

TRUE.

**B IMPACT REPORT
2022/23**

TRUE.

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ABOUT THIS REPORT

This B Corp Impact Report is prepared by True Capital Ltd for the year 01/04/22 to 31/03/23 (“2022/23”). It is separate to but can be read in conjunction with the ESG Report, which provides a holistic overview of our ESG approach across True and our portfolio.

This report does not constitute or form part of, and should not be construed as, an offer, solicitation or invitation to subscribe for, underwrite or otherwise acquire, any securities of True, a Fund or any of their affiliates.

The information provided in this report has not been subject to audit, assurance, verification, or endorsement by B Lab or any B Lab affiliates, or any regulator, industry body or other third party.





ABOUT TRUE

We are a consumer-focused investment and advisory firm that is reimagining what good business looks like. Our holistic approach to building and connecting consumer brands, encapsulates everyone in the industry from startups and growing brands, such as British cycling brand Ribble and workplace mental health platform Unmind, to household-name retailers.

We are investing from our third private equity fund, investing £10-100m of equity in the future of the retail and consumer industry. Our early-stage VC fund focuses on Pre-Seed to Series A, investing up to £2m initially and reserving capital to re-invest in the most promising companies like Boy Smells, By Rotation, Haeckels, and Maude.

We are the future-focused partner for global corporates and household brands such as Marks & Spencer, 7-Eleven, and TJX, helping to navigate uncertainty and drive growth in a net zero world.



"Instinctively, as founders and then as a team, I firmly believe we have always tried to do business "the right way" and as we have scaled, we have recognised that our influence, and therefore our impact, has become increasingly material."

Paul Cocker, CEO & Co-Founder



WHY DID WE BECOME A B CORP?



When we decided to become a B Corp in 2019, we knew we were having positive impacts but recognised the need to formalise a framework around which to:

- ✿ Orient both existing and future work relating to ESG.
- ✿ Improve our policies and documentation.
- ✿ Benefit our culture and boost team morale.
- ✿ Receive external validation on our positive impacts.

We began the process in 2020 and in April 2021 we were proud to become a certified B Corporation.

While undertaking the application process, it became apparent that one of the key benefits was gaining a deeper understanding of specific policies and practices that help to drive positive internal and external impact across the 5 pillars.

The BIA in particular has been a major tool in assessing our internal strengths and weaknesses; and helpfully provides a blueprint for what good looks like. This enables incremental, discrete, and actionable changes at a nuts-and-bolts level that clearly maps to the “big picture” of impactful externalities.

For more on our B Corp journey and why we certified, see our article [“Becoming a B Corp – Why it’s Time to Join the B Team”](#)



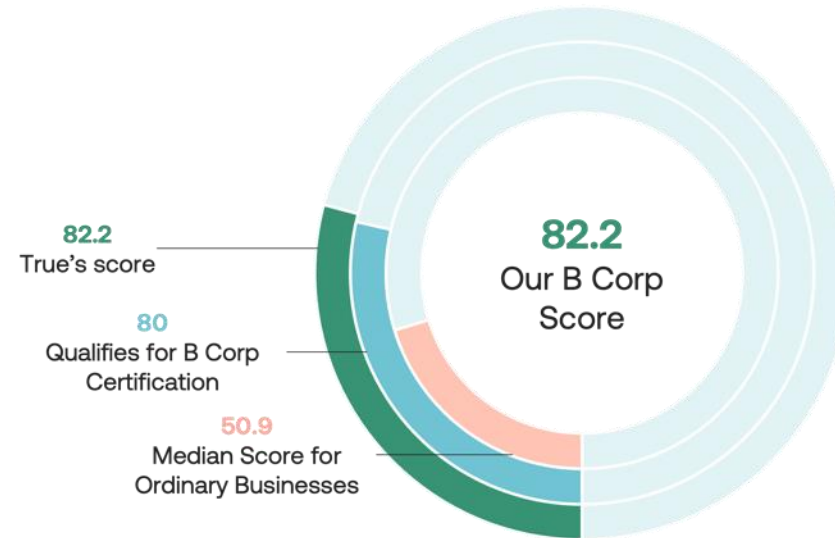
OUR LATEST VERIFIED SCORE

When we certified in April 2021, our overall B Impact Score was **82.2**.

We excelled in one area - the score for our Workers which came in at **39.2**, placing us in the top 5% of B Corps for that category among our peers. While a satisfactory result, we remain cognisant of the need to make continued if incremental improvements.

The following sections outline individual pillar scores, our anticipated progress against each since certification, and our aspirations for the future. Our goal is to gain an increase to our score based on incremental enhancements to policies and practices, rather than any major step-changes to our operations or business model.

