



# Environmental Social Governance Report.

Reporting Year 2024





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# A Message to Our Stakeholders:

HALO's sustainability journey reflects our corporate ethos of accountability to our key stakeholders, the communities in which we operate, and the recognition of the global reach of the products and services we provide. In addition to decades of industry leadership in product safety, integrity, and corporate social responsibility, we have formalized our commitment to reducing the environmental impact of our organization and the products we sell by joining the United Nations Global Compact on Climate Change (UNGC) and the Science Based Targets Initiative (SBTi). In addition, HALO completed a double-materiality assessment with substantial engagement from each of our stakeholder groups to further focus our increasing investments in sustainability.



**Marc Simon** | Chief Executive Officer



**Empowering Workers,  
Reducing Impact,  
Accelerating Equity,  
Reporting Progress,  
Powering Growth,  
Supporting Values,  
HALO.**



# About HALO.

Founded in 1952, HALO is the global leader in branded merchandise, uniform programs, and recognition and incentive solutions.

With more than 2,000 employees and 39 locations, we offer the industry’s most comprehensive range of capabilities.

Our clients include 151 of the Fortune 500 as well as thousands of mid- and small-size organizations seeking to make a big impact with their brands.

HALO is a private growth-driven company that demonstrates reliable financial strength and is ultimately controlled by TPG, Inc.

Our headquarters is located in Sterling, Illinois.

**\$965<sup>M</sup>**

**2024 SALES  
REVENUE**

**2,307**

**TEAM  
MEMBERS**

**73**

**YEARS IN  
BUSINESS**

**151**

**FORTUNE  
500 CLIENTS**

**50<sup>K</sup>**

**CLIENTS  
WORLDWIDE**

**#2**

**INDUSTRY  
ASSOCIATION  
RANKING**

**39**

**LOCATIONS  
WORLDWIDE**

**3.5<sup>K</sup>**

**SUPPLIER  
NETWORK**

**8**

**FULFILLMENT  
CENTERS**





# What We do.

**HALO Branded Solutions Inc.** is a prominent distributor in the promotional products industry, affiliated with the Promotional Products Association International (PPAI) and the Advertising Specialty Institute (ASI). Our core business involves sourcing and distributing promotional products through industry suppliers and direct manufacturers. We specialize in merchandise marketing, recognition and incentives, corporate apparel and uniforms, and retail point-of-sale solutions.

## KEY INDUSTRIES WE SERVE:

- Manufacturing
- Technology
- Hospitality
- Retail
- Financial
- Consumer Packaged Goods
- Non-Profit

## PROCUREMENT

Procurement at HALO involves strategic sourcing from a diverse global network of 3,500 compliant suppliers and manufacturers. As the second largest promotional product distributor in the U.S., we leverage purchasing power with more than 250 key merchandise brands. Our in-house team of quality, compliance, and logistics experts ensures that we maintain high standards across all operations.

## CREATIVE

In the Creative domain, we provide services to amplify client brands and break through the noise of today's media channels. Our in-house Creative Agency comprises designers, illustrators, packaging experts, industrial designers, and 3D modeling experts. This team works in tandem with procurement, merchandising, and production to deliver cost savings and speed to market.

## TECHNOLOGY

Our Technology solutions engage audiences, simplify purchasing, and control spend. We utilize proprietary technology supported by in-house experts, integrating fulfillment, data security, reporting, and back-end system integration to drive ROI and operating efficiency.

## FULFILLMENT

Fulfillment is supported by eight state-of-the-art HALO fulfillment centers, which expedite shipments and ensure timely delivery of goods. These centers provide integrated pick and pack, high-velocity distribution, and kitting services. Our in-house logistics and shipping experts offer both domestic and international shipping capabilities, ensuring seamless delivery across the globe.



# Our Culture.

## OUR VISION:

We connect people and brands to create powerful, lasting experiences.

## OUR VALUES:

At HALO, our culture is defined by teamwork, inclusivity, curiosity, creativity, accountability, and integrity, all guided by our values of ONE HALO, INGENIOUS, INCLUSIVE, and DETERMINED.

Our culture is rooted in teamwork and collaboration to meet and exceed customer needs. We prioritize inclusivity, ensuring every employee feels respected and appreciated while effectively collaborating with diverse groups. Driven by curiosity and creativity, we integrate exploration with practical solutions to achieve outstanding results, constantly asking, "What else can we do?" Our culture emphasizes accountability and integrity, encouraging everyone to take responsibility for their actions and deliver on promises, even in the face of challenges.



### ONE HALO

With an entrepreneurial spirit and open mind, we come together to make the most of every opportunity for our clients and our business around the world.




### INGENIOUS

We combine creativity and superior execution to stay one step ahead by bringing together market-leading knowledge, technology, and insight.



### INCLUSIVE

We thrive on diversity and cultivate a sense of belonging to inspire our people to break through barriers to achieve great results both personally and professionally.



### DETERMINED

Dependability, honesty, and integrity are the essential characteristics of every member of our team. We hold ourselves accountable for our actions, behaviors, and for delivering results.

# Key Pillars of Sustainability.



## EMPOWERING TEAMS

**Our Goal:** Further support our teams and supply chain workers, ensuring they can provide for their families and prosper.

### ECOVADIS RATING

**26%** Above the Category  
Average on Labor and  
Human Rights



## STAKEHOLDER ALIGNMENT

**Our Goal:** Provide customers with safe, high-quality products that are produced in alignment with their values.

### ECOVADIS RATING

**61%** Above the Category  
Average on Sustainable  
Procurement



## BUILDING A BETTER FUTURE

**Our Goal:** Reduce our global impact through sustainable practices in our operations and promoting climate change action.

### ECOVADIS RATING

**35%** Above the Category  
Average on Environment



## WORKING ETHICALLY

**Our Goal:** Maintain high standards of ethical conduct while acting with integrity at all times and reporting concerns.

### ECOVADIS RATING

**18%** Above the Category  
Average on Business Ethics

*HALO ranks in the 80th percentile of all companies assessed. Benchmarks shown above are for large corporations in the wholesale industry.*



# Our Sustainability Journey.





# Standards & Frameworks.

## ALIGNMENT AND ACCOUNTABILITY



GREENHOUSE  
GAS PROTOCOL

### GHG PROTOCOL

Alignment to accounting standards for greenhouse gas emissions.



### CDP

Annual reporting on carbon emissions.



### ECOVADIS

Annual sustainability metrics audit for business sustainability documentation.



### UNGC

United Nations Global Compact (UNGC) membership working toward Sustainable Development Goals (SDG).

### GAAP

We comply with Generally Accepted Accounting Principles (GAAP) and Financial Accounting Standards (FASB).



### SBTI

Science Based Targets Initiative. Commitment to near term emissions reductions using science based targets.



### ISO CERTIFICATION

Certified ISO 27001 ISMS (Information Security Management System) and ISO 27701 PIMS (Privacy Information Management System) certification.



### FLA

As Fair Labor Association members, we uphold the highest standards of labor rights and ethical practices globally.



### HIGG FEM

Annual HIGG FEM audits for our fulfillment centers in compliance with client requirements.



### GRI

We use Global Reporting Initiative standards as a benchmark for reporting.

# Our Alignment to the United Nations Sustainable Development Goals.

At HALO, we view sustainability as more than just good business. Our sustainability efforts reflect our vision of corporate accountability to our clients, the communities in which we operate, and the global reach of the products and services we provide.

To further our sustainability commitments and adhere to global standards, we have joined the United Nations Global Compact. We have chosen 4 of the 17 Sustainable Development Goals (SDGs) and we are in the process of aligning them to our 4 pillars of sustainability to guide our overall corporate strategy and actions.

You can learn more about the United Nations Sustainable Development goals at <https://unglobalcompact.org/sdgs/about>.

## KEY PILLARS SDG ALIGNMENT AND POLICIES:

### EMPOWERING TEAMS

- **SDG Alignment:** Goal 8: Decent Work and Economic Growth and Goal 10: Reduced Inequalities
- **Policy Statement:** [Human Rights](#)

### STAKEHOLDER ALIGNMENT

- **SDG Alignment:** Goal 12: Responsible Consumption and Production
- **Policy Statement:** [Product Safety and Compliance](#)

### BUILDING A BETTER FUTURE

- **SDG Alignment:** Goal 13: Climate Action
- **Policy Statement:** [Environment](#)







# Achieving a Sustainable Future.

- Empowering Teams
- Stakeholder Alignment
- Building a Better Future
- Working Ethically



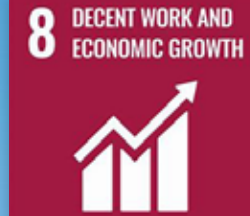


# Empowering Teams.

Our vision is to connect people and brands to create powerful, lasting experiences. This fuels our desire to grow and add capabilities that benefit our customers, affording our people the opportunity to prosper personally and professionally .

We're dedicated to continuing an excellent relationship with our employees by maintaining good working conditions, competitive wages and benefits, open communication, and encouraging employee involvement.

Our industry leadership is the result of our employees' passion for continuous improvement in every aspect of our stakeholder relationships. We continuously look to our employees for ideas about how to improve all areas of our business relating to customer service, safety, efficiency, and employee relations.





# Empowering Teams.

COMMITMENT:

Further support our teams and supply chain workers, ensuring they can provide for their families and prosper.

Targets	2024 Progress/Actions	Status
<b>Employee Satisfaction:</b> Maintain a workplace with meaningful work and the support to grow professionally.	<p>73% of employees responded to our annual voluntary satisfaction survey providing HALO with a 4 out of 5 star rating.</p> <p>94% of all team members received an annual performance review and 2 midyear feedback sessions. 95% received performance goals.</p> <p>Employee turnover was 12.6% a 46% improvement from 2023.</p>	On-Going
<b>Inclusive Workplace:</b> Provide an environment where all employees feel respected and valued in the workplace.	<p>95% of staff completed annual anti-harassment and discrimination training.</p> <p>HALO launched a new intranet to provide essential information, support continuous learning, and share employee stories, aiming to celebrate and enrich our company culture.</p>	On-Going
<b>Giving Back:</b> Supporting the communities in which we operate.	<p>HALO has funded 526 volunteer hours, a 50% increase from 2023.</p> <p>HALO has provided \$235K in charitable donations.</p>	On-Going
<b>Supplier Diversity:</b> 10% of overall purchases in our supply chain will be with certified diverse suppliers by 2026.	<p>While diversity spend percentage of total purchases increased from 5.8% to 6.7%, this was still below our 10% goal. Diversity spend was \$36,829,058 in 2024.</p> <p>31% increase in certified diverse suppliers from the previous year, totaling 126 suppliers.</p>	Trending Up



# Empowering Teams Actions.

## A PERSPECTIVE ON DEI AND CULTURE FROM HALO CHRO KIM SANDIFER

"Improving company culture isn't about mandates or mission statements; it's about commitment. Real change happens when leaders take action. This approach ensures that diversity, equity, and inclusion (DEI) are not just buzzwords but integral parts of our organizational fabric."



Kim Sandifer, CHRO speaking at PPAI EXPO on DEI initiatives

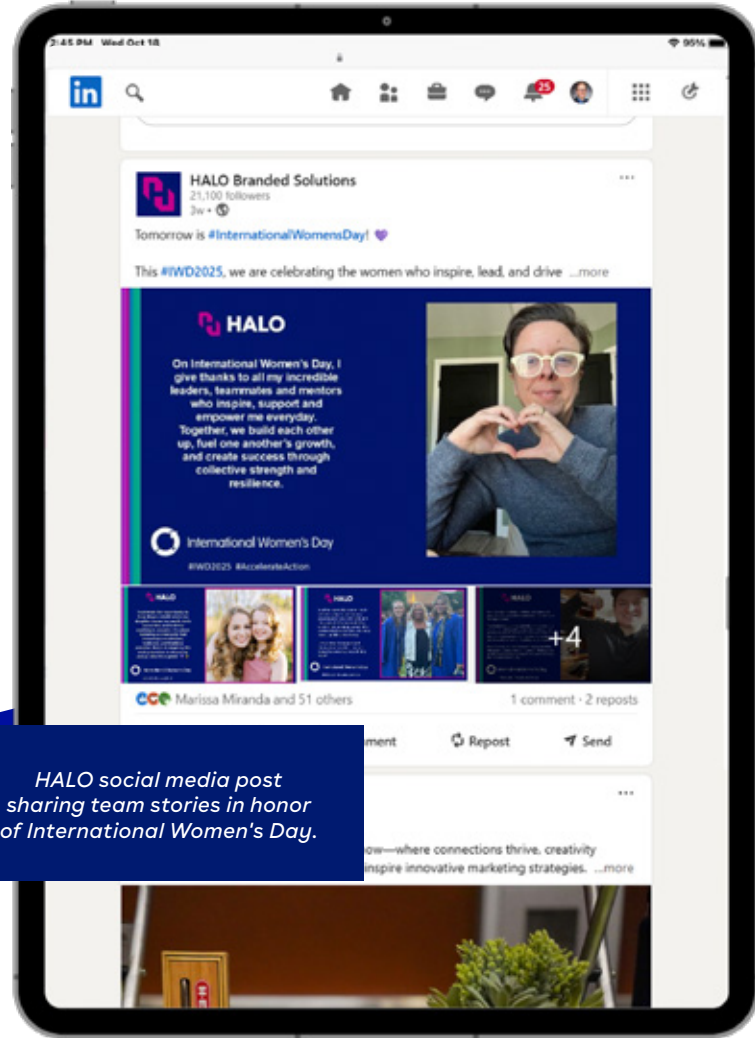
During the 2025 PPAI EXPO, I had the privilege of sharing our journey and insights on improving company culture through DEI support and awareness. Our discussion highlighted how intentionality, awareness, and action can weave DEI into the very essence of any workplace. The result? A company culture that doesn't just support diversity but thrives because of it."

