



BETTER FUTURE BLUEPRINT

HAVI 2023-24 IMPACT REPORT:
BUILDING A BETTER FUTURE TOGETHER



A MESSAGE FROM OUR CEO

Last year, I encouraged everyone at HAVI to join forces with our customers, partners, suppliers and peers in a collaborative effort to harness our collective power toward advancing our commitments to environmental and social responsibility. Together, we made significant strides in 2023 and are well-positioned for even more progress in 2024.

Our efforts continue to be driven by HAVI's Better Future Blueprint and our Enterprise Commitments in four critical areas: Climate; Waste, Recycling & Circularity; Community Impact; and Diversity, Equity & Inclusion (DEI).

You'll find many inspiring stories of progress throughout this year's report, but I'd like to highlight a few standouts that exemplify our level of commitment and position us to be a leader in the industry.

On the Climate front, we celebrated the approval of our new net zero emissions reduction targets by the Science Based Targets initiative (SBTi), whose ambitious standards define and promote the best practice in target setting for corporate organizations. Additionally, for our zero waste to landfill by 2025 commitment, we have successfully established a baseline, begun collecting data, and measuring our progress.

In the important area of DEI, we've made progress on both of our representation targets for female talent in global leadership roles and racially and ethnically underrepresented talent in U.S. leadership roles. In fact, we reached our female representation in leadership target three years ahead of our planned schedule.

I am deeply proud of the remarkable achievements we've made throughout 2023. As we look to the future, we have an incredible opportunity to harness the momentum we've built and reaffirm our commitments to creating a better future for our people, our communities and the planet.

Frank Ravndal
CEO, HAVI



WHO WE ARE

HAVI is a global, privately owned company that connects people with ideas, data with insights, supply with demand, restaurants with deliveries and, ultimately, people with the products they love.

1974 FOUNDED TO MEET THE SUPPLY NEEDS OF McDONALD'S RESTAURANTS IN CHICAGO

2024 CELEBRATING 50 YEARS OF GROWTH

140+ OFFICES OR LOGISTICS CENTERS IN NEARLY 50 COUNTRIES

10K NEARLY 10,000 EMPLOYEES

100+ MEETING CUSTOMER NEEDS IN MORE THAN 100 COUNTRIES

300+ SERVING MORE THAN 300 BRANDS



5 YEARS IN A ROW
HAVI has been recognized as part of an elite group of private companies that lead with purpose and the vision to make significant contributions to their industries, communities, workforces and the economy.

OUR BUSINESS UNITS

Through our three business units, HAVI offers best-in-class sourcing and supply chain capabilities, brand-defining marketing and promotion services and innovative consumer products.



HAVI Supply Chain offers comprehensive supply chain management services, focusing on the food service industry. Its teams excel in Freight Management, Planning & Analytics, Distribution & Warehousing, and Waste & Recycling, combining local know-how with global expertise to help McDonald's, KFC, Starbucks and over 300 other leading brands manage their supply chains safely and sustainably while achieving more than 3 million deliveries worldwide each year.



tms unites technology, marketing and sourcing to drive transformational change for the world's leading brands – offering an impressive range of solutions from inspiration and innovation to category management and delivery. tms connects people with the brands they love and engages with over 110 million customers every single day for clients including McDonald's, Starbucks, adidas, T-Mobile and VirginMedia/O2.



Founded in 1913, Stanley is an iconic food and drinkware brand that invented the stainless steel bottle category 111 years ago. For decades, the brand appealed to laborers as well as outdoor enthusiasts. Today, Stanley creates a breadth of beautifully designed products for life at home and on-the-go that delight and serve the needs of modern consumers. In doing so, Stanley is helping to create a more sustainable, less disposable life and world.



DRIVEN BY OUR VALUES

Throughout our five decades in business, HAVI has been a team of dedicated individuals united in our aim to deliver world-class services to our customers and give back to our communities. Although we've evolved and grown significantly over the years, our underlying principles have remained consistent – and are today exemplified in our Values statements.

OUR VALUES

Do What's Right

Respect and Value All

Elevate Customers and People

Think Big Together

Every day, HAVI's Values are driving change across our global business units, and nothing illustrates that forward momentum more than our Better Future Blueprint. This holistic environmental and social framework, which includes a set of Enterprise Commitments that we believe are ambitious but attainable, fuels the collaboration and invention that are necessary to create a better future for people, communities and the planet.

WHAT ARE WE DOING?

Leveraging HAVI's unique business model to take action within our own organization, while also inspiring our customers and suppliers to join us on our journey to create a better future for people, communities and the planet.

HOW ARE WE DOING IT?

By driving responsible operations and advancing sustainable solutions.

WHERE ARE WE FOCUSED?

Planet: Protecting the environment

People & Communities: Helping people and communities thrive

WHAT TOOLS ARE WE USING TO DRIVE PROGRESS?

Collaboration: Partnering internally and externally to drive systemic change

Invention: Inspiring, designing and delivering innovative solutions



ACTION, COLLABORATION AND ACCOUNTABILITY

We know that bringing our Better Future Blueprint to life requires action, collaboration and accountability from everyone at HAVI, as well as our customers, suppliers and partners.

To better align our environmental, social and governance (ESG) efforts throughout the organization, our Better Future Blueprint Steering Committee is working diligently to create the structures and processes needed to advance our ESG strategy, measure progress and identify the additional resources, actions and partnerships that are critical to our long-term success. Hailing from across our business units and functions, this team of advisors regularly reports to the Enterprise Leadership Team and our CEO.

OUR ENTERPRISE COMMITMENTS

In support of our Better Future Blueprint, we are acting on a set of Enterprise Commitments that grew out of a materiality assessment aimed at helping us understand what matters most to our business, our stakeholders and society. We believe these bold commitments will enable a future with thriving, inclusive communities on a planet where natural resources are preserved and celebrated. We invite our customers, suppliers and peers to join us as we build this better future together.

OUR ENTERPRISE COMMITMENTS ARE ALIGNED UNDER TWO CRITICAL PILLARS OF THE BETTER FUTURE BLUEPRINT:

PLANET

CLIMATE

WASTE, RECYCLING & CIRCULARITY



PEOPLE & COMMUNITIES

COMMUNITY IMPACT

DIVERSITY, EQUITY & INCLUSION



HOW WILL WE ACHIEVE THEM?

Through **Collaboration** and **Invention**, we are transforming our business, challenging ourselves to think bigger and engaging differently with customers, suppliers and each other.