You can also find our public B Corp profile [here](#).

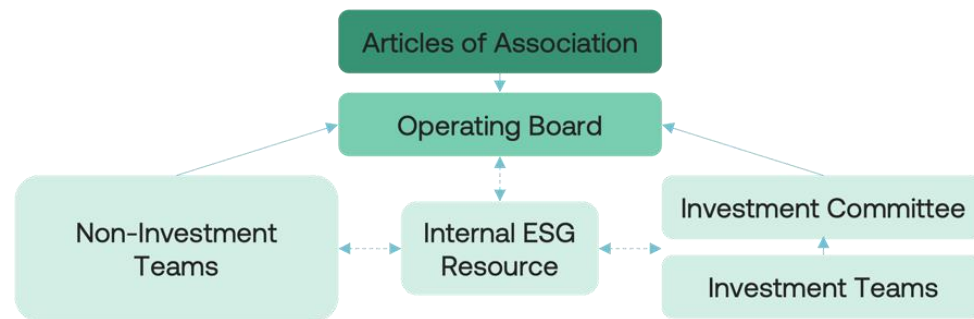


GOVERNANCE

When we made our B Corp application, the single largest factor in our Governance score was “Mission Lock” – the extent to which the company was legally bound to consider its social and environmental impacts in decision making.

At that time, we had made a commitment to adopt the B Corp clause into our founding documents but had not implemented those changes.

Since becoming a B Corp, we have amended our articles of association. By doing this we have created a fundamental corporate governance basis for ESG at True and expect a subsequent uplift in our overall Governance score at the next verification.



Since initial certification, we have also:

- Refreshed our ESG Policy Statement and strategy, including further internal definition and clarity between the various ESG-related initiatives and workstreams.
- Begun to publish ESG and/or B Impact Reports to provide holistic updates on our continued progress.
- Established regular internal reporting on key metrics like D&I, energy use, and GHG emissions to our Board.

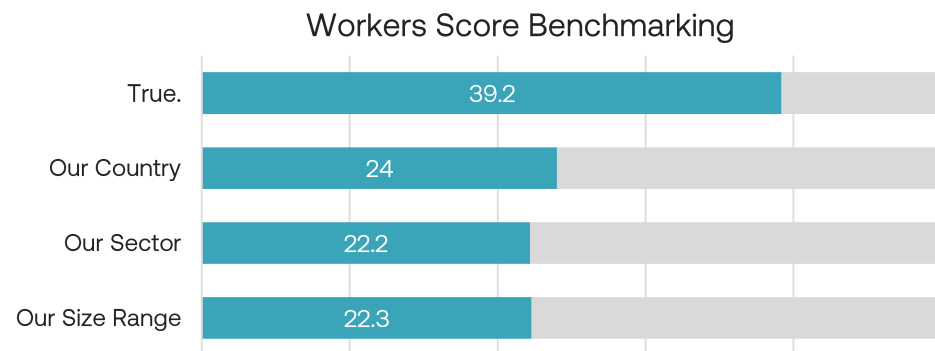
To read more about our overall approach to governance, see the Internal Governance section of our ESG Report.



WORKERS

Our people put heart and soul into everything we do. We operate in a high-performance industry and have sought to build a workplace that brings out the best in our people. Policies and practices that we had in place at certification included:

- Elective medical insurance plan for all employees (private supplemental health insurance).
- Behavioural health counselling service availability via Unmind.
- 100% of employees on an FTE basis paid a living wage.
- Private pension contributions (elective).



We're proud of what we're building here. By making True a great place to work, we have been recognised as a Best for the World for Workers B Corp for two consecutive years (2021 and 2022).

Our aim for the next year is to maintain our current commitment to strong employment practices and:

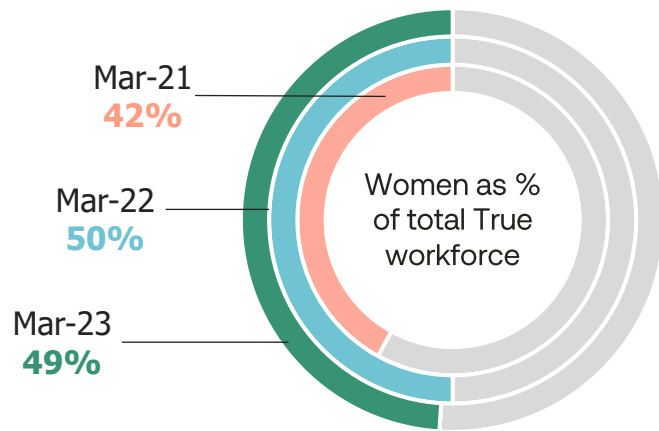
- Enhance offerings and participation in professional development programmes and related opportunities.
- Conduct regular employee engagement & motivation surveys, generating actionable insights and results.



