

Building Better Brands Together

Our commitment to sustainability and growing our positive impact on associates, customers and communities.

Brand Love, Built Better, Together.™

Brands are presented in advertising, but they truly live and evolve in experiences. Brand love is fostered during pivotal moments within customer, consumer and employee journeys. Many of the world's most recognizable brands have been with us for decades because we help people cultivate connections with their brands. Our clients entrust us to create brand experiences that resonate authentically and are aligned with their values.

Together, we can make an impact. This report highlights our commitment to Corporate Social Responsibility (CSR) through an authentic and transparent approach. Utilizing our industry-leading sustainable procurement platform, which adheres to third-party standards, we aim to significantly elevate the sustainability standards within the industry. This endeavor is undertaken with objectivity and authenticity, benefiting all stakeholders involved.

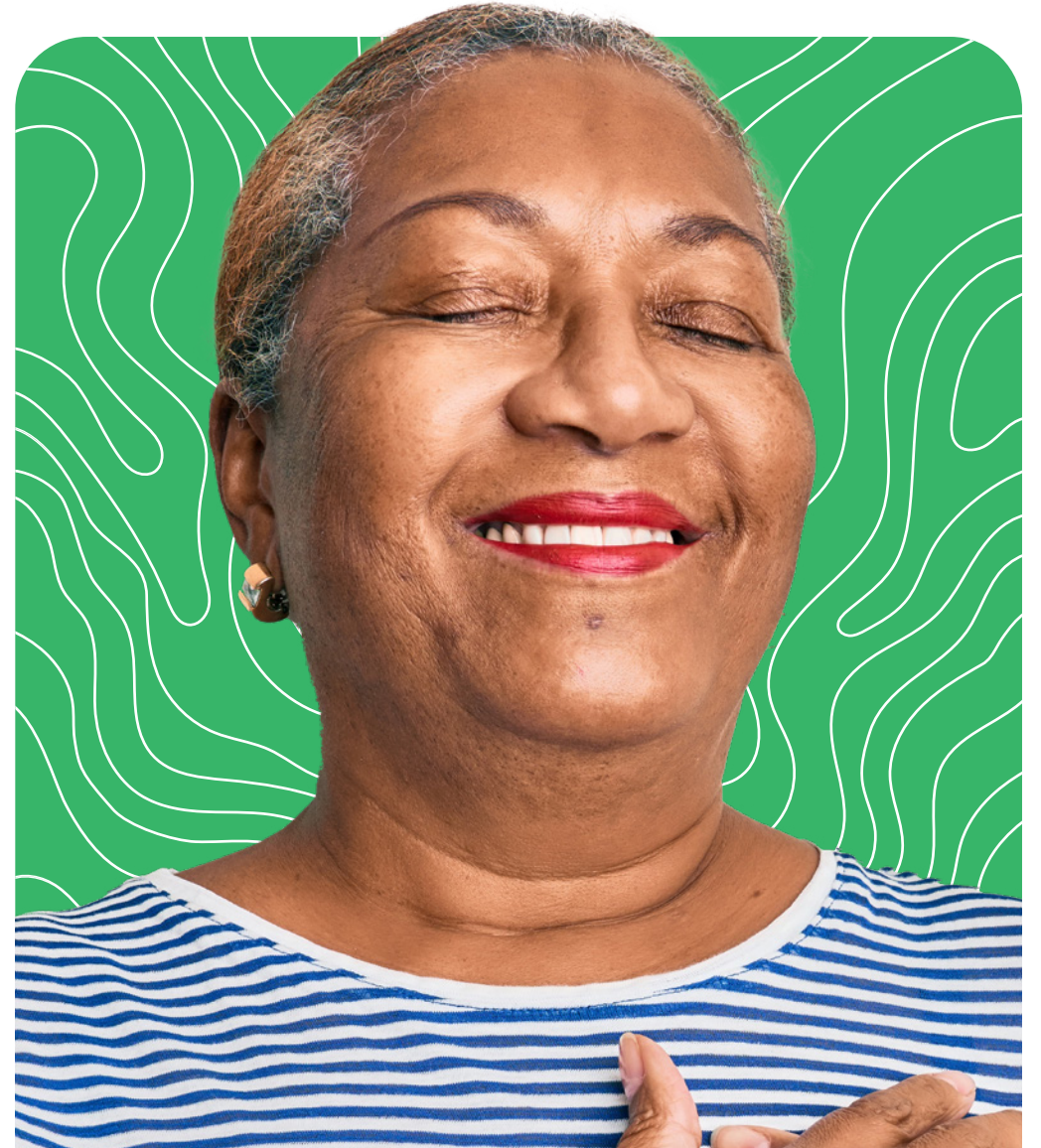
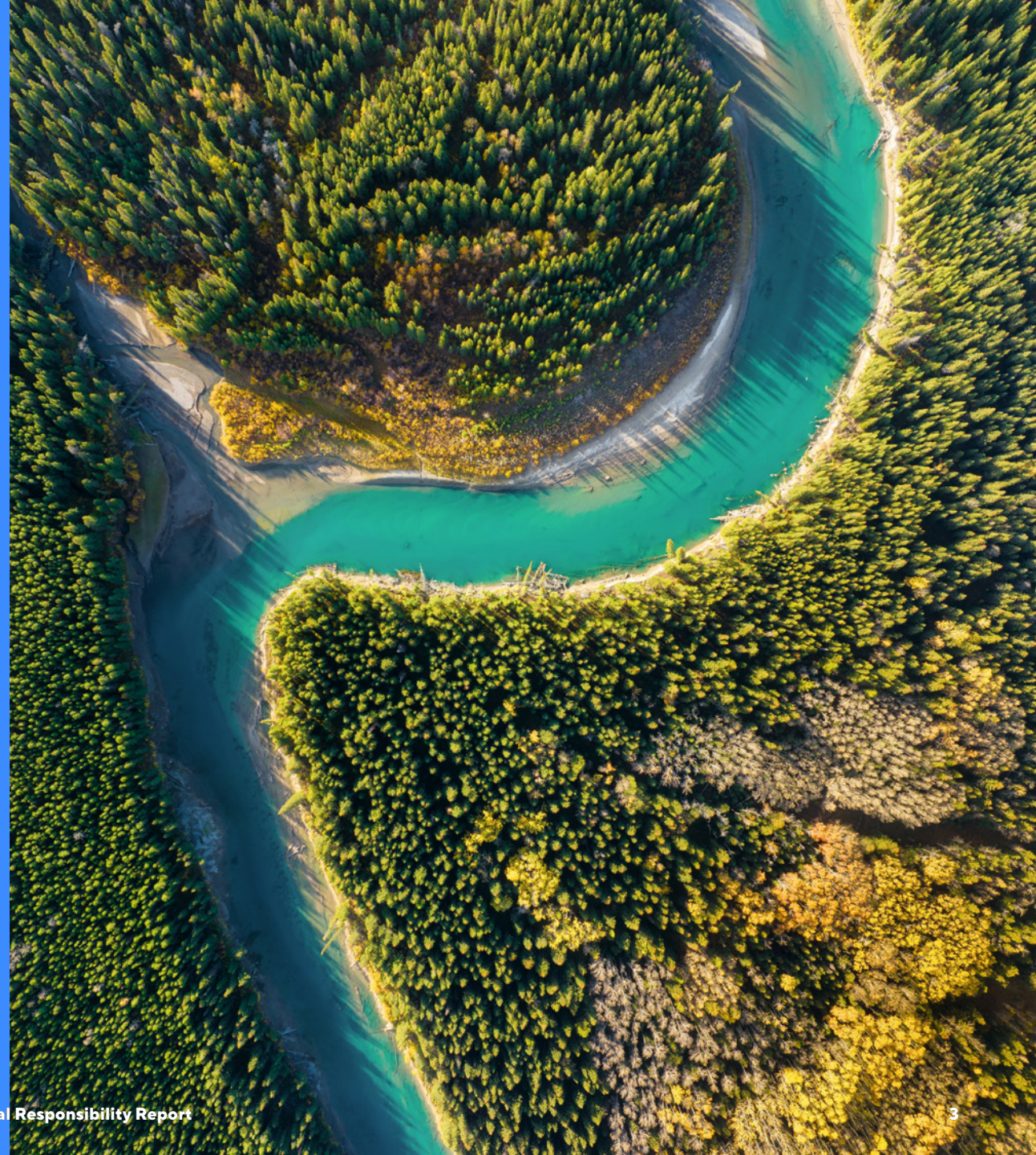


Table of Contents

4	Letter from the President
5	Highlights
7	Insights
8	Business Overview
15	Sustainability
25	Green Light Responsible Sourcing
38	Carbon Strategy
46	Internal Operations
51	Employee Wellbeing
58	Volunteerism
60	Diversity, Equity, Inclusion and Belonging
70	Ethics





“We will continue to invest in people and partnerships, prioritizing our collective endeavors to relentlessly pursue sustainable improvements for the betterment of our environment and communities.”

Building better brands together is our purpose. Much like sustainability, there are waypoints to be celebrated, but the work is never done. As we continue our steadfast journey to build better brands, we are proud to share some of our many accomplishments throughout this report.

In 2023, we completed our first GHG emissions calculation, expanded the scope of our Green Light Responsible Sourcing program and showcased significant improvement within our annual Ecovadis rating for our internal operations.

As the Brand Love, Built Better, Together™ company, we recognize that building better brands is a collective effort between our customers, our suppliers, and our associates. And we express our commitment to build better brands through our brand love promise: *to amplify your brand’s whole heart through meaningful, long-lasting branded merchandise experiences.*

Our vision is to advance the branded merchandise industry toward a more sustainable future. Over the past year, we have increased our spend by more than 50% with suppliers who have committed to Green Light and an annual EcoVadis sustainability assessment. We have been recognized with Supplier Diversity Excellence and “Greatest Company to Work For” accolades as we continue to bolster our collaborations and passionately support our associates.

We cannot cement a sustainable pathway for this industry alone. Therefore, we will continue to invest in people and partnerships, prioritizing our collective endeavors to relentlessly pursue sustainable improvements for the betterment of our environment and communities.

We are both excited and encouraged about our journey ahead, and look forward to creating and further developing partnerships that enable us to **build better brands together.**

Daron Hines

Staples Promotional Products Highlights

SUSTAINABLE
DEVELOPMENT
GOALS

 **PROPS**

People Recognizing
Other People's
Success

7x

More value chain
transparency than
nearest competitor

**Higg
Index** 
Certified Operations


GREEN LIGHT
Responsible Sourcing™

Neurodivergent
Employment
Inclusion via
Village Northwest
Unlimited

88%

Of all U.S. shipments
were carbon neutral
in 2023



**Building Better
Communities**



**PPAI
100**
2023
#3 Distributor
Company

Staples Highlights

11

Business
Resource
Groups



**Matching
401K & RRSP**



\$6,900,000+
Cause for
Caring Matching
Donations



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Annual
**Wellness
Reimbursement**
Program

Believe & Achieve!

LIVING OUR VALUES AWARDS

HSA + FSA
Programs



Junior
Achievement™



Social Justice
Resource Center



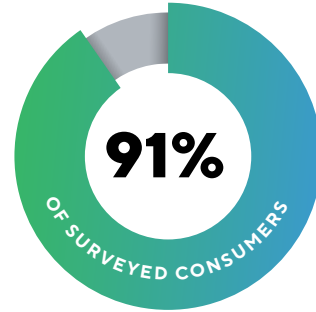
**Subsidized
Healthcare
Plan Options**

Independently-verified advertising sustainability drives brand trust and purchase intent.

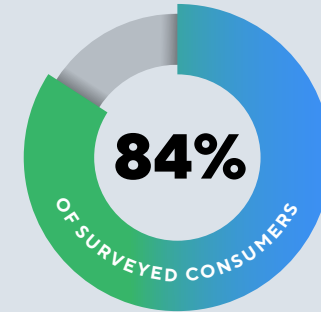
Staples Promo is the only brand merchandiser reporting annual EcoVadis assessment scores for our supply chain partners. This provides independent sustainability verification for the **90% of merchandise value chain no other brand merchandiser discloses.**

Why's that important? A 2021 study by Dentsu* shows consumers more highly trust brands that have sustainability credentials independently verified.

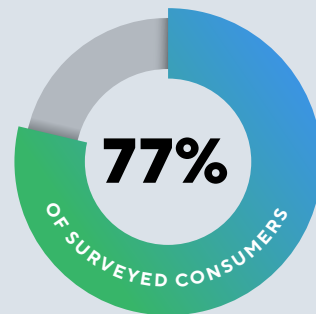
**Dentsu Global Study*



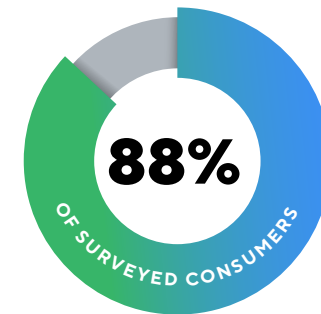
Want brands to demonstrate they are making positive choices about the planet and environment more explicitly in everything they do.



Said they would be more likely to buy from a company that practices sustainable media advertising.



Say in five years' time, they only want to be spending money with brands who practice green and sustainable advertising.



Agree that they will have more trust in brands which have their green credentials verified independently.

Business Overview

We create custom merchandise experiences that grow brand love in hearts and markets around the world.



We are the Brand Love, Built Better, Together™ company.