## HERITAGE COMMUNICATIONS

HALO highlights dates of cultural significance to our team members and the communities that we support. In addition to monthly spotlight communications, HALO launched a calendar to capture a robust set of commemorative days beyond those highlighted monthly. These days include the historical context, employee stories of their personal significance, and resources to explore how different organizations are supporting its commemoration. In 2024, our promotional efforts reached an estimated 150,232 impressions.

## HALO HIRES HUMAN RESOURCES ANALYST POSITION

In 2024, HALO enhanced its workforce management by hiring an HR analyst. This role focuses on collecting and analyzing HR data, generating reports, and providing insights to improve decision-making. The analyst monitors trends, supports compliance, collaborates on workforce planning, evaluates HR software, and conducts salary benchmarking. HALO's decision underscores its commitment to a data-driven approach to human resources, fostering a more effective and engaged workforce.



HALO social media post sharing team stories in honor of International Women's Day.



# Empowering Teams Actions.

## COMMITMENT TO EMPLOYEE SATISFACTION AND RECOGNITION

HALO reinforces its commitment to employee satisfaction and inclusivity through our employee points incentive platform. This program rewards teams with merchandise for exemplifying our core values: inclusion, determination, ingenuity, and ONEHALO. Additionally, WOW awards are given for exceptional achievements that have a significant impact on HALO. Over 20,000 awards were distributed in 2024, highlighting our dedication to recognizing and celebrating the extraordinary contributions of our employees.

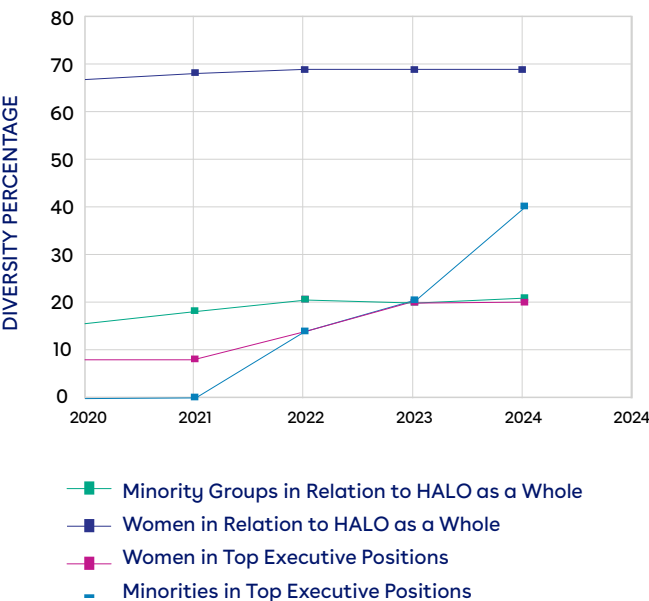
## EXPANDED WELLNESS PROGRAM

HALO launched the Navigate Wellness Platform for all employees, aiming to enhance engagement and wellbeing through personalized programs. The platform covers various aspects of health, happiness, and career fulfillment via the 8 Pillars of Wellbeing: balance, community, financial, mindfulness, nutrition, physical, purpose, and social. Our goal was to have 40% of eligible users registered; however, we have surpassed this target with 62% of employees on-boarded, demonstrating strong participation and commitment to fostering a healthier, more productive workforce.

## CULTURE CHAMPION PROGRAM LAUNCH

HALO launched the Culture Champion Program to boost employee engagement and satisfaction. A diverse group of employees meets regularly to brainstorm and plan events, communications, and gifts. Their efforts lead to a calendar of activities, messages, and gifts, creating a more connected and appreciated workforce. As a result, HALO thrives, proving that a happy and engaged team is key to success.

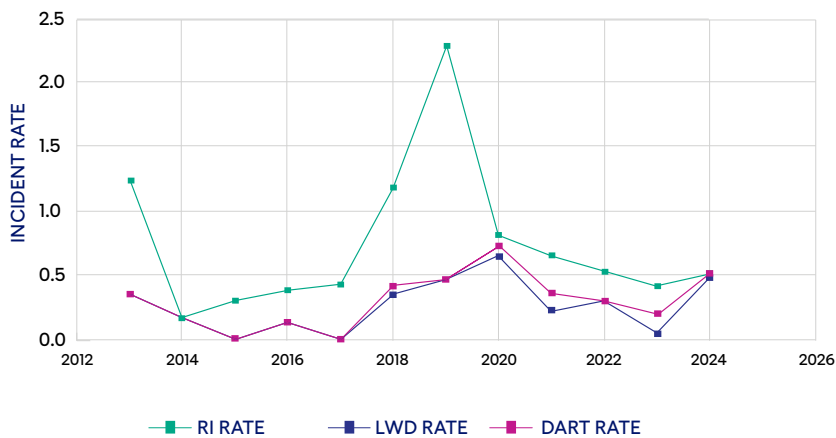
## DEI REPORTING METRICS



# Employee Safety Data.

## OSHA INCIDENT RATE TRENDS

HALO strives to provide an injury-free workplace and mitigate all recognized hazards. We examine our workplace incidents to ensure compliance, identify negative workplace safety trends, and establish remediation plans.

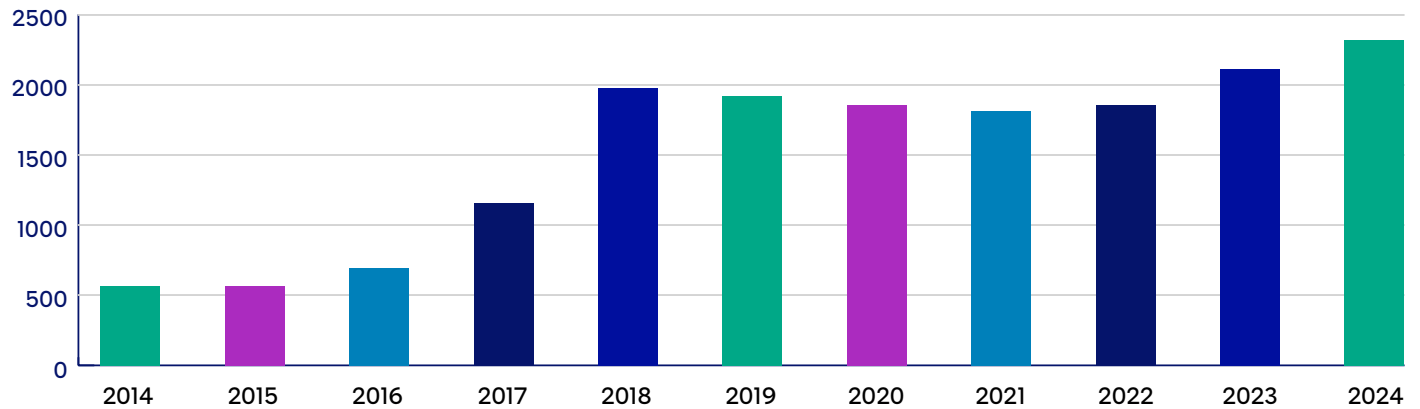


- **Recordable Injury Rate (RI)** - The number of OSHA Recordable Injury and Illness cases divided by the total labor hours for the year, normalized to 200,000 labor hours.
- **Lost Workday Case Rate (LWD)** - The number of injury cases that result in lost work days divided by the total labor hours for the year, normalized to 200,000 labor hours.
- **Days Away, Restricted or Transferred (DART)** - Total number of recordable injuries and illnesses that caused a worker to be away, restricted, or transferred x 200,000 divided by total number of hours worked by all employees

## OSHA 300A DATA

METRIC	2018	2019	2020	2021	2022	2023	2024
Average Number of Employees	1,991	1,918	1,867	1,831	1,847	2,123	2,307
Labor Hours	2,864,536	2,974,095	2,726,183	2,742,991	2,643,907	3,916,258	3,417,239
Total Number of Recordable Cases	17	34	11	9	7	8	9
Total Lost Work Day Cases	5	7	9	3	4	1	8
Total Number of Days Away from Work	22	100	472	209	373	181	93
Lost Time Injury Frequency	1.75	2.35	3.30	1.09	1.51	.26	2.34
Lost Time Injury Severity	0.008	0.03	0.17	.08	0.14	0.05	0.027

## EMPLOYEE HEAD COUNT





# Supplier Diversity Program.

## SUPPLIER DIVERSITY

HALO celebrates and fosters differences, enriching our company, community, and experiences. We are committed to maintaining and expanding programs that promote supplier diversity. Our supplier diversity program creates business opportunities for diverse suppliers, including minority-owned, woman-owned, disabled veteran, veteran-owned, LGBTQ+, and small businesses. We support emerging and current M/WBE suppliers by offering incentives for certification and mentoring on meeting HALO's social, safety, environmental, and indemnification requirements to become preferred suppliers.

## OUR COMMITMENT

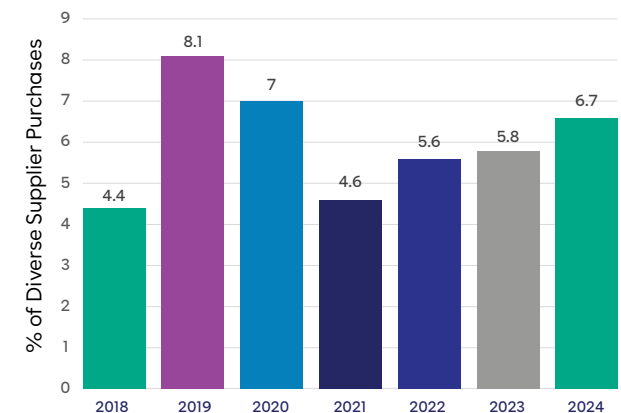
In 2020, HALO launched an aggressive supplier outreach campaign, updating policies to require suppliers to provide certification documents, which are available to HALO customers upon request. As our trade spend increases with company growth, we are committed to achieving a three-year goal of 10% of total spend with our supply chain by 2026. We aim to reach this goal through continuous outreach to diversity-certified suppliers outside our industry and enhanced promotion to our buyers and clients.

## CHALLENGES AND OPPORTUNITIES

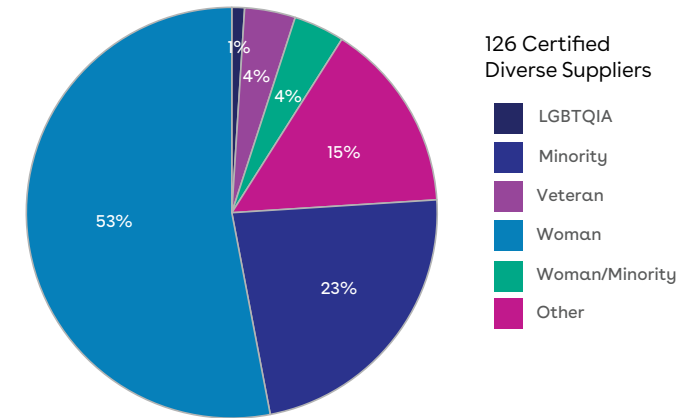
We face a shortage of certified diversity suppliers within our industry who can meet HALO's secure source protocol standards. To overcome this, we are expanding our search to include suppliers outside our industry and providing additional support to help them meet our standards.

Enhanced promotion to our buyers and clients will also aid in reaching our goal.

## DIVERSITY SPEND PROGRESS



## SUPPLIER DIVERSITY INTENSITY



# Stakeholder Alignment.

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Your brand is one of your organization's most valuable assets. We ensure that our solutions are fully compliant with your brand standards, support your commitment to sustainability, and reflect and reinforce your all-important corporate culture.

We value the voices of our internal and external stakeholders. If you would like to discuss any of our sustainability practices in detail, or become an associate member or consultant, please contact us at [sustainability@HALO.com](mailto:sustainability@HALO.com).





# Stakeholder Alignment.

## COMMITMENT:

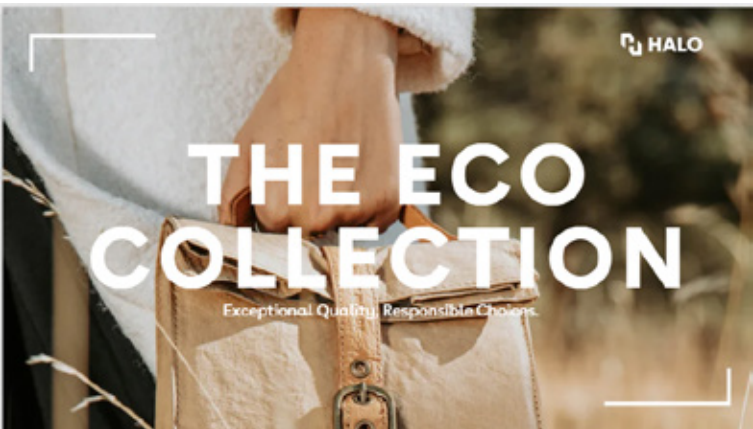
Continue to provide our customers with safe, high-quality products that are produced in alignment with their values and sustainability goals.