COMMUNITY

When we certified initially, our gender balance was 58%/42% male/female, and our workforce was predominantly White.

In the time since our initial B Corp certification, we have used our headcount expansion as an opportunity to better reflect the diverse community we're a part of. We have been cognisant that our broader industry has had historically low levels of participation by women and minorities – as a member of the industry as well as the broader community, we have an important responsibility to ensure that people from all walks of life have equal opportunities for employment.



By bringing together different experiences, perspectives and skillsets we believe that we can build a business that is both high-performing and reflective of the world we live in. We achieve this by:

- Looking for “non-typical” PE people in our hiring process – we value different skillsets that may have been gained outside of the industry which in turn expands the pool of prospective candidates.
- Placing enormous reliance on hiring for character and potential as much as ability and past experience.



COMMUNITY CONT.

Having a diverse workforce is just one part of being part of a community. When we first certified, we were:

- Partnered with the charity Tommy's, the largest charity funding research into the causes of miscarriage, stillbirth and premature birth.
- Making some non-political charitable donations and pursuing ad-hoc engagement with policy makers from time-to-time.



We've started using our office space at True House to host annual International Women's Day events (pictured), in March of 2022 and 2023 so far. These events have been great avenues for our community to foster new connections, discuss the difficulties of inequality in and out of the workplace, but also to celebrate their own wins and empower one another to make positive change.

In 2022/23 we honed our civic engagement focus, recognising that we can play an important role in creating better opportunities for those in our community. Progress will continue through 2023/24 on things like:

- Supporting Careers & Enterprise in their mission to deliver modern, 21st century careers education.
- Partnering with an exciting young charity focused on tackling educational inequality by opening university access to anyone with academic potential. In addition to financial contributions, True's role involves operational support and assistance in developing their long-term strategy to maximise impact.
- Holding regular companywide teach-ins on socio-economic topics impacting our local community and conducting a specific Equity, Diversity & Inclusion deep-dive.



CUSTOMERS

This pillar evaluates our stewardship of our customers – for us, these are primarily our investors and investees. The pillar focuses on things like data protection, investor reporting, and impact investing.

For our investors, key policies and procedures are in place to ensure:

- Robust financial reporting and governance.
- Adequate data protection.
- Consideration of prospective investees’ social and environmental impacts.

For our investees, an active management approach for our majority-owned PE portfolio is the key engagement mechanism to drive positive outcomes through our investments. Over the coming years we hope to build on this existing approach and deepen the level of capacity-building assistance we provide our portfolio. For more on the good work our Portfolio have been doing, see “ESG at Our Portfolio” at page 14.



While we do not operate any impact funds now, we have been exploring ways to further integrate ESG into our investment process, be it at pre- or post-investment stages. This is primarily focused on our private equity fund business, where we typically take majority stakes and obtain board representation.

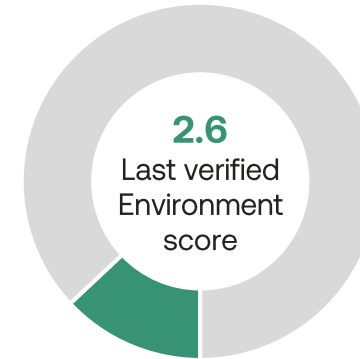
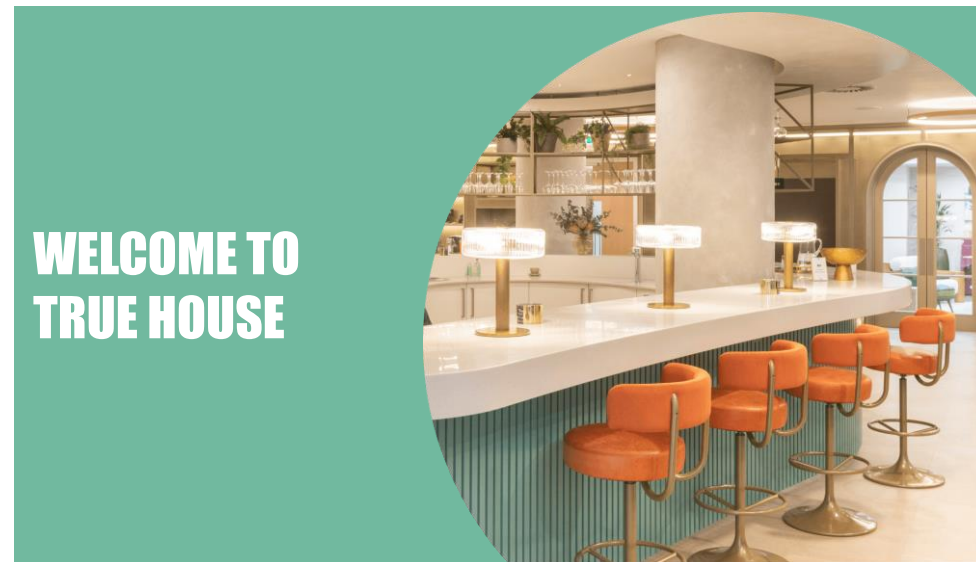
For future funds raised, we will continue to consider how we make ESG-aligned “impact business model” practices a part of BAU, and/or integrated into foundational fund documentation (e.g., LPAs) no matter the investment strategy.



