



PADDLE
LOGGER

YEAR END 2022

IMPACT REPORT

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INTRODUCTION

To create positive impact, it is imperative to actively measure and monitor our progress in all areas of the business - environmentally, socially and economically. Being able to communicate this progress and impact to stakeholders highlights our commitment to driving positive change in our industry and beyond. Allowing us to create space for accountability, transparency and responsibility.

This report is not just an opportunity to celebrate the positives but also to take account of the challenges we face and plans we have in place to address them in the coming years. Not everything we do will be positive to each and every stakeholder, however by holding ourselves accountable we can overtime create more positive impact for paddlers, stakeholders and the planet.

**WE LIVE BY THE OCEAN,
WE PLAY IN THE WATER,
WE ARE PADDLERS**

NB Due to a change in our financial year, and our decision to remain consistent with reporting in line with our year end. This report comes a little later than our 2020 report.

A MESSAGE FROM OUR FOUNDERS

The last few years have been a challenge for many individuals and businesses alike. Here at Paddle Logger, we have found it rewarding to see our community have a collaborative mindset to positively impact the society we live in and the planet we live on. Our community really does help us drive the business forward.

Baked in to our core values are a desire to create a positive impact in both society and on the planet. This past year has seen multiple opportunities arise for us as an organisation to create impact in a way that we see to be complementary to the work we do. This has been a fulfilling experience and one that we are excited to continue in the next year and beyond.

Paddle Logger continues to be a lean organisation founded with the aim to create better paddlers who aim to improve their skill sets while also being stewards of our aquatic playground. We believe that by harnessing the power of our community we will make a greater impact. Unfortunately, we cannot sit around and wait for government and policymakers to make the relevant changes at the speed we need them too. We intend to continue to punch above our weight to help address some of the challenges we all face.

We are grateful for the support from our paddle community and partners and look forward to being a driving force in our industry for years to come!

Cheers,



David Walker (CEO)



Lewis Smith (CTO)

PRIORITY IMPACT AREAS

We started out life as a health and fitness tracker for paddle sports but as we have grown in the industry and within the paddling community our focus has evolved. We want to help create technically better paddlers as well as inspire paddlers to get out on the water more and enjoy their ocean playground. While there are many impact areas that we as a business would like to focus on, we have in the past few years started to develop clearer definitions. By taking a step back and assessing where our impact could materialise defined 3 key impact areas, all intrinsically linked and supported by each other.



PADDLERS

Developing an innovative product that allows paddlers to have great experiences whilst feeling a part of a wider community that actively wants to create a positive impact is paramount. We want to make better paddlers.



PLANET

Paddlers are by their nature drawn to waterways and the ocean, as paddlers we are closer to the impact environmental and climatic change have on our aquatic playground. Equally, we want to create stewards of our paddlers, we are a small company, but we have a large reach of highly engaged paddlers.



PADDLE LOGGER

When we started we were the first and filled a need and a void for paddlers, as the sports have grown we have grown with the community building features for them. We want to elevate paddlers around the world. Organic growth with excellent UX for all our paddlers will continue to support our aim to be a regenerative business.

PADDLERS

WE WANT TO MAKE PADDLERS BETTER

We believe that if we can make someone feel more confident on the water, and take them safely to the edge of their comfort zone into the learning zone where they can up skill, they are more likely to want to continue to progress and get others involved in more paddling. Our passionate and engaged paddlers are key stakeholders for our organisation. Keeping their challenges, pain points, goals and successes at the forefront of our decision-making process is and will continue to be vital for our growth.

Developing an innovative product that allows paddlers to have great experiences whilst feeling a part of a wider community that actively wants to create a positive impact is paramount.

We want to make better paddlers, which we define as someone who:

- is improving their skill set actively through learning or passively through participation. Our app supports this through accurate tracking and monitoring progression;
- is a safer paddler. Using the PaddleLIVE® system paddlers are instantly connected to loved ones should something go wrong;
- is a responsible paddler. Through the product and community we are promoting stewardship and engaging paddlers in ways they can help protect our ocean playground.

