



HOUSE OF HACKNEY

IMPACT REPORT 2025

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HOUSE OF HACKNEY - A NEW ERA

This year has marked a new chapter for House of Hackney. With the buyback of our company complete, we have secured its independence and placed our mission at the very heart of our governance. Through systems that keep us focused and honest about our mission we are ensuring that Nature and Future Generations legally guide the decision-making of our leaders.

For us, this is more than structure; it is a promise. A promise that our business will serve as a force for restoration, not only in the natural world, but also in the wellbeing of the people and communities connected to us.

We are on a journey to create products that are in service of Nature - designed to give back more than they take. At the same time, we are learning more about forest-based systems and how we can realign ourselves with protecting and nurturing these sentient ecosystems. The more we study trees - our lungs, our teachers, and the very source of our largest category, wallpaper - the more they reveal how deeply interconnected we are with all of life. This learning is shaping the way we think, design, and act at House of Hackney.

In 2025 we took the first steps towards integrating Mother Nature into our Profit & Loss accounting and wider business operating model. This Nature Profit & Loss helps us understand where we extract and where we contribute, guiding how we source, measure, and grow - so that beauty and responsibility exist side by side, becoming the truest expression of beauty itself.

We share this report with humility, as students of regeneration. It reflects both our progress and our challenges, but also our belief that business can be in service of life itself.

Regeneration is not about sustaining the world as it is but about restoring the abundance of life that is our birthright.

We take this responsibility seriously, and with it, the opportunity to show a new way of being in business.

With gratitude, Frieda & Javvy

This report covers our progress in FY24/25. If you feel inspired or curious about any part of our journey, please do reach out - house@houseofhackney.com. The more we share, the more momentum we build for change.

A WORD FROM OUR FOUNDERS



OUR MISSION

House of Hackney is a restoration project in Nature, Craft, Community and Connection.

Using our business as a force for good, we exist to contribute to the regeneration of Mother Nature for the quality of life of all future generations.

NATURE means all the animals, plants, ecosystems, and other things in the world that are not made by humans, and all the events and processes that are not caused by humans. Nature includes humans themselves.

FUTURE GENERATIONS

means 7 generations of humans, plants, and animals on earth from today's date.

REGENERATIVE BUSINESS

means an approach where businesses actively work to regenerate the ecosystems, communities, and economies they impact, rather than just minimising harm.



OUR APPROACH

To us, true success is a company that supports thriving for all life on earth. We believe our path to this is becoming a measurably regenerative company, and we are on a journey with leading experts and advocates for Nature to learn how.

The social and environmental impacts of running a company are broad and deep, and we have spent the last year refining our approach to how to tackle them. Guided by Nature's principles, we view the company as a living system and have been mapping how this works in practice given our current company context and vision for the future.

Under the watchful eye of our Mother Nature & Future Generations Director, we are guided by our mission to contribute to the regeneration of Mother Nature for the quality of life of all future generations. Our approach to this contribution is centred around supporting conditions for thriving across all stakeholder and rightsholder communities: our internal community (the Housemates), communities local to where we have a presence (London and New York City), our supplier community, our customer community, and sharing with the wider business community.

We group how we address our impacts into three key pillars:

NATURE REMUNERATION & CAPITAL FLOWS

This is how we manage and invest company cash flow and profit, using it for the good of the many, rather than the benefit of the few.

REGENERATION AND RESTORATION

This is how we evolve our operations and products to do minimal harm to Nature (including human wellbeing), and return more than we extract.

ACTIVISM AND INFLUENCE

This is how we use our creativity and platform to take a stance for what we believe in, advocating and activating for Nature.

Our work is underpinned by the B Lab assessment, the basis of our B Corp certification. Our approach will continue to evolve over time, along with our learning.



WHAT'S NEXT

- Over the next year we will further refine our mission, taking into account the new B Corp standards around company purpose statements.
- We will start to expand on more measurable external targets.
- With Nature as our muse, we will continue to map our work against Nature's principles to better understand what we need to do to act more like a living system, moving closer to a Nature-centered business 'greenprint'.

OUR APPROACH

MOTHER NATURE AND FUTURE GENERATIONS DIRECTOR

MISSION

House of Hackney is a restoration project in Nature, Craft, Community and Connection.

Using our business as a force for good, we exist to contribute to the regeneration of

Mother Nature for the quality of life of all future generations.

PILLARS

1.

NATURE REMUNERATION & CAPITAL FLOWS

Channel our capital to create a thriving common home

Triodos Crowdfunding
Nature P&L
True Cost Analysis
1% Pledge Partners Review

Z.RESTORATION
& REGENERATION

Create beauty and abundance, for future generations

Product Innovation Goals
Supplier Engagement
Nature Fridays
Time in Nature

3.
ACTIVISM
& INFUENCE

Awaken the power of people to protect and regenerate Nature

#WeAreNature US Garden of Tomorrow Stop Ecocide International Better Business Act

B CORP CERTIFICATION

In late 2023, we followed in the pioneering footsteps of Faith in Nature to become the second company in the world to make Mother Nature a director, and the first to include the consideration of Future Generations in our impact.

This means that Mother Nature & Future Generations have legal personhood on our board, as a director. A non-partisan person, independent of our business, represents their interests and has a voice to ensure that in every decision we make, our impact on Nature (including human wellbeing), is considered.

Brontie Ansell, co-founder of Lawyers for Nature, held the position for the first 18 months. Brontie brought a wealth of experience on the legal side of structuring the role, as well as visionary thinking around the Rights of Nature movement, and how we could shift towards a Nature-centred business model.

Together we embedded the mission across the company, and gave our team and suppliers permission to consider the impact on Nature in strategic planning and day-to-day decision making.