ENVIRONMENT

In our first year as a B Corp, we were operating in a work-from-home capacity due to the pandemic. While this meant we had little direct environmental impact, it also meant that our approach to “E” needed greater attention.

Moving into [True House](#) in January of 2022 was a significant change to our environmental footprint. As a newly refurbished and modern building, the premises offers a good balance between commercial viability and a potentially lower environmental footprint.



Since moving into our premises, we have sought to:

- Measure our energy use and associated GHG outputs (see Appendices for GHG and other metrics). We hope to begin setting targets now that baseline measurements are established.
- Take advantage of available energy-efficiency measures including the use of sensors and timers on lights, modern HVAC, and more.
- Make space available for our portfolio and others in our network for events, as well as for our own – reducing the need to find alternative spaces.
- Encourage recycling among staff members while at the office.



ENVIRONMENT CONT.

In 2022/23 we also:

- Set out a formalised commitment to overall environmental improvement within our overarching ESG Policy Statement (available in the Appendices as part of our ESG Policy Statement & Strategy).
- Signed the SBTi commitment letter and begin the process of analysing how to achieve science-based targets for emissions reductions
- Held staff roundtable discussions and idea-pitching sessions to gauge what other initiatives or practices we could put into place concerning our environmental footprint.

For 2023/24 our focus is on establishing regular internal reporting (i.e., to our Board) on GHG emissions and energy efficiency metrics, including finding useful intensity factors. We will also continue working on our substantial SBTi submission. Finding ways to integrate concrete environmental factors into investment due-diligence will also be a topic for further focus in the next year ahead.

OUR ESG POLICY STATEMENT & STRATEGY

OVERVIEW
Our approach to ESG is defined by a framework consisting of our high-level policy statement which sets out our commitment, and strategy (defined primarily by two workstreams), which implements that policy. This flows from and is shaped by our fundamental purpose as a business.
Our approach is further influenced by our commitments to the UN PRI and B Corp, both of which we are signatories to.

OUR POLICY STATEMENT
In addition to delivering strong returns to investors and shareholders, we're committed to incorporating ESG as a core value within our organization, shaping the work we do every day.
We believe our commitment to pursuing ESG initiatives can be achieved in parallel with building the long-term interests of our stakeholders. The integration of sustainable business practices creates lasting results that benefit all our stakeholders, including our employees, shareholders, investors, and the communities in which we live and operate.
This ESG policy statement reflects our commitment to improving how our business decisions and policies address opportunities for building environmental sustainability, social responsibility and effective corporate governance into all aspects of our business.

Environmental sustainability.
We're committed to operating in an environmentally responsible manner to reduce our impact on climate change, conserve natural resources and operate in compliance with environmental regulations.

Social responsibility.
We're committed to being a socially responsible employer by fostering an environment of diversity and inclusion across our business, operating ethically, supporting our local communities and providing opportunities for social diversity.

Corporate governance.
We're committed to building a culture dedicated to ethical business behaviour and responsible corporate activity. We believe strong corporate governance is the foundation to delivering on our commitments.

Fulfilling our purpose.
In addition to the three ESG areas above we are committed to executing on specific initiatives that enable us to fulfil our purpose of reimagining business.

Responsible investing.
We are a signatory to the UN-supported Principles for Responsible Investment, a network of investors committed to investing responsibly and supporting a sustainable global financial system. Our status as a PRI signatory underscores our commitment to incorporating ESG factors into the investment decision-making process and to furthering our active ownership efforts.

Our Purpose
ESG Policy Statement
ESG Strategy
Initiative Workstreams **Best Practice Workstreams**



ESG AT OUR PE PORTFOLIO



Bringing homes to life for over 25 years, The Cotswold Company designs timeless, quality furniture that's made to last. Inspired by the rolling landscape, natural colour palette and undeniable beauty of The Cotswolds - where the brand was launched and continues to be based.