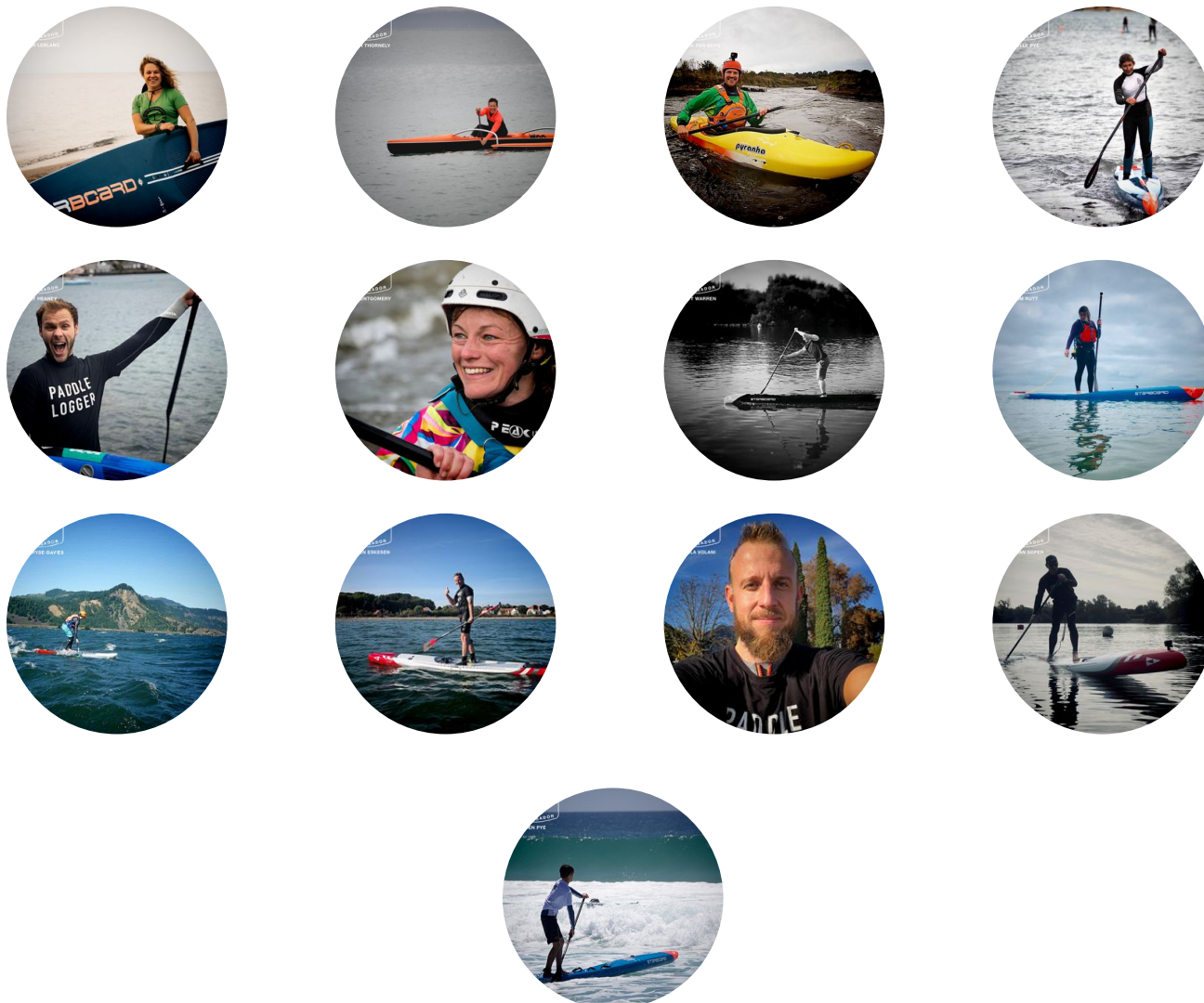
These characteristics drive the decisions we make as a brand and has allowed us to develop our key foundational impact areas further this year. Paddle Logger is sustainable by design and that impacts our paddlers and how they can also do more for the planet.

PADDLERS ARE AT EVERY STAGE OF OUR BUSINESS

We engage with our stakeholders at multiple touchpoint in our business cycle and strategies. Great communication helps drive the positive impact we can create. A key way in which we have done this is by actively engaging and collaborating with our

PADDLE LOGGER

Ambassador team to showcase Paddle Logger in a tangible way for the wider community.



OUR AMBASSADORS

Highlighting how versatile the app can be for a multitude of different paddlers at every level of experience is part of what helps grow and create our diverse community.