Achieve **net zero greenhouse gas emissions** by 2050

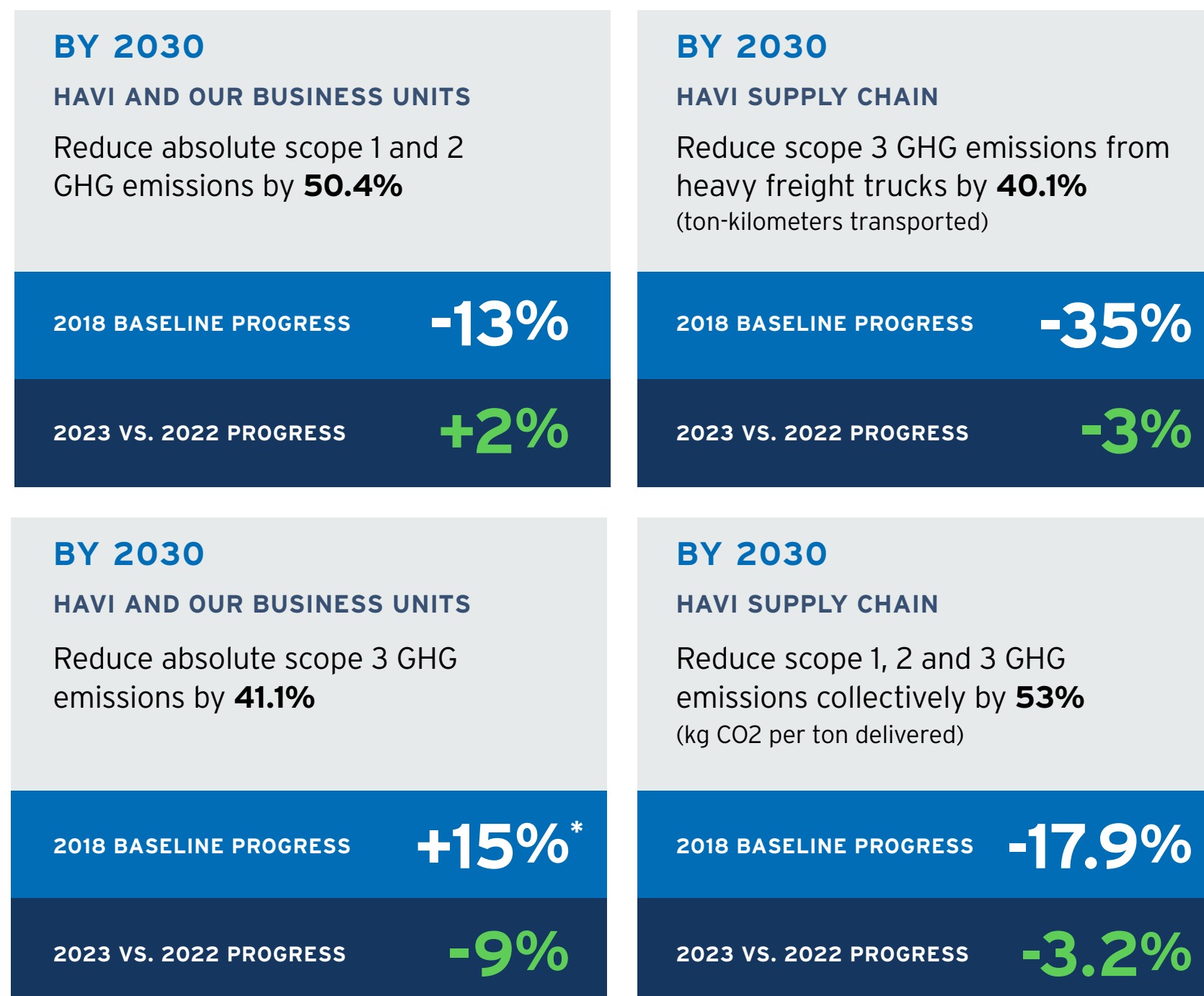
Climate

At HAVI, we understand that climate change affects our people and our ability to do business around the world. That's why we are transforming the way we operate – by setting science-aligned sustainability goals, prioritizing innovation in everything we do, aligning with and inspiring our customers and striving to change behaviors internally and across our value chain.

By empowering our business units to take meaningful climate action, we have charted a course toward net zero greenhouse gas (GHG) emissions to help future-proof our business and create a more sustainable world.

SBTi APPROVES HAVI'S NET ZERO TARGETS

In December 2023, we received approval of our near- and long-term GHG emissions reduction targets by the Science Based Targets initiative (SBTi), whose ambitious standards define and promote the best practice in science-based target setting for corporate organizations. Our SBTi journey began in 2019 with our "40by30" commitment, which called for a 40% reduction in emissions intensity by 2030. That initial target has evolved to include more ambitious near-term targets, incorporate more parts of our business and identify our long-term Enterprise Commitment to achieve net zero GHG emissions by 2050 from a 2018 baseline.



*Primarily due to business growth

ROADMAPS TO NET ZERO

HAVI's three global business units each have different activities and, therefore, unique emissions impacts. That's why each business unit is responsible for setting emissions reduction roadmaps that account for their most meaningful areas of impact and collectively support our enterprise-wide sustainability targets.



THE BUSINESS
HAVI Supply Chain manages, innovates and optimizes our customers' supply chains.

THE IMPACT
Emissions from our owned and sub-contracted upstream and downstream fleet of trucks, electricity used by our distribution centers and offices and emissions generated by our cooling equipment.



THE BUSINESS
tms unites technology, marketing and sourcing to drive transformational change for the world's leading brands.

THE IMPACT
Emissions associated with office operations, business travel, raw materials and manufacturing.



THE BUSINESS
Stanley designs and sells durable consumer products.

THE IMPACT
Emissions associated with raw materials, manufacturing and transportation.

CLIMATE PROGRESS

OPERATIONS:
SCOPE 1 AND 2

Our scope 1 and 2 emissions are direct emissions from sources controlled or owned by HAVI and our business units. This includes our offices across the world, trucks and distribution centers, and manufacturing and assembly facilities.



HAVI ACHIEVES SIGNIFICANT EMISSIONS REDUCTIONS IN CHICAGO AND LONDON

We reduced our corporate operations footprint in Chicago through strategic site consolidation and by opening a more efficient global headquarters in the Fulton Market District in 2023. As a result, we reduced total emissions in Chicago by 70% between 2019 and 2023, including water, waste, business travel and building emissions. In 2023, building emissions alone dropped more than 90%, and we reduced total emissions from waste by 89% – all from a 2019 baseline.