Our brand experts are passionate about creating merchandise experiences that build love for your brand in hearts and markets worldwide. We combine sustainable branded merchandise procurement with powerful technologies and an EcoVadis-medaled distribution facility. We do it all while providing industry-leading merchandise value chain transparency.

Many of the world's most recognized and successful enterprises choose us to help grow and protect their brands because our solutions are built better.

We have brand and incentive merchandise contracts with:

- **38% of the Fortune 100**
- **19% of the Fortune 500**
- **13% of the Fortune 1000**



Years in business



Custom online branded merchandise stores



Client relationships exceeding a decade



Years ASI Central top 5 sales ranking based on organic growth



Global programs



Fortune 500 clients



More value chain sustainability transparency than nearest competitor



Global distribution hubs



Nike certified embroidery and screenprinting quality



Global online stores & fulfillment



Industry leading distribution services



Global SaaS-based incentive & recognition solutions

We engage audiences around the world.

We help clients around the world harness the power of custom merchandise to build better brands, business results and cultures.

What we do.

- Culture, rewards & recognition programs
- Custom merchandise design
- Custom manufactured apparel & merchandise
- Online branded merchandise eStores
- Online “pop-up” event & gifting sites
- Licensing support
- Kitting & packaging

How we do it.

- Culture & processes that prioritize client outcomes over products
- Secure, global merchandise experience technologies
- Worldwide reporting dashboards
- Industry-leading full value chain sustainability transparency & metrics
- Robust, dedicated domestic & global compliance team
- Back end tech automation lowers process cycles & costs
- Inclusive culture
- High employee engagement
- Vertical expertise
- Global supply chain

Why we do it.

- Improve employee engagement & consequent business results
- Recognize tenure & reward accomplishments
- Add brand intensity to events & sponsorships
- Add “acoustic” brand experiences to integrated marketing mix
- Break digital clutter
- Brand personalize key associate & customer interactions
- Improve communication outcomes
- Enhance affinity marketing
- Add incremental ROI to key investments

Brand Love is borderless.

So are we. The world's most loved brands count on us for multi-national merchandise experiences, online stores, tenure awards and points programs.

We pair agile regional merchandise sourcing, fulfillment and account services with centralized assortment planning, brand guardianship and dashboard reporting.

Our global sourcing and compliance experts ensure every merchandise experience is ethically sourced and brand correct wherever you are.



Find Brand Love with StaplesPromo.com

Find

Discover new and exciting products perfect for your brand, audience and message.

Brand

Upload your logo or design and preview the brand experience.

Love

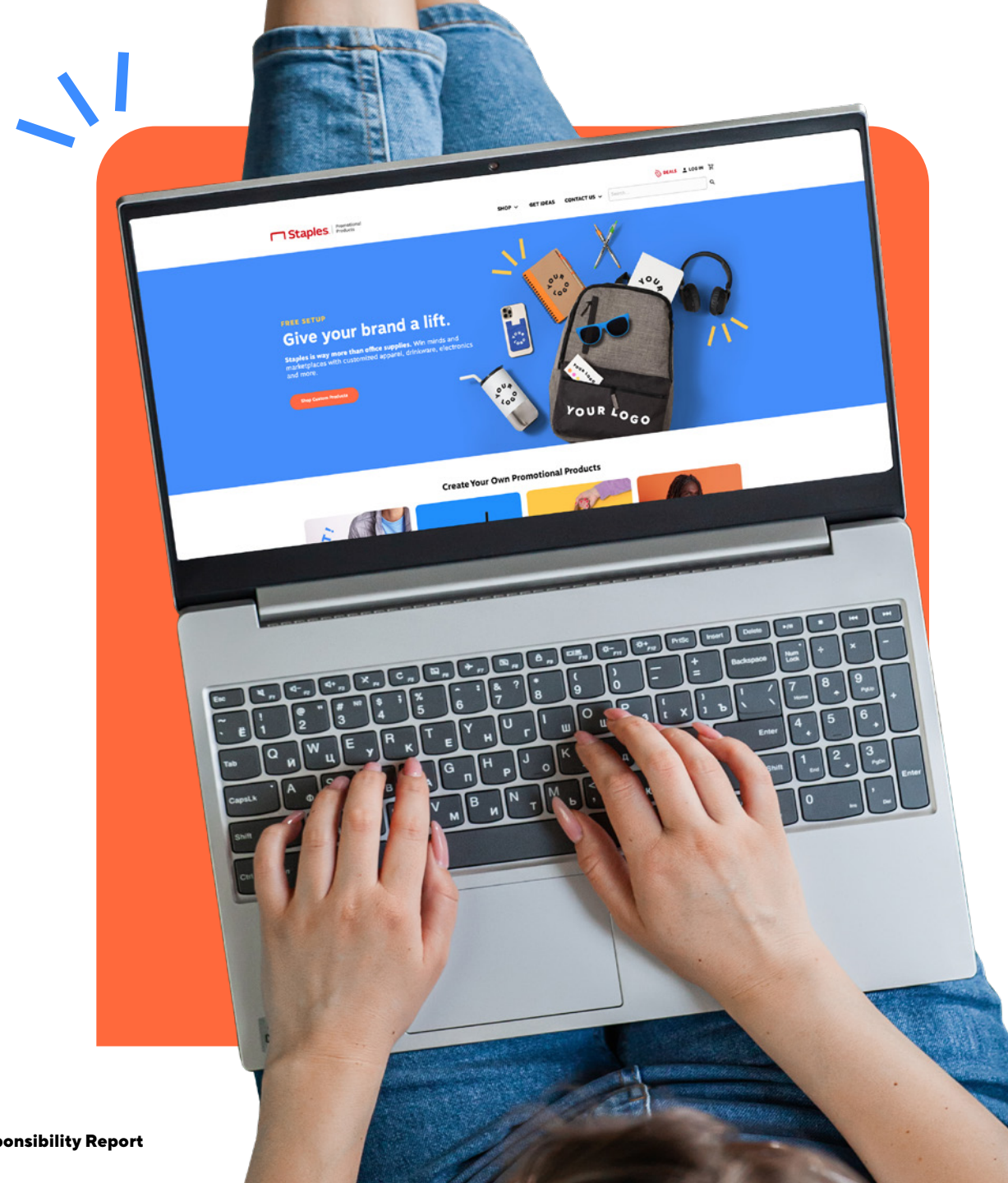
Give people engaging merchandise experiences that help them love your brand as much as you do.



StaplesPromo.com



StaplesPromo.ca



Employee Engagement Solutions

We help clients weave a ribbon of brand love throughout all meaningful moments of a career journey... from recruitment to retirement and all the accomplishments and events in between.

Each solution is designed around client-specific objectives, branding and messaging. We leverage our SaaS platform to issue points and allow recipients to select their own award, which reduces shipping waste.

Additionally, for every award ordered on our SaaS platform, a tree is planted.



Our Values



Deliver for Customers

We strive to deeply understand and create real solutions for customers. We continually innovate, execute and make it easy to choose us.



Keep it Simple

We focus on what is most important. We eliminate complexity and are not distracted by things that do not matter.



Get it Done

We give it our all and push ourselves to be our best. We continuously learn and stretch to achieve our goals and believe in accountability.



Win Together

We play as an inclusive and diverse team. We collaborate to break down internal barriers to deliver results. We always play to win.





Sustainability

Our holistic strategy extends sustainability transparency further into the value chain, fostering unparalleled metrics and insights.

The most impactful sustainability journeys are holistic.

To improve sustainability, it is imperative to influence not only operations, but also our supply chain. That's because supply chain is where over 90% of all adverse environmental impacts occur.

This report outlines our holistic approach.

We demonstrate:

- Year-over-year sustainability improvement metrics for our own operations.
- Year-over-year sustainability improvement metrics for our supply chain partners.
- How our relationship with EcoVadis and our exclusive Green Light Responsible Sourcing platform provides objectivity and transparency for more of the value chain than any other brand merchandiser.



Staples Promo Corporate Social Responsibility Team

Our CSR journey is guided by a multidisciplinary team with over 160 years of collective branded merchandising experience. Each member has expertise in different areas of the business. Multiple perspectives enrich our more holistic strategy for improving sustainability, DEIB and community support. The team continuously monitors progress and advises Senior Leadership on how our CSR strategies, tactics and investments should evolve.



Larry Sanson
Director, Facility Operations



Tom Goddard
Director, Procurement & Supply Chain



Jason Hisey
Sr. Solutions Manager, Supply Chain & Sustainable Strategy



Ruiping Ramboldt
Manager, Global Projects & Solutions



Heather Wunderlich
Manager, Global Compliance



Candi Vink
Executive Assistant



Cathy Ward
Director, Strategic Project Management



Melisa Courtney
Manager, Brand Marketing



Bill Gossman
VP Customer Experience



Amitesh Patro
Business Development Executive, Canada



Sam Krause
Content & Engagement Strategy



Starr Plowman
Project Manager



Maura Swanson
Sr. Marketing Manager



Sarah Schlosser
Manager, Brand Creative



Colin Adams
Art Director

Our Staples Advantage

Staples is committed to giving every business an advantage, including ours.

Staples, Inc. is keenly focused on progressively improving the sustainability of all business consumables. They also recognize how important it is that brands have full and specific value chain transparency for the products that broadcast their brands into hearts and marketplaces around the world.

Accordingly, Staples Promo is the only line of business to separately control and report sustainability content. We've leveraged this independence to create unmatched branded merchandise value chain transparency. At the same time, we also contribute to Staples-wide goals such as Science Based Target initiatives (SBTi) approved GHG reduction goals.

Even though our people, technology, operations and sustainability controls are singularly dedicated to branded merchandise, the leadership and shared resources of Staples provides industry-exclusive advantages.

For example, membership in the Staples Sustainability Advisory Council brings synergies to our respective sustainability planning and investments. Staples also provides shared services, such as benefits administration and the Social Justice Resource Center, which enable us to attract the industry's best and most diverse talent.

In sum, the collective Staples advantage and support enables us to concentrate more on the client brand missions and sustainability leadership while spending less time and resources on administrative functions.

Staples, Inc. Sustainability Team

The sustainability department provides strategic direction and subject matter expertise, establishes goals and KPIs, measures and reports on progress, and supports the business and our customers.

Jake Swenson
Director, Sustainability

Eamon Devlin
Manager, Sustainability

Staples, Inc. Sustainability Advisory Council

The advisory council provides input and advice to the Staples senior leadership team and sustainability department regarding our sustainability strategy and goals and supports business alignment.

Cristina Gonzalez
Chief Legal & Diversity Officer

Brad Young
VP, Global Sourcing
Manufacturing & Operations

Allison Girolimetti
VP / GMM

Andrew Freedman
VP, Customer Success

Daniel Goehry
Director, Transportation
Dedicated Operations

Carly Kearnan
VP Merchandise Operations
& Vendor Management

Stacy L Gilmore
Director, Customer Development
Staples Advantage

Jason Hisey
Sr. Solutions Manager,
Supply Chain & Sustainability Strategy

Purpose

We build better brands while caring for people and planet.

Mission

Deliver best-in-class solutions through our holistic approach of third-party certified products and enhanced supply chain oversight via aggregated supplier sustainability ratings, enabling full value chain transparency.

Vision

Advance the industry toward a more sustainable future through focus on internal operations and sustainable procurement practices.

Our Strategy

1

Collaborate with Staples, Inc. to achieve our Science Based Target initiative (SBTi) approved goal of reducing operational emissions 35% by 2028; annually measure GHG emissions; and implement processes for reductions.

2

Use EcoVadis Carbon Action Module to assess carbon strategy maturity for supply chain partners; provide coaching and incentives to improve; and encourage each to adopt science-based targets.

3

Measure supply chain and internal operations annually with EcoVadis Assessment Ratings while driving continuous improvement across the value chain.

4

Educate internal buyers, as well as suppliers, on sustainability initiatives and best practices.

5

Coming in 2024 – Provide sustainability reports specific to client merchandise consumption; create a sustainable product program featuring only third-party verified sustainable products; and partner with suppliers to widen assortments of such products.

United Nations Sustainable Development Goals are our shared blueprint for more responsible advertising.

The United Nations has objectively defined 17 Sustainable Development Goals (SDGs). These goals provide a “shared blueprint” to tackle climate change and preserve our oceans and forests.

Shared UNSDG alignment is an opportunity to build better brands together. It makes brand merchandising with Staples Promo a deeper investment in your own sustainability goals and brand promises.



Our UNSDG-Aligned Commitments

13 CLIMATE ACTION



Science Based Targets initiative (SBTi) has approved Staples goal of carbon emissions reduction.

Our 500,000 sq. ft promo-dedicated facility, located in Orange City, IA, is **100% powered by green energy.**

88% of shipments were carbon neutral in 2023.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Green Light Responsible Sourcing measures suppliers.

Focus on **continuous improvement** with waste diversion from landfills and incineration.

Outline standards for **sustainable products.**

6 CLEAN WATER AND SANITATION



Monitor waste use at promo-dedicated facility.

Use of water-soluble inks certified to be free of harmful pollutants.

Biannual wastewater testing.

Here's how we bring more sustainability objectivity, authenticity and transparency to branded merchandise.



Annual EcoVadis assessment for own operations.

Staples Promo operations are annually assessed and scored for sustainability by EcoVadis. Independent, objective sustainability assessment and reporting stop here for most all distributors... but not for Staples Promo!