In 2021 we collaborated with our team to use our platform as a voice to uncover the different elements of the paddlesport world. From following Ambassadors to global SUP event races such as the ICF 2021 SUP World Championships in Hungary to Ambassador takeovers on our social media channels focusing on Marine Wildlife, we have felt it important to shine a light on the different spaces where paddlers can enjoy their experience on the water.

PLANET

WHERE TECHNOLOGY AND THE ENVIRONMENT MEET

As we offer a digital product primarily it can sometimes be difficult to understand how we might have an impact on the environment - be it negative or positive.

Our development as a technology business focuses on innovation that can push the boundary without taking too much away from the planet. We must be conscious of the impact we make in order to operate. To combat this we work from home and our physical supply chain is very lean and considered.

The app champions minimal interaction with the device: safety shouldn't be a chore or a hassle - it should just work; Paddle Logger requires a 1-time set-up, with no complicated UI and from the ground up has been designed with privacy in mind.

Supporting all our stakeholders to have a positive environmental impact is a priority KPI for us as a team. Every design and feature decision we make impacts our paddlers - this forms a key part of the development process.

We make considered design and UX changes. These changes always aim to improve the user experience for the paddler. This is not where the benefit stops, for example, some design changes also result in improved battery life while using the app. This in turn means the user will not be required to charge their device as often. A 1-2% increase for an individual isn't maybe a lot, but across 300 000 sessions. It begins to add up. As far as we are aware no other product in our sector operates with this mindset. This is something that we will continue to monitor in the coming years.

PROJECTS

WE WANT TO PARTNER WITH PADDLERS & PEOPLE THAT SUPPORT OUR PASSION FOR OUR NATURAL PLAYGROUND

Our aim to be as transparent as we can be, will support our aspiration to be a leader and collaborator in the wider paddlesports industry that still makes board out of polymers, resins etc. which can be harmful for the environment. Despite the audiences of all these brands "loving the ocean". The more we can do to become an authority on good practice, and show what is possible, the better our industry will be because of it. Educating our paddlers for example, will mean they start to buy from the more sustainable physical product manufacturers, which will drive a market shift.

This advocacy for education and empowerment of paddlers to be better from both a social and environment perspective filters through into the partners we work with and the projects we collaborate on throughout the year. One project that Paddle Logger as an organisation and community supported in 2021 was the Ocean 8 Challenge. With the aim to spread awareness of ocean plastic pollution the challenge was headed up by Sal Montgomery, an environmentalist and professional whitewater and expedition kayaker, and Nikki Hawkes, a triathlete and environmentalist.

To show the importance of developing a relationship with the environment that is positive and nurturing, in both directions. With 8 million pieces of plastic making their way into the ocean each day, this is a terrifying statistic for paddlers alike. As a core value of our business to advocate for stewardship of our ocean playground this was an easy decision for us as a team to support the project and help get it off the ground. The event saw many local water enthusiasts support the challenge and participate in the beach cleans each day!

PROJECTS

WE WANT TO PARTNER WITH ORGANISATIONS THAT SUPPORT OUR PASSION FOR OUR NATURAL PLAYGROUND

A key part of tackling these sometime intangible issues such as plastic pollution is to make them tangible. Education and awareness for us as an organisation will be the driver for this. 2021 also saw the launch of the first Paddle Logger part-funded SeaBin installed in Falmouth Harbour. The installation was part of the Harbour's 150th Anniversary pledge to be at the forefront of green innovation to protect the harbour and its unique natural environment and habitats. Working with ocean stakeholders is key in ensuring their material issues are apart of our decision making process. The unit works by skimming the surface of the water by pumping water into the device and intercepting debris, plus macro/micro plastics, micro fibres, and contaminated organic material such as leaves, algae, and seaweed. This awesome device has the capacity to catch up to 90,000 plastic bags or 16,500 plastic bottles each year, all on its own. With giving back to our ocean playground being one of our core values at Paddle Logger, we couldn't be more proud to be part of this initiative.

We are excited to continue to learn more what the SeaBin will highlight in the coming months and monitor the environmental impact it is having. It is important to highlight the indirect benefits of such a project. The ability to have something tangible that can be used for school visits and education and engagement events is also hugely beneficial in affecting behavioural change in our local communities.