In London, tms also pursued strategic office consolidation in 2023, which contributed to a reduction in building emissions of 79% between 2019 and 2023. These actions, plus educational sessions for our employees, helped to reduce our emissions from waste in London by 98.5%.

ADVANCING OUR FLEET TRANSFORMATION

Throughout 2023, HAVI Supply Chain continued to transition our fleet of trucks from fossil fuel combustion engines to more efficient electric, hybrid and biofuel options. For example, we made notable progress across Europe, where several biodiesel and biogas trucks are now in use in Austria, Belgium, Finland, Portugal, the Netherlands, Norway, Spain, Sweden and Switzerland. We also achieved an important milestone in 2023 toward HAVI Supply Chain's fleet electrification, with a total of 54 hybrid and electric trucks received and planned. More than 60% of our European fleet is now running with either alternative fuels or electricity.

tms CONTINUES MULTI-YEAR PARTNERSHIP WITH PLANET MARK

In 2023, tms continued its partnership with Planet Mark, a sustainability certification and net zero provider that helps organizations reduce emissions, create operational efficiencies, enhance profits and work toward the global transition to net zero. In addition to earning certification for the fourth year in a row, tms won Planet Mark's 2023 Employee Engagement Award for its inaugural World Cleanup campaign, which spanned 52 days and involved 914 participants who logged 1,868 volunteer hours and collected 7,056 kg of litter.

A "POWERFUL" PARTNERSHIP WITH SCANIA

Nothing exemplifies our commitment to sustainable transport solutions better than our ongoing partnership with Scania, a Swedish-based manufacturer of commercial vehicles and a leader in electric trucks and other sustainable transport solutions. In 2023, HAVI Supply Chain and Scania expanded our previous focus on alternative fuels by launching a more ambitious plan that will allow HAVI Supply Chain to achieve zero emissions deliveries in key European cities by 2030. Following a methodology to develop zero emissions roadmaps that grew out of a pilot project in Spain, we added two Scania battery electric vehicles to the fleet in our Madrid distribution center in 2023, together with six Scania plug-in hybrid electric vehicles in Barcelona and the Canary Islands. We also initiated the rollout of zero emissions roadmaps in Sweden, the Netherlands, Hungary, Austria, Germany and Poland – with other markets coming soon. Today, 20% of our European fleet is running on either 100% electricity or a hybrid of biofuels and electricity, allowing us to deliver with zero emissions.

CLIMATE PROGRESS

VALUE CHAIN: SCOPE 3

Our scope 3 emissions – those that occur as a result of our business operations – are largely comprised of purchased goods and services, in particular the raw materials and manufacturing required to make durable consumer products, as well as upstream and downstream transportation. Scope 3 also includes emissions associated with employee commuting, business travel and other categories.

STANLEY INVESTS IN RECYCLED MATERIALS TO HELP REDUCE EMISSIONS

Our Stanley business unit made a commitment in 2022 to source recycled stainless steel for at least 50% of Stanley tumblers, bottles and other products by 2025. We surpassed that target two years early by sourcing recycled stainless steel for 63% of units produced in 2023. Stanley is also taking steps to use lighter weight and less materials, including the introduction in 2023 of hydration bottles using AeroLight™ technology, which incorporates spun steel that is 33% lighter than standard stainless steel and requires less stainless steel than traditional bottles. Since 2022, Stanley has sourced more than 20 million tons of recycled materials.

SUPPLIER ENGAGEMENT EFFORTS DRIVE SUSTAINABLE RESULTS

HAVI's business units have made sustainability a key element of their third-party supplier relationships. For example, our Stanley business unit has incentivized suppliers to make emissions reductions progress by including qualitative and quantitative sustainability indicators in their regular business evaluations. Stanley's suppliers have made ongoing investments in renewable electricity – generating 9.8 kilowatt hours of solar electricity onsite and purchasing additional internationally recognized renewable electricity credits in 2023 alone.



HAVI RECEIVES HIGH MARKS FROM CDP

Thanks to a tremendous amount of collaboration and climate action across HAVI's business units, we achieved a 2023 enterprise-wide score of "B" from CDP, a nonprofit global disclosure system that is considered the gold standard of environmental reporting. HAVI also earned an "A-" for supplier engagement, which puts us in CDP's Leadership group in recognition of our efforts to accelerate global action on supply chain emissions.



Achieve **zero waste to landfill** in our owned/direct operations by 2025

Waste, Recycling & Circularity

Waste generated by our daily operations and our value chain is one of HAVI's most visible and controllable environmental impacts. We made a zero waste to landfill commitment that is helping us drive behavioral change and implement circular solutions – both internally and with our customers, suppliers and supply chain partners.

Thanks to our efforts to reduce, reuse and recycle materials at our owned and operated facilities around the world, we are on track to divert 90% of HAVI's cumulative waste from landfills and incinerators (without energy recovery) by the end of 2025.

In support of the zero waste goal we set in 2022, we focused heavily in 2023 on establishing enterprise-wide metrics and rolling out key performance indicators (KPIs) based on those metrics for each business unit. We also leveraged new processes and systems to begin tracking and reporting accurate waste data across our offices, distribution centers and manufacturing facilities worldwide, and we established a baseline from which we will measure progress in the years to come. Utilizing our new process and systems, we have established a baseline of 87.5% diversion across HAVI for 2023. This reflects an effort across the organization to not only identify our baseline but also make progress toward our zero waste goal.