ONLY STAPLES PROMO

Annual EcoVadis assessment for each supplier partner's operations.

Staples Promo is the only brand merchandiser that requires its supplier partners to annually undergo the same 4-theme, 21-criteria EcoVadis sustainability assessments for their own operations.

ONLY STAPLES PROMO

Exclusive EcoVadis supplier sustainability dashboard.

Supplier partner EcoVadis assessments for all themes and criteria populate our exclusive dashboard, enabling us to more effectively plan and drive sustainability improvement with each partner. The dashboard informs exactly where and how to partner for year over year score improvement.

ONLY STAPLES PROMO

Global Green Light Responsible Sourcing standard.

In 2023, Staples Promo became the only distributor uniting domestic and global supplier partners under the same independent and objective EcoVadis-powered sustainable procurement and reporting platform.

ONLY STAPLES PROMO

Annual reporting of aggregate supply chain score & procurement dollars.

Staples Promo is the only distributor that reports a separate aggregate EcoVadis score based on the overall performance of assessed suppliers, for each country. We are equally transparent about the ratio of our total procurement dollars that are EcoVadis-assessed.

COMING SOON

Reporting for client-specific promo purchasing that is independently sustainability certified.

By the end of 2024, we will provide each client with reporting detailing their enterprise's purchases of branded merchandise that is independently certified by a third party to be sustainable.

We're leading industry-wide change in three ways.

1

Growing supplier participation.

We are the only brand merchandiser influencing supply chain partners to undergo annual EcoVadis assessments. Our program thereby increases the number of suppliers collecting the requisite data for progressive improvement.

In 2023, we grew U.S. supplier participation by 28% and the overall network by 71%.

2

Leveraging supplier data to improve scores.

Our dashboard uniquely enables us to leverage objective data to partner with and incentivize supply chain partners to target and plan year over year improvements to their ratings.

We are happy to report that suppliers reassessed in 2023 improved by an average of 11%!

3

Setting the industry's standard for value chain improvement & transparency.

By driving sustainability improvement in the operations of our domestic and global supply chain partners, **we create impactful change that resonates through the whole industry.**



GREEN LIGHT

Responsible Sourcing™

Green Light Responsible Sourcing provides EcoVadis sustainability transparency for the 90% of the value chain no other brand merchandiser objectively quantifies or reports.

Green Light Responsible Sourcing is our proprietary sustainable procurement platform.

It's the industry's only sustainable procurement platform fully powered by EcoVadis, the world's largest and most trusted provider of business sustainability ratings.



+

ecovadis

=

✓ Objective, quantitative, supply chain sustainability performance improvement

Green Light exclusively provides full value chain transparency.



10% Value chain sustainability transparency is not good enough.

Half of the industry's top 40 merchandise distributors have EcoVadis assessment scores. For them, EcoVadis transparency stops here—giving you less than 10% value chain sustainability transparency.

Over 90% of adverse environmental impacts originate in supply chain. (McKinsey)



Green Light gives you 100% value chain sustainability transparency.

Through Green Light, Staples Promo is the only brand merchandiser that requires our suppliers to annually undergo EcoVadis assessment, too.

Accordingly, we independently verify and annually report sustainability for the **90% of the value chain no other brand merchandiser objectively quantifies or discloses.**

Green Light provides objective and quantitative supply chain sustainability performance data.

EcoVadis Credibility

EcoVadis independently assesses and reports 21 different individual supplier sustainability scores, assuring more data objectivity, consistency & integrity.

Dashboard Visibility & Actionability

Objective dashboard views of aggregate and individual supplier sustainability performance across 21 criteria align our improvement targets where the most impact is achievable with each supplier, (or group of suppliers with the same sustainability challenge).



More Quantitative Sustainability Performance Metrics

EcoVadis assessment scores provide a precise, quantitative comparison of supplier sustainability performance and improvement, year over year.

More Impactful & Resonant Change

By methodically and progressively improving supply chain sustainability, we create change that resonates far beyond the direct influence of our own operations.

Green Light Responsible Sourcing Criteria

Green Light supplier assessments are independently conducted by **EcoVadis**, the world's most trusted sustainability ratings agency. Each comprehensive assessment covers **21 criteria across four themes**. EcoVadis blends the scores for each theme into a composite score which considers each respective supplier's size, industry and country of operations.

Environment

- Energy consumption and GHGs
- Water
- Biodiversity
- Local & accidental pollution
- Materials, chemicals and waste
- Product use
- Product end-of-life
- Customer health and safety
- Environmental services and advocacy

Sustainable Procurement

- Supplier environmental practices
- Supplier social practices

Ethics

- Corruption
- Anticompetitive practices
- Responsible information management

Labor and Human Rights

- Employee health and safety
- Working conditions
- Social dialogue
- Career management and training
- Child labor, forced labor and human trafficking
- Diversity, discrimination and harassment
- External stakeholder human rights

Green Light Responsible Sourcing Scoring Scale

Each supplier's annual composite score indicates how much they've progressed in their sustainability improvement journey.

We monitor each supplier's respective theme and composite scores in a dashboard that enables more effective planning and partnerships to improve supplier performance.

We also aggregate the scores of all assessed suppliers so we can report our annual supply chain sustainability performance with the same objective scale.

EcoVadis Scoring Scale Guide

Insufficient

No engagements or tangible actions regarding sustainability. Evidence in certain cases of misconduct (e.g., pollution, corruption).

Partial

No structured sustainability approach. Few engagements or tangible actions on selected issues. Partial reporting on Key Performance Indicators. Partial certification or occasional labeled product.

Good

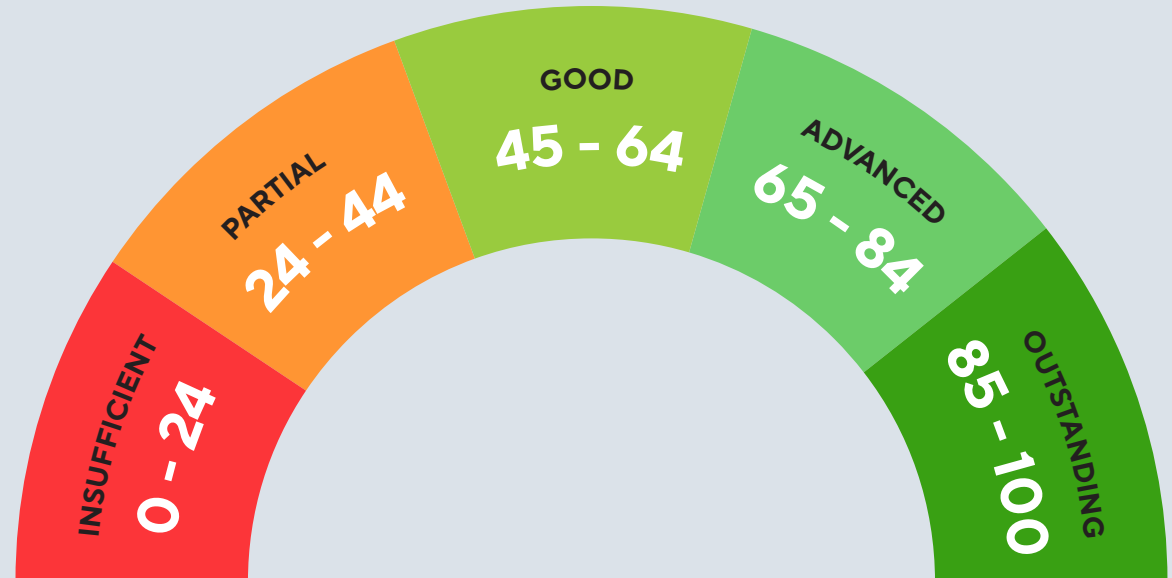
Structured and proactive sustainability approach. Engagements/policies and tangible actions on major issues. Basic reporting on actions or Key Performance Indicators.

Advanced

Structured and proactive sustainability approach. Engagements/policies and tangible actions on major issues with detailed implementation information. Significant sustainability reporting on actions and Key Performance Indicators.

Outstanding

Structured and proactive sustainability approach. Engagements/policies and tangible actions on all issues with detailed implementation information. Comprehensive sustainability reporting on actions and Key Performance Indicators. Innovative practices and external recognition.



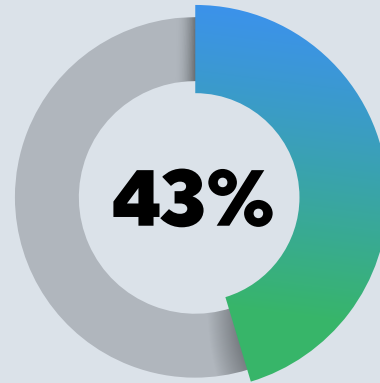


Green Light Responsible Sourcing Spend

In 2023, 65% of our procurement spend was with suppliers that committed to Green Light and a yearly EcoVadis assessment. This performance was a **51% increase** from last year and **8% over our 60% goal**.

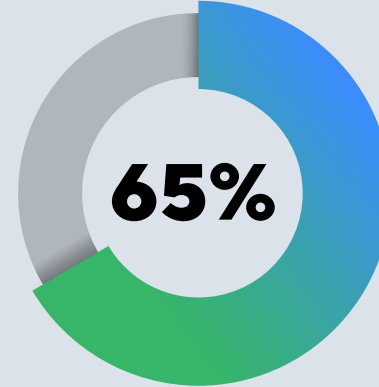
Our procurement target with Green Light network suppliers will increase each year.

- Progressively increasing the sustainability transparency of client merchandise investment.
- Increasing the ability of Green Light suppliers to invest in improved sustainability performance as measured by EcoVadis.



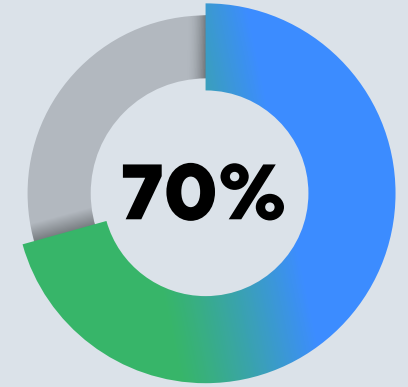
2022 Baseline

43% of our spend was with EcoVadis-assessed suppliers.



2023 Performance

Spend with EcoVadis-assessed suppliers grew to **65%** – This performance was a **51%** increase year over year and **8%** above our **60% goal**.



2024 Goal

Our goal is to conduct at least **70%** of our procurement spend with EcoVadis-assessed suppliers.



Green Light helps small business suppliers drive big sustainability gains.

The branded merchandise industry is served by many suppliers that are small businesses. **Over a third** of our Green Light supplier base (by number) is comprised of such enterprises.

Green Light has been particularly effective progressing sustainability with these suppliers. By distinguishing themselves as more sustainable businesses using objective EcoVadis metrics, small suppliers open new growth opportunities not only with Staples Promo, but with other brand merchandisers as well.





Our re-assessed U.S. supplier partners increased sustainability performance by 11%.

Many Green Light supplier partners have already undergone two or more EcoVadis assessments.

The composite sustainability score for these reassessed U.S. suppliers improved across all four themes, producing a 5.2-point improvement to their original overall scores—an 11% increase over their prior year's score!

Our suppliers with multiple EcoVadis audits improved sustainability performance by 11% and collectively advanced from Partial to Good on the EcoVadis Sustainability Ratings Scale!