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Practical highlights of the first year working with our Mother Nature & Future Generations Director included:

- Drafting a new mission statement
- Co-creating regenerative KPIs with and for the whole House of Hackney team
- Beginning the development of a Nature Profit & Loss statement, based on Capitals accounting, starting with analysing the 'true price' of our two top selling products that make up 80% of our annual revenue
- Agreeing to part ways with our private equity financing
- Ending collaboration contracts that no longer aligned with our mission
- Launching tools to enhance Nature connectedness for the team, in particular our 'Time with Nature' policy and 'Nature Fridays', our permanent 4-day working week initiative
- Starting to set out a framework for what a holistically successful Nature-centred SME could look like

Brontie's time with us was to come to a close once we had the new governance model established and embedded, so in January 2025, it was time to look for our next Director and we announced that Mother Nature was hiring.

We were overwhelmed and heartened with the response, receiving hundreds of applications from talented people with a wide range of expertise, from the Nature Rights movement, regenerative business, corporate sustainability, artists, activists and more.

We are so grateful to Brontie and all the team at Lawyers for Nature for setting House of Hackney on this new and hopeful path.

WHAT'S NEXT

- At the time of publishing this report, our second Mother Nature & Future Generations Director has been appointed. We're excited for the year of action ahead with them, particularly tackling our product impact. We look forward to updating you on our progress in next year's report.
- We will also enhance the role's power, giving the Director a vote, as well as a voice in our board decision making.



OUR B IMPACT SCORE



- 109 OVERALL B IMPACT SCORE
- 80 QUALIFIES FOR B CORP CERTIFICATION
- 50.9 MEDIAN SCORE FOR BUSINESSES

The B Lab assessment has been the basis of our work at House of Hackney for five years now. B Corp certification felt like a natural extension of our values when we decided to take the assessment in 2020. It has proved an incredibly useful and thorough framework to structure our work. Highlighting our successes and gaps, it has helped us to set tangible goals and activate our team, as well as being a selling point for a new generation of values-led candidates when we're hiring.

Our score in 2020 was 84.8 out of a possible 200 points (80 is the threshold for certification), across all five categories: Governance, Workers, Community, Environment and Customers.

We are very happy to say that we re-certified in January 2025 with a score of 109 points. This increase was down to the dedication of our wonderful team and suppliers.

WHAT'S NEXT

 Over the next year we will be getting to grips with the new B Corp certification standards, our next recertification is due in 2028.



In 2022, we began a journey to learn how to become a measurably regenerative company.

For us this means doing things differently to bring about social and economic change, where instead of just "sustaining" life, we actively heal and restore our business touchpoints and communities where we have an impact.

We see ourselves as students, trying to understand how to be a measurably regenerative business, in hard data and storytelling. We're deep in research and action, trialling things as we learn. It's very much a team effort across the whole company, supply chain and beyond.

This impact report covers the financial year 2024 - 2025. We are moving all of our reporting to align with our financial reporting year, so that we can better use Capitals Coalition reporting methodology to reflect the true value of our company, taking into account our extractive impacts on Nature, including human wellbeing.

HIGHLIGHTS FROM THE YEAR INCLUDED:

- Introducing 'Nature Fridays', a year-round 4-day working week to enhance Nature connection
- Completing a Nature Profit & Loss statement pilot, based on Capitals Coalition accounting
- Carried out a True Price analysis of our top 2 selling products, wallpaper and cotton-velvet, that make up 80% of our annual revenue on average
- Launched 3 product innovation goals covering wallpaper, fabric and paint
- Ended 2 collaboration contracts that no longer aligned with our mission
- Launched 1 crowdfunder with Triodos bank to support buying back full control of our company to allow us the freedom to accelerate our mission
- Protected 439 acres of threatened habitats and their wildlife, through our partnership with World Land Trust
- Supported 67 young people in our local community through our IntoUniversity partnership

- Donated the equivalent of 2,689 meals for people experiencing extreme hardship through Hackney Food Bank
- Volunteered 120+ hours in our local community
- Switched to 25% regeneratively farmed wool in our British wool cushion fillers
- Introduced 100% hemp and organic cotton to our fabric collections
- Launched a capsule collection with Andrea Zanatelli in support of Stop Ecocide International
- Pledged over £100,000 to projects and partnerships to support our Natured-centred mission
- Held 1 Supplier summit, bringing together our supplier community and product industry innovation experts, to set endto-end product evolution goals
- For our second Garden of Tomorrow festival of ideas, we partnered with over 15 grassroots activist organisations and had over 1,000 people attend across 3 days

Read on for more details about our progress and projects throughout the year.

439
ACRES PROTECTED

2,689
MEALS DONATED

120+
HOURS OF TEAM
VOLUNTEERING



NATURE REMUNERATION & CAPITAL FLOWS

How we manage and invest company cash flow and profit, using it for the good of the many rather than the benefit of the few

NATURE REMUNERATION & CAPITAL FLOWS

Our vision is to create a business model that moves beyond exploitative capitalism to one that explicitly honours Nature as its most vital stakeholder. Success, for us, means leaving the world better than we found it while maintaining a holistically successful company.

To do this, we need to be accountable for how we make money, as well as how we spend and invest the money that we make.

PARTING WAYS WITH PRIVATE EQUITY

Like most early-stage companies, we needed growth capital to keep the wheels turning in our early years. This came in the form of private equity, whose model is built around short-term high growth returns, often at the exploitation of all other stakeholders. The fact that as a founder-led brand we kept a majority shareholding allowed us to (mostly) operate the business in line with our mission and values. Our term with our private equity partner was coming to an end at the same time that we are gearing up to start this new chapter of becoming a measurably regenerative business, and we saw an opportunity.

TRIODOS CROWDFUNDING

In early 2025, we launched a <u>crowdfunding campaign</u> for investment with Triodos Bank to support buying out our private equity shareholders, so we can have more autonomy in accelerating our mission.

We invited the public to be involved in creating a new model of business that benefits the many, not just the few, supporting the development of a Nature-centered business greenprint. It was an opportunity for people to favour a company that eschews fast exploitative growth for long-term purpose-driven missions. The crowdfunding campaign was set to run for four months.



WHAT'S NEXT

Our crowdfunding campaign was a success, raising over £800,000 and we have parted ways with our private equity partners. It is an exciting new stage in our Nature-centred business greenprint development.

We truly believe that all flourishing is mutual, and by working together, we can create a future where all life on earth thrives. We look forward to updating you on our progress in next year's report.