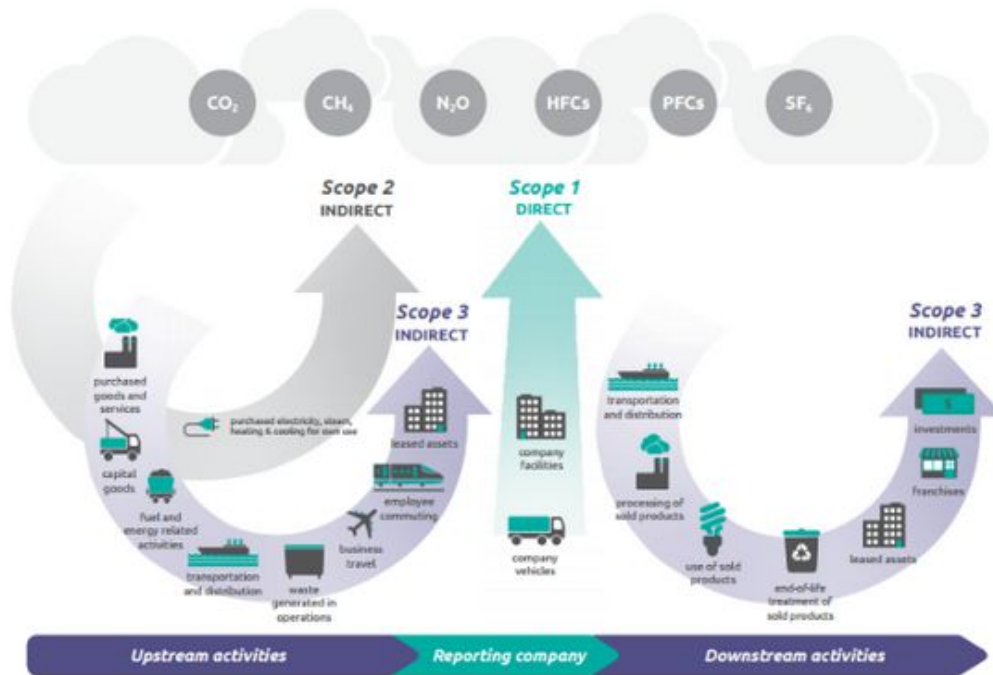


CARBON EMISSIONS

OUR ORGANISATIONAL CARBON FOOTPRINT FOR 2021/22 IS OUR BASELINE YEAR FOR REPORTING

Despite being a digital-first business with a small team who are all environmentally conscious, that doesn't mean that we do not have some negative impact on the planet around us. Every activity that we carry out from turning on our laptops at home to travelling to the next event, all has a carbon emission associated with it.

We as a team have baselined our carbon emission inventory in order for us to set a reduction pathway for the coming years. This has involved working with an external consultant to calculate our operational carbon hotspots for the year. Aligning with the GHG Protocol Reporting Framework we have reviewed our operations and subsequently calculated our carbon footprint for the year. The assessment takes into account our Scope 1, 2 and where possible Scope 3 emissions.



SCOPE 1

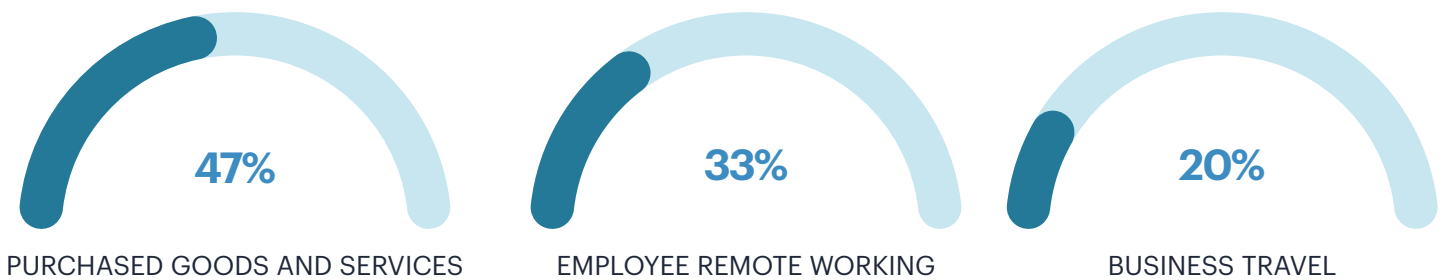
The emissions from owned or operated assets (for example, the fumes from the tailpipes of a company's fleet of vehicles). Paddle Logger does not have any emitting activities associated with Scope 1.