OVERALL

51.5↑

+5.2*

ENVIRONMENT

50↑

+5.0*

LABOR & HUMAN RIGHTS

56.7↑

+4.2*

ETHICS

51.7↑

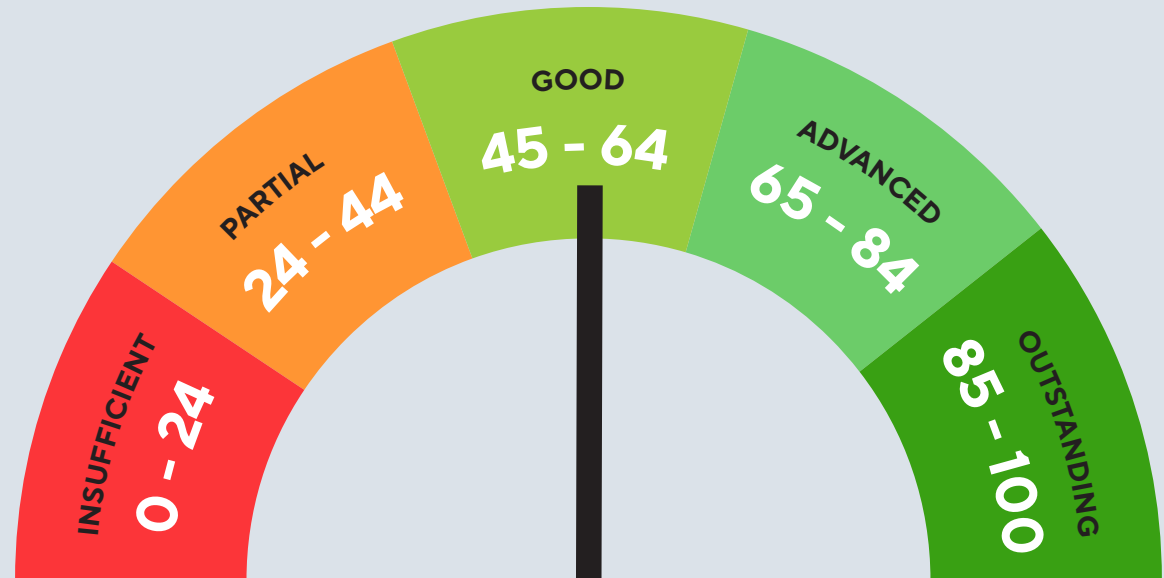
+10*

SUSTAINABLE PROCUREMENT

47.5↑

+6.7*

*from 2022 assessment year



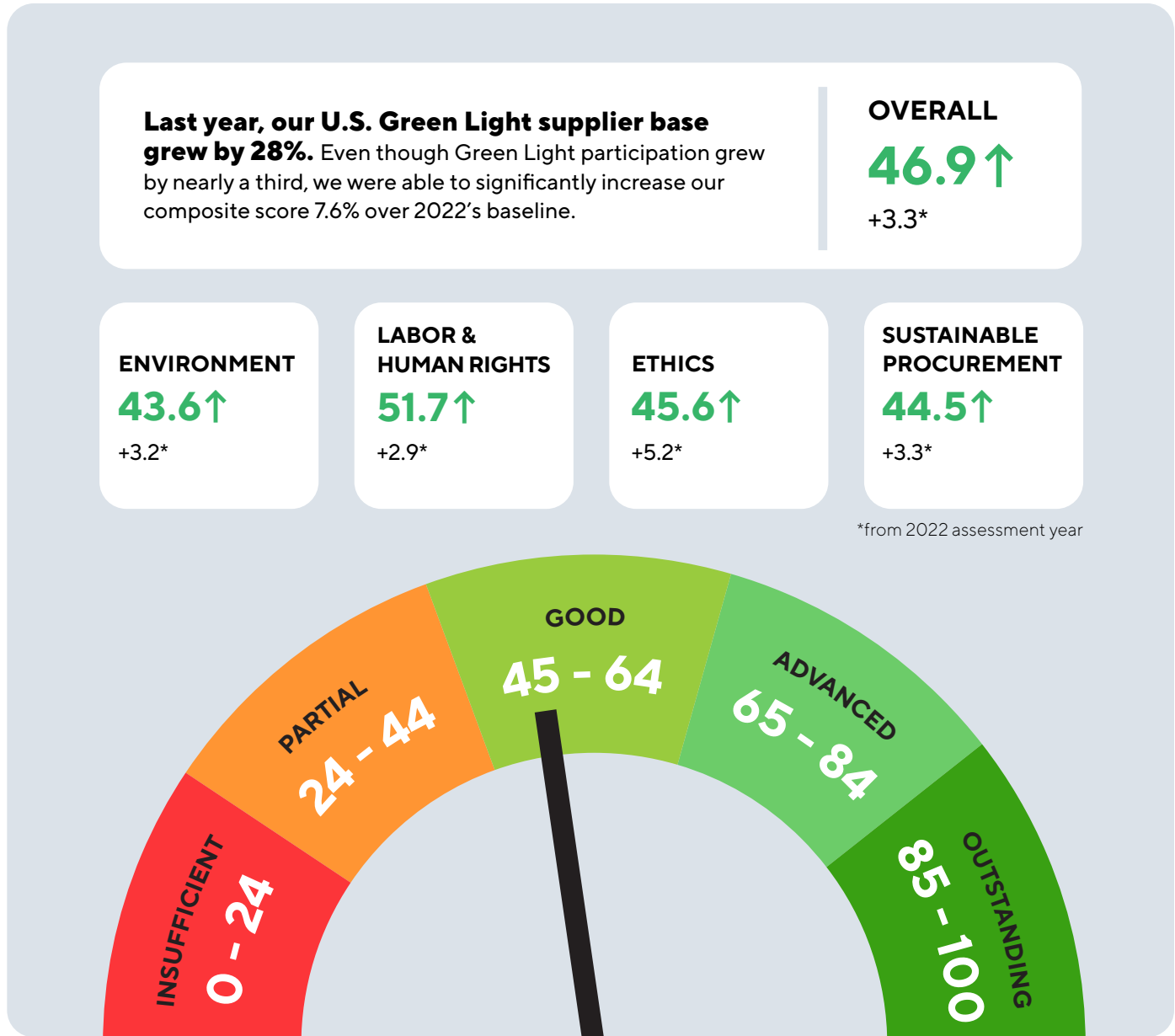


Aggregate U.S. Green Light supplier sustainability increased 7.6% over the 2022 baseline.

In 2022, we achieved a baseline Green Light sustainability score of 43.6.

In 2023, we worked with Green Light supplier partners to improve performance across all four pillars to 46.9—a 7.6% improvement! This also took our composite score for the entire U.S. supply chain from “partial” to “good” on the EcoVadis scale!

We will continue to invest more in suppliers that drive objective sustainability improvement through our exclusive Green Light program. In turn, this will enable our supplier partners to invest more in sustainability improvement than would otherwise be possible.





Green Light Responsible Sourcing debuted in Canada last year.

Our Canadian suppliers collectively established an EcoVadis baseline assessment score of 50.3 last year. 35% of our Canadian procurement spend was EcoVadis-assessed. In 2024, our objective is to increase this ratio to at least 45%.

OVERALL
50.3

ENVIRONMENT

47.1

LABOR & HUMAN RIGHTS

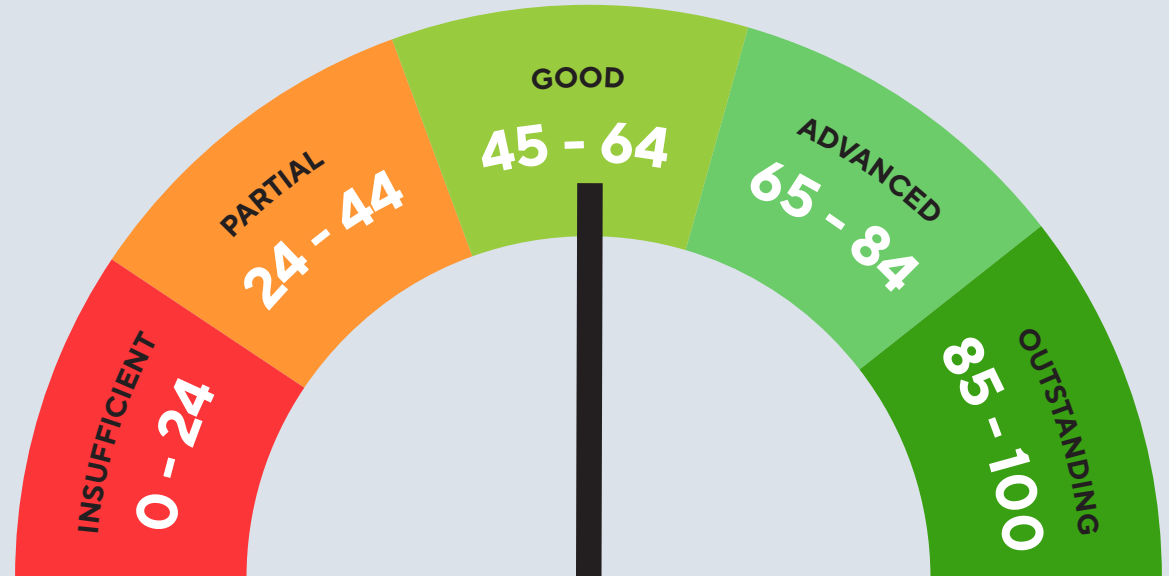
55.8

ETHICS

47.1

SUSTAINABLE PROCUREMENT

46.7





Last year, we expanded Green Light sustainability transparency deep into global markets.

We're proud to report that 80% of our global procurement spend is EcoVadis-assessed after our global partner network joined Green Light last year. They established an impressive EcoVadis baseline assessment score of 59.2!

OVERALL
59.2

ENVIRONMENT

59.2

LABOR & HUMAN RIGHTS

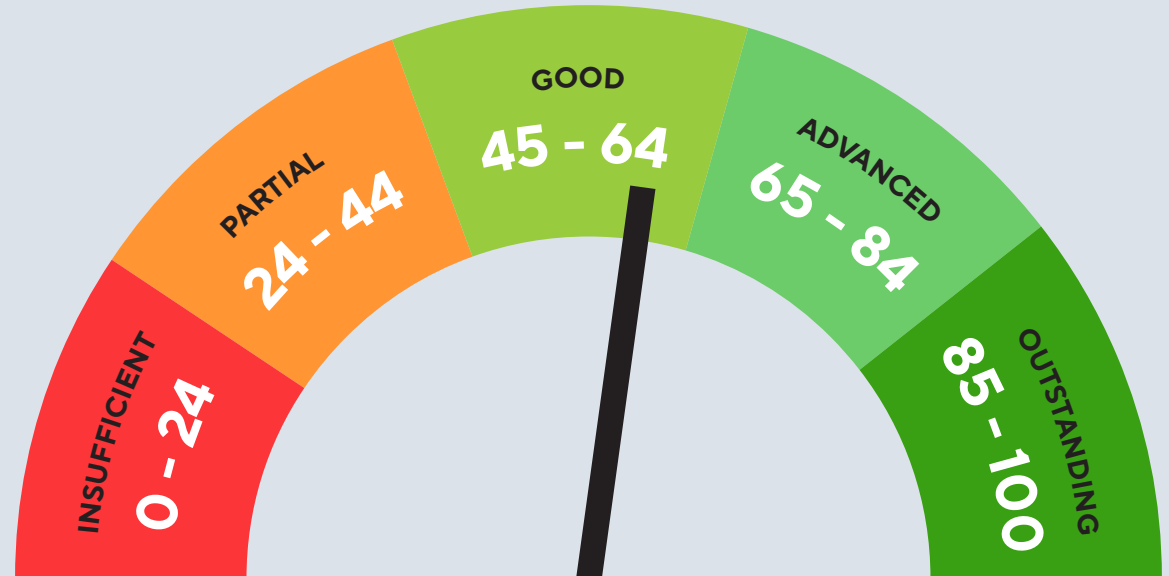
60

ETHICS

60

SUSTAINABLE PROCUREMENT

56.4



Here's what some of the largest suppliers in the industry are saying about Green Light Responsible Sourcing.



“ We appreciate the opportunity to work with Staples who are on the leading edge of sustainable procurement as part of the Green Light Responsible Sourcing Program. Sharing assessment data improves transparency along our supply chain, and that is key to making them more sustainable.”

CJ Schmidt, President & CEO



“ The integration of sustainability into our business model was always on our horizon, but thanks to Staples Promotional Products, this integration materialized sooner than expected. Staples not only encouraged but propelled us to collaborate with EcoVadis as part of their Green Light Responsible Sourcing Program, positioning us to remain a partner in their supply chain.

We extend our gratitude to Staples for their forward-thinking approach to sustainability, pushing us to join them on the path to success and positive change.”

Steven Reid, Compliance & Sustainability Manager



“ Staples Promotional Products has demonstrated exemplary leadership in sustainability through their development of their Green Light Responsible Sourcing Program. As a supplier, embracing this process not only aligns us with Staples Promotional Products’ commitment to sustainability but also contributes significantly to S&S’ own sustainability goals. The dedication to responsible sourcing sets Staples Promotional Products apart in the industry, showcasing a unique approach that emphasizes environmental responsibility and fosters a positive impact. Staples Promotional Product’s commitment to sustainability goes beyond industry standards, making them a true leader in creating a greener future.”

Nolan Parker, National Account Manager



“ Thank you for recognizing our dedication to sustainability and providing a platform for us to learn, grow, and contribute to a greener future. We are proud to be partners in this groundbreaking initiative and look forward to collaborating with Staples and fellow program members to set a new benchmark for sustainable sourcing in the promo industry.”