VALUING OUR COMPANY

To become a regenerative business, as well as our financial health, we know we need to deliver and support good social and environmental health. Most businesses do not take this into account and define their success only by how much money they make.

We want to change this. We believe that accounting for the full cost of the extractive impact our production has on Nature, including human wellbeing, now and in the future, is not only the right thing to do, it's smart business.

A NATURE ACCOUNT

In 2024, we began measuring our ability to support good social and environmental health through our business by developing a Nature Profit & Loss (P&L) Statement. Our approach was supported by <u>GIST Impact</u> and based on the Capitals Approach, analysing our impacts and dependencies on Natural Capital, Social Capital, Human Capital and Produced Capital.

This way of accounting assigns a monetary value to a variety of social and environmental factors needed to run our business, for example, soil health and living wages. It then looks at our positive or negative effects and gives a final figure for how truly profitable we can claim to be. This is an important first step in overhauling our business success metrics.

OUR PRODUCT'S TRUE COST

We started our Nature P&L journey by analysing the amount our products should cost when their social and environmental expense is taken into account.

With support from <u>True Price</u>, we focused on our two best selling product categories that make up 80% of annual revenue - wallpaper and cotton-velvet fabric - gathering impact data and applying the True Price methodology. This helped us to quantify the price we should pay suppliers for our finished products, compared to what we currently pay.

For wallpaper, we discovered that we should pay nineteen pence more for every square metre than we currently are.

For cotton-velvet fabric, a True Price would be two pounds seventysix pence more for every square metre than we currently pay.

Please see a summary of our True Price analysis results here:

PRODUCT	VELVET	WALLPAPER
SOCIAL COST (per Sqm)	0.61 GBP 0.79 USD	0.04 GBP 0.05 USD
ENVIRONMENTAL COST (per Sqm)	2.15 GBP 2.79 USD	0.15 GBP 0.19 USD
TOTAL	2.79 GBP 3.58 USD	0.19 GBP 0.25 USD
KEY FINDINGS	Our largest impact for velvet is environmental mainly to do with the cultivation of cotton, this highlights a priority improvement for us.	Wallpaper's impact, although lower than velvet, is still showing an environmental cost. As out largest volume line in the business, it will remain an important area for review.

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The most notable outcome of the True Price analysis was discovering that we should be investing between 3 - 5% of our sales revenue into reducing the impact of our products if we want a negative True Price. Currently, we invest 1% of sales revenue.

As a small to medium sized business (SME), 3 - 5% of our sales is significant. However, we owe the success of our business to Mother Nature, and trust that investing in ways of working that restore and regenerate the natural world is an investment in our collective future.

Our aim is to reduce our products' True Price over time, moving from being degenerative, where any additional price is calculated, to one of where our True Price switches to a negative figure and our products start becoming regenerative to Nature. Read our full True Price report here.





WHAT'S NEXT

- We will submit a Director Statement in our 2024/2025 company accounts stating our intention to begin using a Nature Profit & Loss as a way to assess the true profitability of our company.
- We will complete a full Nature P&L analysis with a view to having the findings audited and filed within our required company accounts process.
- We will repeat our True Price analysis in 2026.





1% PLEDGE

Our percentage of sales pledge was set up in 2022 so that we could invest in projects and partnerships that support wider social and environmental good. Currently, our pledge stands at 1% of sales revenue annually, based on forecasts for the year ahead.

We know from our True Cost analysis that the amount we pledge should be between 3 - 5% if we want to reach the point of becoming measurably regenerative, with our products at minimum.

While we are not of the size of business to be able to increase our 1% pledge yet, what it did also highlight is that we need a more strategic approach to how we allocate the funds available to us.

We had been investing mainly in social initiatives and campaigns not related to our direct product impacts, which make up the majority of our business impacts overall. In future we will be splitting the fund with an 80% allocation to address our direct impacts and the remaining 20% to brand storytelling, activism and influence campaigns.

We have started to transition to this new fund allocation and will continue to do so in line with our traceability and sourcing mapping that highlights natural habitats and communities where we have specific, geographical impacts.

In FY24/25, we donated over £100,000 to impact projects and strategic charity partnerships that support progress towards our Nature-centered mission, including World Land Trust, Hackney Food Bank, IntoUniversity, William Morris Gallery and Living Wage Foundation UK.

OUR PARTNERS

WORLD LAND TRUST

Together with our wonderful customers, we protected over 365 acres of threatened habitats and their wildlife with <u>World Land Trust</u> in FY24/25. This compensates for more trees than we use in our wallpaper production every year (approx. 115 trees, 1,000 – 1,500 sq metre).

With a donation of 87 pence for every metre of fabric, roll of wallpaper and individual item sold, 35 square metres of threatened habitat is purchased and protected by World Land Trust and their network of local partners through their 'Buy An Acre' initiative.

In total, 980 acres of threatened habitats and their wildlife have come under protection since the start of our partnership in 2021.

INTOUNIVERSITY

The main focus of our diversity and inclusion work is to support the next generation of talent in the creative industries, making sure it is inclusive and representative of our community.

We are so proud to partner with <u>IntoUniversity</u>, a leading youth charity that provides local learning centres, supporting young people growing up in Britain's least privileged neighbourhoods.

We support IntoUniversity's Hackney South and Hackney Downs learning centres through an annual donation (£5000 in 2024) and team volunteering with young people from primary school age upwards. In the first year of our partnership, our team volunteers supported 67 young people through creative career inspiration sessions, mentoring and the Khadija Saye Arts Programme.













HACKNEY FOODBANK

With Hackney in our name, the local community is always on our mind. In 2023, Hackney was declared a 'Right to Food' borough by local councillors, due to the severity of food poverty and food access in the area. Since then we have focused our support on organisations working to transform the food system where we have a presence, in Hackney and in New York.

Hackney Foodbank distributes around £50,000 worth of food every month, supporting up to 800 people a week. They also offer wraparound support - from benefits advice to debt management - to help people address the root causes of poverty and achieve long-term stability. Since December 2024, and through regular donations from our sample sale proceeds, team volunteering and proceeds from our GoodFX partnership, we have donated the equivalent of 3,200 meals for people experiencing extreme hardship.