SCOPE 2

The emissions that are generated from purchased electricity, steam, heating or cooling for the business's own use. As Paddle Logger is fully remote there are no associated emissions with Scope 2 (Indirect Emissions)

SCOPE 3

These are the emissions that are associated with everything else in the business' supply chain. From purchases of goods and services, business travel, couriers and employees working from home.



OUR TOTAL TCO_{2e} IS THE EQUIVALENT OF A 25,080 KM CAR JOURNEY

The illustrations showcase that due to the remote way we work and the nature of our digital business our carbon emissions lie in Scope 3 and we will now look to create a reduction pathway fit for our business with both intermediate and longer-term targets (2025 and 2050 respectively).

To reduce our overall operational carbon footprint, we will be reviewing our home offices and digital supply chains. Increasing engagement with our suppliers via supplier screening processes to track and actively monitor data will be instrumental in this. Improving data accuracy throughout our operations will allow us to focus on our reduction pathway working towards carbon neutrality.

COMPENSATION OF RESIDUAL EMISSIONS

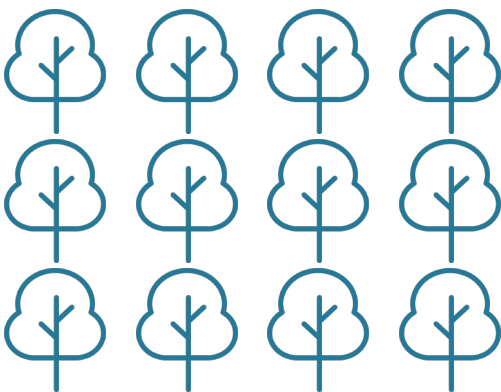
Even though as a digital and relatively lean business, the carbon measurement exercise showcases that we have residual carbon emissions that have to be taken into account if we want to look to minimise our impact on the planet as much as possible.

One way that we are working to address our emissions in a transparent, meaningful and responsible way is by partnering with organisations that align with our values and mission as a business.

Even though carbon offsetting does not count towards general carbon reductions and is also not a requirement of the GHG Protocol, it was important as a business and as individuals to look into ways that we could address them. Mossy Earth is an organisation that met our requirements in the best way.

As an organisation that champions "More than just tree planting... The rewilding membership restores nature & fights climate change" they were the perfect fit.

By becoming a member organisation with Mossy Earth, Paddle Logger actively supports not just the planting of trees to address our carbon emissions for the year but also, supports rewilding projects to enhance biodiversity and also supports underfunded ecosystems and species.



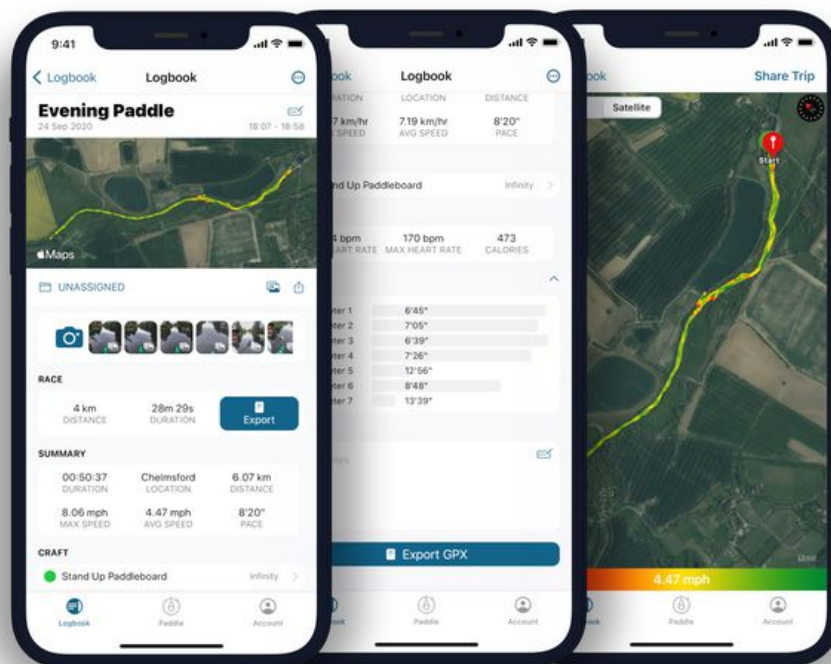
In the last year since joining Mossy Earth, Paddle Logger has planted 148 native trees and has supported 16 different rewilding projects

