

I M P A C T  
R E P O R T  
2 0 2 2 / 2 3





# A word from our Managing Director

- Mr Henry Rawson

Small World has been committed to reducing our impact on the planet, and that of our customers for many years now.

2023 see's us progressing this commitment further and faster with the commitments we have included in the attached 2022/23 Impact report.

While high quality offsetting DOES result in carbon savings, it does not directly reduce a company's baseline and leading global companies should be striving to continually reduce their baseline.

Our focus for the future is moving toward measurable and significant changes to our

business and supply chains, holding ourselves accountable to transform our business even further, to do this we are doing our very first impact report.

We see ourselves as leaders within the hometextile area and have the responsibility of leading by example and championing others to also improve.

Our industry has the opportunity to significantly impact positively on the climate crisis we are all enduring, and we hope everyone reading this can see the positive steps forward that can be made through innovation, hardwork and a commitment to do it for each other and the planet.

# Contents

- Our Sustainable Story*
- Our Impact*
- Planet*
- Product*
- Partners*
- People*
- Our Future*



# Our Sustainable Story, So Far



## Welcome to Small World

Small Worlds exciting journey started with only a dream and a suitcase packed full of samples...

Almost 3 decades on Henry Rawson's unwavering passion and drive has shaped our business into a leading global homewares company.

Our fantastic team of 371 people has been designing, manufacturing and supplying homewares to our partners around the world since 1997. We are a diverse team, uniquely positioned and qualified to fulfill the requirements of the global homewares market in the soft home textiles and ceramic categories. Passion, knowledge, and experience result in our impeccable service.

We have a real social and environmental consciousness, which is at the heart of all we do. Not just for PR, but because it is the right thing to do.

Come and find us, all around this Small World.

# What We Value

## Vision

Small World will be a sustainable global leader in the supply of homewares, whilst pushing the industry for change and continuing to engage and support all our fantastic people and the planet.

## Quality / Integrity

Our customers and suppliers rely on our long held value of quality and Integrity that can be relied on

In terms of strict adherence to compliance, as well as throughout all areas of the business.

## Creativity and Innovation

Supporting our current Brands to express and commercialize their creative visions, and to find and partner with new ones.

## Mission

To supply quality homewares to our global partners, whilst managing the complex value and supply chains with transparency and sustainability.

As a team we design, manufacture and supply beautiful and functional homewares across the world. We can do this because of our amazing team members who all work towards our common goals and understand our values.

## Sustainability

An industry leader in the promotion and implementation of sustainable practices, we have a steadfast and ongoing commitment to safeguard the environment. We strive to improve this everyday.

## People

We value and support all our people, spread across 9

Countries we strive to be inclusive and encourage and rely on the outstanding contributions and unrivalled dedication of everyone in the Small World family.

## Core Values

Relationships are key to the Small World business.

Long term partnerships are our strength, whilst we are always searching for new friends, who are like minded individuals or businesses to partner and work with us.



**OUR  
IMPACT  
PLANET**

# Everyone, everywhere, all at once – the only way to address the climate emergency

The science is well-established, climate change is real and human activity is the primary cause.

The concentration of greenhouse gases (GHGs) in the earth's atmosphere is directly linked to the average global temperature on Earth, and since the Industrial Revolution, both measurements have been steadily rising.

The most abundant of these GHGs is carbon dioxide, which is primarily the product of burning fossil fuels, a through energy intensive industrial manufacturing processes.

Should global temperatures increase by another 1.5°C, the effects of climate change will become increasingly severe.

At 2°C, we could witness:

Over 10  
million people  
affected by sea  
level rises by  
2100

Global sea  
levels rising  
by at least one  
metre

Iceless  
summers in  
the arctic  
ocean every  
decade

The death of  
70 - 99% of  
the world's  
coral reefs



As members of this industry we have a responsibility to find solutions for closing the loop – to remove textiles from landfill and reduce the amount of virgin fibre required in the system.



## Take Action Against Textile Waste

Clothing and textiles currently make up at least 7% of the total amount of waste in global landfill space. Between 80 and 100 billion new clothing and textiles products are produced globally every year. 87% of the materials and fibers used will end up in either incinerators or landfills. Textile waste is expected to increase by a further 60% by 2030.

# Our Sustainable Journey started in 2011..... And continues today.



## Measuring Our Impact

In line with the Government's Environmental Reporting Guidelines we collect and process a vast breadth of environmental data, on an ongoing basis, from our own business, suppliers and partners, so we are able to accurately measure the impact our business has and also effectively plan to reduce our affects even further.

Since 2010 Small World proud to report the following successes:



We have made a 26% reduction in our baseline power consumption and consequent release of carbon, through investing in natural power sources, using recycled product where possible and using natural ventilation systems and lighting.