Tim Behling, VP of Supply Chain and Sourcing



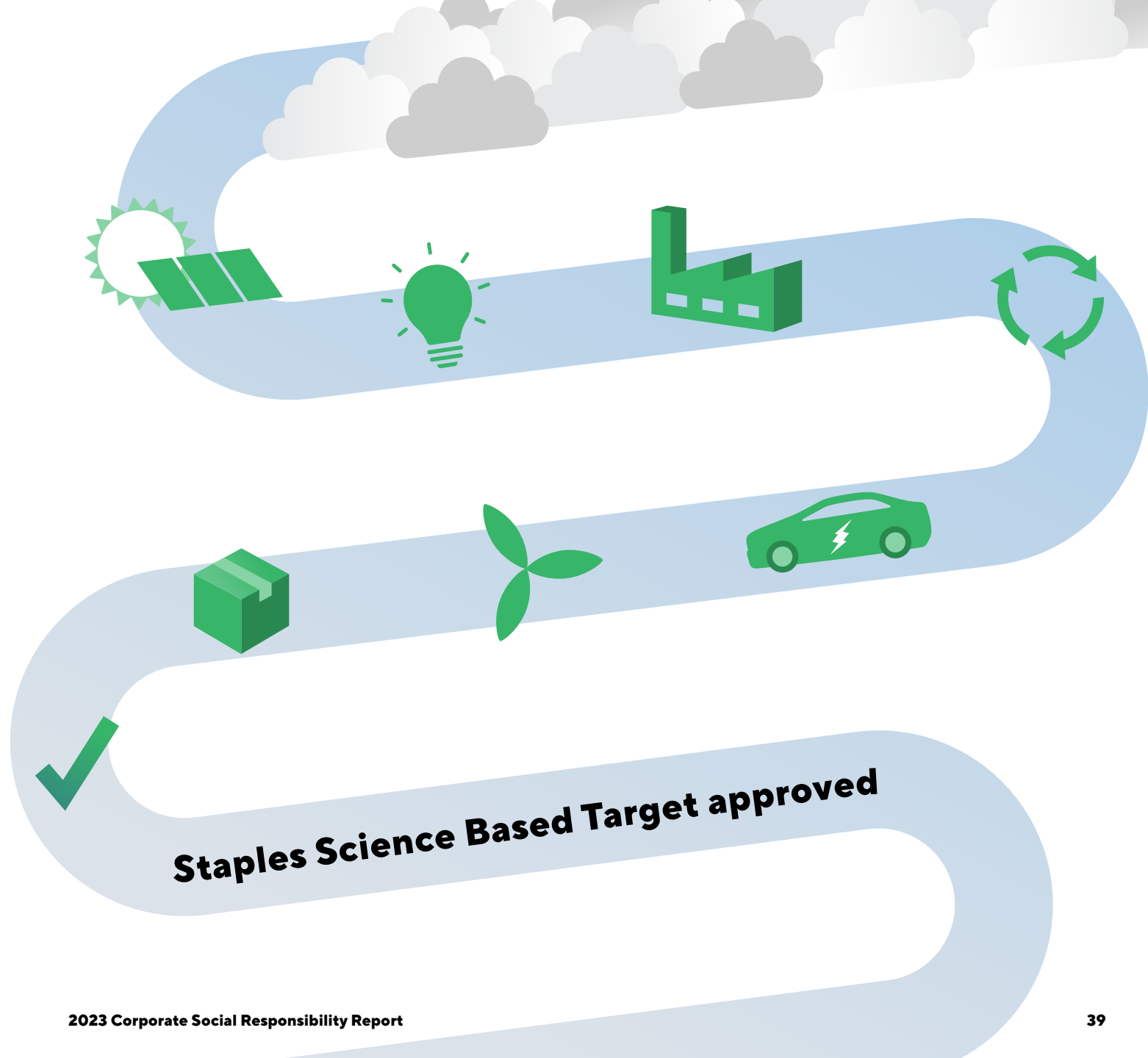
Carbon Strategy

Taking action to mitigate climate change.



SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



Emissions Overview

Carbon emissions (GHG Emissions) includes seven gases. All of these are combined and reported as CO₂-e.

SULFUR HEXAFLUORIDE SF₆

HYDROFLUOROCARBONS HFCs

METHANE CH₄

NITROUS OXIDE N₂O

CARBON DIOXIDE CO₂

PERFLUOROCARBONS PFCs

NITROGEN TRIFLUORIDE NF₃

Reducing carbon / GHG emissions is a key objective for combatting climate change. That's why Staples, Inc. participates in the Science Based Targets initiative (SBTi). Our carbon reduction performance rolls up to the approved SBTi goal.

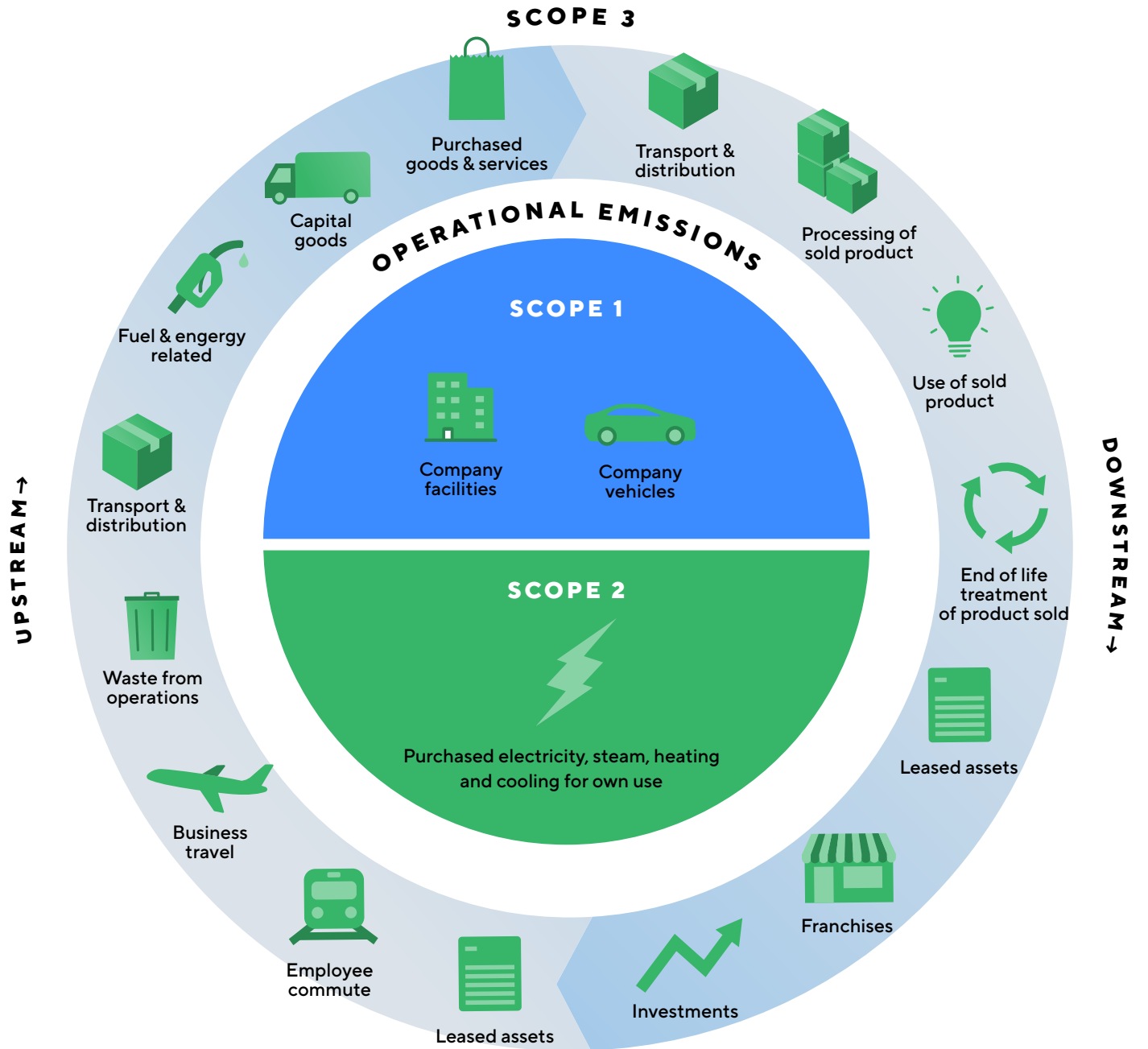
In 2023, Staples Promo prepared emissions reporting that classified and detailed FY2022 emissions by scope, in accordance with The GHG Protocol.

According to the GHG Protocol, emissions fall into three categories:

Scope 1: Direct emissions from sources that are owned or managed by an enterprise, such as a company-owned delivery fleets, or heat from boilers.

Scope 2: Indirect emissions from the generation of purchased power, including electricity consumed in our operations.

Scope 3: Indirect emissions occur both upstream and downstream within the value chain, such as the goods we purchase, capital equipment and freight.

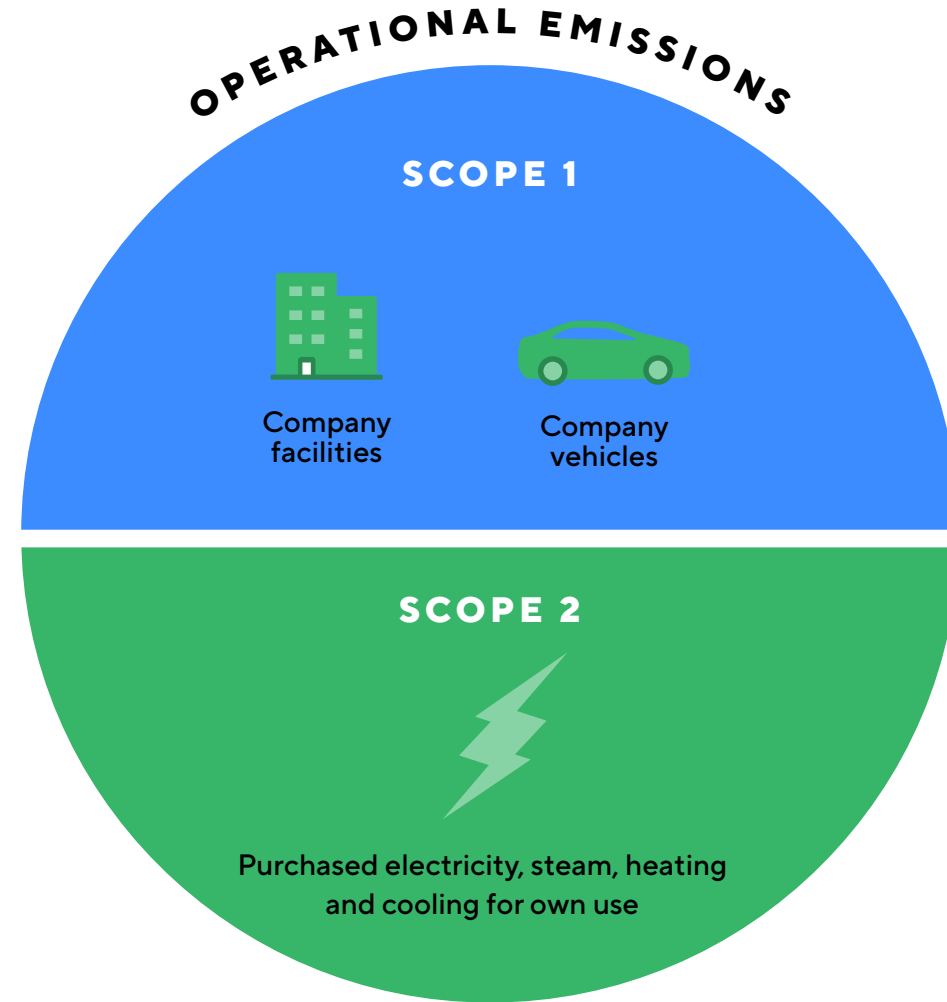


Scopes 1 and 2

Scope 1 and 2 emissions are less than **0.5%** of our total emissions.

Most of this energy is expended in our primary decoration and distribution center, located in Orange City, Iowa.* This facility is 100% powered by renewable electricity.

In 2023, the entirety of our business was powered by renewable energy through the purchase of renewable energy certificates.



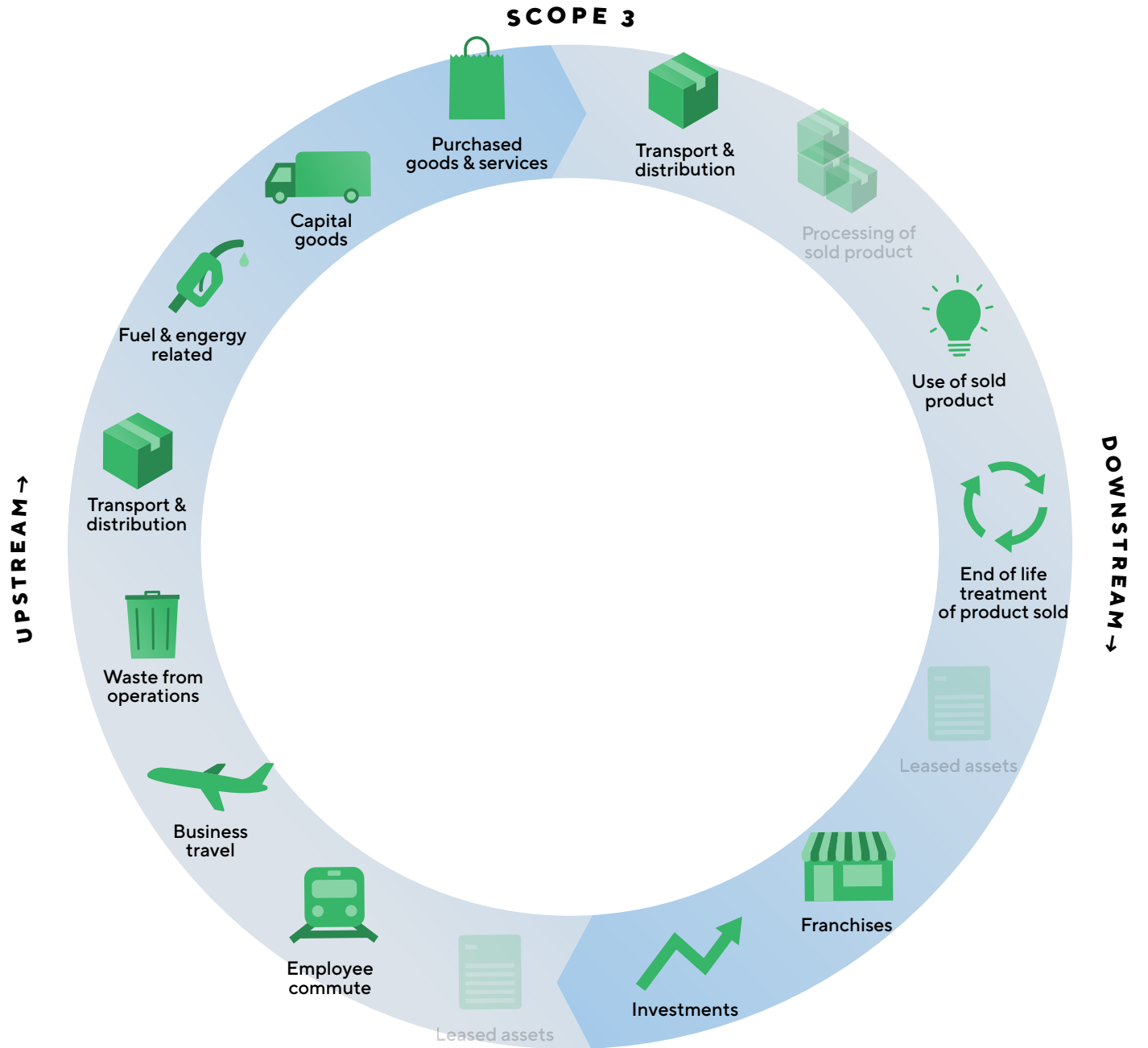
*Staples, Inc. conducts an annual carbon inventory in which it finalizes its carbon emissions for the past fiscal year. The inventory's methodology follows that of the Greenhouse Gas Protocol. The annual inventories serve as the basis for Staples Inc.'s approved science-based targets, including claims regarding carbon reductions. Staples Inc. does not purchase voluntary carbon offsets at this time. Annual inventories have not been verified by an independent third party at this time.