TRACKING PROGRESS WITH KPIs

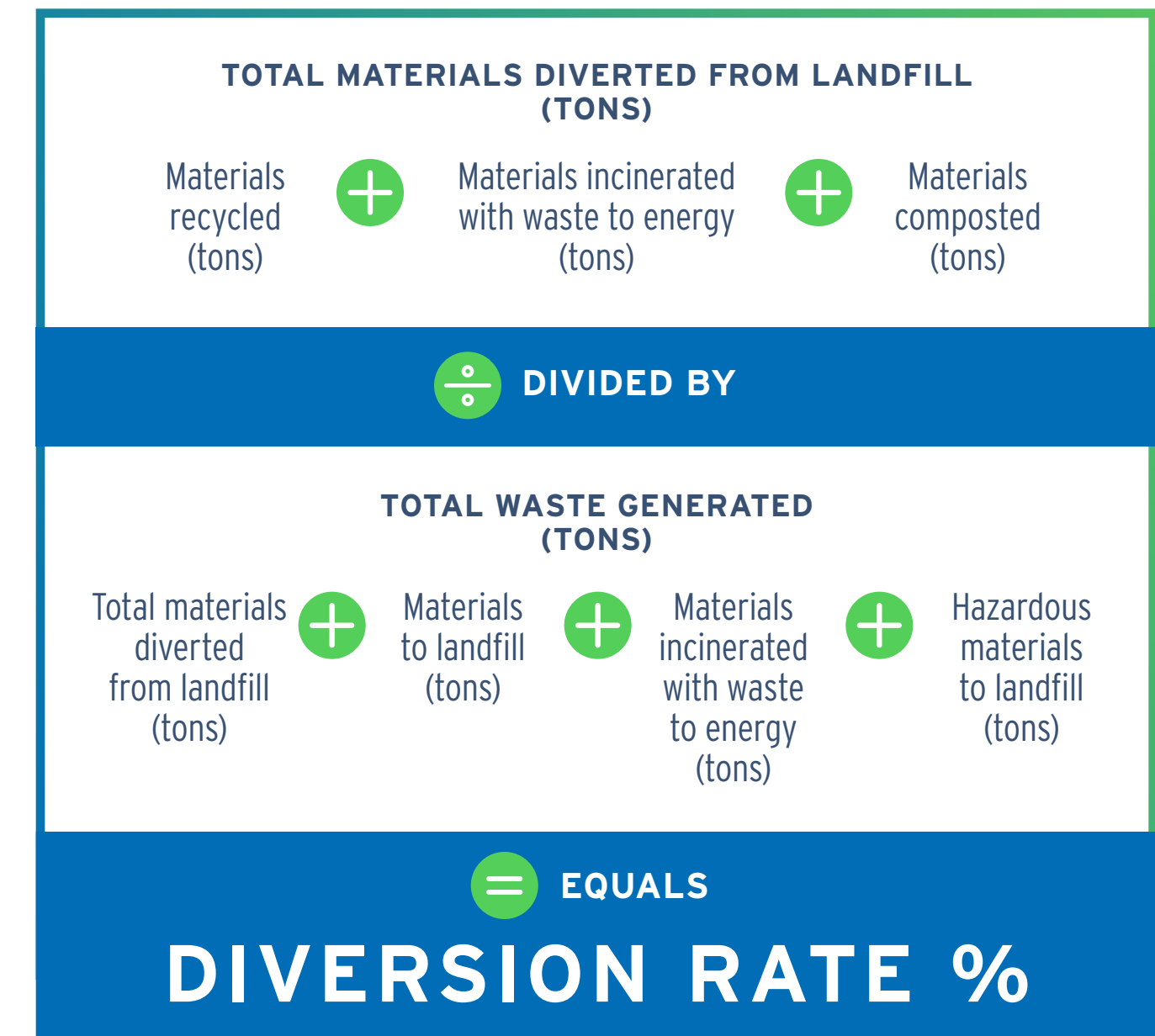
The following KPIs are helping us track progress toward our zero waste commitment.

Diversion Rate: A percentage that measures how much waste HAVI and our business units are able to divert from landfill by recycling, composting and waste-to-energy incineration compared to total waste

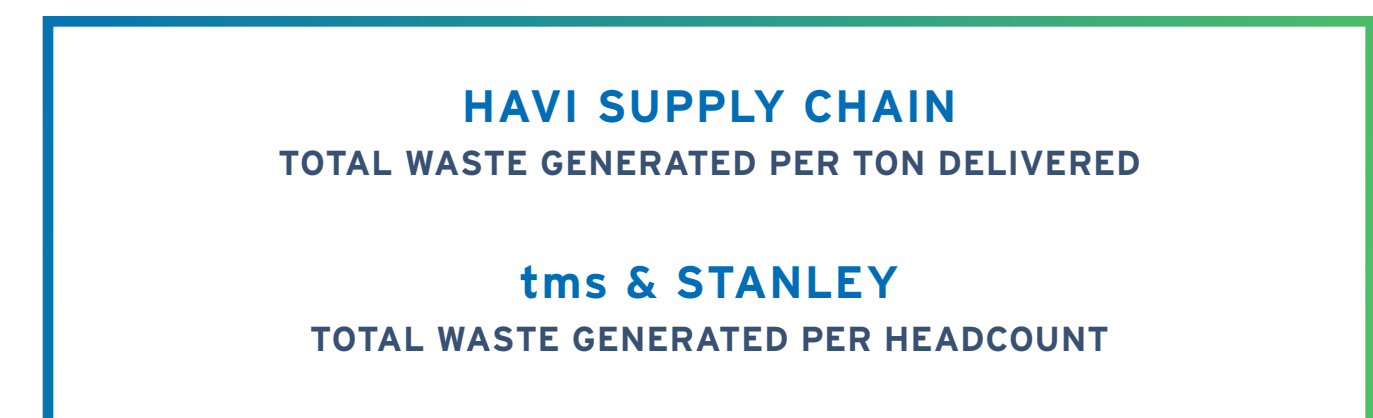
Intensity Metrics: Customized metrics that account for variations in waste generation across HAVI's business units and factories to ensure that we're also reducing absolute waste

While the diversion rate ties directly to our commitment to divert 90% of cumulative waste from landfills and incinerators (without energy recovery), we recognize that it is possible to increase our recyclable waste and still reach that goal. To avoid that unwanted outcome, we created a separate set of intensity metrics that measure total waste in relative terms (headcount, tons, etc.) to ensure that we do not increase total waste across our operations.

Quantifying Our Waste



Intensity Metrics



WASTE, RECYCLING & CIRCULARITY PROGRESS

PORTUGAL DISTRIBUTION CENTER MAKES WASTE REDUCTION STRIDES

HAVI Supply Chain's distribution centers in Portugal achieved a diversion rate of more than 95% in 2023 thanks to several waste reduction best practices and established processes. For example, our team uses roll cages inside the warehouse to collect plastic film and corrugated cardboard that is then processed in an industrial compactor. We also use roll cages outside the distribution center to collect broken pallets and wood splinters. Additionally, the Portugal team sorts household waste into three recycling bins in the onsite cafeteria. Ultimately, service providers collect all waste generated in the facilities' daily operations and transport the materials to local facilities for recycling.