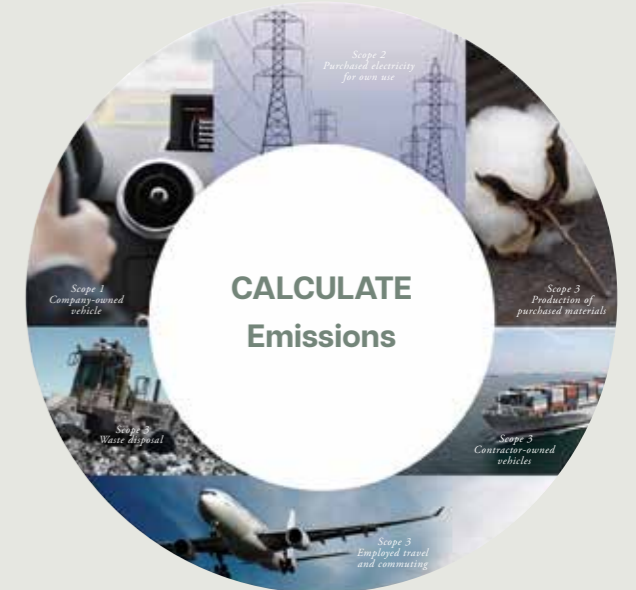
We have offset 282,201 tons of carbon by buying and retiring offsets from major green power installations around the world.



One of our biggest achievements, so far, has been the announcement that our own manufacturing factory, based in Weihai, is now 85% solar powered.



We have achieved 26% reduction on our Scope 1 & 2 green house gas emissions and reduced our Scope 3 by 30%.





## Our Carbon Footprint

We have analysed almost every element of our operations in line with the Government's Environmental Reporting Guidelines, and our sustainability team calculated that for 2022 the carbon footprint for Small World was 30,086 metric tonnes of greenhouse gas\*.



## Summary of emissions per duvet cover

broken down by life cycle stage (kgCO<sub>2</sub>e/duvet cover)

**Product** 100% Cotton Embroidered Duvet Cover **KPI** 12.3 tXCO<sub>2</sub>e per Duvet Cover



Scope	tCO <sub>2</sub> e/duvet cover	%
Raw materials	10.7	87%
Transportation to factories	0.13	1.1%
Production	1.4	11%
Transportation to shops	0.14	1.1%
Total	12.3	100%



# Understanding Our Impact

Emissions are categorised into three 'scopes':



Direct emissions from sources we own or control. Such as fleet or company-owned vehicles, refrigerants, or boilers.



Indirect emissions from the production of purchased and used energy. This includes energy of all forms - like heating, cooling, electricity and steam



Indirect emissions from assets we do not own or control. Scope 3's are also called value chain emissions. They can include emissions from extracting virgin materials, shipping, investments, leased assets, storage and commuting emissions. These usually account for 90%+ of a company's emissions.

Scope 3 emissions are difficult to calculate, as there are so many indirect emissions pathways contributing to a business' footprint; and the more complex the supply, the greater the uncertainty over the accuracy of emissions metrics.

This coupled with the complexity of our global supply chain means it's vital we have consistency in our reporting, without it we couldn't effectively strategise future emission reductions.

