materials (77%)
- Packaging (7%)
- Inbound Logistics (2%)
- Production (0%)
- Outbound Logistics (11%)
- End of Life (2%)



DUVET

- Raw Materials (80%)
- Packaging (3%)
- Inbound Logistics (2%)
- Production (0%)
- Outbound Logistics (8%)
- End of Life (7%)



MATTRESS

- Raw Materials (87%)
- Packaging (2%)
- Inbound Logistics (1%)
- Production (1%)
- Outbound Logistics (9%)
- End of Life (1%)

Percent breakdown of emissions of CO2e per product



SUSTAINABLE MATERIALS

Consequently our focus now will be the review of all materials that go into our mattresses, pillows, duvets, beds and accessories, swapping them out for sustainable replacements:

- Polyurethane Foam ▶ **Bio oils based foams, chemically recycled foams, carbon capture foams, latex**
- Virgin polyester ▶ **Recycled polyester**
- Wading fibres ▶ **Recycled wading fibres**
- Wool ▶ **Recycled wool**
- Wood ▶ **FSC wood**
- Metal springs ▶ **Increased recycled content in springs**
- Glue ▶ **No glue**

Partnerships



✔ WHAT WE'VE ACHIEVED SO FAR

100% of our duvet filling is now made from recycled PET bottles (GRS certified)

Over 77% of our bedding uses Better Cotton

50% of the wool we use is British Wool

➔ WHAT'S NEXT ON THE LIST

To launch a Carbon Neutral range in 2022

To raise the level of recycled content in our materials to at least 50% by end of 2023

Reduce the carbon footprint of foam in our mattresses by 25% before 2025

To ensure 100% of the wool we use is British Wool during 2023

To make sure 100% of the wood we use is FSC certified during 2024

UN SDG's Alignment



WASTE AND RECYCLING

Reduce, reuse and recycle; this applies to us as manufacturers just like everyone else. Our target is to eliminate any waste during production; any leftover foam is already repurposed into other things like dog beds or carpet underlay, but our current focus is to eradicate waste through our supply chain. Our distribution centre and factories are 100% committed to zero waste to landfill, with all materials being either recycled or reused.

Our current recycling target is to stop any Simba mattresses or accessories going to landfill. To this end we've made sure every single component in our mattresses, from our foam comfort layers to our tiny Aerocoil® springs, can be recycled at the end of its life.

But our target is zero waste. Our task now is to make recycling easier in the future – via improved design and by offering more informative and practical customer support. But so far, we're proud that every single mattress returned to us already receives a second lease of life, either being recycled, or being refurbished and redistributed through our eBay outlet.

** 1 tonne of CO2e is roughly equivalent to the carbon emitted by driving a 1.9l diesel-fuelled car 6000 km

Partnerships



✔ What we've achieved so far

In 2021, over 6,472 mattresses have been recycled instead of going to landfill saving 310 tonnes of CO2e and 16,660 mattresses have been refurbished to sell on the secondary marketing saving 790 tonnes CO2e then being sent to landfill

All of our boxes are made from FSC sourced cardboard and are fully recyclable

All plastic wrapping contains at least 35% recycled content and is fully recyclable

➔ What's next on the list

Zero waste to landfill from all operations in 2023

Zero waste to landfill from our products' manufacturing process in 2023

Support to all customers with product end-of-life recycling by 2023

Increase the recycled content of all packaging by 25% before 2025

UN SDG's Alignment



CHEMICALS

Simba is committed to ensuring that our products are manufactured in safe working conditions, and that workers are not exposed to any chemicals classified as hazardous or harmful. This commitment also includes chemicals that may have a known detrimental impact on the environment. We have an obligation to our customers to ensure all the products we sell are safe and do not contain any chemicals that may cause harm to them or the environment.

Currently we've removed as many pollutants as we can from our foam, using only certified CertiPUR foam; CertiPUR accredited foams have been tested at independent laboratories to contain Low Emission (VOCs) for indoor air quality, and to be free from ozone-depleters, PBDE flame retardants, phthalates, mercury, heavy metals, lead and formaldehyde free, as well as content, durability and emission tested.

We also only use sustainable wood, and nearly all our textiles, from yarns to the finished product, are OEKO-TEX certified (a industry-respected safeguard against harmful substances).

All Simba products are also REACH compliant; REACH stands for the Registration, Evaluation, Authorisation and Restriction of Chemicals. Its aim is to provide a high level of protection of human health and the environment from the irresponsible use of chemicals, and to ensure the controlled and safe movement of chemicals in the EU and UK.

Partnerships



WHAT WE'VE ACHIEVED SO FAR

All mattresses and pillows use CertiPUR foam

100% of our products are certified by REACH

70% of our products are OEKO-TEX certified

100% products to be OEKO-TEX certified by 2024

TCPP-free foam used in France, Spain and in Hybrid Pillows

WHAT'S NEXT ON THE LIST

100% products to be OEKO-TEX certified

UN SDG's Alignment





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03 PEOPLE



WELLNESS

We're nothing without the brilliant people that spend their days thinking and working on our behalf, so naturally we're always looking for ways to support them. At their request we've embraced flexible working and working from anywhere; this has had the added benefit of lowering our carbon footprint, because it's going so well we've been able to give up our head office.