Targets	2024 Progress/Actions	Status
<b>Provide Sustainable Products:</b> HALO will provide clients with a catalog of product choices that clearly identify the dimensions of sustainability by 2025.	Working with our suppliers and consultants, HALO has defined an acceptable sustainable product information matrix that aligns with FTC Green Guide guidelines for product sustainability claims and will be publishing our first annual catalog in 2025.	Completed
<b>Supply Chain Compliance:</b> HALO will maintain 100% supplier compliance to our safety and ethics standards.	100% of all suppliers comply with and are educated on our Vendor Agreements and Supplier Code of Conduct outlining our quality, social, and environmental, requirements. HALO also maintains a Preferred Supplier Program which accounts for 70% of 2024 spend. These suppliers are chosen based on performance, product integrity, diversity status, and sustainability initiatives	On-Going
<b>Waste and Recycling:</b> HALO will minimize waste and mitigate the amount sent to landfills in our operations.	<ul style="list-style-type: none"><li>• Maintain bulk waste donations and recycling programs in our Sterling HQ facility.</li><li>• Recycling programs for all HALO facilities are targeted for launch in 2025.</li></ul>	On-Going
<b>Promoting Sustainable Procurement:</b> HALO will educate buyers, teams, suppliers, and clients on sustainable procurement practices.	<p>184 suppliers and 251 sales team members participated in our annual supplier sustainable procurement webinars.</p> <p>23 buyer and public communications, email and social media posts, were focused on sustainable products or topics in 2024.</p>	On-Going





# Stakeholder Alignment Action.



## CONSCIOUS CHOICES CATALOG

Finding genuinely sustainable products in the promotional industry is challenging due to a lack of unified standards, supply chain visibility, and varying client and regulatory requirements which can lead to green washing. Using the FTC Green Guides as a benchmark, HALO has worked with our preferred suppliers, internal teams, and sustainability consultants to launch a catalog that clearly outlines what makes a product sustainable.

Catalog Product Standards:

- **Material Composition** - Including recycled content, organic content, sustainably grown, and compostable content. The percentage of the stated content and the components of the product made of the content are clearly outlined along with certifications.
- **Manufacturing Process** - Certifications in the

manufacturing process for the product that align with recognized sustainability standards such as ISO 14001.

- **Organization** - Supplier operations certifications that align to a recognized standard such as B Corp and certifications for diversity ownership by a recognized governing body.
- **Philanthropic** - The purchase of the product benefits a philanthropic entity with the % of sales benefiting the organization and link to information on the entity.

The first annual catalog launches May 15th, 2025, with 106 products which will be available on HALO.com.

## NATIONAL SALES MEETING SPOTLIGHT

At our annual National Sales Meeting, we offer comprehensive product training, including small group supplier sessions and a trade show. To help educate our sales teams and demonstrate our commitment to sustainable procurement, we provide dedicated training sessions focused on sustainability in our procurement practices. In 2024, we invited 40 suppliers representing 57% of HALO purchases.

## PROMOTING SUSTAINABLE PROCUREMENT

At HALO, we are committed to fostering a sustainable future through our comprehensive sustainability and corporate responsibility initiatives. Our efforts are designed to engage and educate our clients, the general public, our supply chain partners, and our sales teams on the importance of sustainable practices.

- **Clients and General Public** - To help drive "A Sustainable Future," we aggressively promote our overall sustainability and corporate responsibility initiatives to the general public and our customers. We do this through our annual ESG report, website content, social media, newsletters, and email campaigns. In 2024, our promotional efforts reached an estimated 134,457 impressions.
- **Supply Chain** - In June 2024, HALO hosted a sustainable procurement webinar with 180 preferred suppliers in attendance. The webinar covered topics such as the importance of sustainable practices, challenges, opportunities, and the urgency of taking action now.
- **Sales Teams** - In June 2024, HALO held a webinar for our sales teams to educate them on the value of promoting sustainable product options to their clients. The teams learned about sustainable classifications, green-washing, marketing tactics, and how to effectively use our ESG report. The webinar had 251 participants.



# 2024 Double Materiality Assessment.

## INTRODUCTION

HALO conducted a Double Materiality Assessment in 2024 to update its understanding of material topics impacting the business. This assessment follows the previous one from 2019, which had been instrumental in guiding HALO's sustainability programming. Significant changes in the business ecosystem, including the effects of the COVID-19 pandemic, maturation of HALO's sustainability program, and new pressures from customers and regulatory agencies, necessitated this update. Additionally, evolving European ESG guidance and US State statutory requirements now mandate a Double Materiality assessment as part of the sustainability reporting framework.

## BACKGROUND

HALO's Double Materiality Assessment aimed to evaluate current business conditions and sustainability stressors. This method aligns with recent European Union regulations and US trends, examining topics from both inside-out (IO) and outside-in (OI) perspectives. For instance, it considers how external climate change impacts HALO's operations and how HALO's activities affect climate conditions. Topics were categorized into Environment, Society and Safety, and Financial Health and Governance, representing the pillars of corporate sustainability.

## METHODOLOGY

To identify the most material sustainability issues, HALO surveyed five stakeholder groups, including internal and external stakeholders.

- Customers
- Suppliers and Vendors
- Employees
- Account Executives (sales teams)
- Leadership (vice president and above)

Respondents ranked the importance and impact of various topics using a numerical scale from 1 to 10, providing scores for both outward impacts and internal effects on HALO's finances and operations. This approach enabled a comprehensive double materiality analysis, with results plotted to show inside-out and outside-in values.

## RESPONSES

The response rate for the surveys was lower than anticipated, possibly due to the perceived complexity or time-consuming nature of the double materiality scoring approach. Despite this, enough responses were received to allow for a meaningful analysis. Some surveys, however, were returned without usable scoring results. Below is a summary of the number of responses received.

- Total Surveys Returned – 253
- Total Surveys with Usable Scoring Data – 213

## RESULTS

Survey data were plotted for each topic, showing two data points: one for the inside-out value and one for the outside-

in value. Charts were created for the overall population response. Both quantitative and qualitative factors were considered in evaluating the Double Materiality assessment results.

"Our sustainability efforts are driven by the values of our stakeholders. We share our materiality methodology with our industry peers and the public to further improve global ESG practices."

Terry McGuire,  
SVP Supplier Relations and Sustainability



# Materiality Findings.

## QUANTITATIVE RESULTS:

The data highlight the most material topics for HALO:

- Access to Capital: Highest score from an outside impact perspective, highlighting the importance of external funding.
- Worker Health and Safety: Highest median score between outside-in and inside-out perspectives, emphasizing worker protection for operational success.

The top nine OI Median scores were distributed between Financial & Governance and Safety & Society categories, with the highest Environmental topic ranking 10th overall.

### Top Financial & Governance Topics (OI Median):

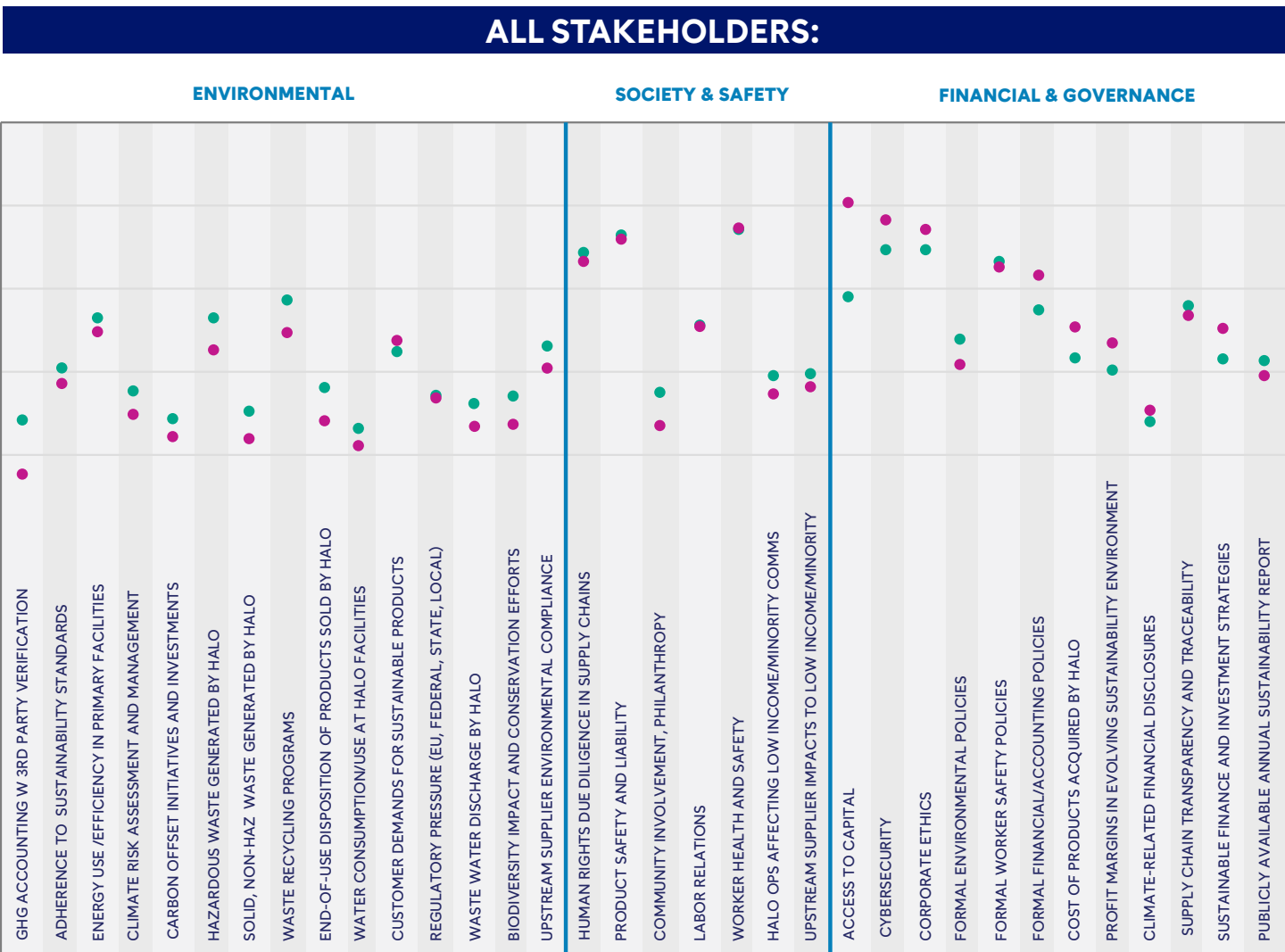
1. Cyber security (2nd overall)
2. Corporate Ethics (4th overall)
3. Access to Capital (5th overall)
4. Formal Worker Safety Policies (7th overall)
5. Formal Financial/Accounting Policies (8th overall)
6. Supply Chain Transparency and Traceability (9th overall)

### Top Safety & Society Topics (OI Median):

1. Worker Health and Safety (Ranked 1st overall)
2. Product Safety and Liability (Ranked 3rd overall)
3. Human Rights Due Diligence Supply Chains (6th overall)

### Top Environmental Topics (OI Median):

1. Waste Recycling Programs (10th overall)
2. Energy Use and Efficiency in Primary Facilities (11th overall)



All topics scored above 5 on the rating scale, indicating their materiality to the company.

### LEGEND:

● Outside In (OI) ● Inside Out (IO)





# Materiality Findings.

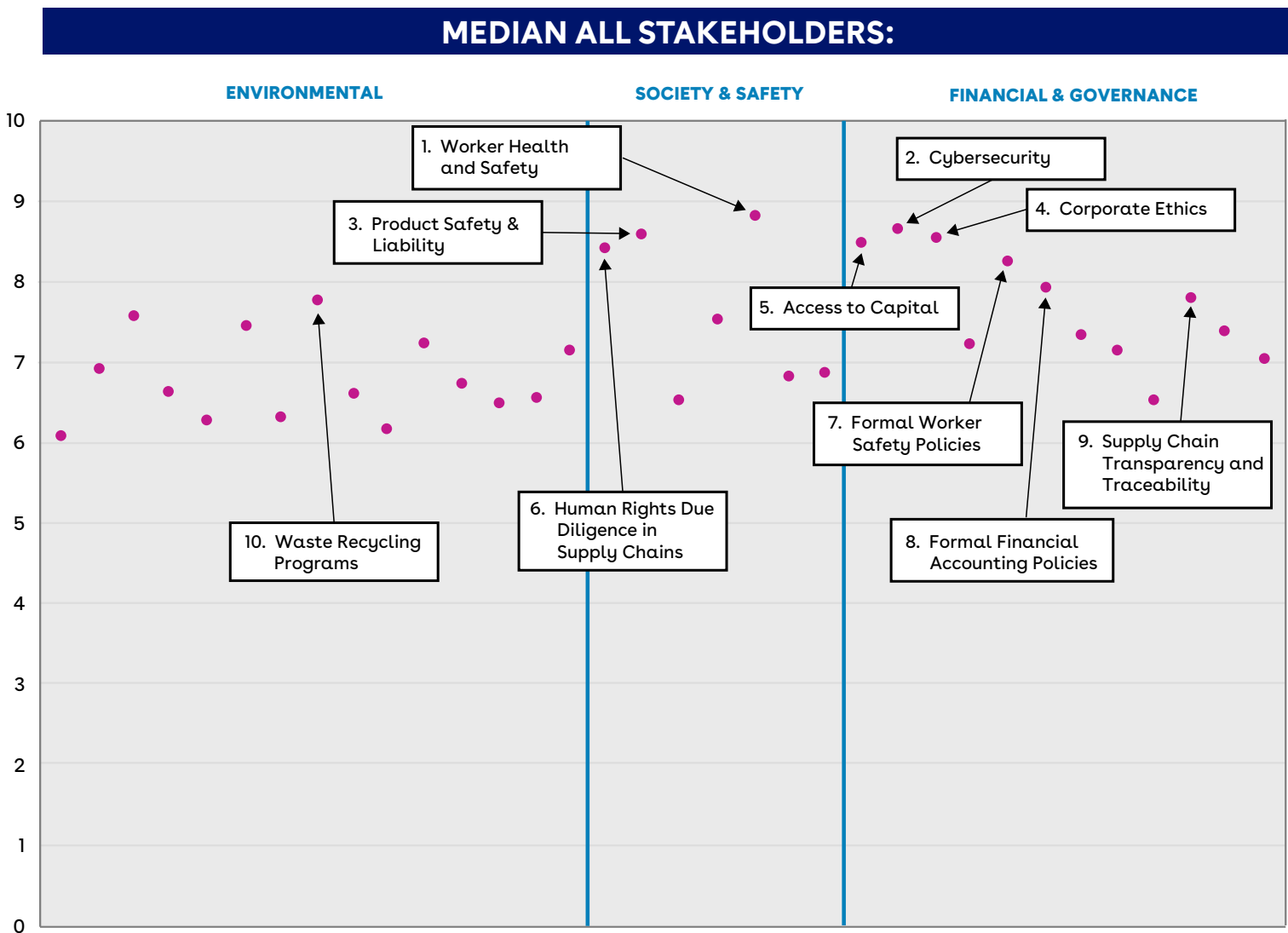
## QUALITATIVE RESULTS:

The assessment results, viewed in the context of current business environments and scoring patterns, highlight key material topics for HALO:

- Finance and Governance are the most material category, closely followed by Safety and Society, with Worker Safety being a significant concern for all stakeholder groups.
- The Environmental category scored the lowest overall, likely due to HALO's non-manufacturing nature. Despite this, environmental issues such as recycling and energy efficiency still hold some materiality, with scores above 5.
- Although climate-related topics scored lower in HALO's materiality assessment, they remain important due to large customer requirements and upcoming state regulations. HALO's sustainability efforts are focused on climate initiatives which will become increasingly critical as external pressures for climate and GHG reporting and reduction plans grow.