OFFICE CONSOLIDATIONS HELP DRIVE ZERO WASTE PROGRESS

In both London and Chicago, we consolidated offices and downsized our space commitments to account for our hybrid work model that continues to evolve following the COVID-19 pandemic. As a result of these significant changes, we reduced our total waste, decreased landfill emissions by 77% and reduced emissions from recycling by 43%.

Chicago: Reduced waste by 84% from 80 tons in 2019 to 13 tons in 2023. A little less than half a ton is going to composting, with the remainder split between recycling and landfill. We are focused on increasing the percentage of waste recycled in 2024.

London: Reduced total waste by 67% from 39 tons in 2019 to 13 tons in 2023 and achieved 100% diversion from landfill utilizing composting, recycling and waste to energy. The London team's journey to zero waste included:

- Changing waste management companies to get more accurate reporting
- Introducing additional bins to improve the quality of recycling materials
- Massive staff engagement plan with recycling games, local area cleanup and weekly tips communicated via email

HAVI SUPPLY CHAIN INNOVATES TO REDUCE WASTE

Since 2020, HAVI Supply Chain has partnered with McDonald's in several European markets to collect used cooking oil (UCO) and convert it into a biofuel known as hydrotreated vegetable oil (HVO), which is compatible with traditional combustion engines. We are using the HVO created by this large-scale recycling effort to power a growing percentage of distribution trucks and refrigeration equipment, thus reducing waste, increasing our use of renewable fuels and saving money by decoupling our fuel prices from conventional markets. HAVI Supply Chain has also piloted a process that allows us to collect used flexible plastic food packaging that would otherwise be headed for a landfill and convert it into flexible packaging that can be used by McDonald's in its bag-in-box soda syrup systems. Looking ahead, we will begin processing organic waste from our customers into compost in 2024, and we are preparing to implement advanced sorting technologies in 2025 to retrieve maximum value from our mixed waste*.

*The above claims are HAVI's and were not independently verified by McDonald's.



HELPING OUR CUSTOMERS ON THEIR JOURNEY TO ZERO WASTE

In addition to implementing our own waste reduction strategies, HAVI's business units work in partnership with our customers to advance their sustainability efforts. For a global specialty coffee brand, tms designed five reusable beverage vessels:

- A tumbler made with 100% recycled plastic (25% post-consumer material)
- A tumbler made from 90% recycled stainless steel (85% post-consumer material) with a 100% recycled plastic lid (25% post-consumer material)
- A ceramic mug made with 30% recycled ceramic (100% pre-consumer material)
- A glass cold cup made with 100% recycled soda lime glass (100% post-consumer material) with a 100% recycled plastic lid (25% post-consumer material) and a 50% recycled plastic straw (12.5% post-consumer material)
- A cold cup made with 90% recycled stainless steel (85% post-consumer material) with a 100% recycled plastic lid (25% post-consumer material) and a 50% recycled plastic straw (12.5% post-consumer material)

For McDonald's, tms is exploring ways to reduce plastic waste and achieve greater circularity. While PP plastic cups and PE-lined paper products have demonstrated recyclability at the processing stage, they present numerous hurdles, including the difficulty and cost associated with collecting and sorting these materials. To help overcome these challenges, we are testing various innovations:

- Strawless lids for U.S. restaurants that will help reduce plastic usage associated with straws and help prevent potential litter due to the small size of straws
- Alternatives to PE linings such as molded fiber and starch with fiber-forming technologies



Contribute at least **50K hours of community service every year** to strengthen the communities where we live, work and learn

Donate **one percent of the prior year's pretax income** to charitable organizations each year

Community Impact

As a global company with nearly 10,000 employees, HAVI has the size and reach to make a meaningful difference in the many communities in which we live and operate. Giving back has been a core part of our values since our founding 50 years ago. Continuing that tradition, our Enterprise Commitments in this area aim to deliver impact through a powerful combination of volunteering and donations at the corporate and individual levels.

While our Community Impact targets are ambitious, we know that giving back engages our employees in meaningful activities that build pride in our organization, forge connections among peers and help create a better future for our planet, our people and our communities.

OUR COMMUNITY IMPACT PROGRESS

HAVI's Community Impact efforts are being driven by a team of on-the-ground regional leads and ambassadors for each business unit – all of whom are working hard to proactively identify volunteering and giving opportunities for employees.