WILLIAM MORRIS GALLERY

Following in the footsteps of our design hero, William Morris, our House is not filled with lots of 'stuff', only things that have a purpose, created for both their beauty and their meaning. We call them 'future heirlooms'; artistically designed pieces made in Britain by craftspeople specialising in generations-old trades. We honour the inspiration William Morris continues to give us with his non-conformist approach to design and shared social values with an annual donation to the William Morris Gallery in East London.

LIVING WAGE FOUNDATION UK

For all employees, it is important that pay reflects at least the cost of living in the country where they work. We fully support the campaign for real living wages and we are a <u>UK Living Wage Foundation</u> accredited employer.

As we have a small but growing team based in the United States, we explored the Living Wage for US accreditation, which is part of the Global Living Wage Affiliate Network. Due to the differing level of government-funded health support in the US, there are more factors to take into consideration than just hourly pay, but we are using the financial model provided by Living Wage for US to assess our pay and benefit rates for US employees, and will continue to explore routes to accreditation that make the most sense for our team.

WHAT'S NEXT

- We will continue to refine our 1% pledge and partnerships over the coming year, focusing on how we can best support conditions for thriving across all of our stakeholder communities: our customer community, communities local to where we have a presence, our supplier communities and the wider business community.
- We will continue to explore routes to the Living Wage for US accreditation.

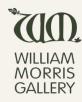














RESTORATION & REGENERATION

How we evolve our operations and products to do minimal harm to Nature, including human wellbeing, and return more than we extract Our ambition is to create products that honour Future Generations. We are shifting our biggest product impacts on Nature, including human wellbeing, from being degenerative to regenerative.

From how our raw materials are farmed and the farmers who grow them, to the craft people who make the finished product, our team who sell them and everyone and everything in between, it means ensuring people and Nature's resources are considered at every touch point.

The foundation of that work is understanding where we are now, what we can change ourselves, what we would like to change but will require industry collaboration, and what may not be possible in the current system and will need complete transformation.



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OUR PRODUCTS

We maintain that the simplest way to keep our overall impacts down, including emissions and material waste, is to make less product, and for that product to have a long life-span. Currently just under two-thirds of our product offer is made-to-order, making up 64% of our sales revenue.

In 2024, we started deeper mapping of our product supply chains, particularly our main product categories, wallpaper, fabric and paint. A big part of that work was questioning the materials we use; are they the best available, and can we do better?

Our long term goal is to shift as many of our materials as possible to being measurably regenerative in line with industry developments. We categorise our material selection in three ways, taking inspiration from <u>Textile Exchange</u>.

- **Regenerative**: materials that are measurably regenerative for climate, Nature and people, actively restoring and improving ecosystems, rather than just minimizing harm.
- Preferred: materials that result in improved environmental and/or social outcomes compared to conventional production.
- **Degenerative**: not known to consistently reduce impacts and increase benefits for climate, Nature, and people.

Below is a breakdown of our material categorisation in FY24/25. While we reported on some materials last year, we now report on all categories, so we will use this year as our benchmark for reporting future progress.

CATEGORY	% OF OUR REVENUE ANNUALY	REGENERATIVE	PREFERRED	DEGENERATIVE
FABRIC	17%	0%	70%	30%
WALLPAPER	54%	0%	75%	25%
PAINT	1%	0%	0%	100%
OTHER CATEGORIES	28%	5%	29%	65%
TOTAL	100%	1%	63%	36%



As part of our foundation work with suppliers, there are a variety of actions we take, from better understanding where materials come from, to who is making our products, where, how and under what conditions, how products are used and cared for, and what happens to them at the end of their useful life. Activity includes but is not limited to the following:

ACTIVITY	RESULT
Visibility of manufacturing suppliers (direct and subcontractors)	90%
Traceability of raw material or fabric/materials to COO level	77%
Suppliers screened for social and environmental impact	100%
Suppliers signed Human Rights / Employment Standards policy	96%
Supplier meetings annually	62% (20 out of 32)
In-person supplier meetings annually	8, all significant suppliers making up 82% of revenue
Suppliers with formal quality assurance checks	96%
No. of direct suppliers paying living wage rate	94%
No. of direct suppliers UK Living Wage accredited	22%
% waste from finished fabric production	7% (retrieved as scraps)
% waste from finished wallpaper production	Trace offcuts in printing process
% waste from finished paint production	Less than 0.5% from human error in mixing or customer order errors

We also maintain a regenerative supplier risk analysis tool, which highlights key social and environmental challenges highlighted by our traceability work and overall data collection. We reference this against a variety of global and local databases e.g. <u>Canopy Forest Mapper</u> and <u>Global Slavery Index</u>.

OUR PARTNERSHIPS

CANOPY

Our partnership with <u>Canopy</u> is incredibly important for restoration and regeneration potential in the supply chains of our products and packaging containing wood fibre. Through their <u>CanopyStyle</u> and <u>Pack4Good</u> initiatives, we have made a commitment to ensure no Ancient and Endangered forest fibres will be used in our products, packaging and paper supply chains by the end of 2025. Canopy have strict criteria for how to meet this commitment (read more about that in <u>our policy</u>) and here's how we fare so far:

- All of our wallpaper is Forest Stewardship Council (FSC Mix) certified.
- To date we have mapped 98% of our packing products for their compliance to Canopy's criteria. Of that, 75% are Forest Stewardship Council certified (FSC), recycled, or both.
- 10% of our overall fabric production contains wood fibres including viscose, rayon and modal. Of that, 68% of those fabrics containing wood fibre are Forest Stewardship Council (FSC) certified, recycled, or both.
- All of our trim contains viscose, of which 100% is Forest Stewardship Council (FSC) certified, recycled, or both.

EIGHTVERSA

In 2023, we carried out a carbon footprint assessment with EightVersa to get a better baseline of the amount of carbon we emit. Previous assessments had taken a fully spend based approach to their Scope 3 emissions. This new assessment included primary data from key suppliers that make up 51% of annual production revenue. Our total Scope 1, 2 and 3 emissions for the 2023 reporting year (January - December), amounted to 2,776.95 tCO2e.