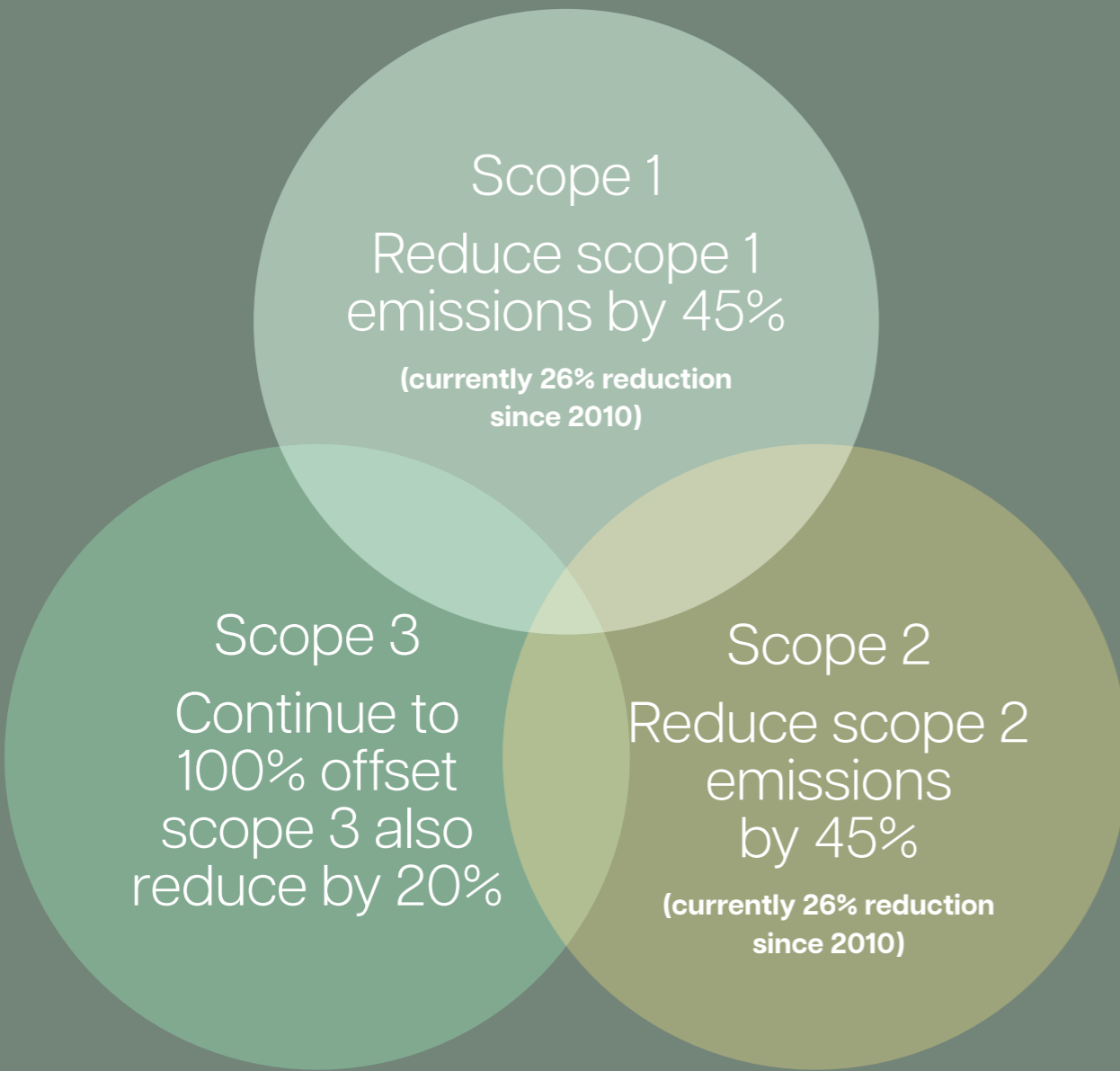
So, to ensure our emissions calculations are accurate we use Government approved conversion factors, that convert collected data into CO<sub>2</sub> estimations.



## A Closer Look

To bring the manufacturing process to life you can see the steps taken to produce our carbon neutral products- from seed to store





Small World's commitment for 2023/24 and beyond:

# We all need to give a sheet

Where do all the old sheets go? We need to Close the loop on the textile lifecycle - Did you know that the average household buys new sheets every 5 years? That's a lot of old and used sheets stored up in linen cupboards