## CONCLUSION:

The most material issues for HALO at this time are Worker Health and Safety, Cyber security, Product Safety and Liability, Corporate Ethics, and Access to Capital. These topics scored highly among all stakeholders and were the top issues using the OI Median. However, from the environmental perspective, waste recycling and energy use scored highly in that category and should be considered as material.



NOTE - Median between Inward and Outward looking perspectives.



# Waste Reporting.

## WASTE & RECYCLING PROCESS IMPROVEMENTS

To drive the execution of waste minimization, in February 2021 we conducted a waste-stream audit with external consultant [Great Forest](#). We looked at our main facility in Sterling, IL (corporate headquarters and primary fulfillment center) to gain a greater understanding of what is being sent to the landfill.

We received an overall score of 38.6% with considerable room for improvement. Based on audit findings we improved processes and completed 79% of the recommended changes achieving 11% increase from 2022. Our goal is to implement these practices to all facilities where HALO has operational control in 2025.

2023 WASTE STREAM AUDIT IMPROVEMENT PROJECTS	STATUS UPDATES
Review the feasibility of composting	In Review
Install system to separate organics from trash and recycling	In Review
Implement policies to replace single-use utensils and condiments	In Review
Review the feasibility of policies to reduce overall waste from suppliers	In Progress

## BULK WASTE RECYCLING

To reduce waste going to landfills HALO donates obsolete merchandise, paper, and cardboard through [Aveniras](#). This organization partners with RewearAble to recycle goods and create jobs for people with disabilities. The remainder of our paper, cardboard, and misc recyclables are collected through our local waste management provider.

BULK WASTE RECYCLING (STERLING HQ)	2023	2024
Obsolete Merchandise Recycling and Donations (tons)	16.5	18.5
Paper, Cardboard, and Misc Recycling (tons)	129*	347
Total Landfill Waste Diversion (tons)	145.5	365.5

*\*Reporting for paper and cardboard recycling is a partial metric for the months of June through December 2023.*

2024 WASTE DONATIONS BY CATEGORY (STERLING HQ)	
Cardboard & Paper (lbs)	676,985
Plastic (lbs)	2,554
Clothes & Textiles (lbs)	18,577
Clocks/Electronics (lbs)	2,191
Books (lbs)	8,182
Cups (lbs)	2,451
Metal (lbs)	3,099
Misc (lbs)	18,577





# Building a Better Future.

Our goal is to reduce our global impact through sustainable practices in our operations and promoting climate change action.

HALO's blended model of owned and leased facilities creates a challenge related to standardized measurements and best practices on energy use and GHG emissions reductions.



# Building a Better Future.

## COMMITMENT:

Further reduce our environmental impact on the communities in which we operate through sustainable practices in our operations.

Targets	Progress/Actions	2024 Status
<b>Near-Term Emissions Reductions:</b> HALO is committed to reducing its emissions in line with the Science Based Targets initiative (SBTi) for near-term target reductions.	<ul style="list-style-type: none"><li>• Full scope emissions inventory and accounting procedures are completed.</li><li>• GHG emissions reduction targets have been submitted to SBTi and are in the process of being validated.</li><li>• Based on the data submitted to SBTi HALO is on target to meet near-term emissions reductions targets.</li><li>• CDP Reporting on climate current rating is a C with a goal for B by 2030.</li></ul>	On-Target
<b>Client GHG Emissions Transparency:</b> HALO will provide options for providing GHG emissions data to clients on the products they purchase.	<ul style="list-style-type: none"><li>• Processes are in place to provide clients with annual GHG emissions estimates using revenue based models.</li><li>• Processes are in place to provide clients with project based emissions calculations on product carbon footprint through a third-party provider.</li></ul>	Completed
<b>Client Certified Carbon Offsets:</b> HALO will provide options to clients for providing certified carbon offsets for the products they purchase.	<ul style="list-style-type: none"><li>• Processes in place to provide certified carbon offsets through a third-party provider based on the GHG emissions calculations that HALO provides.</li></ul>	Completed
<b>Promoting Climate Change Action:</b> HALO will educate stakeholders on the need for climate action.	<ul style="list-style-type: none"><li>• Engage at minimum two HALO stakeholders groups annually on climate action topics and provoke discussions to affect change within our industry.</li></ul>	On-Going





# Building a Better Future Actions.

## HALO LEADERS SPEAK ON CLIENT REQUIREMENTS ON CLIMATE CHANGE

In June 2024, the HALO sustainability team presented to 184 representatives from our preferred suppliers on client climate action requirement trends. The team shared insights on client trends in GHG emissions transparency, supply chain requirements, and the associated opportunities and challenges for the industry. The presentation was based on five years of request for proposal (RFP) data, current client information, and materiality assessment findings. The overarching goal was to initiate a dialogue on improvement processes and emphasize the need for collaboration to meet client requirements and reduce climate impacts within our industry.



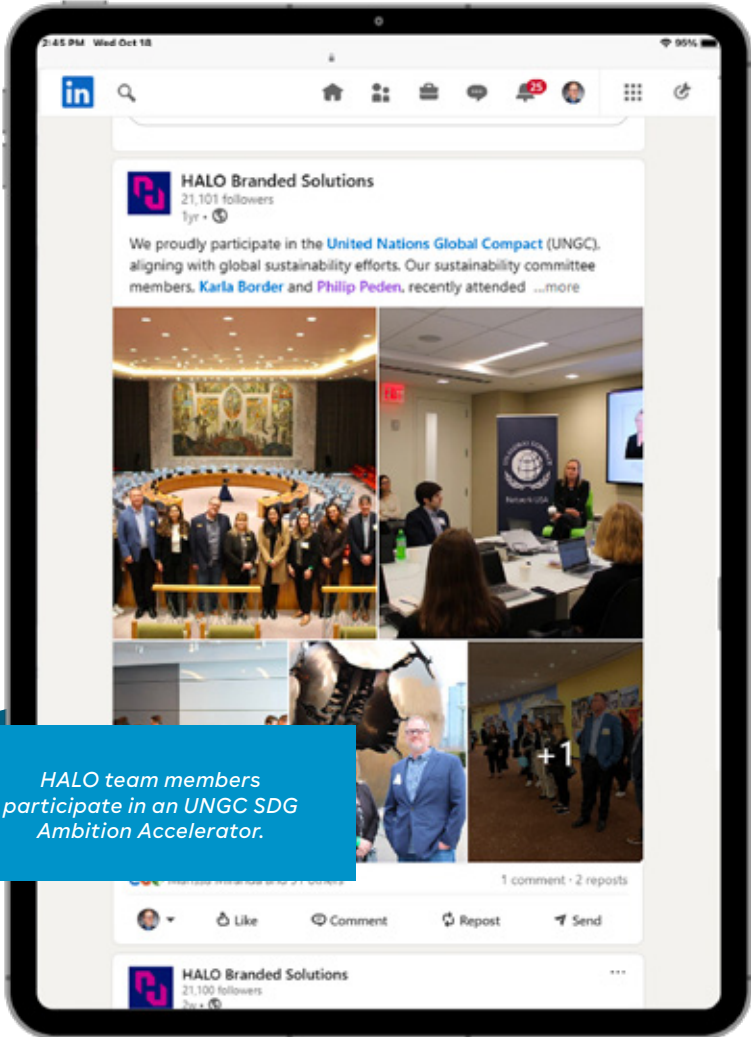
Terry McGuire, Senior Vice President, and Phil Peden, Marketing Director, addressing the audience at the PPAI Product Responsibility Summit.

Due to the value suppliers found in that presentation, HALO presented similar data at the PPAI Product Responsibility Summit in September 2024. This presentation aimed to share this information not only with our suppliers but also with the industry association and our competitors. It included a 5-step process on top-down management backing, leveraging our experiences in our sustainability journey.

## UNGC SOCIAL DEVELOPMENT GOALS ACCELERATOR PROGRAM PARTICIPATION

In 2024, two members of the HALO sustainability team participated in the UNGC SDG Ambition Accelerator program, focusing on integrating SDG 13 (Climate Action) into our business practices. They successfully completed the course, which included an 8-step process and a final presentation on approach, goals, implementation, reporting, evaluation, and improvement. Karla Border, Director of Operations, had this to say about the experience:

"Participating in the UNGC Ambition Accelerator has been an incredible experience. The curriculum was exceptional, blending virtual and in-person sessions. The guidance and support were invaluable, and the structured agenda kept us on track. Engaging in open dialogue about challenges and strategies with like-minded organizations fostered a collaborative environment that has driven our sustainability initiatives forward."



HALO team members participate in an UNGC SDG Ambition Accelerator.

# Building a Better Future Actions.

## CLIENT GHG EMISSIONS REPORTING

HALO offers GHG emissions reporting on the products we provide for our clients, with options for both project-specific and total account calculations. For project work, we use advanced AI and data fusion techniques provided by a third-party provider. This involves analyzing procurement data, shipping logs, product types, mass, and supplier information, factoring in country-level processing standards and upstream supply chain sourcing. The methodology used is ISO 14067 certified, ensuring accurate and reliable emissions calculations. Calculations are based on cradle-to-gate.

For total account calculations, HALO employs revenue-based estimation. We gather financial data on the economic value of each product, apply industry-specific emission factors (e.g., mt. CO<sub>2</sub>e per dollar spent), and multiply to estimate emissions. These estimates are then aggregated to provide a total GHG emissions figure for the products purchased from HALO. This dual approach allows us to offer precise and tailored emissions reporting to meet our clients' needs.

## CLIENT CERTIFIED CARBON OFFSETS

HALO is committed to providing certified carbon offsets for our clients through a partnership with a leading third-party provider. This partner, recognized for their high standards and certifications, ensures the quality and credibility of our carbon reduction projects. They comply with the International Carbon Reduction and Offset Accreditation

(ICROA) Code of Best Practice and their projects are independently validated and verified to ICROA-endorsed carbon standards, including the Verified Carbon Standard (VCS), Gold Standard, and others.



## CERTIFIED CARBON OFFSETS

HALO is committed to mitigating the impact of unavoidable GHG emissions from our business operations. As part of our climate action strategy, we invest in environmental projects that reduce emissions through the purchase of certified carbon offsets and renewable energy certificates. Additionally, we participate in the UPS carbon offset program, covering 95% of HALO's inbound and outbound shipments. These efforts ensure that we compensate for our emissions and contribute to global sustainability.

"HALO's transparency in our ESG efforts help our clients make the most informed decision on their purchases, and - more importantly - who they partner with on those purchases."