We had a goal to set a science based target, but realised that wouldn't be possible for us unless it was possible for our suppliers, as 98.67% of the greenhouse gas emissions created by our company are Scope 3, mostly coming from our supply chain.

We spent time with our key suppliers, figuring out the best way to reduce our emissions. We realised that this would mean making big shifts in our material choices, for example, switching from Better Cotton to regeneratively grown cotton sourced directly from farmers. We decided to hold off taking another carbon emissions assessment in 2024, so that money could be used to invest in our materials innovation goals.

WHAT'S NEXT

- In 2026, we will expand our data collection with suppliers and aim to capture data about water use and quality, hazardous chemical use as well as continuing to trace raw materials back to their country of origin as a minimum.

We will work more closely with Canopy to identify risk and opportunity in our wood fibre material supply chains, as well as using their <u>Ecopaper Database</u> to identify potential wood fibre material innovations.
 We will carry out another carbon footprint assessment in 2026, covering FY 25/26.

PRODUCT INNOVATION

As a company that creates and sells products, we know the majority of our overall impacts are across the lifecycle of those products, from their creation and use, to eventual disposal.

For example, on carbon emissions alone, our footprint assessment in early 2024 showed that 98.67% of the greenhouse gas emissions created by our company are Scope 3, meaning they are mainly generated from our products.

Our True Price analysis, carbon footprint assessment and wider traceability work gave us a good start in understanding where we should focus our efforts, so in late 2024 we started a two year product innovation programme across our top three product categories - wallpaper, fabric and paint, which make up 72% of our revenue annually.

WALLPAPER

Wallpaper makes up 54% of our revenue annually. While it's not our highest impact product, it is our most important one commercially, so we have solid goals for how we can improve it even more.

Our big vision is to make our wallpaper forest free by 2030. Our focus is around finding a wood fibre free alternative to create our wallpaper, of the quality our customers expect. To the best of our knowledge, a high quality innovation does not exist yet at scale. We are open to suggestions and approaches from material innovators who can demonstrate commercial use and long term viability.

We also want to make our paper and cardboard packaging wood fibre free, and are actively exploring early stage innovations, particularly around agricultural waste.

Other goals for our wallpaper category are to:

- Restore the number of trees we have used historically for wallpaper by 2026.
- Continue to protect at least 1500 square metres of forest annually (to match our annual land use for wallpaper).

FABRIC

Our second biggest product category is fabric, making up 17% of our annual revenue. It is also our category with the highest impact from our True Price analysis results. The great news is that a solution exists and it is a matter of coming together with our fabric supply chain to make it happen.

Our goal is to switch our cotton fibre from Better Cotton to regeneratively grown fibres sourced straight from farmers by 2026. We also want to support shifting the equivalent land that has been used historically to grow cotton for our fabrics to regeneratively farmed land by 2028.

PAINT

Our newest endeavor, paint, is a small but mighty category for us. Our award-winning paint is known for its quality and depth of colour, but we want to take that to the next level, launching a plant-based binder in 2026.

SUPPLIER GATHERING

To kick off our product innovation goal development, in September 2024, we hosted our second supplier summit focusing on our innovation categories. We brought together our direct fabric, wallpaper and paint suppliers, along with their most significant direct suppliers (our tier 2 suppliers) and industry experts in regenerative cotton, deforestation & wood fibre free innovation, and paint chemistry. We were joined by our Mother Nature and Future Generations Director.

A day of workshops resulted in an action plan for moving forward with shifting our current product compositions to ones that Mother Nature and Future Generations could endorse

WHAT'S NEXT

- We are delighted to have started work with a hugely respected innovation expert and ecologist to help us achieve these product goals with our suppliers.
- We have begun two fabric sampling processes with regeneratively grown cotton fibre.
- Our paint supplier and their chemist are actively testing plant based binder formulations for our emulsion and eggshell formulations.
- We are deepening our traceability work with our wallpaper supplier to get to the exact forest source that the wood fibre in our wallpaper comes from, so that we can begin to explore how to restore and regenerate the land locally, as well as researching wood fibre material alternatives.



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NATURE CONNECTION

As well as our work on product, we want to support conditions for thriving for all who work for and with House of Hackney.

As a foundation principle of this approach, we recognise that humans are a part of Nature.

We also recognise how vital human connection to the natural world is for the mutual flourishing of all life on earth.

In recent times, this connection to Nature has greatly diminished, particularly in Western countries where ways of life and working see us spending the majority of time indoors. At the time of writing this report, the UK, where our brand was founded, <u>ranks lowest of 18 European countries</u> for Nature connectedness.

Working cultures that promote sedentary, desk-based, and technology-dependent work patterns have dominated modern business. Not only can these lead to physical and mental health concerns over time, but they stifle creativity, collaboration and more.

As part of our journey to become a regenerative business, we are passionate about finding ways to deepen physical and emotional connections to Nature and establish work patterns based around thriving. We want to do this for people who work for and with our company and in communities where we have a presence.

Starting inside our company and keen to attune our work to Nature's rhythms, we began exploring flexible working patterns in 2019. Initially, we put a seasonally aligned initiative in place that gave our team a four-day working week during Spring and Summer months.

Then in 2022, being mindful of Nature's cycles, we added a five-day week with a daily 4pm finish for Autumn and Winter months. The aim was for the team to work more in harmony with their circadian rhythms for that time of year, and be able to lean in to rest and restoration.

As well as enjoying the benefits of this flexibility, we experienced some challenges with the seasonal structure of the initiative due to our business context. They included:

- Our peak trading times are often during Autumn/ Winter months, which meant some departments regularly worked after 4pm during these periods.
- -We established US operations and the 4pm finish in the UK meant that the time period for cross department working was much shorter than needed.

After reviewing the policy with our team as part of a wider regenerative mission review in 2024, they shared a clear preference for a permanent fourday working week.

NATURE FRIDAYS

On April 1st 2025, we launched Nature Fridays, our optional four-day working week initiative. The aim is to deepen Nature connection and enhance wellbeing, creativity, productivity, social connection and more. We are now a 4 Day Week Foundation accredited business.