### Innovation

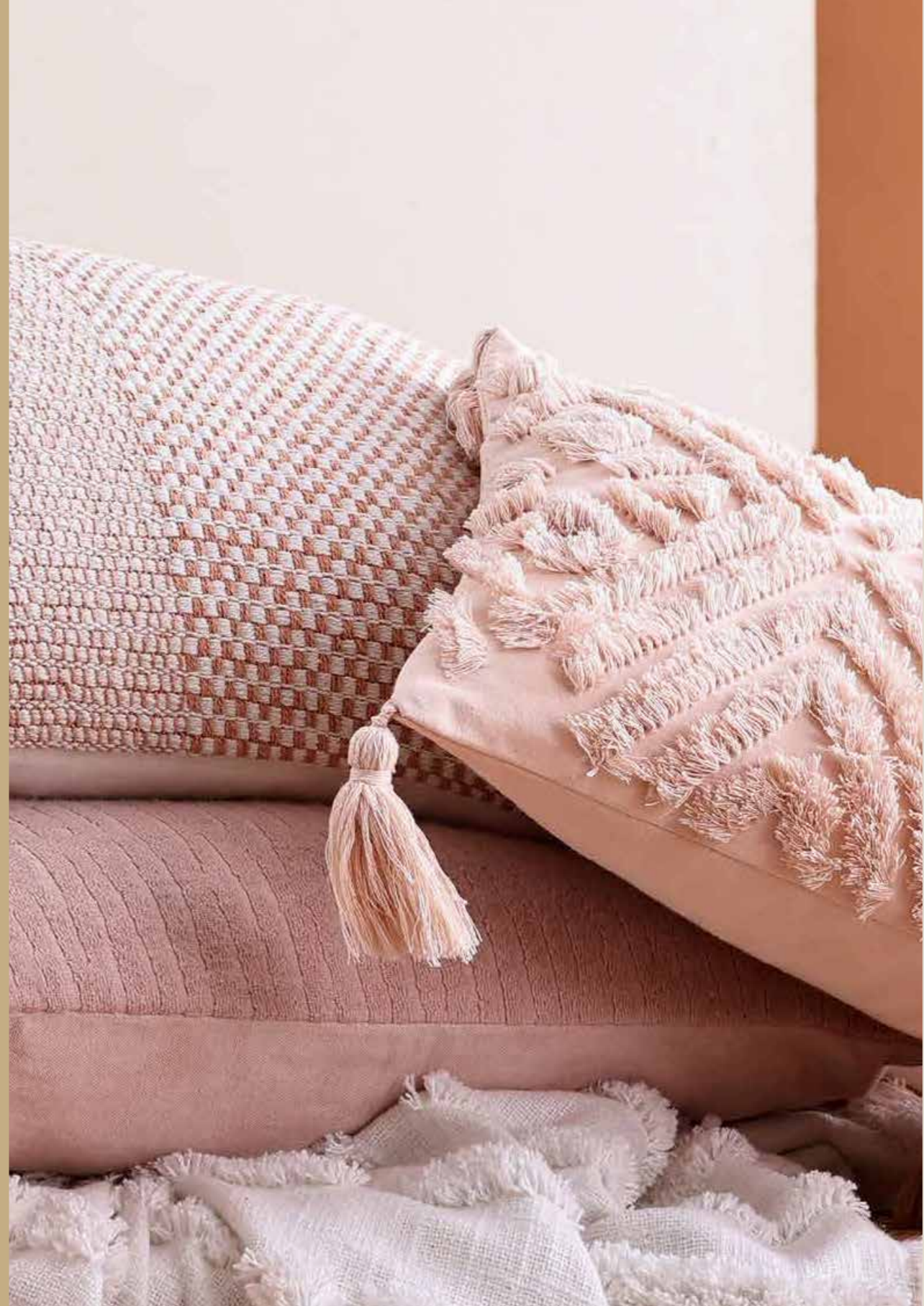
BlockTexx uses its state of the art textile recovery facility developed in Australia to break down textiles into new recycled materials that are used by Australian manufacturers to create a range of new products – they won't be going into landfill, burnt, or exported overseas.

### Textiles – Recycled – Re-used



Small World aims to find a way to send 1/ container of used post consumer Sheets and duvets / month to blocktexx For every kilogram of unwanted textile waste processed we are preventing 30 kg greenhouse gasses polluting the atmosphere. With each pillowcase rescued ... it's a breath of fresh air!

# OUR IMPACT PRODUCT



# Our Product Mission



## Made Smarter

### Fibre Standards

Use more Sustainable fibres and less virgin fibres. We offer more desirable fibre options – Organic Cotton, BCI cotton, re-cycled Cotton, GRS polyester, Renewable Fibres like Tencel and Bamboo blends. We want these fibres to become an increasingly larger part of our business, reducing our and our customers reliance on virgin fibres.

### Innovation

### Sampling

Using technology to reduce the number of samples required in the Development process. Eliminating unnecessary waste.

## Made Smarter

Fibre Standards  
Innovation  
Sampling

To make an impact we have to make some real smart decisions.

To replace high carbon emitting fibres with ones that are lower impact. We need to make hard choices to remove some materials from our system altogether.

It's just not worth the luxury of some fibres, like cashmere and silk.

These will need to be replaced with more and more re-cycled options or alternate fibre choices, as they become available.

## Made Better

Less Waste  
Re-design  
Re-engineer

Now is the time to do things differently.



## Made for Good

Longer Life cycle –  
Circular life  
Use Sustainable and ethical manufacturing facilities.

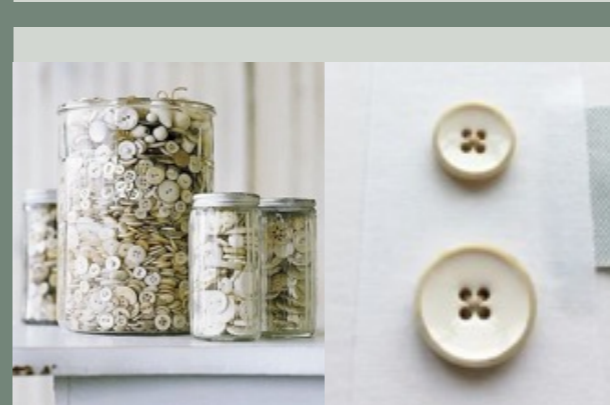
Textile waste is the hidden cost of our industry, that

needs to be addressed and acknowledged.

Removing the amount of product in the cycle and giving real,

Workable options for the product to be re-used or recycled is now a necessity.

Our focus is to continue to strive to make change in this area. And ensure it remains top of mind for key industry players. And we can truly close the cycle.