Jim Stutz,  
EVP Sales and Business Development

# GHG Emissions, Gas and Energy Reporting.

GHG EMISSIONS IN METRIC TONS OF CO2E			
GHG SCOPE	DESCRIPTION	2019 (BASELINE)	2024
Scope 1 Emissions	Direct Emissions for Facilities Under Operational Control	520.7	478.7
Scope 2 Emissions - Market Based	Indirect Emissions From Purchased Energy with Renewables for Some Facilities	2,055.1	951.4
Scope 2 Emissions - Location Based	Indirect Emissions from Purchased Energy with Regional Emission Factors Only	2,055.1	917.5
Scope 3 - Category 1	Purchased Goods and Services	113,315.1	138,214.5
Scope 3 - Category 2	Capital Goods	4,115.2	305.5
Scope 3 - Category 3	Other Energy (transmission line loss)	0.9	0.6
Scope 3 - Category 4	Upstream Transportation (per GHG Protocol, includes all transport)	3,691.8	3,593.0
Scope 3 - Category 5	Waste from Operations	205.7	253.0
Scope 3 - Category 6	Business Travel	713.3	817.9
Scope 3 - Category 7	Employee Commuting	3,496.7	759.5
Scope 3 - Category 8 - Location Based	Leased Facilities Classified as Financial Control (No Operational Control)	5,288.4	780.2
Scope 3 - Category 8 - Market Based	Leased Facilities Classified as Financial Control (No Operational Control)	1569.4	856.9
<b>Total (Market Based):</b>		<b>133,799.1</b>	<b>146,536.5</b>
<b>Total Carbon Offset Purchases</b>		<b>0</b>	<b>3,530.6</b>
<b>Net Emissions (Market Based)</b>		<b>133,799.1</b>	<b>143,005.9</b>

Scope 1, 2, and relevant Scope 3 Green House Gas (GHG) emissions are tracked using the Greenhouse Gas Protocol. *Documentation of accounting annotations are provided on page 50.*

GHG EMISSIONS INTENSITY		2023	2024
Revenue Based Intensity Market Based	GHG Emissions per \$USD Sales (mtCO2e/\$USD)	0.000152123	0.000151520
Revenue Based Intensity Location Based	GHG Emissions per \$USD Sales (mtCO2e/\$USD)	0.000152141	0.000151382
Scope 1 and 2 Intensity Market Based	GHG Emissions per \$USD Sales (mtCO2e/\$USD)	0.000001622	0.000001579
Scope 1 and 2 Intensity Location Based	GHG emissions per \$USD sales (mtCO2e/\$USD)	0.000001641	0.000001528

HALO’s Energy and Gas consumption is tracked using Energy Star Portfolio Manager. *Documentation of accounting annotations are provided on page 50.*

ENERGY USE METRICS	2019 (BASELINE)	2024
Electricity Use (Millions kWh)	4.19	2.7
Electricity Intensity (kWh/sq. ft.)	9.40	4.96
Electricity Cost	\$379,713	\$295,423
Natural Gas Use (Million ft <sup>3</sup> )	9.8	6.82
Natural Gas Intensity (ft <sup>3</sup> /sq. ft.)	21.98	12.56
Natural Gas Cost	\$50,126	\$78,531





# Emissions Reduction Targets.

## SCIENCE BASED TARGETS INITIATIVE ALIGNMENT

HALO Branded Solutions, Inc. has submitted a commitment letter to the Science Based Target Initiative (SBTi), affirming our dedication to achieving Near Term Carbon Emission Reduction goals. These goals are measured from our baseline emissions in 2019, aiming for a significant reduction by 2030. The target values are based on scientific calculations designed to limit global temperature increases to a maximum of 1.5 degrees Celsius.

SBTi provides Excel models that companies use to input various parameters, including baseline emissions, to calculate the ultimate target value of emission reductions to be achieved by the target date. For HALO, the target date is 2030. Using the latest data available for our GHG emissions, the Near Term Targets and emission reduction requirements have been determined and are presented in the tables on this page.

These models have been submitted to SBTi and were in the process of evaluation at the time of this report.

Currently, our Scope 1 and 2 emissions are on track to meet the 2030 targets. However, the total Scope 3 emission target is off-track, primarily due to the Scope 3 Category 1 Purchased Goods and Services category. When analyzing Scope 3 emissions and excluding Category 1, current reductions in all other tracked categories combined have already met the 2030 target. Therefore, most mitigation measures for Scope 3 should focus on Category 1, although

2030 HALO NEAR-TERM EMISSIONS REDUCTION TARGETS AND PROGRESS					
GHG SCOPE	TARGET EMISSIONS	% REDUCTION FROM BASELINE	2019 (BASELINE)	2024	PROGRESS
Scope 1 Emissions	286 mtCO2e	46.2%	520.7	478.7	On Track
Scope 2 Emissions	938 mtCO2e	54.37%	2055.1	951.4	On Track
Scope 3 Emissions	66,258 mtCO2e	46.2%	127,108.1	144,800.9	Off Track
Total (Market Based) Emissions Excluding Scope 3 Category 1	8,806.4 mtCO2e	46.2%	16,368.8	8016.5	On Track

further mitigations in the other categories could assist in reaching the target.

## ADDRESSING SCOPE 3 EMISSIONS

To address Scope 3 category 1 emissions, we have implemented a strategy that involves working closely with a large number of suppliers to promote better transparency in emissions reporting. By enhancing the accuracy and availability of emissions data, we empower our clients to make informed decisions that bring value beyond cost savings, integrating emissions considerations into their purchasing choices.

Our approach includes:

- Collaborating with Supply Chain Partners: We will work with our suppliers to obtain better emissions

data so that climate change factors are included in quotes and product information.

- Educating Our Teams: We will train our teams on the importance of providing emissions data and climate impact information to clients.
- Engaging Clients: We will have proactive conversations with our clients to support product choices that reduce environmental impact, fostering a collective effort to drive change within our industry.

Through these initiatives, HALO aims to not only meet our emission reduction targets but also lead the way in promoting sustainable practices across the supply chain. Together, we can make a significant impact and contribute to a more sustainable future.



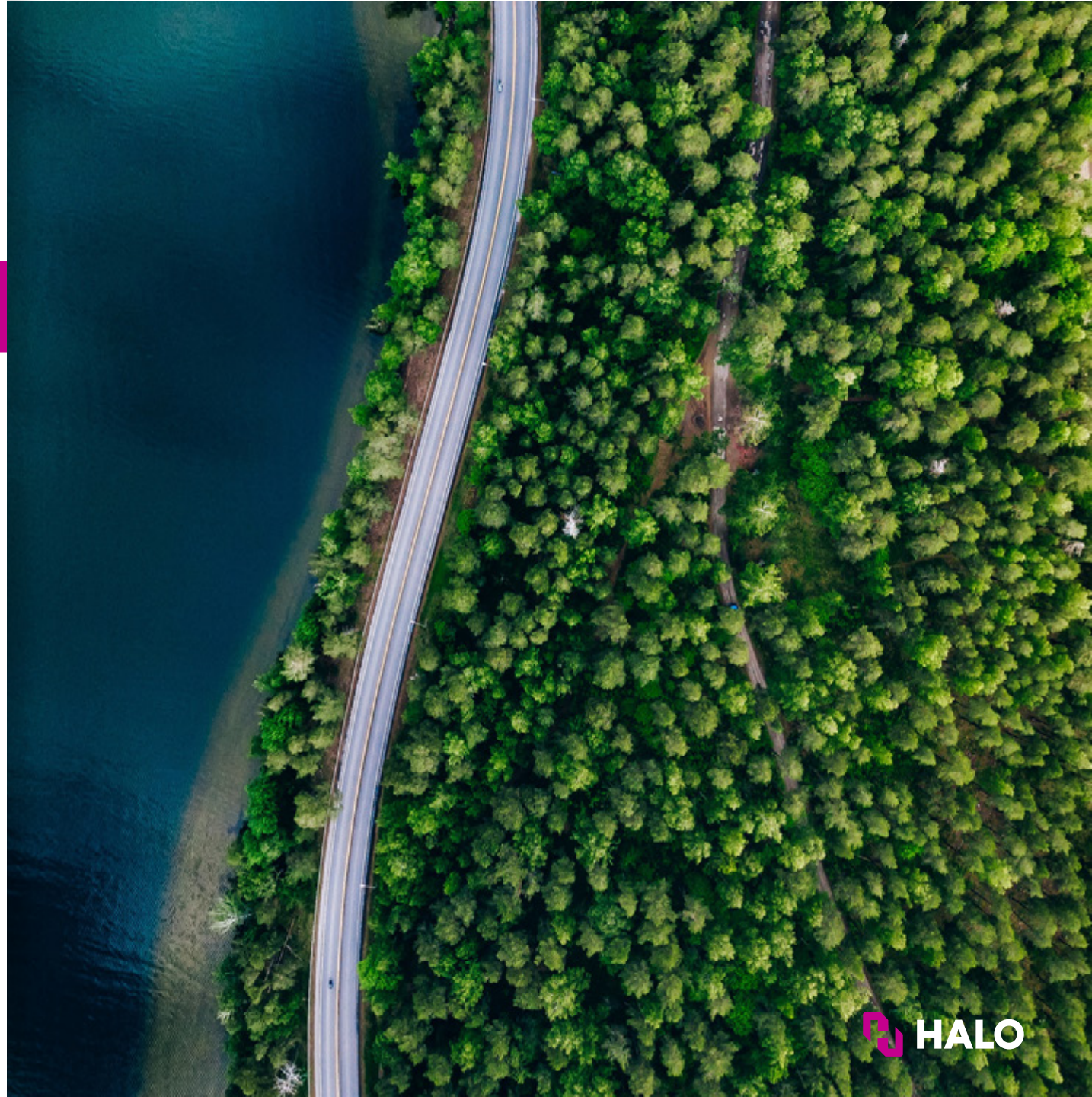


# Working Ethically.

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Our goal is to reduce our environmental impact on the communities in which we operate and carbon footprint of our products and services.

HALO's blended model of owned and leased facilities creates a challenge related to standardized measurements and best practices on energy use and GHG emissions reductions.





# Working Ethically.

## COMMITMENT:

Maintain high standards of ethical conduct while acting with integrity at all times. Provide training and enforce ethical compliance for all stakeholders.

Targets	Progress/Actions	2024 Status
<b>Global Reporting Standards:</b> Alignment to recognized global standards for practices.	GRI alignment of our reporting for reporting year 2024. We will be reviewing formal validation in 2025	In Review
<b>Monitoring and Reporting:</b> Mechanisms for monitoring compliance and reporting any violations through confidential channels.	In 2024 HALO will be reviewing the use of a third-party whistle blower hot-line service to improve our current processes.	In Review
<b>Training and Awareness:</b> Ensuring training, awareness and compliance from all stakeholders on legal and HALO standards for business practices.	Awareness training on information security, data privacy protection, and HALO employee policies are in place with 100% compliance.	On-Going
<b>Data Security and Privacy Management:</b> Going beyond regulatory compliance for personal information and preventing improper use and disclosure.	Certification completed for ISO 27001 Information Security Management Systems (ISMS) and 27701 Privacy Information Management Systems (PIMS) for 2024.	Certified Annually





# Working Ethically Actions.

## ISO CERTIFICATION

HALO takes a strategic approach to cyber security and information privacy and in March of 2023 earned ISO 27001 and 27701 certifications - Information Security Management Systems (ISMS) and Privacy Information Management Systems (PIMS). Demonstrating our commitment to information security management best practices, these certifications help ensure the confidentiality, integrity, and availability of sensitive information for HALO and our clients.

## ANNUAL SECURITY TRAINING

We had 100% compliance for the security awareness training of all employees and contractors that aligned with ISO 27001/27701 and PCI standards. Our training includes the following modules:

- HALO Information Security Policy
- PII and You
- Credit Card Security
- HALO Security Awareness Training

HALO also conducts regular security campaigns to audit user compliance.

## TRAINING PLATFORM

HALO has launched a new training program aimed at enhancing workplace culture and ensuring compliance with legal standards. The program covers important topics such as sexual harassment prevention, diversity, equity, and inclusion (DEI), and workplace violence prevention. It utilizes interactive, story-based videos with cinematic quality to make the training engaging and effective. The program is customizable to meet the specific needs of HALO's diverse workforce, ensuring that all employees receive relevant and impactful training.

2024 Trainings and Acknowledgments:

- Code of Conduct
- Employee Handbook
- Travel and Transportation
- Environmental Practices
- Human Rights
- Anti-Harassment and Discrimination

We aim for 100% participation in all training topics.





# Program Governance.

- Team Structure
- Frameworks Road Map
- Materiality Assessment
- GRI Standards Disclosures



# ESG Program Governance.

Corporate responsibility is an enterprise-wide commitment informed by, and integrated into our business strategy.

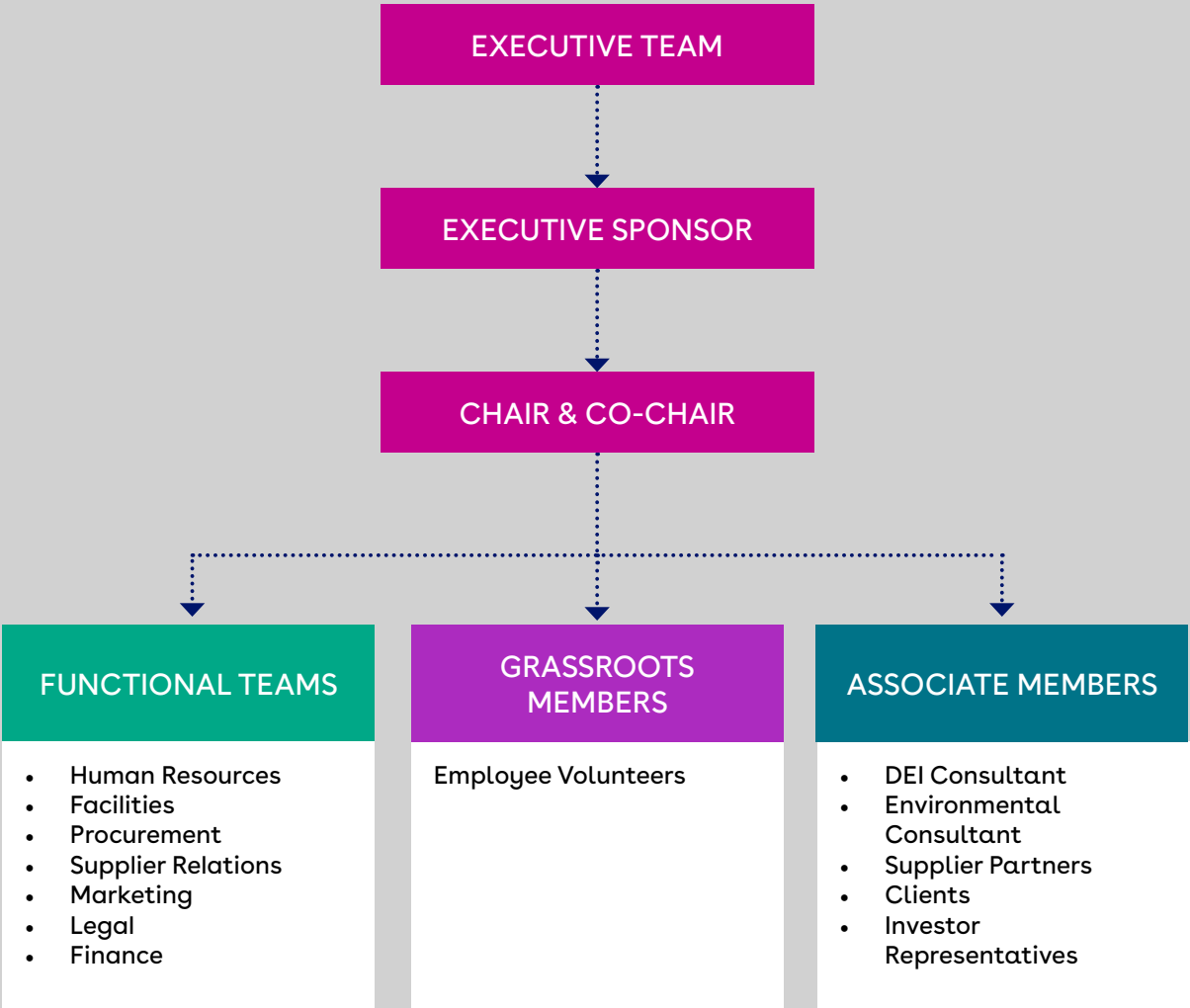
## STRUCTURE

Our corporate responsibility commitments are overseen by a Sustainability Committee under the authority of the HALO Executive Team. This committee is led by an Executive Sponsor at the SVP level and consists of functional and grassroots members across the organization.