Before launching Nature Fridays, we carried out a Nature Connectedness Survey with everyone who opted in. The survey content was a mixture of questions based on our own research and knowledge of our team, and measurement guidance from the <u>Nature Connectedness Network</u>.

The aim of the survey was to get an understanding of how connected our team feels to Nature and in what ways before the Nature Fridays launch. The survey will be repeated annually to track its effectiveness and benefits. Nature Fridays will be reviewed annually based on the survey feedback.

You can download our full Nature Fridays guide to get more details on how we have implemented it within our company. We hope this will be useful for others who wish to apply this idea, or parts of it, in their own teams.

Nature Fridays also comes with a complementary Time With Nature policy. This outlines practical ways to introduce time with Nature into daily working practices. For example, moving meetings, solo working outdoors and regular breaks. For all suggested activities, we provide support resources, including mapping local green space, mobile chargers, blankets, outdoor cushions, lap desks and more.

WHAT'S NEXT

- We will report on the results of our Nature Connectedness Survey and the impact of Nature Fridays on our team, reviewing how we implement it based on the findings.
- We will continue to measure the effectiveness of the Time With Nature policy and adapt it according to team feedback, taking into account proximity to Nature and seasonal limitations.

Our team has been the life force behind all the progress we've made towards our mission over the last year, along with our wonderful suppliers.

They've embraced the slow, steady work of embedding our mission throughout the company, and now the faster pace of testing and trialing solutions, learning as we go.

When surveyed in mid-2024, 97% of our team said they had a medium to high level of confidence when it comes to taking actions around regenerative company goals in their day-to-day work, up from 91% in 2023.

This can be hard work in uncertain times, so we wanted to make sure our company culture was strong and could bring joy and possibility for everyone who works at House of Hackney.

To lead this work, Jason Lamb, one of our longest standing team members was promoted to Head of UK Sales & Team Culture. Jason, supported by the People and Operations Manager and Head of Regeneration, now heads up an engagement programme to enhance our culture and make sure our shared values are brought to life day-to-day. Below are some highlights since Jason stepped up earlier in 2025.



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FIND YOUR ACTIVISM

Knowing that we are taking a strong stance for Nature, we wanted to make sure everyone felt included in this work and could find their place in advocating for Nature. In early 2025, we launched an internal Find Your Activism initiative with <u>Giki</u>, in the hope of making activism accessible and meaningful for our whole team.

We wanted to give everyone an opportunity to express their inner activism and feel part of driving our mission in a way that felt natural to them, while also challenging themselves to do new things. Teams chose between a selection of social and environmental challenges and actions to take over a 3 month period.

Actions taken ranged from ditching single use plastic, switching to renewable energy, spending time in Nature and many more. In total our team took on 614 actions, 303 of which were completed, and 131 were marked as something the team did before the challenge started. Afterwards 47% of the team said that taking part in the Giki campaign has had a lasting effect on actions they take to better protect people and the environment.



WHAT'S NEXT

- We will run a second Find Your Activism campaign in late 2025, this time with a focus around key company initiatives such as Nature connection.
- Our US team is small but growing, we are expanding into different states so we will develop an engagement programme tailored to their needs.

VOLUNTEERING

On the back of two hugely successful volunteering days with Growing Communities, Hackney Foodbank and God's Love We Deliver, we launched a formal volunteering programme for our team.

We have a dual focus for our volunteering programme. Having researched key issues in the areas where we have a presence, food poverty and access were identified as pressing social needs. We also saw a gap with diverse talent applying for roles at House of Hackney. Aside from approach to hiring, we wanted to support better representation in the creative industries and routes for young people to working within it.

In 2024, we forged new partnerships with IntoUniversity and Hackney Foodbank, while our US team supported God's Love We Deliver. From prepping high-quality meals for people living with chronic illness, to packing food parcels and delivering creative career inspiration sessions for IntoUniversity's dynamic cohort of young people, our team volunteered over 120 hours in our local communities.

TEAM SOCIALS, INSPIRATION SESSIONS & MORE

When it comes to broader team engagement, we strive for a mix of inspiration, learning and fun throughout the year. We run a variety of events, talks and workshops, all of which are open to suggestions from the whole team, or to run themselves, highlighting what inspires them or reflects their personal values. Creativity was high last year and the team outdid themselves, highlights included:

- 10 regeneration inspiration sessions with guest speakers including artist and activist Alice Gabb, Nature Connectedness Network, Stop Ecocide International and hands-on workshops with Hackney Herbal and Harriet the Herbalist.
- 10 themed payday socials, ranging from Food for the Soul, Sip & Swap clothes swaps and celebrations of cultural holidays.
- 51 Plastic Free Tuesdays.
- 20 team meals (providing 683 free meals to team members across the year).



ACTIVISM & INFLUENCE

How we use our creativity and platform to take a stance for what we believe in, advocating and activating for Nature



ACTIVISM

We believe in creativity with purpose and advocate for Nature by informing and activating people to protect and restore all that Nature does for life on earth. Through events, protests, lobbying and campaigns, we want to support our community of citizens, customers, suppliers, locals and purpose-led peers to take urgent action on behalf of Nature & Future Generations.









GARDEN OF TOMORROW

From radical roots to practical action, Garden of Tomorrow is our annual not-for-profit festival of ideas open to all who demand change in the face of the Climate and Nature crises. It is a coming together of positive disruptors and passionate advocates for Nature. In 2024, Garden of Tomorrow was attended by over 1,000 people and had an estimated digital reach of just under 400,000.

From talks and workshops to exhibitions and interactive performances, we hosted many pioneering activists and organisations such as Earthed, The Great Imagining, Hard Art, Sounds Right, Sam Lee, Louis VI, Right to Grow, Right to Roam, Schumacher College, Lawyers for Nature, Atmos, WaterBear, Purpose Disruptors, Nowadays on Earth, Moral Imaginations, Colèchi and more.

We were honoured to have The Guardian's Damien Gayle attend, describing it as "the most hopeful climate festival."