Scope 3

WHERE OUR IMPACT OCCURS

For most industries and businesses, nearly all emissions are Scope 3. This is particularly true for our business. Over **99.5%** of our emissions are Scope 3.

Scope 3 emissions are comprised of 15 different categories of emissions, both upstream and downstream. These are the most laborious to calculate and typically the most difficult to influence.



Emissions Report

We annually calculate and report emissions by scope in accordance with the GHG Protocol. This calculation and reporting occurs on a fiscal vs. calendar year schedule.

Accordingly, this data is for fiscal year 2022. It will be updated to reflect 2023 emissions by August of this year.

Scope 1

2022 EMISSIONS

1046 mtCo2-e

**3.3% of Staples, Inc.
total Scope 1 emissions**

Scope 2

2022 EMISSIONS

697 mtCo2-e

**2.1% of Staples, Inc.
total Scope 2 emissions**

Scope 3

2022 EMISSIONS

445,695 mtCo2-e

**7.2% of Staples, Inc.
total Scope 3 emissions**

Reducing carbon emissions throughout the supply chain is critical.

Aggregating carbon emissions data across our supply chain into a single view allows us to support a comprehensive reduction strategy, while also monitoring maturation across our suppliers over time.

EcoVadis' Carbon Action Module helps us understand the maturity of our supply chain as it relates to Carbon Emissions Strategy.

- EcoVadis' Carbon Scorecard gives us visibility of the maturity level across our participating suppliers. Currently, 24% of our suppliers (by spend) have a scorecard.
- Our view of maturity level will widen to align with overall Green Light spend thresholds as additional suppliers have Carbon Scorecards included in their EcoVadis assessments.
- Through this process, we are able to identify suppliers who currently have no carbon management system in place. We support and encourage these suppliers to measure their GHG emissions and adopt a strategy for reduction.

EcoVadis Carbon Action Module Guide

Insufficient

Partners with no GHG management system

Beginner

Partners with basic elements of GHG management or reporting

Intermediate

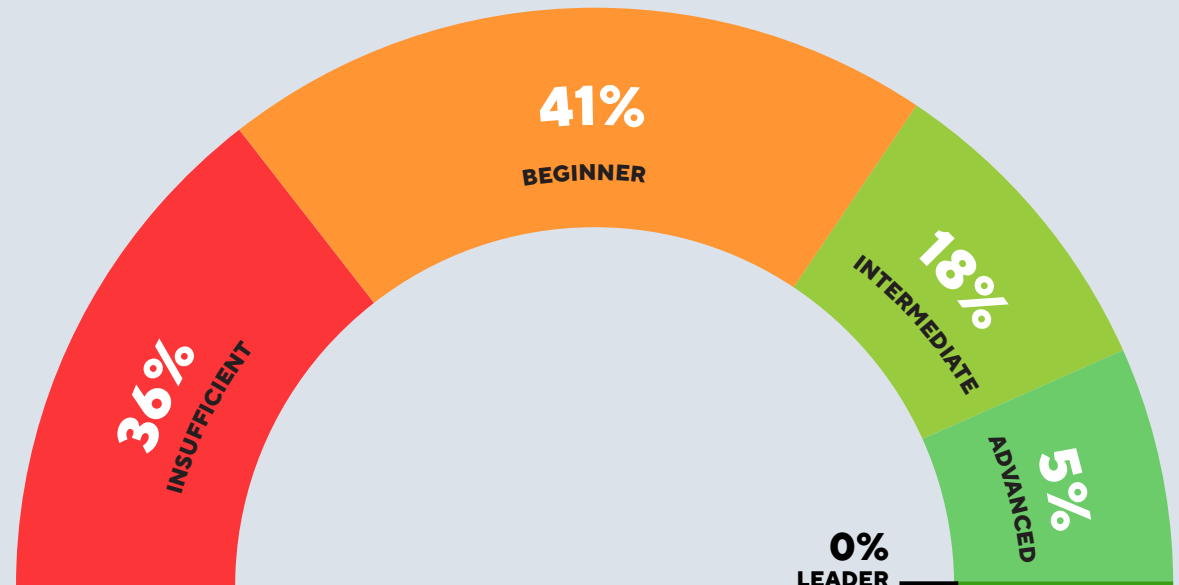
Partners with core elements of a GHG management system and intermediate decarbonization commitment, actions and reporting capabilities

Advanced

Partners with comprehensive elements of a GHG management system and advanced decarbonization commitment, actions and reporting capabilities

Leader

Partners with a strong GHG management system and best-in-class decarbonization commitments, actions and reporting capabilities



EcoVadis scorecard rates our operations as intermediate.

One can only improve that which is measured. That's why our EcoVadis engagement also includes their Carbon Action Module, which assesses the carbon generated by our operations and supply chain.

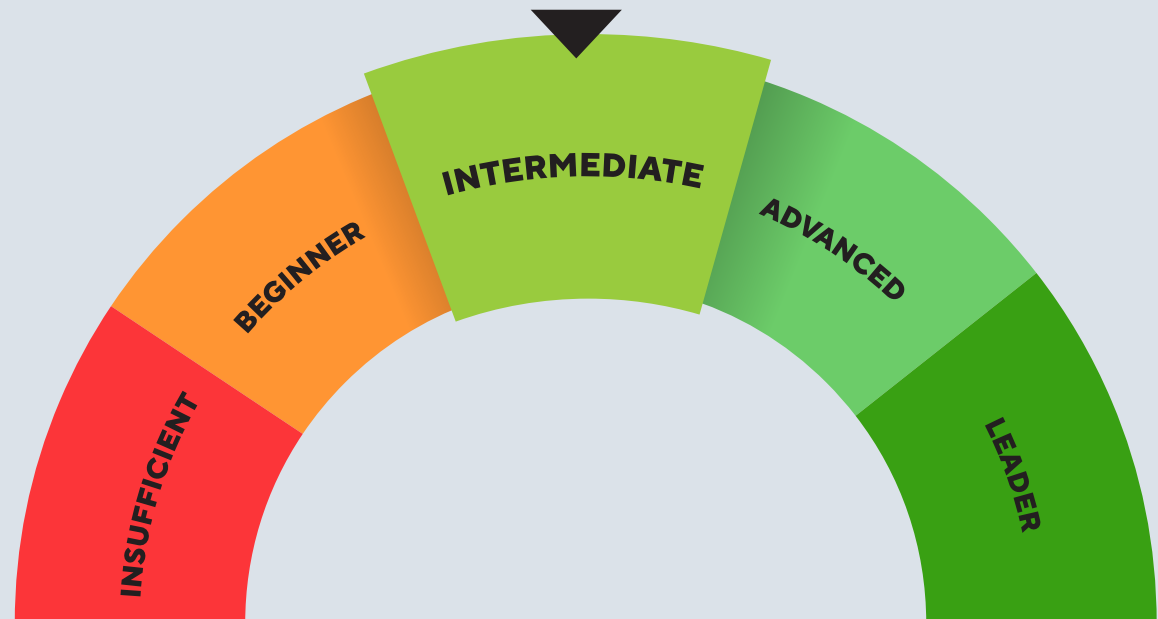
Result

Company with core elements of a greenhouse gas (GHG) management system and intermediate decarbonization commitment, actions and reporting capabilities.

Opportunity

Implement actions in line with your GHG management system's objectives and enhance your reporting practices.

We are continually evaluating investments to further reduce our operational carbon footprint. The most recent such investment is our adoption of carbon neutral shipping to mitigate a primary source of Scope 3 emissions. **Over 88% of U.S. packages shipped were carbon neutral!**





Internal Operations

Premium-quality, sustainable decoration and distribution ensure merchandise experiences live up to your brand.

Our Orange City, IA facility is an EcoVadis-medaled, Nike-certified operation that ensures merchandise lives up to your brand.

Most brand merchandisers subcontract 100% of their merchandise decoration. Not us. We are one of the largest apparel decorators in North America.

To lead by example, we have developed a promo-dedicated operation that embodies premium-quality, sustainable decoration.

25% of our annual volume and most client brand eStore fulfillment is decorated in our 500,000 sq. ft, promo-dedicated facility in Orange City, IA. Our embroidery and screen printing quality is so meticulous, we are one of a handful of decorators Nike has authorized to reproduce its iconic “swoosh” trademark!

Our branded merchandise-dedicated facility:

- Was awarded the **Silver Medal** from EcoVadis
- In 2022, we ranked in the **top 25%** of all industries assessed for sustainability by EcoVadis. In 2023, we ranked in the **top 13%**
- Is **100%** powered by **green energy**
- Diverts **98.8%** of all generated waste from landfills
- Packages shipped from our facility in Orange City, IA contain **42% recycled material**
- Uses water-soluble Rutland™ Inks which are tested by third parties and certified not to contain the following harmful substances:
 - ✗ Polyvinyl Chloride (PVC)
 - ✗ Chlorofluorocarbons (CFC)
 - ✗ Alkylphenol Ethoxylates (APEO)
 - ✗ Nonylphenol (NPEO)
 - ✗ Octylphenol Ethoxylates (OPEO'S)
 - ✗ Polycyclic Aromatic Hydrocarbon (PAK), TBBPA, DecaBDE, or HBCDD Organizations
 - ✗ Latex
 - ✗ Ozone depleting chemicals according to CONEG



Certified to reproduce the iconic Nike Swoosh



Neurodivergent Employment Inclusion

via Village Northwest United

Carbon Neutral Shipping



Recycles **nearly 1 million pounds** of corrugate, plastics and paper annually.

Our operations earned a Silver Medal from EcoVadis.

Our EcoVadis rating is a weighted combination of scores across four pillars of sustainability.

	Year 1 2022	Year 2 2023	Year 3 2024
Overall	56	66	
Environment	60	70	
Labor & Human Rights	50	60	
Ethics	60	70	
Sustainable Procurement	60	70	



Lower-Impact Packaging

We reduced corrugate consumption 25% and eliminated 90% of all plastic outer shipping containers with our Smart-size™ packaging program.

Smart-size™ combines logic from our ERP system with Packsize® International's packaging automation machinery to cut and assemble precisely customized cartons when our standard cartons are not efficient for the order's weight and cube. This reduces materials consumption throughout the fulfillment process, resulting in a more sustainable experience for those receiving branded merchandise shipments.

Smart-size™ packaging equals less waste and better brand presentation.



Packsize® corrugate is made from recycled post-consumer waste.



More precise carton sizing reduced corrugate use 25% and allowed us to eliminate over 90% of plastics used as outer shipping containers.



Smaller, fuller packages also:

- Reduce void fill material use
- Weigh less and are transported with more density, making logistics more fuel efficient



Carbon Neutral Shipping

In 2023, the carbon from **88% of our U.S. shipments was offset** via participation in the UPS® Carbon Neutral Shipping program. This included shipments from supplier partners that used our UPS freight account.

Carbon emissions were offset through UPS projects that removed an equal amount of carbon from the atmosphere. Some of the projects included reforestation, landfill gas destruction, wastewater treatment and methane destruction. Their program is independently verified by Société Générale de Surveillance (SGS).

