

sûnday 2022 Annual **Impact Report**

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A toxic landscape

The American yard has some of the highest concentrations of pesticides. In fact, the leading lawn care company recommends four full property pesticide applications per year, even when they're not needed.

This really adds up! At 40,000,000 acres, our combined lawns are bigger than all of our national parks, organic farms, and even the state of Massachusetts in one.



A word from our founders

We started Sunday because we believe in better.

- ✓ Better ingredients.
- ✓ Better results.
- ✓ Better backyards made for living on.

That's part of why this past year is so exciting: We've built upon our commitment to growing better. We've developed products to support more water-efficient lawns. We've found more ways to reduce and incorporate sustainable materials in our packaging. We've even helped customers reduce their lawn size and increase plant diversity to create stronger ecosystems that support pollinators and wildlife as much as it does kids and pets.

Together we're creating new traditions around getting your hands dirty, and these changes have real impacts on our families, our neighborhoods, and our planet. Even though we're proud of the progress we've made so far, we know there's still

so much more work to do. With 40 million acres of lawn across the country, it's a critical part of our landscape and an important resource to manage.

We're committed to helping you grow and to keep working to find better ways to do it. Thank you for being part of the journey.

Coulter and Trent
Sunday Co-Founders

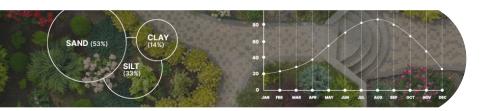


2022 by the numbers



INTRODUCING NEW SUSTAINABILITY STANDARDS

Introducing new sustainability standards







Innovation

We're using cutting-edge technology to bring lawn and garden care into the 21st century. Our smart plans are backed by climate data and science, and powered by simple ingredients that work with nature. We also adapt to the changing climate by providing more resilient lawn and landscape alternatives.

Sustainability

Sunday is dedicated to helping people minimize their footprint while maximizing results. How? Our "less is more" philosophy means less fertilizer, less water, and less mowing for more self-sustaining yards. We also hold ourselves accountable to reducing our impact through changes in packaging design, waste reduction, and energy consumption.

Community

We're dedicated to building communities around helping people do better by nature—working with their local climate, not against it. This means offering regional products and personalized guidance from Yard Advisors to empower customers to take the right action at the right time for their location. Beyond the backyard, we donate 1 percent of our profits to nature-minded organizations where our customers live.

Our "less is more" philosophy means less fertilizer, less water, and less mowing for more self-sustaining lawns.

2022 & 2023 GOAL SNAPSHOT

2022 & 2023 goal snapshot

Areas of impact	What we did	What we want to do next
Ingredients & sourcing	Created formulas and products that reduced water use, like grass seeds that are naturally more tolerant to drought.	Develop new ingredient standards and supplier qualifications to increase quality and transparency.
Product impact	Launched new products to help customers increase backyard diversity—offering custom live plant recommendations and minimal-waste wild bird seeds, feeders, and houses.	Continue to grow customer offerings to increase positive impact across outdoor home space, including organic garden fertilizers and essential oil-based pest protection for pets.
Packaging	Redesigned packaging to reduce and improve material sustainability and registered 80 percent of our retail packaging with How2Recycle.	Expand our new nutrient pouch made with 30 percent post-consumer recycled content in 2023, and register 100 percent of our retail portfolio with How2Recycle by 2024.
Supply chain	Evaluated opportunities to increase domestic sourcing and reduce transportation.	By EOY 2023, we anticipate we'll source 40 percent of our pouches domestically, which prevents nearly 5,600 miles of sea freight. We also aim to eliminate air freight from routine procurement practices in 2023.
Waste reduction	50 percent of product and packaging waste was recycled or donated for reuse.	Continue efforts to prevent waste and develop a system to streamline product donation efforts through improved planning and operations.

Using science to grow better

Science is a fundamental tenet of our company. It's at the core of all Sunday products, and our Yard Advisors use it any time they give one-on-one guidance to customers who need help with growing better.

We're proud to have a team of turf industry experts, data analysts, natural scientists, and science educators who face challenges head-on and constantly strive to raise the bar—not just at Sunday, but in our industry at large.