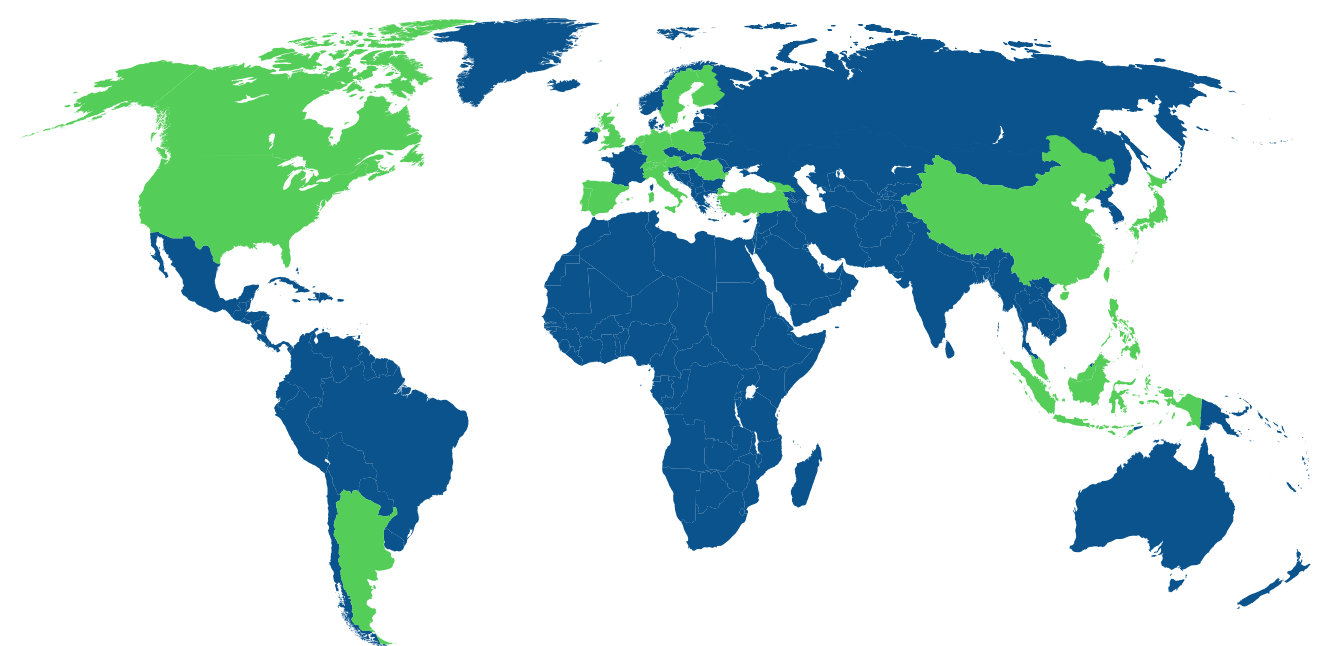
Volunteering

24,000+ hours

In 2023, our employees reported more than 24,000 volunteer hours across the organization, with initiatives like World Cleanup Day driving cross-organizational engagement. To continue to increase HAVI's impact, we've expanded what it means to volunteer, improved our internal planning and tracking processes and set business unit-specific goals to help reach our 2024 volunteering target.

Global Giving

As a global company, HAVI's philanthropic support came from all over the world including Austria, Japan, Hong Kong, Germany, Netherlands, United States, Philippines, Switzerland, Hungary, United Kingdom, and more. Some of the non-profit organizations supported by HAVI and its employees were Ronald McDonald House Charities, charity: water, The Nature Conservancy, and Big Brothers Big Sisters of America.



WORLD CLEANUP DAY TOPS PRIOR YEAR'S EFFORTS

For the second year in a row, employees from all three business units participated in World Cleanup Day, an annual social action program that mobilizes volunteers in 180 countries to clean up waste in their local communities. Our efforts this year exceeded our 2022 accomplishments. In fact, our employees across the globe organized 46 cleanup events (a 44% increase) involving 1,128 participants (a 6% increase) who contributed a total of 2,327 volunteer hours (a 24% increase).

tms's GMS TEAM SPONSORS PIKE PLACE MARKET FOUNDATION

For more than 20 years, GMS (Global Merchandise Services) has been a proud partner of Seattle's Pike Place Market Foundation, a community organization that aims to improve the health and well-being of its neighbors by increasing access to education and nutritious food, providing community support and promoting safety and economic stability in the neighborhood surrounding the historic Pike Place Market. In 2023, GMS supported the foundation's annual dining extravaganza, The Sunset Supper, which raised more than \$600,000.

STANLEY CREATORS FUND GRANTS \$250,000 TO NONPROFIT ORGANIZATIONS

In 2023, Stanley launched Stanley Creators Fund, a philanthropic program designed to invest in and celebrate a new generation of creators who are developing bold ideas to solve some of our communities' deepest challenges. In its inaugural year, the grant program awarded five organizations \$50,000 each to help advance their causes and the communities they serve. This diverse group of innovators, who share a deep commitment to social change and a spirit of creativity, included Black Girl Environmentalist, Boyz N The Wood, Catalyst for Change, Let's Go Compost and Multicultural Refugee Coalition.



HAVI CONTINUES LONGTIME GLOBAL SUPPORT OF RONALD McDONALD HOUSE CHARITIES®

Our relationship with McDonald's has always gone beyond business, as exemplified by our ongoing involvement with Ronald McDonald House Charities (RMHC®). RMHC provides essential services that remove barriers, strengthen families and promote healing when children need healthcare.

Here are a few examples of the contributions we made last year across the globe:

- HAVI directly sponsored a variety of events organized by RMHC of Chicagoland & Northwest Indiana (RMHC-CNI), contributing over \$85,000 to support their fundraising efforts.
- HAVI Supply Chain and tms volunteers facilitated games and face painting during RMHC's summer party in Essen, Germany.
- During an annual networking event hosted by WISE, one of our employee resource groups, participants assembled approximately 1,650 snack packs for RMHC-CNI. Together, attendees completed 135 volunteer hours.
- HAVI Supply Chain volunteers in Ukraine gathered each Thursday to package 2,000 food kits filled with bread, milk, flour, sugar and other everyday essentials.
- Volunteers from HAVI Supply Chain and the tms London office helped with baking, gardening and painting at Evelina House in Lambeth.
- A team of tms volunteers and their families contributed to the on-time opening of a new Ronald McDonald House in Hong Kong.
- HAVI Supply Chain employees in Krakow participated in RMHC's Hat from the Heart campaign and regularly helped with housework, cooking, gardening and other activities at local RMHC locations.
- The tms team in Germany spread holiday cheer to the children and families staying at a Ronald McDonald House in Vogtareuth, where they decorated the interior for Christmas and baked almost 500 cookies.



STANLEY LAUNCHES PROJECT 1913 VOLUNTEER INITIATIVE

Taking inspiration from the year in which William Stanley, Jr. invented the stainless steel vacuum bottle, Stanley launched Project 1913 to drive volunteer efforts across the business unit. With a goal of serving 1,913 hours around the world, the Stanley team logged more than 2,600 hours at 73 events in 2023. Our global teams once again united to support Global Coastal Cleanup with Ocean Conservancy, including collecting waste from the canals of Amsterdam; Seattle’s Gas Works Park; the Las Piñas-Parañaque Wetland Park in Manila; Shenzhen Bay Park in Shenzhen; Shanghai’s Binjiang Avenue and São Conrado Beach in Rio de Janeiro. Our teams in each of these regions also volunteered their time and talents to local organizations and causes throughout 2023. For example, members of our North American product development team built an entire “tiny home” with Sound Foundations NW, an organization that provides transitional housing solutions for those experiencing homelessness in Seattle.

HAVI SUPPLY CHAIN HELPS IMMERSATT TACKLE CHILD HUNGER IN GERMANY

HAVI Supply Chain is proud to support Immersatt and its mission to fight child poverty and hunger in Duisburg, Germany. In addition to donating kitchen rolls, paper towels, hand soap, waste bags and toilet paper to Immersatt, members of our local team volunteer their time each month to prepare, pack and deliver 800 breakfast sandwiches for children in Duisburg and assist with schoolwork after lunchtime.

STANLEY DONATES A PORTION OF SALES TO charity: water

In November 2023, Stanley held Glow Week in Europe, during which the business unit donated 25% of the proceeds from all orders made on its EU and UK websites to charity: water, a global nonprofit focused on bringing clean and safe water to people around the world. Our contribution will fund five large projects, allowing charity: water to help more than 6,100 people across Cambodia, Sierra Leone and Niger.