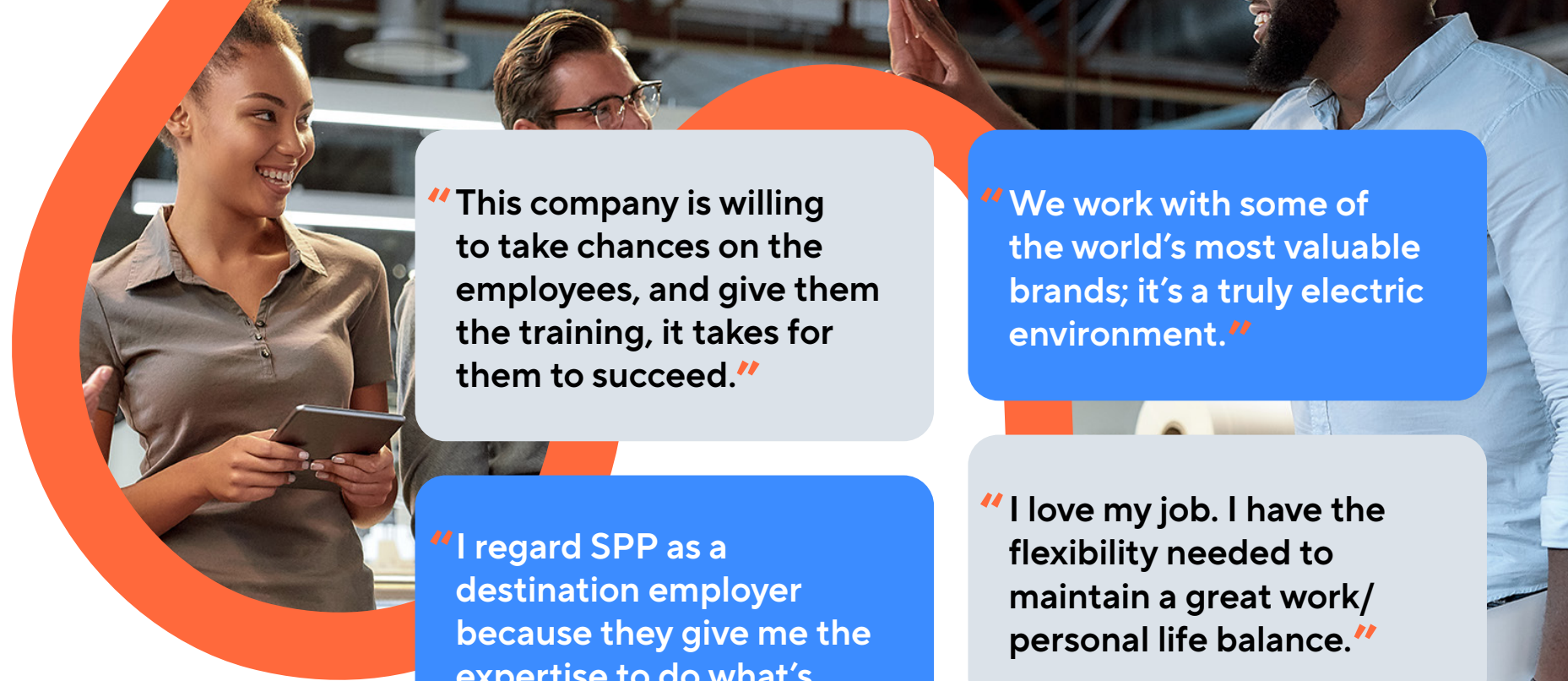


Employee Wellbeing

We take a holistic approach to employee wellness by providing stress management, associate recognition, employee assistance and more.



Staples Promotional Products wins PPAI's **Greatest Large Company to Work For.**



“This company is willing to take chances on the employees, and give them the training, it takes for them to succeed.”

“We work with some of the world’s most valuable brands; it’s a truly electric environment.”

“I regard SPP as a destination employer because they give me the expertise to do what’s right for our clients AND the resources to execute. I always know what the game plan is; how we help the client win; and how everyone wins when the client does.”

“I love my job. I have the flexibility needed to maintain a great work/personal life balance.”

“SPP is a great place to work. The flexibility is amazing, as is the support from co-workers and management.”



We support the **Best People in Promo** with the best benefits in promo.

Our associates are creative catalysts, trusted by the world's most recognized brands to enhance marketing strategies. Not just anyone can do it. For those who can, our compensation and benefits are designed to ensure they find a home with Staples Promo... and stay for a long time!

Total Rewards

Independent market studies and twice-yearly engagement surveys empower our Human Resources team with the perspective to compete for and win top talent. They combine wages, benefits and work life balance in a total rewards package that makes us a destination employer for the branded merchandise industry.

All full-time associates and their immediate families have access to subsidized insurance and benefits. They can choose from several insurance options depending on what's best for their families.

Group Medical & Dental	Paid Holidays & Time Off	Adoption & Surrogacy Assistance	\$ Matching 401K & RRSP	Insurance Discounts <small>Legal, Auto, Home, Life, Indentity & Pet</small>
Staples <i>perks at work</i>	Travel Discounts	HSA + FSA Programs		Hybrid/ Remote Work/ Flex Time
Paid Bereavement Leave	Premium designated EV parking spots	% Staples Discounts	Short-Term & Long-Term Disability	Bonding Leave <small>(includes adoption)</small>
Annual Wellness Reimbursement Program	Discounts on: GMC SUBARU		Vision Benefits	Summer Fridays

Physical, Mental & Fiscal Wellbeing

Our benefits are designed to enhance physical, mental and fiscal wellness for our diverse employee base and their families. No-cost access is provided to those enrolled in the Staples medical plan.



A family planning service that provides coaching for anything from fertility to sleep optimization.



Childcare or elderly care sourcing and college coaching for parents and children.



Digital physical therapy employees can take from home.



Canadian leader in mental health and addiction services.*



Solving the biggest problems in behavioral health: ensuring access to care and upholding impeccable quality.



Offers utility for all life stages from household budgeting to college and/or retirement planning.*

**Available for Canadian associates only*

We enhance employee engagement and values alignment with two associate recognition programs.

Our talented associates thrive on creating experiences that help clients celebrate their people, culture and brand. We do the same for them. Associates who exemplify our values are eligible for recognition and rewards from two unique programs: The **PROPS** program and the **Believe & Achieve!** program. Both allow employees to receive recognition from management and to share recognition with one another. Both also utilize the very same software and global awards assortment we use to create client recognition programs.

PROPS

“People Recognizing Other People’s Success” is a manager to associate and peer to peer recognition program just for Staples Promo.

Believe & Achieve!

LIVING OUR VALUES AWARDS

The Believe & Achieve program recognizes employees across all Staples lines of business.



Cause for Caring

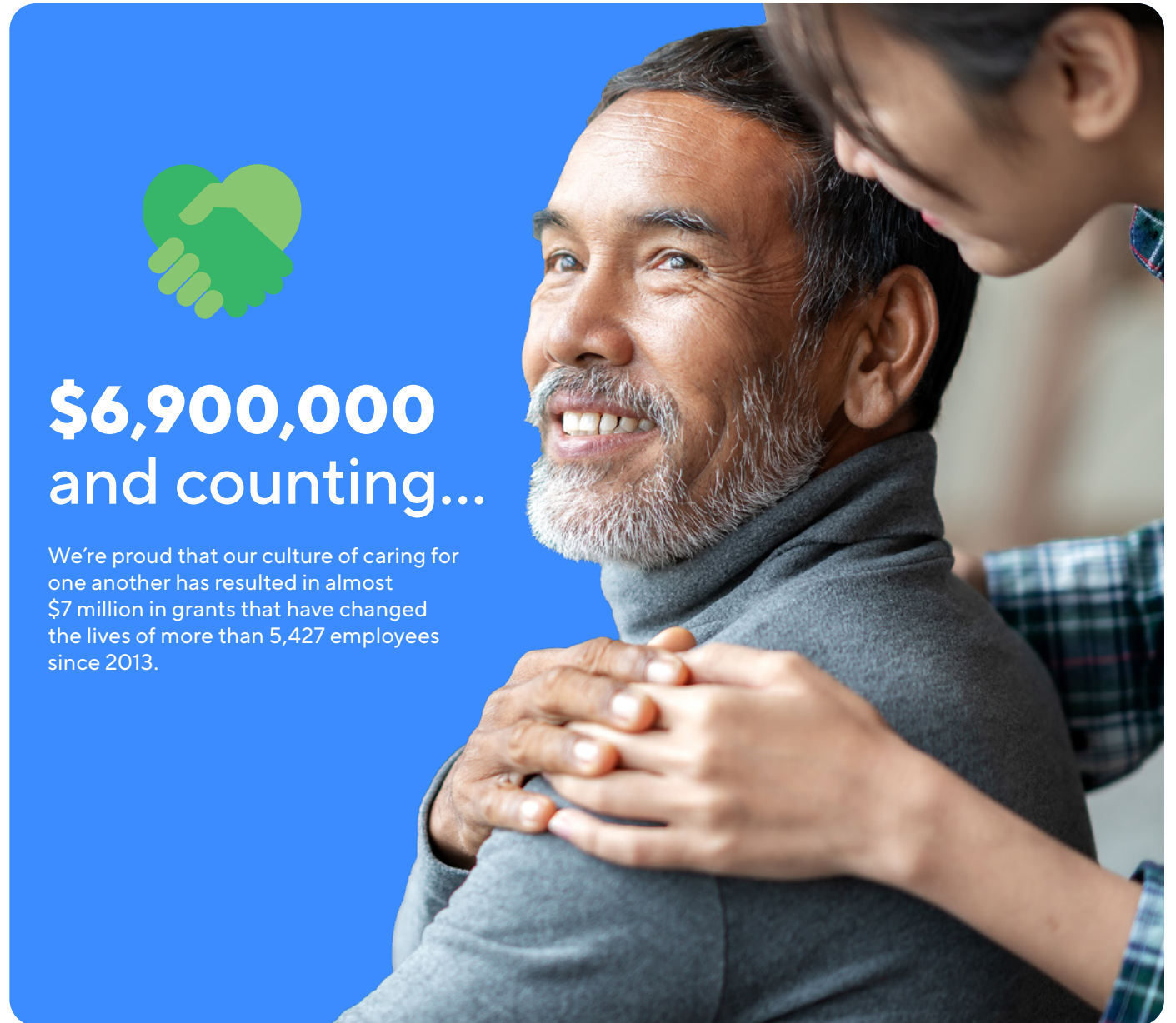
We founded Cause for Caring to support fellow associates facing extraordinary obstacles or tragedies. Funded by employee donations and matching contributions, the program enables us to send financial assistance immediately without having to separately fundraise for each misfortune.

Over 200 Staples Promo associates contribute to the fund weekly. Cause for Caring directly benefited multiple Staples Promo associates in 2023, helping them navigate challenging life events.



\$6,900,000
and counting...

We're proud that our culture of caring for one another has resulted in almost \$7 million in grants that have changed the lives of more than 5,427 employees since 2013.



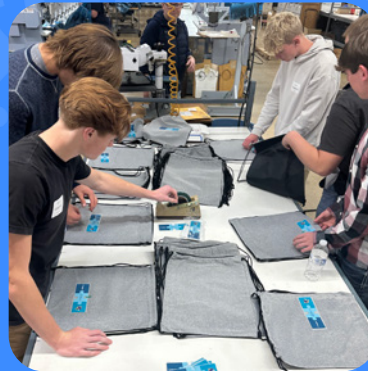


Junior Achievement™

Staples Cause for Caring, Inc. also partners with Junior Achievement USA (JA) to support career readiness initiatives in the United States and Canada.

Last year, we welcomed students into our offices to show them the connection between what they learn in school and sales, marketing and merchandising careers within Staples Promo.

Attendees learned how branded merchandise improves sales, marketing and communication outcomes. They also created merchandising displays, made their own bags and even learned what goes into marketing value propositions.



Volunteerism

Whether building better brands or better communities, we achieve more together.

We put people first.

The communities surrounding our offices and operations can always count on Staples Promo associates to help enrich lives and professional opportunities. Over the last two years alone, we've volunteered over 3,000 hours to nonprofits.

- Demonstrating to students how vital their education is to future careers through mentorship.
- Giving comfort, nourishment and rest to families whose children are confined to hospitals.
- Supporting aspiring professionals with more workplace appropriate apparel so they look as good as the qualifications on their resumes.
- Donating labor and food to local food banks.
- Ensuring disadvantaged elementary & high school students have clean clothes & hygiene items so they can have a more enjoyable and successful scholastic experience.
- Raising over \$30,000 for the American Diabetes Association through participation in their Tour de Cure biking fundraiser.
- Mentoring children who need more role models.
- Creating comforting presents and messages to support those battling illness.
- Adopting disadvantaged families to ensure their holidays are more nourishing for both body and soul.



Diversity, Equity, Inclusion and Belonging (DEIB)

We harness the power of diverse perspectives to build better brand experiences and business results.



Our commitment to inclusion and diversity starts with **top executive oversight** and **Staples-wide inclusion training.**

Conscious Inclusion Training reinforces our values, showing how we can more proactively create a welcoming, inclusive environment for all.

Reducing Bias During the Hiring Process shows how unconscious bias plays a big role in who gets hired and teaches associates how to recognize and mitigate such biases.



Cristina Gonzelez
Chief Legal & Diversity
Officer for Staples,
oversees our inclusion
and diversity strategy
and initiatives.

Our mission is to integrate inclusion and diversity into everything we do.

Inclusion & Diversity improve every aspect of our business.

Whether it's attracting and retaining top talent, enhancing customer and supplier relationships or increasing innovation, our diverse workforce drives higher performance. Our I&D work ensures our company reflects the populations we serve and better supports diverse talent so we can all succeed together.

Business Resource Groups (BRGs) are an integral part of our associate experience. They enable us to tap into the collective perspective of all associates. BRGs drive engagement, foster inclusion, and amplify the benefits of diverse perspectives across all Staples lines of business.

Members support and mentor one another and assist with talent recruitment. They share their experiences and perspectives with fellow associates via company-wide broadcasts and help optimize merchandise assortments for wider appeal.

Further, BRGs actively support various charities, advocating for social justice and advancing causes such as food security and domestic violence reduction. Each BRG has an executive sponsor, so diverse voices have continuous access to the highest levels of management. Although comprising just 18% of the total associate base of Staples, Inc., Staples Promo associates chair or co-chair half the BRGs!