2022 highlights:

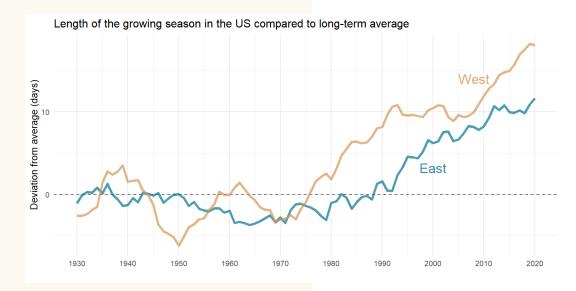
Our team identified several climate impacts and weather anomalies and adapted quickly to improve physical products, technology, and data platforms.

Impacts and anomalies included:

- ✓ Abnormal weather in the eastern U.S. and Pacific Northwest
- Widespread, long-term drought in the West
- ✓ Shifting seasons, false spring, and late spring
- ✓ Record-breaking heat through May 2022

Physical products, technology, and data development included:

- Drought condition and grass seed shortage monitoring
- ✓ Product shift to moisture-enhanced seed
- ✓ Adopted A-LIST* approved grass varieties
- Recommend and promoted low-water plant species





Science is a fundamental tenet of our company.

SCIENCE: GOALS IN 2023 AND BEYOND

Science: goals in 2023 and beyond

Our science team understands that a changing climate means environmental and natural disasters like drought, flooding, and hurricanes will continue. The Sunday science team is helping mitigate the effects of these key practices through:



Water conservation

This includes developing products built to prepare people's lawns for increased heat and drought.

Reduce inputs

Promoting strategies that use less mowing, less water, more drought-tolerant plants, targeted pest treatments, and manual and electronic equipment to build a more self-reliant backyard

Increased biodiversity

Lawn alternatives, pollinatorfriendly plants, and bird-friendly backyards are simple ways to increase biodiversity in the American backyard.

Ultimately, with the help of our science team, Sunday hopes to shift and even reset cultural expectations of the backyard landscape.

INGREDIENTS & SOURCING

Ingredients & sourcing

At Sunday, we believe in caring for our land in a way that reconnects us with nature, supports the environment, and saves our resources, money, and time. We couldn't do it without the right ingredients—and in 2022, we made some exciting additions to the ingredients and by-products in our products.



Developed garden fertilizers

Garden is a new category for us, and we made sure to incorporate key by-product ingredients in our garden fertilizers, like composted turkey litter and feather meal. We also made sure these products earned an OMRI listing for organic gardening. We look forward to introducing fully organic-certified garden fertilizers in 2023!



Increased seaweed extract use

We increased the seaweed extract in select nutrient pouches in 2022 to boost drought tolerance and resiliency for lawns in arid climates. This includes the launch of Lawn Aid, a nutrient pouch composed of 20 percent seaweed that helps prevent heat stress in lawns. We plan to incorporate more seaweed extract in additional nutrient pouches come 2023.



Selecting for more sustainable grass seed

In 2023, the majority of Sunday premium seed will include A-LISTapproved* grass seed, which can help reduce traditional watering and maintain greater tolerance to drought conditions.

*A-LIST stands for Alliance for Low Input Sustainable Turf. A-LIST is a non-profit that works with turfgrass industry members to create and promote more sustainable grass varieties and growth methods.

Ingredient deep dive

One ingredient that sets our nutrients apart is surfactant technology. This technology makes it easier for soil to absorb moisture and promote healthy plant growth—and can actually cut supplemental watering needs by up to 20 percent.



What are surfactants?

At a basic level, surfactants are materials that increase water efficiency. They do this by reducing the surface tension of water, which increases soil's ability to take in moisture and promote healthy plant growth.



How else is Sunday conserving water?

We sold **1,074** new low-water use plants in 2022. We also created Sunday sprinkler gauges to make it easy to audit and improve water use.

Which Sunday products use surfactant technology?



PRODUCT IMPACT: PRECISION APPROACH

Product impact: precision approach

Our precision approach uses Minimal Levels of Sustainable Nutrition (MLSN) to interpret soil health. Instead of traditional, excessive fertilizer applications, our Smart Lawn Plans use light, frequent nutrient dosing to grow stronger, more resilient lawns with less. This means less product, less runoff, and, ultimately, less environmental pollution.