#WEARENATURE

#WeAreNature is a grassroots movement started by House of Hackney and Lawyers for Nature to change UK dictionary definitions of the word 'nature' to include humans, who are currently excluded. Together with a passionate group of businesses, charities, academics, artists, writers, politicians, activists and school children, we campaigned the main UK dictionaries to consider evidence that humans consider themselves to be a part of Nature.

It resulted in the Oxford English Dictionary reviving one of the senses of its definition of 'nature' that included humans, which had been previously made obsolete. On the back of this success, the campaign will be taken to the US in 2025.

CAMPAIGNS WE LOVE

We stand with organisations and individuals who are demanding urgent action on the Climate, Nature and Inequality crises. From Stop Ecocide International and Better Business Act to Zero Hours Climate and Nature Bill campaign, we are proud to use our platform to advocate for Nature and support better ways of working and living in harmony with the natural world and each other.

STOP ECOCIDE INTERNATIONAL

We fully support <u>Stop Ecocide International</u>'s mission to make ecocide an international crime, through diplomatic progress and fostering global cross-sector support.

Ecocide means 'unlawful or wanton acts committed with knowledge that there is a substantial likelihood of severe and either widespread or long-term damage to the environment being caused by those acts'.

We are signatories of Stop Ecocide International's <u>Business Open</u> <u>Letter</u> and encourage other businesses to support the campaign.

In 2024, we were proud to launch the beautiful <u>Andrea Zanatelli x</u> <u>Stop Ecocide x House of Hackney partnership</u> which platformed Andrea's creative alchemy to highlight the vital work of Stop Ecocide International.

Materials used in the collection included Forest Stewardship Certified (FSC) wood pulp, organic cotton-velvet, regeneratively grown wool and Woolkeepers wool. Proceeds from the Andrea Zanatelli x House of Hackney collection go towards supporting Stop Ecocide International.

ZERO HOUR - CAMPAIGN FOR THE CLIMATE & NATURE BILL UK

The <u>Climate and Nature (CAN) Bill</u> is a plan for a new UK law that addresses the full extent of the Climate and Nature Crises in line with the most up-to-date science. The Bill is the only proposed legislation before the UK Parliament that ensures a comprehensive and joined-up approach to these issues. We fully support <u>Zero Hour's CAN campaign and our UK team have been contacting their MPs along the way to help ensure the Bill keeps moving through Parliament.</u>

BETTER BUSINESS ACT

House of Hackney are part of the <u>Better Business Act</u> coalition striving for a cleaner, greener, fairer future for all. Together, the coalition is calling for an amendment to Section 172 of the Companies Act, asking for every company in the UK to align their interests with those of wider society and the environment.

WHAT'S NEXT



- While our activism is focused on advocating for Nature, the work can feel ad hoc, so over the next year, we
 are developing our Activism and Influence strategy, tying together our work with a common focus.
- At the time of writing this, #WeAreNature and Garden of Tomorrow have been taken to the US. We look forward to updating you on the outcomes in next year's report.
- As part of our wider Activism & Influence strategy development, we will review our support for campaigns, honing in on how we can amplify causes more effectively and creatively, given our size and resources.

Storytelling has been at the heart of our brand since the very start. We want to amplify our mission and message as much as we can in our sphere of influence, while respecting the reasons people interact with our brand and where they are coming from in their capacity to advocate for Nature.

OUR COMMUNICATION

In the last year, we have created KPIs within our approach to communications, ensuring every marketing channel has a specific and meaningful target to communicate our regenerative mission and the polycrises which make it so important. We have done this to ensure we are applying the same rigour to the communications supporting our regenerative objectives as we are to those that support our commercial objectives.

RANDOM ACTS OF KINDNESS

"Regeneration is a disposition of the heart, an attitude towards the community of life that asks: What serves life - in me, around me, through me?" - Daniel Wahl

As well as tackling the big issues, we believe in small acts of kindness and joy as resistance to the individualism and disconnection that capitalism promotes.

Since November 2023, our Customer Care team has been selecting a particularly kind, patient or understanding customer each month to receive a small gift and a discount code as a token of our gratitude for spreading kindness. The aim of this is to brighten someone's day by acknowledging that their kindness has not gone unnoticed. We had a goal to reach three customers a month, coming in at just under that, we reached 29 customers in FY 24/25.



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OUR JOURNEY CONTINUES

We are deeply committed to creating a company that supports thriving for all life on earth; to us, this is true success



2025 & BEYOND

After a year and a half of embedding our mission with Brontie Ansell, we are embarking on a new era of deep action with our second Mother Nature & Future Generations Director, working on our areas of biggest impact.

We also want to share more about the practicalities of how we are working with other small to medium sized businesses (SMEs) and beyond.

Over 99% of UK private sector businesses are small to medium enterprises (SMEs), including House of Hackney. In the spirit of harnessing this collective power for change, we have dedicated ourselves to developing a Nature-centred business greenprint to share with the SME community and beyond.

It will be an action-focused how-to guide with the holistic health of Nature's resources and human wellbeing at its core; one that reflects a company's true profitability, taking into account the extractive impacts business has in our current economic system.

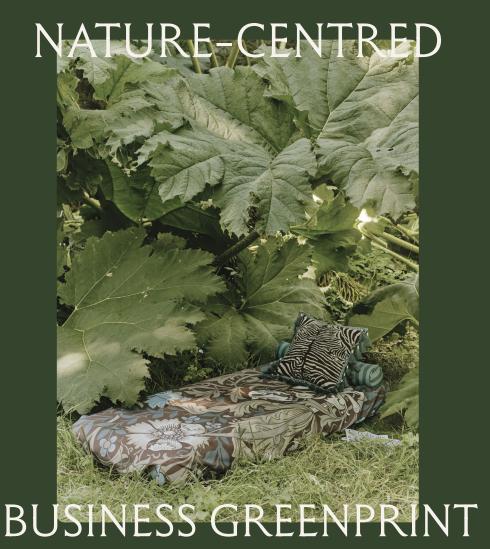
It will document our learnings, successes and challenges, in the hope of speeding up access to the practical tools for change and the pace at which it is happening in these urgent times.