Since COVID-19 we've extended our remit to health, giving every employee access to mental health support as well as other medical cover to protect their health and wellbeing. 2021 saw our very first Wellness Week, with a variety of health professionals helping our employees with advice on sleep wellness, health and wellbeing.

We've also set aside an annual training budget for each employee, to make sure everyone has the opportunity to further their professional or personal development.



✓ WHAT WE'VE ACHIEVED SO FAR

- Introduction of Mental Health Support
- Establishment of flexible working for all employees
- Regular employee surveys to influence and drive improvement within Simba
- Introduction of the Wellness Week for all employees
- Continued support from the 'Springboard' staff forum

➔ WHAT'S NEXT ON THE LIST

- Improve wellbeing feedback from annual employee survey

UN SDG's Alignment



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EQUALITY, DIVERSITY AND INCLUSIVITY

We believe it's our people that make Simba so special – a diverse community of passionate individuals working together to solve the world's sleep crisis.

Our aim is to be an inclusive employer, one that proactively builds a culture which values diversity and celebrates all the cultures, personalities and preferences of our employees.

This is underpinned by our adherence to the Equality Act 2010; we won't unlawfully discriminate on the grounds of race, religion or belief, ethnic or national origin, colour, nationality, gender, gender reassignment, sexual orientation, age, disability, marriage and civil partnership, pregnancy and maternity or political belief/ opinions.

But there is more to do. Our planned initiatives for 2022 include equality, diversity and inclusion training for all employees, including a practical focus on common-sense understanding of how equality and diversity apply in everyday working life.



✔ WHAT WE'VE ACHIEVED SO FAR

55% female workforce

21% of senior leadership team is female

➔ WHAT'S NEXT ON THE LIST

All staff to take part in external equality, diversity and inclusion training

To improve the representation of women and people with diverse backgrounds at senior leadership and operating board level

To actively promote the recruitment of candidates from diverse social backgrounds

UN SDG's Alignment



ETHICAL WORKING

Simba has a steadfast commitment to the protection of human rights and the dignity of all persons within our global supply chain.

Consequently, we require all our suppliers to sign our Simba Sleep Supplier Code of Conduct, reflecting our commitment to the International Principles of Human Rights expressed in our Modern Slavery Policy, to United Nations Guiding Principles, and to those principles contained within the UK Government Modern Slavery Act 2015. We're also fully committed to the protection of workers' rights, as defined in the International Labour Organisation's (ILO) core conventions, as well as the requirement aligned to the Ethical Trading Initiative (ETI) base code.

In addition, we've made sure our supply chain is almost fully SEDEX compliant; this is an audit system that ensures our suppliers and factories are consistently protecting people and safeguarding the environment.

Simba has also published a list of its Tier 1 factories, which is an important step in driving greater transparency within the retail industry, ensuring fair and safe working conditions in factories worldwide. It also enables collaboration to prevent serious global issues such as Modern Slavery.

✔ WHAT WE'VE ACHIEVED SO FAR

100% traceability and auditing of our Tier 1 supply chain (as per list published on our website)

88% of our factories are SEDEX compliant

80% of our cost base suppliers have signed the Simba Sleep Code of Conduct

Our Modern Slavery statement published online

➔ WHAT'S NEXT ON THE LIST

To improve monitoring of working conditions by signing the Transparency Pledge with our supply chain in 2022

To offer full visibility, up to Tier 3 of our supply chain, in 2023

To introduce a scorecard system for suppliers by 2024, allowing accurate assessment of their social and environmental performance

UN SDG's Alignment



COMMUNITY

In 2021 we launched our partnership with End Youth Homelessness. Established just five years ago, with support and leadership from both the Duke of Cambridge and Centrepont, this is a UK-wide movement of local charities that have joined forces to tackle youth homelessness together. It provides a national platform to raise awareness, share experiences and generate voluntary income.

Simba is delighted to have provided mattresses and pillows to individuals moving out of supported accommodation into independent homes. This not only reduces financial pressure but also provides them with crucial, good quality sleep at a stressful time. We were also proud to have supported NHS and Blue Badge workers with significant discounts during the COVID-19 crisis.

In addition, we're keen for our employees to be directly involved in community support; every year each employee is allocated two days of volunteer work in teams helping out at a variety of charities, communities and schools.



Partnerships



✔ WHAT WE'VE ACHIEVED SO FAR

The launch of our partnership with End Youth Homelessness

Providing discounted 35,000 mattresses & 28,000 sleep accessories to NHS employees via our Health Benefits discount

Providing over £400k worth of mattresses and sleep accessories to Ukraine during the war crisis

➔ WHAT'S NEXT ON THE LIST

To create more new partnerships with charities concerned with sleep and bed poverty

To develop a community investment strategy, aligned with business objectives in 2023

To set up the Simba Sleep Foundation during 2023

UN SDG's Alignment