## Made Better

Less Waste – Re-design / re-engineer -

It is all in the details - Replace all buttons and closures with “recyclable and re-cycled” materials like PET – polyester buttons.

Packaging/ Plastic - Continue to work on eliminating packaging within the cycle -

Our packaging is already recycled, reusable or plastic-free. We are committed to eliminating single-use plastic and virgin forest fibre from our packaging, as well as excess packaging waste in our supply chain.

## Made for Good

### Circular life

- Our aim is to engage with this later part of the product lifecycle in a meaningful and significant way in the near future.

### Use Sustainable manufacturing facilities

- Interman 85% Solar Powered - more production directed to Interman

### Smaller batch sizes

- So there is less need to over buy to meet high MOQs and take unnecessary extra goods



# Our Impact Partners



GLOBAL TEXTILE SOURCING

GLOBAL TABLETOP SOURCING

We have manufacturing expertise from our experience of owning and operating a 300 person factory in Weihai This enables us to effectively manage 26 factories across three continents.

Our own bedding factory in Wei Hai is a model for efficient high quality manufacturing which gives us assurance and the experience to be able to confidently partner with other like-minded factories from around the world.



### Quality/ Integrity

Our customers and suppliers rely on our long held value of quality and Integrity that can be relied on.

In terms of strict adherence to compliance, as well as throughout all areas of the business.

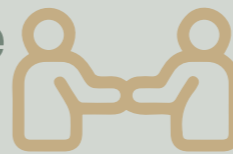
### Ethical and Social responsibility



We provide practical guidance to customers and suppliers, in order for them to make decisions and take actions to reduce GHG emissions, wastage and hazardous chemical usage, and to meet their compliance standards. Our own offices and factories use processes and materials that ensure the lowest environmental impact. We are constantly exploring and offering recycled, regenerative. And renewable materials. For our customers, so clients can Reduce their impact via better Fibre and factory selection.

All partners within our supply Chain must comply with the International Standards for safe working conditions, Including paying fair wages, and providing Healthy and safe work environments. These are audited annually. As a leader in the industry we also offer to help our suppliers improve their Environmental and Social Compliance with free assistance.

### People and relationships



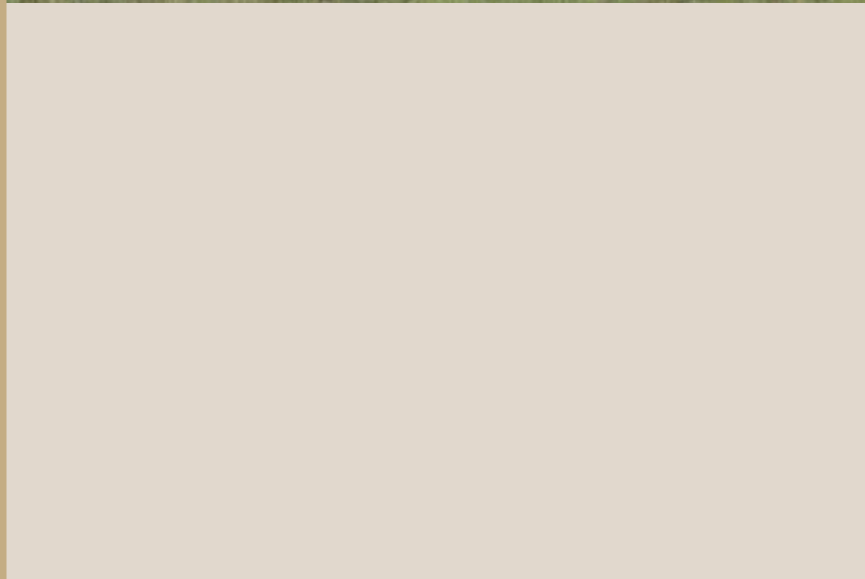
Relationships are important. Rather than pursuing short term business, we emphasize building valuable and lasting alliances with those select factories we choose as the best partners to work with, in order to better serve our clients and customers.

We provide visibility across all tiers of our supply chain, and provide accurate, Timely and transparent information.