- Completed their pledge to have zero waste to landfill in the financial year ending March 2023, with confirmation from their waste management providers that all waste goes to either recycling or EfW (energy from waste). They are now embarking on getting that goal certified.
- Commenced their B Corp journey, building an understanding of where they stand now vs enhancements to be made to achieve B Corp status.
- Launched their partnership with Emmaus in September 2022, committing to raising £13,000 in the first year to assist with their mission to reduce homelessness; to date have raised over £10k and are on track to hit target by year end.
- Find out more about The Cotswold Company's sustainability practices at <https://www.cotswoldco.com/sustainability-pledge/>

HUSH

Hush is a digital-first fashion business, with an emphasis on the kind of easy-going apparel that the whole world has increasingly been reaching for. It's a leader in customer engagement, using its website and catalogues as rich content real-estate - and fostering a committed community of brand-lovers.

- Calculated carbon footprint baseline for scope 1, 2 and 3, (totalling 34,290 tCO₂e), with carbon reduction targets and action plans to follow.
- Established a partnership with MyWardrobeHQ to offer a range of Hush clothing and accessories for rental, an endorsement of rental as a way to prevent one-time wear purchases and enabling customers to try before they buy.
- Significant progress was made against their commitment to source sustainable cotton, with 71.3% now being either certified organic, supportive of the Better Cotton Initiative, or recycled.
- Find out more about Hush's ESG commitments at <https://www.hush-uk.com/our-responsibility.html>



ESG AT OUR PE PORTFOLIO



Soulfresh is a healthy food business intent on bringing more exciting and nutritious food and beverages to grocery shelves. The company is taking a stand against lifeless, unimaginative brands dominating supermarkets, and disrupting the industry with its sustainable and uncompromising stance on food.

2022/23 saw significant progress on several “E” and “S” initiatives including:

- Detailed operational work including Waste footprint measurement (with a 5% reduction target implemented), 85% of products being recyclable at end-of-life, and new EMS implementation.
- Lo Bros Not Soda collected 1,256,248 Bottles, or 20,005kgs of plastic from oceans and waterways, and conducted a plastic audit to assess the full plastic footprint of the downstream brand activities. Find out more at <https://lobros.co/pages/rescue-plan-uk>
- Became a Net Zero Plastic Recycled brand partnering with Plastic Collective; and has also refreshed recycling information for greater clarity on 75% of products.
- Revamped Ethics Code, Diversity, Equity & Inclusion strategy, volunteering policy, health & wellness program. Training/development program launched.



Sneak is disrupting the energy drinks market – offering the new media consumer a healthier way. Sneak contains zero sugar and only natural colours and flavours. Distinctively, it's mainly sold as a powdered formula, available in 12 flavours, which consumers mix with water at their convenience.

Key ESG related factors informed our decision to invest in Sneak in 2021. These included:

- Lower caffeine content relative to key peers/competitors in the energy drink space.
- Strict policies around restrictions on marketing to minors.
- Attention to ingredient quality.
- Leadership commitment to explore further ways to reduce overall environmental burden.

Through 2023/24 and further, we will continue to develop our ESG engagement with Sneak.

Find out more about Sneak at <https://sneakenergy.com/>



ESG AT OUR PE PORTFOLIO



Zwift is an at home training game that connects cyclists around the world. It's a fitness movement born from gaming, created by sports enthusiasts that also happen to be experienced software and video game developers – and the perfect recreational fusion for our times.

While we have a minority stake in the business, we were pleased that 2022/23 saw Zwift in a position to provide us with annual ESG metrics, primarily on social/diversity topics. We will continue to explore ways in which we can embed ESG as an ongoing agenda item at Zwift.

In July 2022, Zwift was delighted to announce its presenting partnership of the Tour de France Femmes avec Zwift. The four-year partnership spearheads Zwift's broader strategy to grow women's cycling and inspire the next generation of female champions, year after year.

For more on how Zwift are building their community of riders, see <https://uk.zwift.com/>



Ribble is a performance bike brand for all high-level gear enthusiasts – and it's inspired many of the True family to take the saddle. Its award-winning bikes and e-bikes are sold through its website and a growing number of state-of-the-art showrooms.

We see Ribble's positive impact in the health and well-being space through its drive to get more people out and riding, regularly – be it for leisure or as a means of commuting. Ribble accepts all major cycle scheme vouchers, encouraging people to cycle to work. By offering e-bikes as part of this Ribble hopes to encourage even more commuters to avoid cars and emission-creating transport.