We know we are building on the work of many, and that a joined up approach across our own team, supply chain, business community and society is vital for success.

For the SME greenprint to stand up under scrutiny and have a measurable impact, we will bring together leading experts working to fundamentally change the role businesses play in solving the Climate, Nature and Inequality crises, from true and fair financial reporting to changing company law and more.

Please follow along as we continue to learn and grow into a Nature-centred business fit for future generations.

Until next year.



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THE VOICE OF MOTHER NATURE & FUTURE GENERATIONS' REPLY

The voice of Mother Nature & Future Generations has been given time and space to reply to this report compiled by the staff and directors of House of Hackney Limited. The reply was written by the holder of the board position during the time period this report covers, FY24/25, 6th April 2024 to 5th April 2025. The content of the reply was not influenced by any other director or member of staff. This reply was also not edited by the House of Hackney leadership team prior to publication.

Mother Nature & Voices of Future Generations' Reply 2024-25

Under the stewardship of lawyers from Lawyers for Nature, House of Hackney took the bold and imaginative step of granting Mother Nature and the voices of Future Generations their respective seats at the boardroom table. This decision is more than symbolic; it represents a profound structural shift in corporate governance, one that acknowledges the natural world, and those yet to be born, as rightful participants in shaping the future of business. In so doing, House of Hackney has aligned itself with a growing movement that recognises the Rights of Nature now and the responsibilities we owe to those who will inherit the consequences of our present actions.

Over the past year, this governance shift has translated into a range of substantive actions and achievements. There is much to be celebrated. The company has continued to embed ecological awareness into its core operations and creative practice. Designs that draw inspiration from Nature have been matched by tangible measures to respect and regenerate it. The work that the team have been doing on engagement with regenerative cotton and other materials, research into zero fossil fuel paint and wood fibre-free wallpaper alternatives demonstrates a willingness to innovate way beyond standard supply chain management. Their efforts start with the acknowledgement that beauty in design cannot be detached from the ecological realities of extraction and manufacture.

Material innovation has also expanded to include mycelium and cork, offering new possibilities for products that can be entirely composted back to the earth with no trace. These developments are significant not only for their environmental benefits, but also for the cultural message they carry: that luxury and responsibility can coexist, and that design can be both visionary and restorative.

Despite its modest size the company has made a formidable effort to understand and address its part in the urgent

challenges of deforestation and biodiversity loss. Through its partnership with the World Land Trust, House of Hackney has directly contributed to the protection of endangered woodland. This commitment is more than compensatory; it represents restitution, recognising that a business drawing upon the stories of Nature and her work must also work to contribute to its survival and restoration.

Alongside these ecological measures, important progress has been made in accounting for the genuine impact on the one and only home humans have (and of course, share, with so many others). Work on the company's carbon footprint has been undertaken and this will be redone again in 2026, focussing on the reduction of Scope 3 supply chain emissions with suppliers. This work is vital, as it opens the door to more accurate reporting and credible reduction strategies in the years ahead.

Coupled with this has been the adoption of a "True Cost" framework. This was a phenomenal piece of work that is market leading and one the company should be incredibly proud of starting. It is not an easy conversation to have in a profit driven environment. Nonetheless, this is a company who is prepared to issue a significant challenge to the current societal notions of business success. By recognising social and ecological impacts as part of the company's ledger, House of Hackney is beginning to model what a regenerative economy in service of life might truly look like in the centuries ahead.

Community and advocacy work have also been central to this year's activities. The pledge to donate 1% of all sales to environmental and social causes has given tangible weight to the company's commitments, while initiatives such as The Garden of Tomorrow festival and the We Are Nature campaign have extended these commitments into the cultural sphere. These projects are notable not only for their reach but for their ethos: they re-position the work of design as a cultural act with ecological and ethical consequences. Partnerships with organisations such as Stop Ecocide International further demonstrate a willingness to use the company's platform for advocacy, seeking systemic change beyond its own operations. It is of course also worth noting that there is now a conspicuous absence of partnerships with those entities who, for whatever reason, do not share the same ethics as House of Hackney. Grace and hope is sometimes also found in those things which we choose not to do.

Taken as a whole, these actions reflect a shift in both culture and practice. They show that ecological responsibility is not an adjunct to business but can be at its very heart. It is not simply a 'nice to have' or a regularly forgotten KPI on the ESG register. These people also show others that creativity and responsibility are not opposing forces but interwoven strands of the same fabric.

Yet the challenges ahead are significant and it must be recognised that this work is only just beginning. Supply chains remain complex, and true accountability to the land, waters, and communities that provide raw materials must deepen further. The collection of the accurate data must continue apace, despite the costs in time and effort. For without this true accounting business consciously chooses to remain ignorant. The minimisation of waste, reduction of energy use, and broadening the accessibility of regenerative design are areas that require sustained attention. As with the artistry of the company's patterns, the work of guardianship is never finished; it is an evolving canvas, demanding humility, curiosity, and persistence.

What distinguishes House of Hackney is its cultural influence. The company is more than a designer and producer of

interiors: it is a storyteller, shaping the ways in which people imagine their homes and, by extension, their place in the wider world. To place Mother Nature and Voices of Future Generations at the centre of this storytelling is to acknowledge that design is not neutral. It can obscure ecological realities, or it can illuminate the truth of interdependence and shared belonging. House of Hackney has begun to demonstrate, with care and time, that the latter is possible. Their work shows that business can re-enchant rather than exploit, that beauty can serve as a form of justice, and that design can carry within it a duty of care.

This year has shown a business that can be bold, creative, and commercially successful while honouring ecological responsibility. The company has laid important foundations for a model of regenerative business that blends imagination with accountability. The journey ahead is long, but the path is clear. With continued persistence, innovation, and care, House of Hackney can continue to model how culture, responsibility and business might be rewoven into a pattern with the enduring voice of Mother Nature and the needs of Future Generations at its heart.

Mother Nature & Voices of Future Generations

April 2025

As represented by the current guardian, Brontie Ansell



HOUSE OF HACKNEY IMPACT REPORT 2025

Contact us: house@houseofhackney.com