Our
BRGs

WOMEN IN
SUPPLY CHAIN

MOSAIC

PARENTING
PLUS

PROFESSIONALS
IN MOTION

WOMEN
WHO LEAD

¡HOLA!

VETERANS

SPARC

ALL
ABILITIES

OUT
@ WORK

MENTAL HEALTH
ADVOCACY GROUP



At Staples, inclusion is a **verb.**

It is what we do to ensure that all employees feel valued and supported to contribute to their fullest potential.

When we operate inclusively, diversity naturally follows. That is why we work hard to increase our underrepresented groups in our dynamic workforce and seek employees with unique input and individual perspectives.

The Social Justice Resource Center continues to empower and foster **diverse talent** and retention efforts.

Our Social Justice Resource Center is a hub that fosters connection among diverse associates. It enables them to share their unique inspirations, experiences and perspectives across the company.

Through associate-produced content, we explore a wide array of topics including celebrating diversity, addressing micro-aggressions and overcoming unconscious biases. Regular discussions also focus on enhancing mental wellness and contribute to a welcoming and inclusive environment.



Our branded merchandise operations support neurodivergent inclusion.

Neurodivergent adults face significant obstacles to independence and employment due to intellectual disabilities, autism or brain injuries.

Village Northwest Unlimited (VNU) – a 501(c)(3) nonprofit located in Sheldon, IA. – provides a full range of support for neurodivergent citizens to help them acquire life skills and lead fulfilling, community-integrated lives with purpose and dignity. Their mission is to provide purpose, privacy and dignity for all people.



We engage VNU to bring neurodivergent talent into our operations, so their mission is supported by your brand merchandising. On any given day, 10 to 15 neurodivergent teammates support client brands by:

- Assembling kitting projects
- Applying labels, stickers and hang tags
- Gathering and sorting distribution waste from bins at end of warehouse aisles and consolidating into large containers for recycling

VNU makes it possible for us to employ a wider spectrum of neurodivergent talent by providing:

- Transportation to and from work (widening the radius of our neurodivergent talent base)
- Coaches to help less independent neurodivergent staff (expanding the number of candidates we can work with)
- VNU can quickly supply variable labor when needed (expanding the situational utilization of these teammates)

Our Supplier Diversity Program creates more **inclusive economic opportunities.**

Our U.S. and Canadian procurement teams constantly seek relationships with new suppliers in all diversity classifications. We leverage this network to create seamless Tier-1 and Tier-2 diversity purchasing solutions that help clients further align spending with values. We can track and report spend with diversity suppliers to our clients on an overall basis, and for their specific programs.

Tier 1 Solutions

For Tier 1 solutions, our diversity alliance partners are part of the service contract and provide overall program management, warehousing, picking, packing, kitting, printing, distribution, customer service and invoicing.

Tier 2 Solutions

Tier 2 solutions leverage our growing network of over 90 U.S. and Canadian Minority and Women Owned Business Enterprise (MWBE) suppliers. We strive to optimize purchases of merchandise and maximize decoration and kitting services with this network.



Minority Owned



Women Owned



Small Business



Veteran Owned



LGBTQ+ Owned



Disability Owned



Supply Chain Partnerships

Proud partners, corporate members and recognized councils:

WBENC

FAIR LABOR ASSOCIATION

Canadian Council for ABORIGINAL BUSINESS

NATIONAL Minority Supplier Development Council

nglcc National LGBT Chamber of Commerce

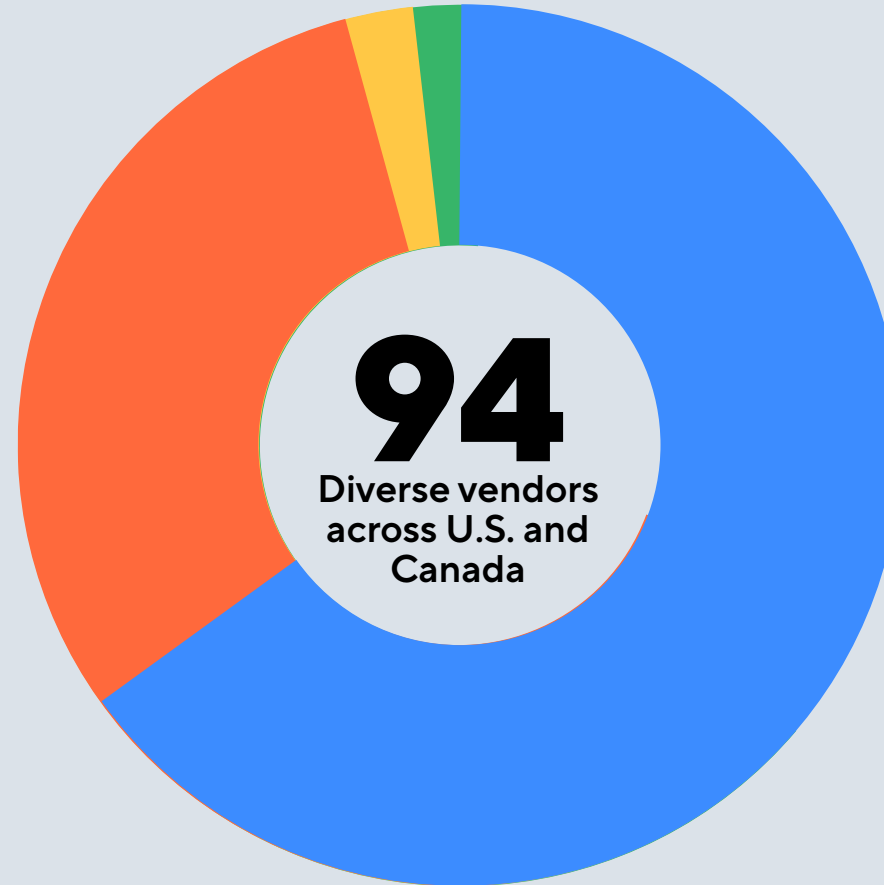
CAMSC

WEConnect INTERNATIONAL

cglcc

WBE Canada

DIVERSE VENDOR MIX



MINORITY OWNED
66%

WOMEN OWNED
31%

LGBTQ+ OWNED
2%

VETERAN OWNED
1%

Our diversity partnerships help clients further align brand investment with brand values.

Client-Proprietary Apparel and Merchandise

A merchandise design and sourcing company that's certified by the National Minority Supplier Development Council helps provide client-proprietary apparel. Their merchandise production and logistics span Bangladesh, India, Vietnam, Mexico, China and the U.S.

Sportswear and Caps

A Certified Minority Women Business Enterprise helps us customize apparel, headwear and other soft goods in service to our clients.

High Traceability Apparel and Merchandise

A Certified B Corporation and Women's Business Enterprise helps provide our clients with apparel, accessories, and home goods that are brought to market with superior ethical and sustainability traceability.

Tier-1 Programs

We partner with a Black-Owned, Certified Minority Business Enterprise commercial printer that is also FSC certified. They provide merchandise sourcing, kitting, warehousing and distribution that's integrated with our operations via secure technology bridge. This also allows them to be the operational backend of in-stock merchandise programs serving 20 clients for Tier-1 credit.

Female Forward

We work with an apparel company that has certification as both women-owned and minority-owned business from the Western Regional Minority Supplier Development Council. They describe their design process as "female forward" meaning they design women's styles first and then create a companion piece styled for men. This is a departure from many apparel companies that design in the reverse order.

Premium Decoration

We work with a regional decoration supplier that has certification from the Southern California Minority Supplier Development Council. They provide a variety of premium quality decoration services including embroidery, screen printing and heat transfer.

Supplier Diversity Awards and Recognitions

We are proud that our efforts have been awarded some of the top distinctions given by the supplier diversity community.

- Top Global Champion in Supplier Diversity & Inclusion; recognized by WEConnect International.
- Diversity & Inclusion Award; recognized by Coca-Cola Canada.



Ethics

Our culture is built on transparent standards and expectations.



Employee Code of Conduct

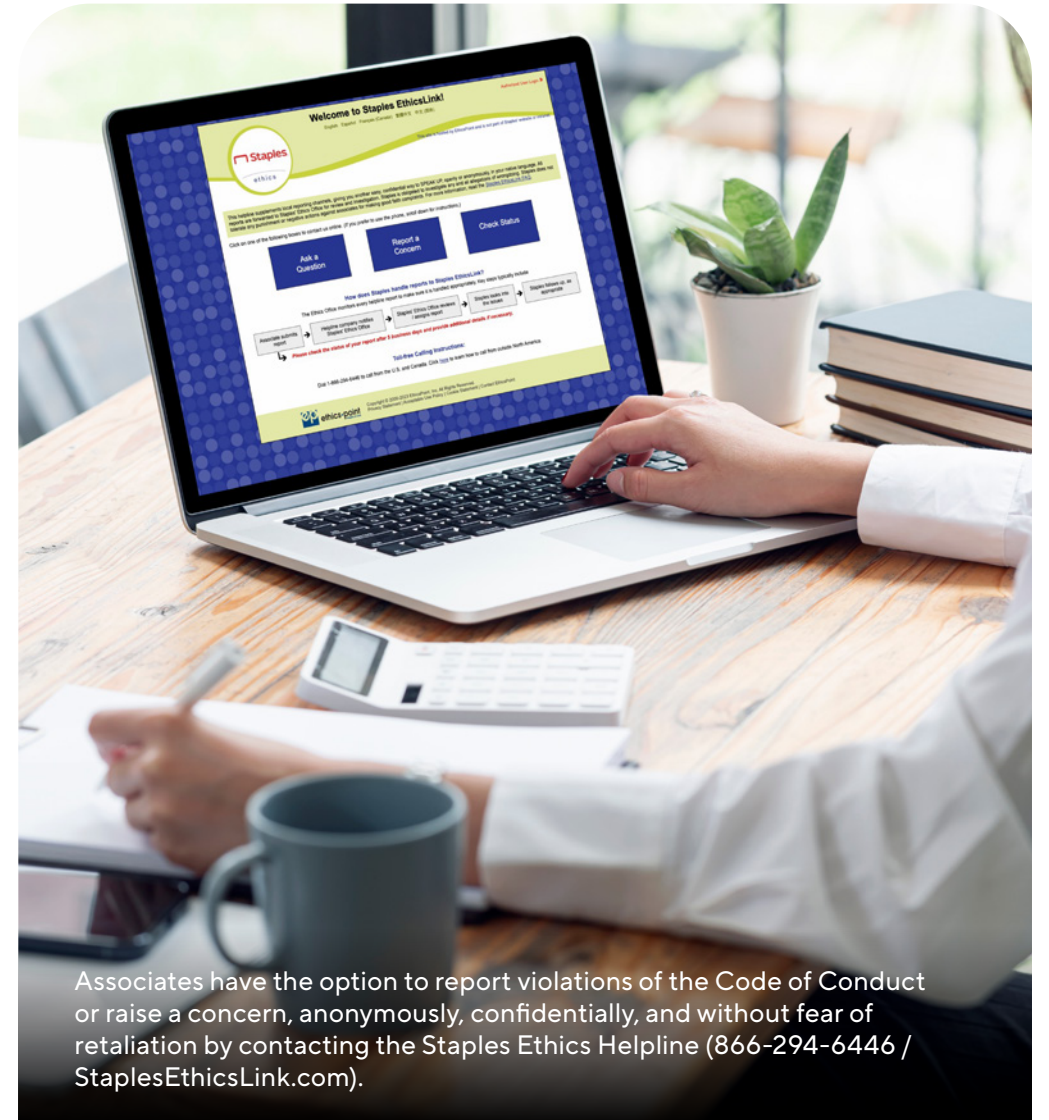
Our work culture is built on transparent expectations. We are honest, fair and trustworthy. Our Employee Code of Conduct precisely outlines the standards that govern how we work together with clients and supplier partners. Explicit instructions explain how behaviors that contradict ethics, codes or values, can be formally or anonymously reported.

✓ REQUIRES

- Compliance with laws, rules and regulations
- Compliance with record keeping, reporting and financial integrity requirements
- Avoiding conflicts of interest in fact or appearance
- Gifts disclosure
- Health and safety requirements
- Anti-retention policies

✗ PROHIBITS

- Illegal drug use
- Violence
- Bribery and payments to government personnel
- Discrimination and harassment
- Price fixing



Associates have the option to report violations of the Code of Conduct or raise a concern, anonymously, confidentially, and without fear of retaliation by contacting the Staples Ethics Helpline (866-294-6446 / StaplesEthicsLink.com).

Supplier Code of Conduct

Our suppliers are mutual partners in building better, more sustainable brands. All of them are required to sign and follow our Supplier Code of Conduct. It requires that they manage their operations and treat their employees in a way that honors our respective brands. We also expect them to mandate that their suppliers adhere to the same code of conduct.

✓ REQUIRES

- Healthy and safe labor environment
- Freedom of association and collective bargaining
- Wages that adhere to all applicable laws
- All legally mandated benefits
- No more than 60 hours of work or the maximum number of hours allowed by law, whichever is lower
- Compensation for all hours worked and at rate of compensation that adheres to all applicable overtime laws
- The rights of Staples personnel and/or our contracted parties to monitor and audit compliance

✗ PROHIBITS

- Forced labor
- Child labor
- Harassment and abuse
- Discrimination





Securing a Better Future Together

Thank you

for taking time to learn how
we are putting **sustainability**
at the heart of branded
merchandise.

For more information, please contact us at spp_csr@staples.com