Through 2023/24 and further, we will continue to develop our ESG engagement with Ribble.

Find out more about Ribble at their website [here](#)



ESG AT OUR VC PORTFOLIO

Our Venture Capital fund focuses on digital-first, breakout brands that represent the future of consumer behaviour when they're at Pre-seed to Series A stage. We also invest in the retail and consumer technologies which will enable consumer progress — and disrupt the way business has been done to date.

While the fund is not ESG or impact-dedicated, our portfolio comprises several exciting ESG-focused businesses doing good in the world.*

We do not take majority positions in this portfolio, but where we see opportunity for positive impact, we will use our influence for the benefit of the investee.

As Fund continues its deployment phase, we will continue to explore ways to embed ESG thinking in a proportional way into the investment process.

E By Rotation

Rental and resale platform challenging today's overconsumption habits

E



Circular fashion platform reducing the landfill impact of the fashion industry

E

Hæckels®

Natural skincare brand made from wasted natural resources

E

SHELLWORKS

Compostable packaging alternatives fighting plastic pollution

S

WAR PAINT. FOR MEN

Challenging gender norms and stigmatism in men's make-up & skincare

S



Employee mental wellness platform promoting cultural change in organisations

S



Women's health community platform providing customised support

S



Reproductive health support platform designed to improve employee wellbeing

E

PLANERA®

Sustainable sanitary products brand that has saved 6k worth of plastic bags

E



Innovative technology helping accelerate the transition to electric mobility

E



Premium dinnerware with a fully sustainable and ethical supply chain

E



Climate positive and 100% solvent-free paints sold in closed loop packaging

S

Boy Smells

Gender neutral candles & fragrance empowering customers' unique identities

E



Upcycled pet treats brand that has prevented 1m lbs of food waste to date

S



Better-for-you donuts with 30% less calories, fat & sugar than Krispy Kreme



*Portfolio as of 31 March 2023

CLOSING REMARKS

Being a B Corp is not the be-all-end-all of our ESG journey – it helps to give us both a solid foundation and an aspirational framework against which we can continue to measure our impacts on the world.

We're proud to be a B Corp, and excited to keep finding ways to do better – for people, planet, and our company.



TRUE.

APPENDICES

OUR ESG POLICY STATEMENT & STRATEGY

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OUR ESG POLICY STATEMENT & STRATEGY (CONT.)

This strategy brings the Policy Statement to life and is comprised of two aspects – what we call ‘Best Practice’ and ‘Initiatives’. Together these bridge our ambition with how we want to get there.

Best Practice

Focuses on ensuring that True as its own entity and our portfolio companies work towards best practice on day-to-day activities:

- ☀ Approach to investment decisions: integrating ESG into investment decision making across our Private Equity and Growth portfolios.
- ☀ Approach to active ownership / stewardship: using our influence to champion ESG topics and embed best practice in our Private Equity portfolio.
- ☀ Approach to operational internal decision making: further ensuring that ESG factors are considered in internal decision making across a range of other matters.

Ultimately, we seek to create positive impacts and reduce negative impacts, while remaining flexible to work with our invested companies who are at different stages of their ESG journeys.

Initiatives

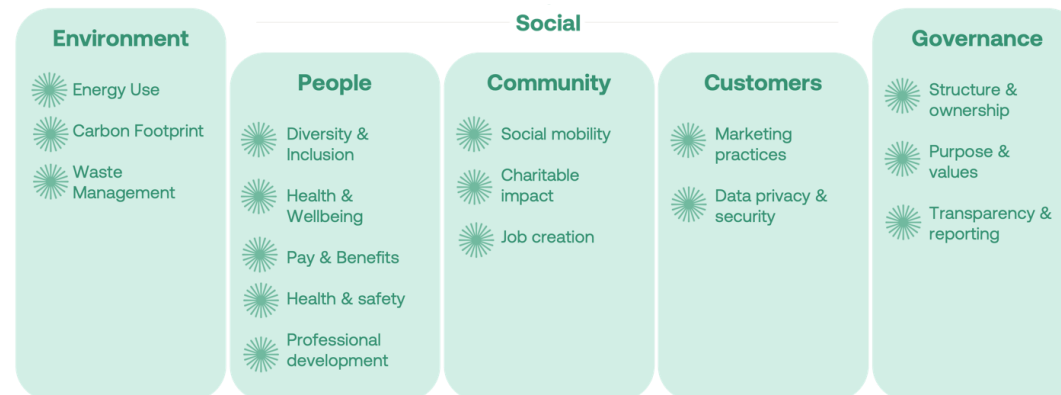
Impactful projects that deliver meaningful results:

- ☀ Internally focused initiatives: these include internal environmental working groups, one-off events for our staff or stakeholder network.
- ☀ Externally focused initiatives: prior such examples have included our Tommy’s partnership and Social Mobility internship programmes.