PHILIPPINES TEAM SUPPORTS LOCAL SCHOOLS DURING ANNUAL BRIGADA ESKWELA

At the start of the 2023 school year, 50 HAVI Supply Chain employees from our Quezon City Central Office and our Cabuyao and Plaridel distribution centers in the Philippines volunteered their time and energy over several days to make a remarkable difference in four local schools. Our team joined the Philippines’ Department of Education in its annual Brigada Eskwela (also known as National Schools Maintenance Week) to help clean, beautify and equip classrooms with electric fans, cleaning supplies and other items donated by HAVI Supply Chain.





Achieve **30% racially and ethnically underrepresented talent in U.S. leadership roles** by 2026*

Achieve **35% female talent in global leadership roles** by 2026*

Diversity, Equity & Inclusion

Diversity, equity and inclusion (DEI) are at the core of our values, and we believe that we achieve the best outcomes when people from different backgrounds collaborate and share their unique perspectives. We also know that our customers and employees care deeply about how we approach DEI.

Guided by our Enterprise Commitments, we aim to attract diverse talent, empower our people and equip our organization with the knowledge and skills required to demonstrate inclusive behavior and foster a culture of belonging.

*For purposes of HAVI reporting, "racially and ethnically underrepresented" is defined as employees who identify as Asian/Asian American, Hispanic/Latinx, Black, Indigenous People, Alaskan Native or two or more races. "Female talent" is defined as employees who identify as female. "Leadership roles" are roles held by HAVI employees who are Senior Director level and above.

FOCUSED ON DIVERSITY DRIVERS

Continuing our diversity journey requires unwavering commitment, particularly in the areas of hiring, retention and promotions for underrepresented talent. Our focus on measuring, comparing and reporting on these diversity drivers will help us be transparent and accountable in our actions.

Hiring

We have prioritized diversifying our candidate pool and removing biases from our hiring processes. We track new hires from both underrepresented and non-underrepresented groups, as well as by gender, to analyze trends and refine our hiring strategies across all levels of the organization.

Retention

We aim to retain our talent by cultivating a healthy work environment for each member of our community. Creating a psychologically safe place of employment for individuals from diverse backgrounds is essential in fostering a sense of belonging, and we value diverse perspectives as integral to our growth.

Promotions

We are monitoring and analyzing promotion rates to gain deeper insights into our talent's career progression within the organization. Our aim is to ensure that we equitably support every employee's career advancement.

DEI PROGRESS

Thanks to tangible actions across HAVI's business units, we made important progress toward our representation commitments in 2023.

OUR FEMALE TALENT IN GLOBAL LEADERSHIP ROLES INCREASED FROM

34.1%
2022

TO

35.4%
2023

SURPASSING OUR 2026 TARGET SEVERAL YEARS EARLY

OUR RACIALLY AND ETHNICALLY UNDERREPRESENTED TALENT IN U.S. LEADERSHIP ROLES ROSE FROM

19.1%
2022

TO

21.3%
2023





OUR DEI GOALS

In 2021, we established five DEI goals to guide our path toward achieving our representation commitments:

IMPLEMENT INCLUSIVE PEOPLE PROCESSES

Our progress around inclusive people processes in 2023 included creating a DEI dashboard to enable data transparency, collaborating with outside partners to hire and retain refugees, implementing a DEI critical talent review and leveraging inclusive hiring guidelines.

ENABLE LOCALIZATION AND ACCESSIBILITY

As a global company with offices in nearly 50 countries, HAVI recognizes the need to localize our internal communications strategy to better serve our employees, regardless of their geography or native language. To that end, we began using translators to improve our onboarding experience and delivered our annual "Your Voice Matters" global employee survey in 30 languages.

EMBED INCLUSION

Our efforts to embed inclusion in 2023 included revamping onboarding programs and roadmaps to nurture an inclusive work environment for new employees, hosting quarterly Inclusion & Belonging Forums and conducting DEI reviews for client products.

ADVANCE DEI LEARNING

From racial literacy workshops and global inclusion trainings to monthly LinkedIn Learning sessions, we offered numerous DEI learning opportunities to our employees in 2023.

EMPOWER EMPLOYEE GROUPS

We continued to support our Employee Resource Groups and Employee Networks in the vital role they play in empowering our people to be their best authentic selves. Organized around culture, ethnicity, gender, race and sexual orientation, these groups create safe spaces where employees can come together to share life experiences, support one another and enhance their personal and professional development.



FOSTERING ONGOING SUPPORT AND CONNECTION

To strengthen and empower our employee groups, HAVI launched an Employee Group Analysis in 2023 to explore our organizational structure and our aspirational plan to be in solidarity across groups and the communities we serve. Additionally, 15 Employee Resource Group members from HAVI Supply Chain participated in the #IAMRemarkable program, a self-recognition and empowerment movement initiated by Google to help everyone – including women and underrepresented groups – openly acknowledge and celebrate their achievements in the workplace and beyond.





HAVI SUPPLY CHAIN COMPLETES GENDER GAP ANALYSIS

Our Supply Chain business unit created a global taskforce in 2023 to use the Women's Empowerment Principles Gender Gap Analysis Tool (WEPs Tool), a business-driven assessment designed by the United Nations to help companies assess gender equality performance across the workplace. The WEPs Tool has allowed the business unit to better understand current policies and processes surrounding gender equality, ensuring we foster a culture that supports and empowers our female employees worldwide.

HAVI BUSINESS UNITS DEPLOY REGIONALLY FOCUSED PROGRAMS

Among the numerous training and development opportunities throughout the year, our tms business unit recognized Windrush Day in the UK and Juneteenth in the United States with an employee session focused on learning and celebration. In Asia, HAVI Supply Chain conducted a DEI survey to collect valuable team member feedback that was used to identify four key areas of focus going forward: eliminating biases, enhancing communication channels, increasing training and development opportunities and reinforcing leadership's commitment to champion DEI. At our distribution center near Madrid, HAVI Supply Chain took one of our corporate values – to respect and value all people – to a new level by implementing two initiatives that support families as they cope with the transition from pregnancy to delivery to returning to work.

STANLEY MAKES STRIDES TOWARD EMBEDDING INCLUSION

Our Stanley business unit hosted awareness training and racial literacy workshops in our Manaus and Cariacica factories in Brazil, impacting over 200 employees. These locations also continued their ongoing efforts to raise awareness about domestic violence and other forms of abuse against women. Additionally, Stanley revamped its onboarding experience by creating programs designed to connect new team members with the business, the culture and each other within their first 30 days of employment.