A Committee Chair and Co-Chair are elected from the members by Committee, each holds a two-year assignment.

The Co-Chair may be elected to Chair. Committee voting for Chair and Co-Chair takes place in January of each year.

Additional associate members, such as consultants, investor representatives, suppliers, and customers may participate on an ad-hoc basis. These associate members may provide advice and feedback to the committee.



Our committee structure empowers employees to take a leadership role on guiding initiatives by working with functional leaders across the organization to determine strategies, policies, and goals related to corporate responsibility and sustainability.



# Standards & Frameworks Road Map.

To align our efforts to globally recognized standards and frameworks, we’ve developed this road map to provide a complimentary and comprehensive Environmental Management System.

2024 RESULTS			2025 TARGETS			2026 TARGETS		
GRI Reporting Alignment	Align our data to <u>Global Reporting Initiative (GRI)</u> standards for communicating climate change, human rights, and corruption.	Completed	GRI Reporting Validation	Submit our data to <u>Global Reporting Initiative (GRI)</u> standards for validation.	On Target	GRI Reporting Validation	Report annually.	On Target
SBTi Near Term Targets	Completion of carbon accounting updates for full scope emissions.	Completed	SBTi Validation	Submit targets for validation and report on progress annually.	Completed	SBTi Reporting	Annual reporting on progress.	On Target
UNGC SDG Alignment	Participation in the UNGC SDG Ambition Accelerator and aligning to an ambitious SDG benchmark. Aligning our practices toward the 17 SDGs.	In Progress	UNGC SDG Reporting	Annual reporting on progress to supporting the United Nations Sustainable Development goals.	Completed	UNGC SDG Reporting	Report annually	On Target
HIGG FEM Audit	Conduct a third party HIGG FEM Audit of our Sterling HQ.	Completed	EcoVadis Gold Ranking	Action plan to increase our performance and submission for a gold ranking for reporting year 2025.	On Target	EcoVadis Gold Ranking	Reach a gold ranking in EcoVadis for reporting year 2025.	On Target
Double Materiality Assessment	Conducting an updated survey on environmental, social, and financial components of sustainability with analysis.	Completed	GHG Assurance	Conduct a GHG assurance audit for client specific compliance.	Deferred	GHG Assurance	Regular GHG assurance audits.	On Target
GHG Assurance	Select a third-party assurance provider to perform GHG assurance audits.	Completed	HIGG FEM Audit	Moved to an annual audit for client compliance requirements.	Scheduled	New Frameworks and Standards	Apply to Join the <u>Ellen MacArthur Foundation</u> and join the <u>Sustainable Goods Coalition (SGC)</u> .	In Review
			New Frameworks and Standards	Apply to Join the <u>Ellen MacArthur Foundation</u> and join the <u>Sustainable Goods Coalition (SGC)</u> .	In Review			

# GRI Standard Disclosures.

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
GRI 2: General Disclosures	2-1 Organizational details	"Legal Name: Halo Branded Solutions, Inc. Nature of Ownership: Private Equity TPG Inc. Headquarters: 1500 HALO Way, Sterling IL, 61081 Countries of operations United States, United Kingdom, and Netherlands with a business license in Germany.	4-5
	2-2 Entities included in the organization's sustainability reporting	United States Locations: Tempe, AZ, Phoenix, AZ, Livermore, CA, Irvine, CA, Santa Ana, CA, San Jose, CA, Monterey, CA, Lundy, CA, Santa Clara, CA, Arvada, CO, Englewood, CO, Oakbrook Terrace, IL, Sterling, IL, HQ Sterling, IL, Baton Rouge, LA, Northampton, MA, Burlington, MA, Needham, MA, Hanover, MD, Owings Mills, MD, Taylor, MI Delta, Taylor, MI Universal, Troy, MI, St. Louis, MO, Raleigh, NC, Las Vegas, NV, Long Island, NY, Rye Brook, NY, Holtsville, NY, West Lafayette, OH, Cincinnati, OH, Brentwood, TN, Plano, TX, Houston, TX, Glen Allen, VA, Seattle, WA, Bellevue, WA, Kirkland, WA, Milwaukee, WI. International Locations: Wokingham, UK and LJ Papendrecht Netherlands	
	2-3 Reporting period, frequency and contact point	"Reporting Period: 1/1/24 - 12/31/24 Frequency: Annual Contact: Sustainability@HALO.com"	
	2-6 Activities, value chain and other business relationships	HALO Branded Solutions Inc. is a prominent distributor in the promotional products industry, affiliated with the Promotional Products Association International (PPAI) and the Advertising Specialty Institute (ASI). Our core business involves sourcing and distributing promotional products through industry suppliers and direct manufacturers. We specialize in merchandise marketing, recognition and incentives, corporate apparel and uniforms, and retail point-of-sale solutions.  Key Industries: Manufacturing, Technology, Hospitality, Retail, Beverage, Healthcare, Non-Profit  Value chain: HALO works with downstream suppliers to deliver merchandise marketing services for our clients. These suppliers include:  Suppliers and manufacturers: These entities provide finished goods and are responsible for printing, packaging, and manufacturing.  Distribution and logistics: Warehousing and transportation of goods to HALO or client locations.  Technology: To support internal operations and client requirements including web hosting, reporting, project management, emissions calculations, data security.  Waste management: Handle the recycling and disposal of marketing materials.	5
	2-7 Employees	Employee information is outlined in the Empowering Teams section.	13-16
	2-9 Governance structure and composition	Governance structure is outlined in the Governance section.	35
	2-10 Nomination and selection of the highest governance body	"HALO's corporate responsibility is overseen by a Sustainability Committee operating under the authority of the HALO Executive Team. This committee is led by an Executive Sponsor at the SVP level and consists of functional and grassroots members from across the organization."	35
	2-11 Chair of the highest governance body	Chair and executive sponsor of the Sustainability team is Terry McGuire, Senior Vice President of Supplier Relations.	
	2-12 Role of the highest governance body in overseeing the management of impacts	Our corporate responsibility commitments are overseen by a Sustainability Committee under the authority of the HALO Executive Team.	

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
	2-13 Delegation of responsibility for managing impacts	Senior leadership from operations, sourcing, human resources, legal, and finance.	
	2-14 Role of the highest governance body in sustainability reporting	Executive sponsor with the oversight of the executive team and senior leadership from operations, sourcing, human resources, and legal.	35
	2-15 Conflicts of interest	Conflicts of interest policies are outlined in our codes of conduct (all stakeholders) Reporting mechanisms are in place with investigation from human resources or supplier relations (based on stakeholder) with support from legal. Acknowledgment and education on conflict of interest policies annually.	
	2-22 Statement on sustainable development strategy	<p>"HALO's vision is to enhance our history of corporate responsibility, improve our internal environmental and social initiatives, and expand our circle of influence across our entire supply chain.</p> <p>Internal: Reduction of environmental impacts through alignment to globally recognized standards. Our current focus is on GHG emissions reductions with alignment to UNGC SDG 13 Climate action.</p> <p>Expanding our Influence: As a distributor, we do not manufacture products and do not have direct environmental impact in terms of manufacturing. However, we aggressively provide awareness and research to our supply chain to further our commitments UNGC and SBTi to an reduce environmental impacts.</p>	10
	2-23 Policy commitments	<p>HALO's 4 key focus pillars for corporate responsibility and sustainability are built into our core values and corporate strategy:</p> <p>Empowering Teams: Further support our teams and supply chain workers, ensuring they can provide for their families and prosper.</p> <p>Stakeholder Alignment: Continue to provide our customers with safe, high-quality products that are produced in alignment with their values and sustainability goals.</p> <p>Building a Better Future: Further reduce our environmental impact on the communities in which we operate through sustainable practices in our operations.</p> <p>Working Ethically: Maintain high standards of ethical conduct while acting with integrity at all times. Encouraging everyone to raise compliance and ethics concerns through our established reporting channels.</p> <p>Policy statements to enforce our commitments can be found at <a href="https://halo.com/responsibility/">https://halo.com/responsibility/</a> "</p>	10
	2-24 Embedding policy commitments	Embedding policy commitments is a collaborative effort between the sustainability team and senior leadership in departments that will require change management to uphold our commitments. HALO's focus is currently on UNGC SDG 13 climate change.	
	2-26 Mechanisms for seeking advice and raising concerns	Outside of standard mechanisms for raising concerns those seeking advice can contact Sustainability@HALO.com.	49
	2-27 Compliance with laws and regulations	There were no significant instances in this reporting period.	
	2-28 Membership associations		9, 36
	2-29 Approach to stakeholder engagement	HALO employs a comprehensive, multi-channel approach to stakeholder engagement. For the general public and clients, HALO utilizes outbound communications via social media, website information, and the annual publication of ESG reports and marketing materials on sustainable products. The industry is engaged through participation in industry associations and speaking engagements at summits. The supply chain is addressed through annual webinars and vendor agreements. Internal teams are kept informed through webinars, the intranet, and educational initiatives. All stakeholders are involved through materiality assessments.	13-15, 25-28, 19-23



GRI STANDARD	DISCLOSURE	COMMENT	PAGE
	2-30 Collective bargaining agreements	Policies are outlined in our Code of Conduct and Policy statements. HALO has no current collective bargaining agreements.	
GRI 3: Material Topics	3-1 Process to determine material topics	Material topics information is outlined in the Governance section.	21-23
	3-2 List of material topics	Material topics information is outlined in the Governance section.	22-23
	3-3 Management of material topics	Material topics information is outlined in the Governance section.	21
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	2024 estimated revenue \$965,000,000 financial audits were still in progress at the time of this reports publication.	4
	201-2 Financial implications and other risks and opportunities due to climate change	Climate change investment value \$317,750.17 including carbon offsets, emissions calculation platform, emissions inventory platform, consulting, verification services, association donations and membership fees, and staffing . As a part of our materiality assessment we are not seeing significant risk and client drivers and future regulatory reporting that is on the horizon. As an industry leaders HALO is well positioned to drive ESG initiatives through our industry suppliers.	
	201-3 Defined benefit plan obligations and other retirement plans	Benefit plan information is outlined in the Empowering Teams Practices section.	44
	201-4 Financial assistance received from government	There were no instances in this reporting period.	
GRI 205: Anti-corruption	205-2 Communication and training about anti-corruption policies and procedures	Acknowledgment and education on anti-corruption policies required annually through HRIS system and training platform.	33
	205-3 Confirmed incidents of corruption and actions taken	There were no instances in this reporting period.	
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	There were no instances in this reporting period.	
GRI 207: Tax	207-1 Approach to tax	This accounting policy establishes the governance, control and risk management that shall be used to determine the tax amounts recorded in HALO Branded Solutions annual/periodic financial statements and/or books, while complying with Generally Accepted Accounting Principles (GAAP) and Financial Accounting Standards (FASB). It is HALO's general practice to not take uncertain tax positions. If HALO receives tax notice, inquiry, or audit from any jurisdiction, it is HALO's practice to address and complete timely.	