Impact Pillars of the ESG Strategy

Our ESG Strategy is further informed and oriented around the B Corp aligned pillars below.

These pillars provide a framework through which we look at our activities, informing such things as metrics collection, internal decision making and policy/practice structuring.



FY 2022/23 GHG EMISSIONS & ENERGY USE DATA

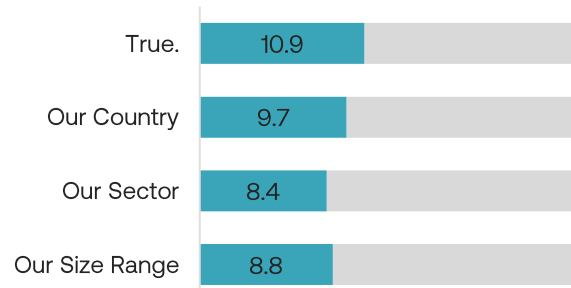
| Emissions Data | | Tonnes CO2e |
|--|--|-----------------|
| Scope | Source of GHG Emissions - year to 31 March | FY 22/23 |
| Scope 1 (direct emissions) | Combustion of fuel & facilities operation, including company car use | 0 |
| Scope 2 (indirect emissions) | Electricity purchased for own use (location based) | 31 |
| | Electricity purchased for own use (market based) | 0 |
| | Gas purchased for own use (location based) | 8 |
| Scopes 1 & 2 – location-based | | 39 |
| Scopes 1 & 2 – market-based | | 8 |
| Scope 3 | Category 6 - business travel (flights only) | 158 |
| Total – location-based | (Location based electricity + location-based gas + Scope 3) | 197 |
| Total – market-based | (Market based electricity + location-based gas + Scope 3) | 166 |
| Sample KPIs | | |
| KPIs - market-based | Tonnes CO2e per FTE | 4 |
| | Tonnes CO2e per £1m revenue | 14 |
| Other metrics | | FY 22/23 |
| Electricity usage | KWh(k) | 160 |
| Gas usage | KWh(k) | 44 |
| % Renewable energy | % of total energy used from renewable sources | 78% |

- Location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). The market-based method reflects emissions from 100% renewable sourced electricity.
- True consumes water, with all its wastewater currently being returned to the sewer. The resultant CO2 emissions from its use of water is estimated to be <1 tonne.
- While True employees do make business trips via train and occasionally personal vehicles, we have calculated business travel emissions for flights only as the largest emitting travel activity.
- The above data has been internally collected and calculated and has not been subject to any independent 3rd party review, verification, or audit. UK Gov conversion factors 2022 were used for all CO2e figures above.