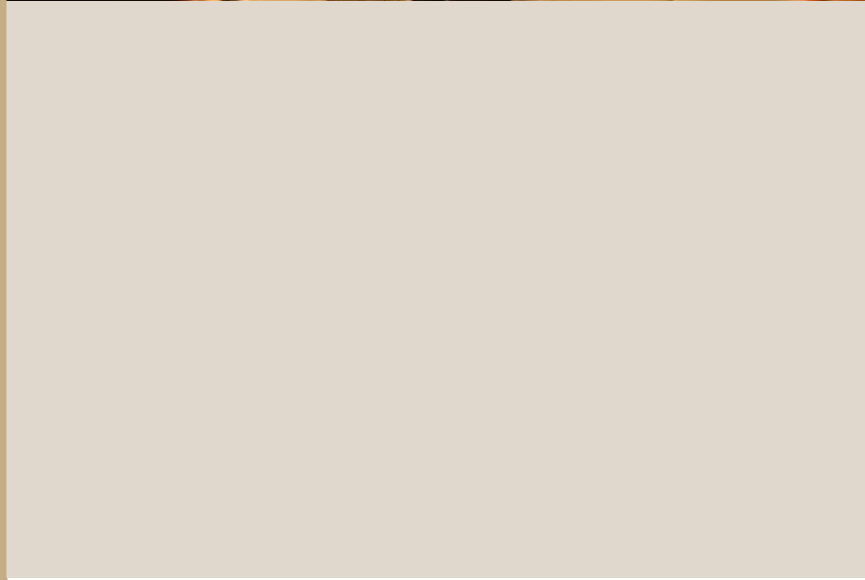
# Small World Pillars of Responsible Sourcing



Relationships are important. Rather than pursuing short term business, we emphasize building valuable and lasting alliances with those select factories we choose as the best partners to work with



Our Impact: People





# Our People

It is a Small World and they're all over the place, really. And we are responsible to ensure safe, healthy, and equitable working conditions for every single one of them.

There are lots of amazing people behind our business. They work in our offices, or factories and our stores. They are our partners, colleagues and vendors and are now our friends.



Provide a comfortable and safe work environment at all our factory, office and store locations



Ensure people are well trained, well respected and always valued.



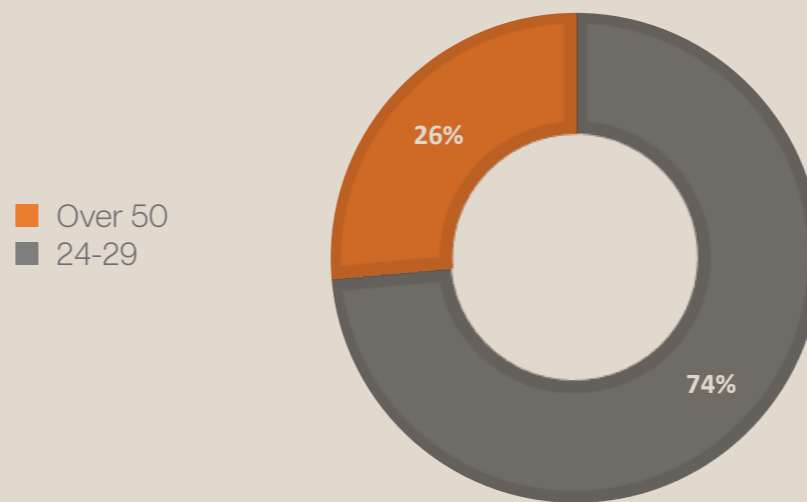




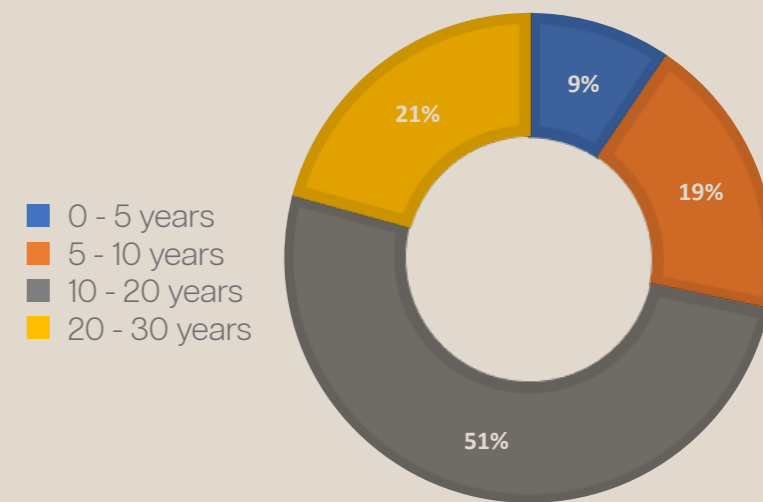
# Who are we?

The people at Small World cover a range of ages, ethnicities and religions. This diversity make us stronger and is A core strength of our business. Respect, integrity, understanding, tolerance and of course having a great time together keep us all here. We are a very committed and dedicated bunch- staff turnover is very, very low, just have a look at the graph below ...