PADDLE LOGGER

STRIVING TO BE A REGENERATIVE BUSINESS

Paddle Logger is a small company! Our growth has always been organic and we have a global community of paddlers. The app is currently available in over 175 countries and regions. Throughout the pandemic, Paddle Logger has seen approximately 100% monthly growth YoY from 2019-to 2021.

When we started we were the first and filled a need and a void for paddlers, as the sports have grown we have grown with the community building features for them. We want to elevate paddlers around the world. Currently, as we build new features and other competitors have attempted to emulate our success, we find ourselves in a stronger position to tell our story with a rounded feature set. Organic growth with excellent UX for all our paddlers will continue to support our aim to be a regenerative business.



ORGANIC GROWTH

Partners should not only align with our social and environmental values but also provide our community with the best experience possible. The integration of Paddle**LIVE**® with what3words was a prime example of this. Alongside standard co-ordinate systems, Paddle**LIVE**® now has multiple methods of communicating location - having information is vital when trying to coordinate a rapid response in an emergency situation. Being able to effectively communicate is even more so. This is why many emergency services around the world are using what3words to help locate casualties.

Another partner that Paddle logger is privileged to work closely with is our 1% for the Planet partner eXXpedition who have created the SHiFT platform. We have embedded this in our app to be a touchpoint for our paddlers to learn what meaningful changes they can make in their own lives to have a positive impact on our oceans. It isn't about token gestures, but making changes you can consistently do.

We are proud that our business model isn't just sustainable environmentally but also socially and financially, creating a regenerative ecosystem for our business to create positive change. If we can up-skill paddlers, we are growing the sports and in turn, our paddlers. With an increased sphere of influence, we re-invest in more projects and engage with more paddlers on sustainable issues. All of which follow our slow growth organic model, which allows us to operate freely with no debt or having to answer to investors.

**RETURNS ARE VALUE DRIVEN,
NOT PROFIT DRIVEN**

2022 AND BEYOND

WHERE DO YOU GO FROM HERE?

SUSTAINABILITY REPORTS ARE NOT JUST ABOUT LOOKS BACK, BUT ALSO LOOKING FORWARD.

So far 2022 has seen us begin to undertake a number of large projects.

The Ambassador Programme we had been running was great, each member played a part in what we have asked. However, this traditional model was becoming increasingly at odds with what we wanted to create and put out into the world.

So for 2022, we have closed it down. Instead we are currently trialling a new responsible hybrid model for people first marketing which is designed to incorporate more of our values and work better for both the individuals and us as a brand. Tune in next year to find out how it went.

Later this year we will also be launching another new element of our brand which will aim to build on our already strong global paddling community.



01 PADDLERS

We want to support paddlers in their journey, compensation is fair and equitable to what is asked of an individual. Developing our new hybrid model to champion our community will be a pivotal part of creating a positive impact amongst our paddle community and our stakeholders as a whole.

02 PLANET



Now that we now understand the current status of our environmental impact we want to do more. Continuing to explore efficient ways to mitigate the environmental damage by championing environmental stewardship whilst working from home and also investigating our Scope 3 downstream supply chain further. We have also baselined our business based upon the B Corp Impact Assessment and will continue to use this as a key architecture to meaningfully drive impact both within our operations and for our stakeholders.

03 PADDLE LOGGER



Our whole programme is designed to be impact-driven, this in term will directly or indirectly affect our profits and allow us to re-invest into the community and brand. Growing our global community of paddlers will allow our regenerative and organic growth to continue. We are also committed to continuing to be a 1% for the planet member and dedicating resources to help projects that create change in our industry.

**AS A BUSINESS WE ARE PROUD OF THE COLLABORATIONS,
PROJECTS AND COMMUNITY THAT OUR TEAM HAS CREATED
THIS YEAR AND ARE EXCITED TO SEE HOW 2022 UNFOLDS.**