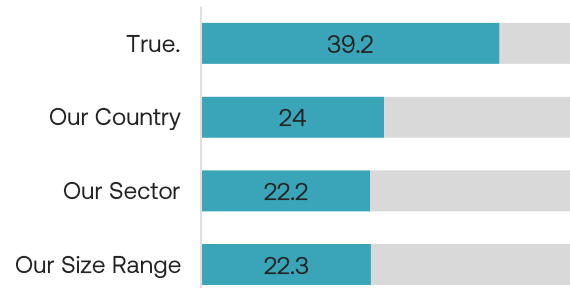


BENCHMARKING BY B CORP PILLAR

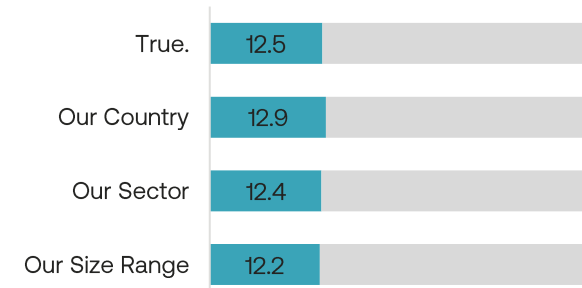
Governance



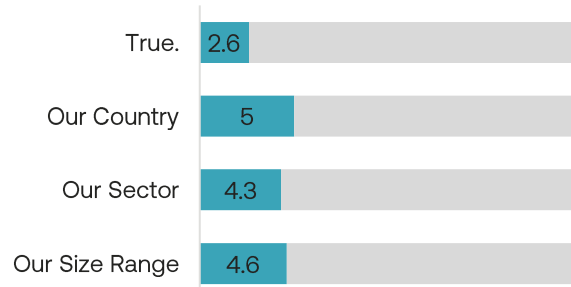
Workers



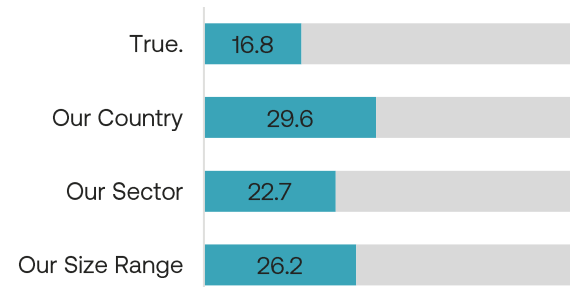
Community



Environment



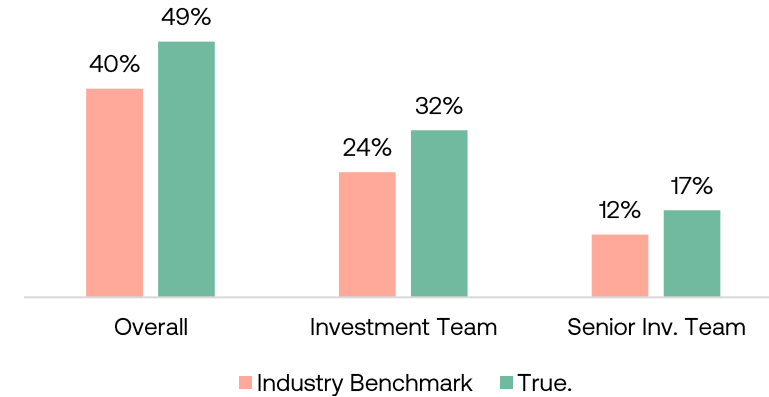
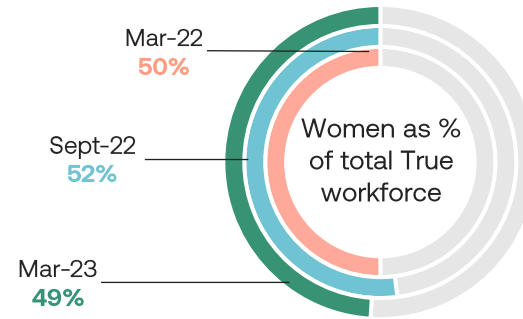
Customers



DIVERSITY & INCLUSION AT TRUE

Gender

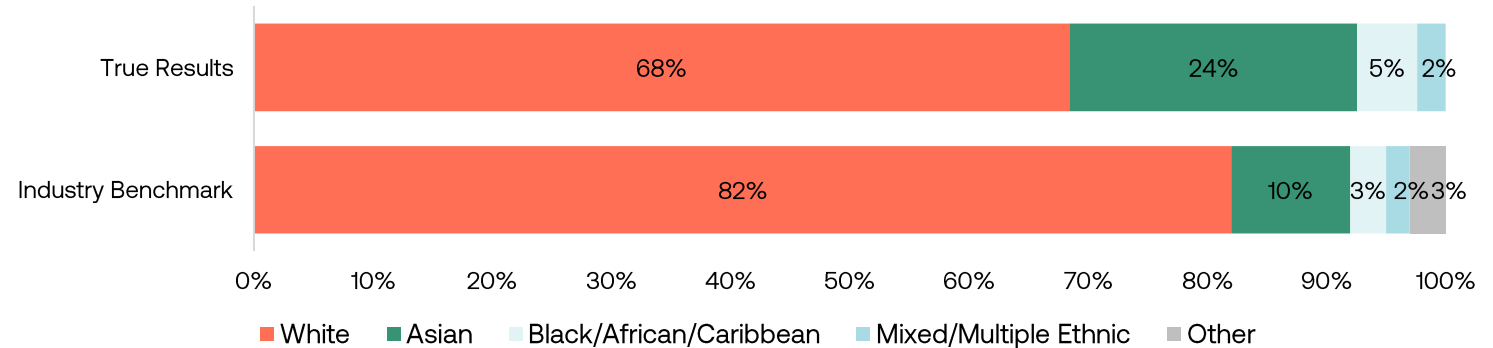
Overall representation of women in the workplace remains steady, averaging ~50% and continuing to lead industry benchmarking across functions.



Ethnicity

The proportion of non-white individuals at True is 32%, compared to 20% in the industry.

Ethnicity Representation – PE and VC, All functions & Levels



True figures as of 31 March 2023. Benchmarking references the BVCA's Diversity & Inclusion Survey 2023.

BUSINESS, REIMAGINED