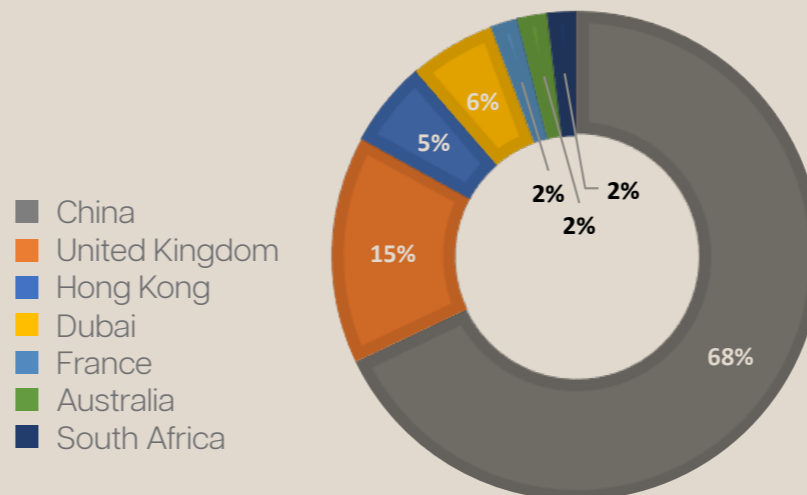
Age



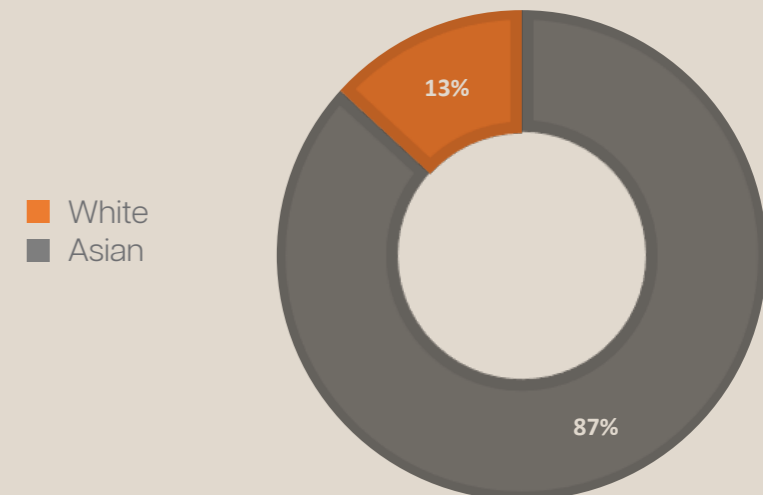
Time employed at Small World



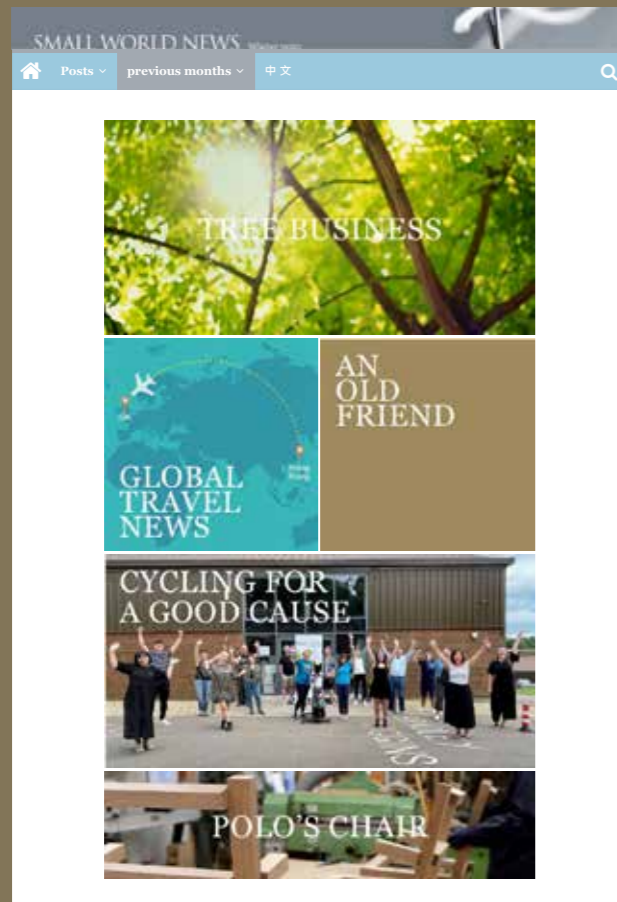
Where we live



Ethnicity

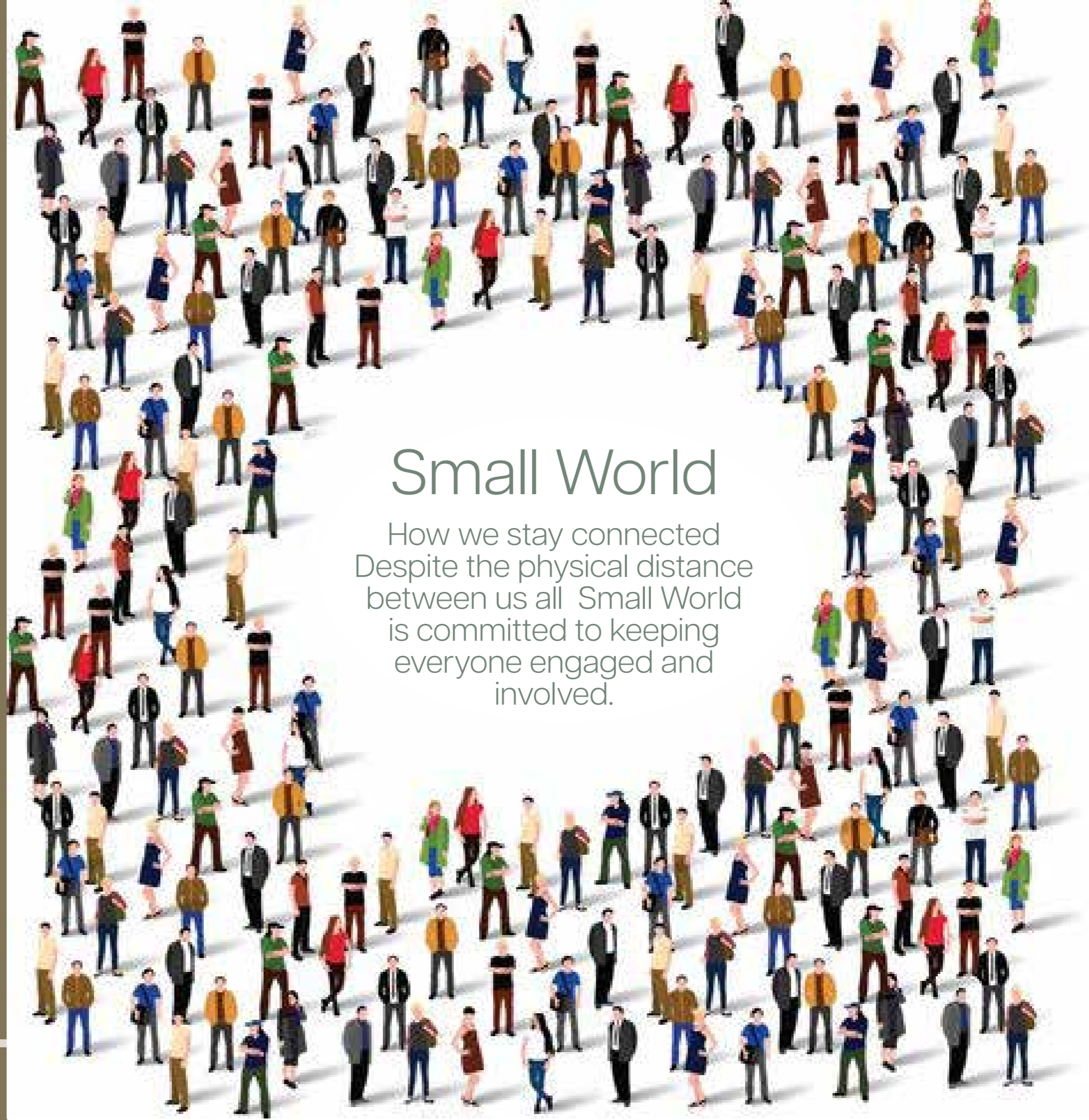


Initiatives like Small World News – to keep us all engaged and connected.



Small World Annual Party- To meet, engage and have fun and celebrate the year together.

Team Building and fun, social days held regularly in different regions.



## Small World

How we stay connected  
Despite the physical distance  
between us all Small World  
is committed to keeping  
everyone engaged and  
involved.

# Small World

How we stay connected  
Despite the physical distance  
between us all Small  
World is committed  
to keeping everyone  
engaged and  
involved.

Initiatives like Small  
World News – to  
keep us all engaged  
and connected. Add  
images...of some of the  
cover pages or headlines?

Small World Annual Party- To meet, engage  
and have fun and celebrate the year together.

Team Building and fun, social days held  
regularly in different regions.



**TEAM  
BUILDING  
DAYS!!**



# Our Next Steps



**Wei Hai B Corp certified by end 2024**

**Interman 100% Solar Powered by end 2023**

**1 container a month of fabric waste to be re-directed to Blocktexx for recycling from Jan 2024**

**Reduce scope 1 and scope 2 emissions by 40% (currently 26% reduction since 2010)**

**Reduce scope 3 emissions- continue to 100% offset scope 3 and also reduce by 20%**

**To double amount of recycled fabrics used within the business annually, year on year.**

**To be an active participant in the circular hometextile economy by 2025**

**Identify and start liaising with community based enterprises in each region in 2024**

**Certified Climate Neutral by end 2024**

**Certified Climate Positive by 2030**