Compared to conventional lawn plans, Sunday customers in 2022:



Used **79,061** fewer pounds of pesticide



Applied **2,149,808** fewer pounds of fertilizer



Treated **96.2%** less land with herbicides by opting for spot treatments instead of harsh blanket herbicide treatments that cover the entire lawn

PRODUCT IMPACT: POLLINATORS & WILDLIFE

Product impact: pollinators & wildlife

At Sunday, better lawn care means more than just greener grass. It means building a sustainable yard ecosystem—and caring for our crucial pollinators. Here are the ways we helped support pollinators in 2022:



Customers planted an estimated 1,876,565 sq. ft. of yard space with diverse plants from Sunday.



81 percent of live plants + trees we sell are pollinator-friendly and support wildlife.



Launched a brand-new category solely focused on supporting birds and bird-friendly yards.



Distributed enough free seeds to customers to plant 2,259,210 square feet of wildflowers for pollinators.

That's nearly 40 football fields!

Packaging

In 2022, we prioritized flexible packaging to reduce material, recycled content, and the overall recyclability of our products. We built upon the advances we made in 2021—like increasing concentrated formulas and reusable packaging—with further increases in shipping efficiency and reduced transportation emissions. Even though there's still so much opportunity to grow, we're proud of the progress we made this year.

Packaging progress highlights:



We expanded our use of post-consumer recycled content.

We created a new flexible pouch in 2022 made with 30 percent post-consumer recycled content.



We reduced material use.

- We prevented 63.9 metric tons of plastic use by developing a flexible gallon pouch and sprayer.
- ✓ This new pouch design allowed us to use 92.6 percent less raw material.



We verified our corrugated sourcing.

All of our corrugated material is now sourced from Forest Stewardship Council (FSC) or Sustainable Forestry Initiative (SFI) certified producers.



We increased packaging recyclability and recycling literacy with How2Recycle.

- ✓ 80 percent of retail products are now How2Recycle-enrolled.
- ✓ Label roll-out is scheduled for 2023.



We've onboarded new tools to help us reach our goals.



- √ The EcoImpact COMPASS Packaging Life Cycle

 Assessment (LCA) tool calculates the environmental
 impact of packaging through metrics like greenhouse
 gas emissions, fossil fuel use, and water use.
- ✓ We're aiming to conduct LCAs for all of our core products by 2025. The EcoImpact Tool helps us take one more step toward that goal.



We're just getting started.

In 2023, we're switching our Bare Repair products from rigid plastic to bags, which will reduce plastic use by **86 percent** and add **7.6 percent** postconsumer recycled content.

We're on track to make **80 percent** of our rigid containers recyclable by 2024.

Supply chain & waste reduction

Reduce. Recycle. Reuse. They're simple words, but they're vital to who we are as a company. When we have leftover products, or the opportunity to cut back on our environmental impact, we believe we can—and we should.



Donated our surplus of 6,894 wildflower seed packets



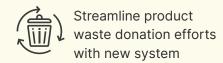
Donated 400 gallons of liquid nutrients



Recycled 18.4 tons of corrugated material and 0.5 tons of plastic



Recycled or donated **50**percent of our product and packaging waste by weight and responsibility disposed of remaining waste.





Increase recycling and donations from 50 percent to **65 percent of our product and packaging waste** by weight



Source 40 percent of product pouches domestically by EOY 2023 preventing 5,596 miles of sea freight

SUPPLY CHAIN & WASTE REDUCTION

Partnerships

At Sunday, we believe that a little piece of land can make a major impact—and that a better lawn means a better planet for all of us. But the work doesn't stop there. As a 1% for the Planet business, we give 1 percent of revenue to help protect, cultivate, and support America's wild places.

In 2022, we deepened our relationships with the 10 nonprofit partners we support as a 1% for the Planet business. Check out these 2022 highlights from some of our partners.













Tallgrass Prairie Preserve

28,111 acres of tallgrass prairie burned with beneficial prescribed fire to help revitalize and restore the tallgrass prairie ecosystem.

Resource Central

66,000,000 gallons of water saved through Slow the Flow sprinkler efficiency evaluations and other conservation programs.

Audubon Rockies

38-acre solar garden project created to incorporate a 1.8-megawatt solar array with **over 5,000 plants** for bird-friendly habitat.

Pollinator Partnership

170,000 acres of monarch habitat enhanced to support this endangered species in key areas along their annual migration.

American Forests

100 cities achieved Tree Equity status by converting unused land into accessible green space to improve human and environmental health in urban areas.