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
	207-2 Tax governance, control, and risk management	<p>Income tax calculations for payments and tax returns are prepared by HALO's hired third-party tax preparer. HALO will select a tax preparer in good standing with the IRS and a reputable firm of appropriate size to have experts in tax and industry specific to HALO. Data will be tracked in a manner required for tax reporting and provided by the tax and/or accounting team members at HALO. HALO's annual financial audit includes audit of income tax calculations, accounts, and payments.</p> <p>HALO files foreign taxes as identified and required. HALO is required to report country-by-country information on US Form 8975 and its related schedules. HALO's foreign entities file appropriate taxes and complete their own annual financial audits in accordance with the applicable foreign accounting standards.</p> <p>HALO's tax department is responsible for collecting appropriate information and filing any other required taxes. HALO's annual financial statement audit includes consolidated financial audit procedures conducted in accordance with auditing standards generally accepted in the United States of America (GAAS).</p>	
GRI 301: Materials	301-3 Reclaimed products and their packaging materials	Reclaimed products information is outlined in the Stakeholder Alignment section.	24
GRI 302: Energy	302-1 Energy consumption within the organization	Energy consumption information is outlined in the Stakeholder Alignment section.	29
	302-2 Energy consumption outside of the organization	Energy consumption information is outlined in the Stakeholder Alignment section.	29
	302-3 Energy intensity	Energy consumption information is outlined in the Stakeholder Alignment section.	29
	302-4 Reduction of energy consumption	Energy consumption information is outlined in the Stakeholder Alignment section.	29
	302-5 Reductions in energy requirements of products and services	Energy consumption information is outlined in the Stakeholder Alignment section.	29
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	GHG emissions information is outlined in the Stakeholder Alignment section.	29
	305-2 Energy indirect (Scope 2) GHG emissions	GHG emissions information is outlined in the Stakeholder Alignment section.	29
	305-3 Other indirect (Scope 3) GHG emissions	GHG emissions information is outlined in the Stakeholder Alignment section.	29
	305-4 GHG emissions intensity	GHG emissions information is outlined in the Stakeholder Alignment section.	29
	305-5 Reduction of GHG emissions	GHG emissions information is outlined in the Stakeholder Alignment section.	29
	305-6 Emissions of ozone-depleting substances (ODS)	GHG emissions information is outlined in the Stakeholder Alignment section.	29
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	Waste generation information is outlined in the Stakeholder Alignment section.	24
	306-2 Management of significant waste-related impacts	Waste generation information is outlined in the Stakeholder Alignment section.	24
	306-3 Waste generated	Waste generation information is outlined in the Stakeholder Alignment section.	24

GRI STANDARD	DISCLOSURE	COMMENT	PAGE
	306-4 Waste diverted from disposal	Waste generation information is outlined in the Stakeholder Alignment section.	24
	306-5 Waste directed to disposal	Waste generation information is outlined in the Stakeholder Alignment section.	24
	308-1 New suppliers that were screened using environmental criteria	We maintain an annual preferred supplier program representing the top promotional products industry suppliers. Selection criteria includes service performance, product quality, product integrity, pricing, diversity status, and sustainability initiatives.	
	308-2 Negative environmental impacts in the supply chain and actions taken	There were no instances in this reporting period.	
GRI 401: Employment	401-1 New employee hires and employee turnover		13, 16
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	HALO offers eligible employees the opportunity to enroll in group Medical, Dental, Vision, Life, Supplemental Life, Short Term and Long-Term Disability Insurance, Health Savings Account, Flexible Spending Accounts, and a 401(k) plan . In addition to paid time off for volunteerism, employees enjoy paid holidays, paid time off, maternity and paternity leave, and bereavement time . Additional benefits include: flex time, tuition reimbursement, remote work, and employee personal purchases.	
	401-3 Parental Leave	Paid time off is provided for volunteerism, paid holidays, maternity and paternity leave, and bereavement time.	
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	Safety information is outlined in the Empowering Teams section.	16
	403-6 Promotion of worker health		15, 44-45
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		44
	403-9 Work-related injuries	Safety information is outlined in the Empowering Teams section.	16
	403-10 Work-related ill health	Safety information is outlined in the Empowering Teams section.	16
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Average of 3 hrs compliance training per employee per year.	
	404-2 Programs for upgrading employee skills and transition assistance programs	HALO has a large workforce with a diverse set of specialized roles and the training levels vary accordingly . Depending on the nature of the role, we typically observe a range of 5-15% of staff time dedicated to training. For knowledge workers, HALO believes in the 70 / 20 / 10 development model created by the Center for Creative Leadership. In this model, 10% of all learning is formal training that is computer- or classroom-bound. Whereas, the majority (70%) and another fraction (20%) are delivered through informal coaching and mentorship. In 2022 we expanded our partnership with Linked-In to provide our teams full access to the world's best online learning library—over 15,000 courses, videos, and tutorials. Courses cover a wide range of topics that help all of us succeed in the roles of today and tomorrow. 100% of HALO employees have access to this premiere e-learning library; participation is in the top quartile nationally."	



GRI STANDARD	DISCLOSURE	COMMENT	PAGE
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee information is outlined in the Empowering Teams section.	13
	405-1 Diversity of governance bodies and employees	Governance information is outlined in the Governance section.	15
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	There were no instances in this reporting period.	
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	There were no instances in this reporting period.	
GRI 411: Rights of Indigenous Peoples	411-1 Incidents of violations involving rights of indigenous peoples	There were no instances in this reporting period.	
GRI 414: Supplier Social Assessment	414-2 Negative social impacts in the supply chain and actions taken	73 social audits were conducted at HALO supplier locations, 13 required remediation actions by the supplier which were completed.	
GRI 416: Customer Health and Safety	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	A voluntary recall was issued on CPSC on 10/31/2024, CPSC website: <a href="https://www.cpsc.gov/Recalls/2025/HALO-Recalls-Tumblers-with-Metal-Straws-Due-to-Laceration-Hazard-Sold-Exclusively-at-Wawa-Stores">https://www.cpsc.gov/Recalls/2025/HALO-Recalls-Tumblers-with-Metal-Straws-Due-to-Laceration-Hazard-Sold-Exclusively-at-Wawa-Stores</a>	
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	HALO aligns to all legislation standards for information labeling and educates our sales teams regularly.	
	417-2 Incidents of non-compliance concerning product and service information and labeling	There were no instances in this reporting period.	
	417-3 Incidents of non-compliance concerning marketing communications	There were no instances in this reporting period.	
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no instances in this reporting period.	



# Appendix.

- Sustainable Practices
- Accounting Annotations
- Acronyms and Definitions

# Empowering Teams Practices.

## Meaningful Work and Opportunities

Living Wages	Market-competitive wages starting at an hourly wage of \$15 an hour for all employees. We conduct a comprehensive market analysis every few years or as needed to determine the competitive market base salary for our staff, management, and leadership positions. This data-informed analysis references compensation data from published industry compensation reports and guidance from compensation consulting partners.
Benefits	HALO offers eligible employees the opportunity to enroll in group Medical, Dental, Vision, Life, Supplemental Life, Short Term and Long-Term Disability Insurance, Health Savings Account, Flexible Spending Accounts, and a 401(k) plan . In addition to paid time off for volunteerism, employees enjoy paid holidays, paid time off, maternity and paternity leave, and bereavement time . Additional benefits include: flex time, tuition reimbursement, remote work, and employee personal purchases.
Professional Development	All new hires are required to complete an interactive orientation to learn about our company, our culture, as well as their departmental and company goals. In addition to annual reviews, we provide two checkpoint meetings per year which provide both supervisors and employees the opportunity to discuss job tasks, identify and correct opportunities for improvement, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals and employment advancement.
Career Mobility	As part of our annual merit and development framework each employee works closely with their manager to identify career goals and opportunities so we can provide the resources necessary to foster career development within HALO.
Training	HALO has a large workforce with a diverse set of specialized roles and the training levels vary accordingly . Depending on the nature of the role, we typically observe a range of 5-15% of staff time dedicated to training. For knowledge workers, HALO believes in the 70 / 20 / 10 development model created by the Center for Creative Leadership. In this model, 10% of all learning is formal training that is computer- or classroom-bound. Whereas, the majority (70%) and another fraction (20%) are delivered through informal coaching and mentorship. In 2022 we expanded our partnership with Linked-In to provide our teams full access to the world's best online learning library—over 15,000 courses, videos, and tutorials. Courses cover a wide range of topics that help all of us succeed in the roles of today and tomorrow. 100% of HALO employees have access to this premiere e-learning library; participation is in the top quartile nationally.
Employee Recognition Program	HALO's Break Through program empowers each employee to earn attractive rewards based on company results as well as recognize their colleagues based on how they demonstrate our values of ingenuity, inclusion, determination, and working together as One HALO .
Volunteering	HALO offers company-sponsored volunteer events and encourages employees to participate as volunteers in organizations that contribute to the social fabric of the communities in which we operate . Providing our employees with up to eight hours of paid time annually to participate as volunteers in company-approved volunteer events/opportunities .
Employee Satisfaction Survey	HALO conducts an employee satisfaction survey annually on 12 topics ranging from work environment, trust in leadership, growth opportunities, compensation, and benefits .

## Employee Wellness

Wellness Program	All HALO employees are incentivized to participate in this award-winning wellness program . The program's goal is to improve the overall mental and physical health of our employees.
Occupational Preventative and Health Services	All employees covered under our insurance have free access to a digital program for back, knee, hip, shoulder and neck pain. The program includes a tablet computer and wearable sensors, unlimited 1-on-1 health coaching, and personalized exercise therapy.
Employee Friendly Workspace	HALO's employee workspace was designed with our staff in mind. We surveyed our staff to obtain feedback on their current space as well as suggestions on how to improve our new headquarters . Our workspaces include an indoor walking track, access to an outdoor view of the campus for every employee, multiple common areas for relaxation, healthy snack options in our cafe, natural lighting, nursing, and wellness rooms.





# Empowering Teams Practices.

Mental Health	HALO offers comprehensive mental health support services through both a traditional Employee Assistance Program and app-based, 24/7 behavioral health coaching on a variety of topics from stress and depression to issues with work and relationships. We offer these critical benefits to ensure our employees, and their families, have the support they need to be well at work and at home.
Employee Safety	HALO First Responders - HALO invests in training from the American Red Cross to certify volunteer staff on basic first aid, CPR, and the operation of AED's. Emergency Procedures - HALO has established disaster planning and training including procedures for fire, natural disasters, or external threats and cooperates with processes at non-company owned locations.
<b>Inclusive Practices</b>	
CEO Action Pledge	Our ingenuity thrives on the diversity of our team, allowing us to recruit and keep the best talent is our inclusive culture . To re-affirm our commitment to diversity and inclusion, HALO is a signatory of the international CEO Action Pledge. <a href="https://www.ceoaction.com/pledge/">https://www.ceoaction.com/pledge/</a>
Inclusion Practices	Developed a cross-functional inclusion strategy and embedded it in annual business planning . Developed an employee listening strategy to ensure diversity and inclusion initiatives are supportive and relevant for team members with marginalized and inter-sectional identities . Implemented employee listening program by inviting 100% of employees identifying as racial or ethnic minorities at HALO to participate.
Recruiting Practices	Equal opportunity policies and transparent recruiting process.
Anti-Harassment and Discrimination Training	100% participation for all regulatory requirements and a goal of 100% participation for all employees must complete Anti-Harassment training annually.
Anti-Harassment Policies	HALO's policy against harassment, discrimination, and retaliation applies to all team members. Additionally, we hold our customers, suppliers, independent contractors, and others doing business with us to the same standards contractually. We are committed to prohibiting retaliation against those who themselves or whose family members report, oppose or participate in an investigation of alleged harassment, discrimination, or other wrongdoing in the workplace.
Industry Association Groups	Sponsoring leadership roles of the PPAI Industry DEI Task Force (Chair and Founding Member)
Internal and External Promotion of DEI Messages	Program for delivering enhanced heritage communications to staff internally through email and "Culture HQ" on our intranet. External communications through our social media channels.
Management Accelerator	Piloted Management Accelerator and Executive Leadership Development program for Black professionals at HALO in partnership with McKinsey.
Self-Identification Survey	To ensure we're appropriately measuring our demographics, HALO enabled our workforce the ability to confidentially self-identify their gender, ethnicity, disabilities and veteran status.
Supplier Diversity Program	Formalized in 2018, HALO's Supplier Diversity Program promotes business opportunities for diverse suppliers including minority-owned, woman-owned, disabled veteran-owned, LGBTQ+, and small businesses. We work with emerging and current M/WBE suppliers by offering incentives for certification and guidance on how to reach HALO's social, safety, and indemnification requirements.



# Stakeholder Alignment Practices.

## Supply Chain Compliance

Internal Compliance Team	HALO's in-house team of quality and compliance experts update our compliance program annually. This team works directly with our domestic and international testing and manufacturing partners to ensure quality and safety protocols are enforced. They also conduct on-site facility and production inspections with our labs and auditors.
Third Party Audits and Testing	HALO maintains an aggressive product testing protocol monitored by an internal product integrity team of highly trained and experienced individuals. For products sourced directly from HALO's overseas manufacturer network, we work with labs recommended by the Consumer Product Safety Commission (CPSC) to ensure compliance with all federal, state, and local safety laws based on the intended audience, intended usage, and material components.
Preferred Supplier Program	We maintain an annual preferred supplier program representing the top promotional products industry suppliers. Selection criteria includes service performance, product quality, product integrity, pricing, diversity status, and sustainability initiatives.
Product Safety Program	HALO's internal compliance team manages our "Secure Source" product integrity protocol guarantees the products we sell are compliant with all local, state, national, and international laws on product material composition and manufactured in accordance with international labor standards.
Human Rights Policies	Human rights policies are outlined in our Supplier Code of Conduct, HALO Code of Conduct, and Employee Handbook. We also enforce a Zero Tolerance Policy for the use of child, forced labor, or human trafficking practices. Suppliers must comply with all applicable wage and hour labor laws as well as regulations covering employee compensation, reimbursements, taxes, and working hours.
Product Recall Plan	HALO maintains a detailed product recall plan and conducts mock-recalls annually to ensure the components of the plan are accurate and relevant.
Product Regulation Policies	HALO has documented policies on CPSIA, Electronics, and Prop 65 compliance.
FLA Membership	HALO has a Category B membership with the Fair Labor Association and participates in annual trainings modules.