2022 partner highlight:

Pollinator Partnership



Pollinators are the unsung heroes of our food supply, responsible for one out of every three bites we consume. They also sustain our ecosystems and produce our natural resources by helping plants reproduce—and our backyards can make a significant impact on their health and habitat, which are currently at risk.

That's why this year, we started a new partnership with the Pollinator Partnership. Their mission is to promote the health of pollinators, critical to food and ecosystems, through conservation, education, and research.

We joined the Pollinator Partnership at the 2022 North American Pollinator Protection Campaign (NAPPC) with over 170 other diverse partners across nonprofits, businesses, and government. At the conference, we attended presentations from leaders at the forefront of pollinator issues, engaged in breakout sessions, and heard emerging research updates.

Through these sessions and discussions, we identified key areas to inform future pollinator efforts at Sunday. These efforts include:

- Building community around pollinators at all levels of our business, from retailers and suppliers to customers
- ✓ Promote pesticide label literacy
- Engage in pollinator-friendly product development
- Promote and engage in pollinator awareness campaigns
- Seek out pollinator habitat certification opportunities

EMPLOYEE IMPACT

Employee impact

For Sunday employees, the work doesn't end at 5 p.m. We strive to create a positive impact year-round on the world around us. Here's a look at some of our employee-led initiatives in 2022:



Earth Day cleanup

More than a dozen employees removed ~300 pounds of trash across 12,500 square feet of a public trail called Goose Creek Path in Boulder, CO.



Lights Out participation

40 employees across 12 major U.S. cities took the Lights Out pledge to help migrating birds with reduced light pollution.



Habitat Hero garden planting day

Sunday employees and Audubon volunteers led ~300 students in planting nearly 1,500 native plants in Gardens on Spring Creek in Fort Collins, CO.

We strive to create a positive impact year-round on the world around us.

Thank you

Real people. Real yards. Real impact. That's what we're all about—helping regular people take better care of their little plot of land. And as our business grows, we plan to continue to expand our offerings while holding ourselves accountable for our own footprint. There's nothing more important to us than staying true

to who we are: a group of people who believe in growing better together. We're honored to have the opportunity.

Thank you.

- The Sunday Team



Appendix

Calculations

Our calculations were made using:

- i. Outbound order data
 - 1. Product quantities ordered
 - 2. Lawn size
- ii. Packaging specifications
 - 1. Material weights
 - 2. Recycled content
 - 3. Recyclability
- iii. Product specifications
 - 1. Ingredient lists
 - 2. Active ingredient weights

We used the EcoImpact COMPASS LCA Tool for Packaging to calculate the impact of our packaging design.



Assumptions

Wildflower habitat area

We calculated potential wildflower habitat area using the number of seed packets sent to customers this year, including wildflower seed packets distributed free in every lawn plan package and those donated to our partner organizations and local nonprofits. We assumed that all wildflower seed packets were planted according to instructions and yielded their maximum possible area (10ft2 or 20 ft2, depending on seed type).

Fertilizer and pesticide reduction

Our estimates for fertilizer and pesticide reduction are based on five major assumptions.

We assumed that our customers did not apply any non-Sunday fertilizer or pesticide products in addition to their Sunday Lawn Plan.

- ✓ If customers were not using the Sunday Lawn Plan they would be following a comparable competitor lawn plan instead. We used a leading lawn & garden company's lawn plan to model this hypothetical alternative.
- We used our customers' ratings of their lawn quality during subscription sign-up to determine a comparable alternative lawn plan.
- Customers used the full container(s) of Sunday product(s) sent to them and applied over the maximum application area for the given product.
- ✓ We only included customers on a full-year Lawn Plan subscription. This does not capture customers purchasing products à-la-carte online or through our retail partners.

Reporting period

In 2022, we adjusted our reporting period to capture all sales and activities taking place from 10/01/2021 - 09/30/2022. Doing so allows us to align with other reporting timeframes and also leaves more time to compile data at the end of the year, cross our t's, and dot our i's. Making this switch may result in some overlap between the data from this year and last year, but should be kept to a minimum because we are a seasonal business, and the bulk of our annual sales end prior to October. The exception to this is the end-of-year wildflower packet donations we made in 2021. These will be double-counted, but will exclude our 2022 end-of-year donations.