## Sustainable Procurement

External Promotion of Sustainable Products	Sustainable product catalogs are developed and promoted to clients and the general public annually. We also aggressively promote sustainable products and practices through our social media channels.
Internal Promotion of Sustainable Products	We provide information to our employees and buyers on our sustainable practices through email communications and our intranet. This includes annual webinars, reports, overviews on our initiatives, and information on our committees.
Sales Training on Sustainable Procurement	We provide buyer/sales training on new products and techniques that focus on sustainable practices. During our annual national sales meetings, attended by the top 40% of our sales force, we required our suppliers to showcase sustainable products and practices spanning three days of education and training.
Sustainable Sourcing Programs	To align with customer initiatives, HALO partners with clients to provide customized processes that ensure we're meeting their environmental, diversity, and safety requirements. These custom processes help us develop frameworks we can replicate for like-minded customers.



# Stakeholder Alignment Practices.

Sustainable Supplier Incentives	To drive purchases and provide incentives for diverse and sustainable suppliers, we provide opportunities at our sales teams’ weekly webinar series (average participation of 25%), during product spotlights in our monthly merchandise catalogs, and through preferential placement in our Preferred Supplier Program.
<b>Industry Leadership</b>	
Founding Member of PPAI DEI Task Force	HALO is a founding member of the Promotional Products Association International (PPAI) DEI Task force. Please visit <a href="https://ppai.org/advocacy/diversity-inclusion/">https://ppai.org/advocacy/diversity-inclusion/</a>
Founding Member of PPAI PRAG	HALO is a founding member of the Promotional Responsibility Action Group (PRAG) and has been involved in the group since 2014. Please visit <a href="https://onlineeducation.ppai.org/product-responsibility">https://onlineeducation.ppai.org/product-responsibility</a> .





# Building a Better Future Practices.

## Climate and Energy

Sustainable Operations in Owned Facilities	Our goal is to operate efficient spaces with a reduction in long-term environmental impacts in mind. Completed in 2018, our main facility in Sterling, IL was designed with key sustainable features. For example, all lighting is LED with automatic light and motion sensors, solar light tubes bring in natural lighting and account for 35% of light in our offices space, all appliances are Energy Star Rated, heating and cooling systems are automatic and variable for different times of the day, temperature activated windows shutters, and we've implemented procedures to shut off machines at work stations and in public spaces at the end of the day.
CDP Reporting	Carbon Disclosure Project (CDP) is a not-for-profit charity that runs the global disclosure system where investors, companies, cities, states, and regions manage their environmental impacts. HALO reports carbon emissions to CDP annually and reports our CDP Score Report on Climate Change publicly at <a href="https://halo.com/responsibility/">https://halo.com/responsibility/</a>
Scope 1, 2, and 3 GHG Reporting	Annual reporting of Green House Gas Emissions tracked using the Greenhouse Gas Protocol. This data is made available to the public annually at <a href="https://halo.com/responsibility/">https://halo.com/responsibility/</a>
Energy and Gas Reporting	Annual reporting of Energy Use Metrics using Energy Star Portfolio Manager. This data is made available to the public annually through this report at <a href="https://halo.com/responsibility/">https://halo.com/responsibility/</a>
SBTi Commitment	Through SBTi we've committed to their short-term science based targets. Defining, auditing, and reporting these targets is a part of our 3 year road map.
UNGC Commitment	We've joined the United Nations Global Compact and are currently aligning our goals, strategies, and processes to the 17 sustainable development goals (SDG).
UPS Carbon Offset Program	To reach our goal of becoming 100% carbon neutral ,HALO enrolled in the UPS offset credit program on January 1, 2020. The UPS program is verified by Société Générale de Surveillance (SGS), an inspection, testing, and verification company. For more information, please visit <a href="https://ups.com">UPS.com</a> .

## Waste Reduction

Waste Stream Audit	In 2021 we conducted a waste-stream audit with external consultant Great Forest. We looked at our main facility in Sterling, IL (corporate headquarters and primary fulfillment center) to gain a greater understanding of what is being sent to the landfill.
Shipping Materials	HALO has transitioned to using recyclable materials for packaging and shipping supplies. We eliminated the use of bubble wrap and packing peanuts, as these are not biodegradable, and use products comprised of 100% recycled material for both void fill and product wrapping. The corrugated shipping cartons and poly mailers we use are made of 50% recycled material and can be recycled once used.
Print Catalog Reduction Policies	In 2019 HALO reduced the number of catalogs we print to reduce both landfill waste and our carbon footprint from the shipping of paper catalogs. Reduction programs led to 95% reduction in printed materials.
Bulk Waste Reductions	To reduce waste going to landfills HALO annually donates obsolete merchandise and recycling waste.

# Working Ethically Practices.

## Information Security

Info Sec and Privacy Policies	HALO's information security and privacy policies are managed under a comprehensive Security Policy using the ISO 27001/27701 framework. HALO operates an Information Security Management System ("ISMS") based on ISO 27001/27701 that establishes, maintains, and improves our information security and data privacy capabilities. The ISMS operates under the authority of HALO executive management, ensuring that HALO's business can be successfully executed without creating unacceptable harm through compromised information assets.
Incident Response Policy	Incident response policies are based on ISO 27001/27701 framework and are reviewed annually.
Training	Annual trainings with 100% compliance for all employees include HALO Info-sec Policy, PII and You, Credit Card Security, and HALO Security Awareness Training. HALO also conducts regular security campaigns to audit user compliance with ISO 27001/27701 standards.
PCI Compliance	HALO is certified as Payment Card Industry (PCI) compliant and is subject to annual auditing and reporting. Every transaction or activity involving sensitive data is logged at the individual user level by an independent logging system inaccessible to our users. All access points are secured with one or more firewall systems, protecting against intrusion and unauthorized access. For authorized access, we employ two-factor authentication for the highest level of security.
Secure Server Environment	Our server environment is housed in a professionally managed hosting facility (Cyrus One) that provides rigid physical security, access controls, and environmental security. We employ encryption at both the connectivity level (secured communication and transactions) and also at the data storage level.
Privacy Policy	HALO's privacy policies are available on our website at <a href="https://halo.com/privacy-policy/">https://halo.com/privacy-policy/</a>

## Ethics Policies

Whistle Blower Procedures	Our Code of Conduct, Employee Handbook, and Supplier Code of Conduct describe the ways stakeholders can anonymously report a violation to our policies : <ul style="list-style-type: none"> <li>Employee can report to <a href="mailto:EmployeeRelations@HALO.com">EmployeeRelations@HALO.com</a></li> <li>Suppliers can report to <a href="mailto:Supplier.Relations@HALO.com">Supplier.Relations@HALO.com</a></li> <li>Customers can report to <a href="mailto:Ethics@HALO.com">Ethics@HALO.com</a></li> </ul>
Employee Handbook	HALO's Employee Handbook outlines our ethics policies on corruption, conflict of interest, fraud, employee health and safety, working conditions, career management, DEI, compensation for working hours, flexible organization of work, and health care coverage.
Supplier Code of Conduct	Our Supplier Code of Conduct and Certificate of Compliance agreements are required for every HALO supplier/manufacturer agreement. We inspect—directly and through certified third parties—several of our primary suppliers to assure compliance with worker safety, labor, and environmental laws. Public documents are available at <a href="https://halo.com/safety-compliance/">https://halo.com/safety-compliance/</a>
Workplace Code of Conduct	Our Workplace Code of Conduct defines the minimum acceptable work standards for all people involved in the manufacturing and sale of products – in all countries, business sectors and occupations. Code compliance is applicable to all HALO locations for our employees and is required of our suppliers for supply chain workers.
Employee Code of Conduct	HALO's policies ensure that all employees meet certain standards of conduct . While not an all-inclusive list of acceptable and prohibited behavior, our Employee Code of Conduct is a general guideline for the type of conduct expected by the company.

# GHG and Energy Accounting Annotations.

In 2024, HALO expanded its emissions reporting to include Scope 1 data; Scope 2 data for both Market Based and Location Based factors; and Scope 3 Categories 1 through 8. During 2024, HALO classified 7 facilities under Operational Control, down from 9 the previous year. This was due to facility closure and consolidation at two locations.

The remaining 32 facilities were classified under Financial Control. These were all leased facilities where HALO has no control over the utilities and does not pay utility bills directly. One of these facilities closed at the end of the first quarter 2024, lowering the number under Financial Control to 31.

HALO reports Scope 1 and 2 emissions for its facilities under Operational Control. These are facilities where HALO pays utility bills directly, has the ability to change facility equipment, and has the ability to modify utility accounts. Location Based emission factors align with the USEPA eGrid. Market based emissions are based on USEPA eGrid and utility specific Power Content emission factors where available. The Power Content data are typically readily available for California based facilities.

For facilities under Financial Control, HALO reports emissions under Scope 3 Category 8 Upstream Leased Facilities. Emissions were estimated using square footage leased at each facility applied to the Commercial Buildings Energy Consumption Survey, CBECS 2018 - Table C20: Electricity intensity by climate region (Released Dec-22).

For Scope 1 emissions, natural gas use is the primary source of direct GHG emissions. Natural gas usage is evaluated based on utility billing. For other stationary and mobile sources, HALO estimated values based on 2024 fuel purchases for emergency generators and company vehicles.

In most cases, where vehicle fuel emissions are reported as part of a particular Scope and Category, the UK Government GHG Conversion Factors for Company Reporting, 2024 (DEFRA) emission factors were used in order to account for Well-to-Wheel emissions.

Additional comments:

- Scope 3 Category 1 emissions are based on USEPA emission factors using NAICS codes and dollar spend. For 2024, the total emission was extrapolated from 2023 based on total revenue proportions. As of the date of this report, HALO is evaluating sales data from 2024 and will adjust emission values in subsequent reports as necessary.
- Scope 3 Category 6 (Business Travel) emissions are based on estimated overall business travel for major events, and assumptions of customer meeting travel. USEPA tables are used for air travel and vehicle commute emission factors.
- Scope 3 Category 7 (Employee Commute) emissions are based on an employee survey conducted in 2025

regarding 2024 commute patterns. The final total is extrapolated from the number of respondents to the total number of employees counted for the year.

- For 2019 baseline emissions, HALO estimated Scope 3 Category 5 Waste Generated From Operations based on 2024 Category 5 emissions and adjusting based on total revenues proportion.



# Acronyms and Definitions.

- **CDP** (Carbon Disclosure Project) CDP is a not-for-profit charity that runs the global environmental disclosure system <https://www.cdp.net/en>
- **CEO Action** CEO Action for Diversity & Inclusion™ is the largest CEO-driven business commitment to advance diversity and inclusion in the workplace. <https://www.ceoaction.com/>
- **DEI** (Diversity Equity and Inclusion) organizational frameworks which seek to promote the fair treatment and full participation of all people, particularly groups who have historically been underrepresented or subject to discrimination on the basis of identity or disability.
- **EcoVadis** is a global provider of sustainability ratings and intelligence for businesses. It helps clients manage value chain risk, compliance, and performance for net-zero and sustainability goals. <https://ecovadis.com/>
- **EDF** (Environmental Defense Fund) Climate Corps is a unique summer fellowship program where EDF trains and matches top-tier graduate students with host companies and organizations to advance environmental and sustainability goals. <https://www.edf.org/approach/edf-climate-corps-making-sustainability-work>
- **ESG** (Environmental Social Governance) Frameworks are designed to be embedded into an organization's strategy to generate value for all organizational stakeholders such as employees, customers and suppliers and investors.
- **FLA** (Fair Labor Association) has worked for more than 20 years toward a future where responsible business means that fair working conditions are the standard, not the exception. <https://www.fairlabor.org/>
- **GRI** (Global Reporting Initiative) has developed and delivered the global best practice for how organizations communicate and demonstrate accountability for their impacts on the environment, economy and people. <https://www.globalreporting.org/>
- **GHG** (Green House Gas) are the gases in the atmosphere that raise the surface temperature of planets such as the Earth. What distinguishes them from other gases is that they absorb the wavelengths of radiation that a planet emits, resulting in the greenhouse effect. The Earth is warmed by sunlight, causing its surface to radiate heat, which is then mostly absorbed by greenhouse gases.
- **GHG Protocol** sets the standards to measure and manage emissions <https://ghgprotocol.org/>
- **HIGG INDEX** The most widely used measure of environmental and social impact across apparel, footwear, and textiles.. <https://worldly.io/tools/higg-index/>
- **ISO** (International Standards Organization) Global standards for trusted goods and services. <https://www.iso.org/home.html>
- **Mt CO<sub>2</sub>e** (Metric Tons of Carbon Dioxide Equivalent) is used to measure and compare emissions from greenhouse gases based on how severely they contribute to global warming.
- **OSHA** (Occupational Safety and Health Administration) is part of the United States Department of Labor. With the Occupational Safety and Health Act of 1970, Congress created OSHA to ensure safe and healthful working conditions for workers by setting and enforcing standards and by providing training, outreach, education and assistance. <https://www.osha.gov/>
- **SBTi** (Science Based Targets Initiative) SBTi is a collaboration between the CDP (formerly Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). Since 2015, more than 1,000 companies have joined the initiative to set a science-based climate target. <https://sciencebasedtargets.org/>
- **SDG** (Social Development Goals) encompass the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), an urgent call for action by all countries - developed and developing to participate in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth - all while tackling climate change and working to preserve our oceans and forests. <https://sdgs.un.org/goals>
- **UNGC** (United Nations Global Compact) is the world's largest corporate sustainability initiative: a non-binding United Nations pact to get businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. <https://unglobalcompact.org/>

# Thank you.

## The HALO sustainability team is:

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If you have any questions or would like to know more,  
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