INCLUSIVE PROGRAMMING TAKES CENTER STAGE

During our GPA 2023 Learning and Development Summit, team members participated in interactive sessions on how to run inclusive meetings and embody inclusive leadership. In September, nearly 500 employees attended "Courageous Conversations," a global program during which several panelists shared experiences from throughout their careers as either a member of an underrepresented community or an ally. We also conducted global inclusion training on LGBTQ awareness at the start of Pride Month in June, which focused on key topics such as LGBTQ terms, language tips and how to be an ally.



GOVERNANCE

Governance is of the utmost importance to us. We have policies and processes, as well as various committees and initiatives, in place to guide how we execute on our longstanding commitment to act with honesty, integrity and in accordance with the moral, ethical and legal standards in all the parts of the world where our business is conducted.



Speak Up

Speak-up.havi.com



ETHICS AT THE CORNERSTONE

HAVI was built on a foundation of strong ethics, and our commitment to ethical business conduct continues to be a cornerstone of our business units' operations. Our mission statement and values (one of which is "Do What's Right"), our Policy on Ethical Business Conduct and our Better Future Blueprint are all expressions of that commitment. We expect our people at all levels to bring these concepts to life in their daily decisions and interactions with each other, our customers and our suppliers.

COMPLIANCE MANAGEMENT

Through our risk management and compliance programming efforts, we ensure that our values are consistently upheld and that we are following all applicable laws and regulations. An enterprise-wide compliance committee ensures that our comprehensive framework of corporate policies, training and other programming efforts are aligned and cascaded into all levels of the organization and applied at the market level.

ESG STANDARDS FOR OUR SUPPLIERS

Our business units utilize supplier codes of conduct that are aligned with our own values and our enterprise-wide commitment to respecting all human rights, including in the areas of:

- Laws and ethical standards
- Compensation and working hours
- Discrimination and equal opportunities
- Employment status
- Child labor
- Forced labor
- Health and safety
- Environment

INTERNAL AUDIT TEAM

To ensure our governance standards are upheld, we have a dedicated internal audit team. This team provides objective assurance to our stakeholders of the effectiveness of internal controls that address risk management, compliance and accurate financial reporting and disclosures. The work of the global internal audit team complements the audit activities performed by our external auditors, PwC.

CYBERSECURITY

We have a global Security IT group that is responsible for managing the risk and security of our key financial and operational technology platforms. This group establishes the requisite controls and coordinates our ongoing investment in technology. This includes continuously evaluating and evolving crisis management processes to continue our dedication to cybersecurity.

SPEAK UP CULTURE AND PROCESS

To ensure that our actions align with our values, policies and the law, we encourage open communication and feedback from our employees whenever there is any concern of potential misconduct. HAVI's enterprise compliance team maintains a reporting tool, Speak Up, which provides employees and anyone else who interacts with our company the ability to share their concerns confidentially and, if they wish, anonymously. We provide our employees with training on a regular basis regarding how to report using our Speak Up tool, as well as how to leverage other reporting pathways available to them. We firmly adhere to a strict anti-retaliation policy to protect our employees and others who bring forward their concerns.

Our Speak Up program is governed by an interdisciplinary group of leaders from our legal, compliance and audit teams. Together, they ensure that all reports are investigated fully, fairly and impartially, and are resolved in accordance with our values, including corrective action if appropriate.

ABOUT THIS REPORT

HAVI's annual Impact Report was created with global input from across our business units to document our progress in the areas of sustainability, social impact and DEI.

Our reporting is informed by the various frameworks commonly used to guide and evaluate company performance. These include the Global Reporting Initiative (GRI), IFRS Foundation's International Sustainability Standards Board (ISSB), CDP, Taskforce on Climate-related Financial Disclosure (TCFD) and United Nations Sustainable Development Goals (SDGs).

Unless otherwise stated, data in this report represents HAVI's fiscal year 2023, which equates to the calendar year 2023. HAVI data accounts for the collective activities of our three business units: HAVI Supply Chain, tms and Stanley. When data represents one business unit, it has been noted.

HAVI EMISSIONS DATA

| | 2018 (Baseline) | 2022 | 2023 | % Change YOY 2023 v 2022 | % Change Baseline 2023 v 2018 |
|---|--------------------|----------------|----------------|-----------------------------|----------------------------------|
| SCOPE 1 AND 2 EMISSIONS | | | | | |
| Scope 1 Emissions (metric tons CO2e) | 77,106 | 63,035 | 60,636 | -4% | -21% |
| Scope 2 Emissions Market-based (metric tons CO2e) | 34,977 | 32,674 | 36,785 | 13% | 5% |
| TOTAL SCOPE 1 AND 2 (MARKET-BASED) EMISSIONS | 112,083 | 95,709 | 97,422 | 2% | -13% |
| SCOPE 3 EMISSIONS | | | | | |
| Purchased Goods and Services | 108,207 | 234,487 | 188,062 | -20% | 74% |
| Capital Goods | 2,842 | 3,352 | 6,490 | 94% | 128% |
| Fuel- and Energy-related Activities | 29,491 | 31,439 | 33,730 | 7% | 14% |
| Upstream Transportation and Distribution | 270,105 | 256,190 | 250,387 | -2% | -7% |
| Waste | 4,016 | 2,499 | 2,680 | 7% | -33% |
| Business Travel | 3,246 | 3,757 | 6,879 | 83% | 112% |
| Commuting | 14,709 | 16,761 | 10,926 | -35% | -26% |
| Upstream Leased Assets | - | 61 | 57 | -7% | - |
| Downstream Transportation and Distribution | 1,561 | 1,186 | 1,847 | 56% | 18% |
| TOTAL SCOPE 3 EMISSIONS | 434,177 | 549,732 | 501,058 | -9% | 15% |
| TOTAL HAVI EMISSIONS | | | | | |
| SCOPE 1, SCOPE 2 AND SCOPE 3 EMISSIONS | 546,260 | 645,441 | 598,480 | -7% | 10% |

We are proud of the progress we have made to date and are confident that, as a community of innovative thinkers and optimistic collaborators, our Better Future Blueprint can make a difference for HAVI and our people, as well as our partners and the planet.



HAVI 2023-24 IMPACT REPORT: BUILDING A BETTER FUTURE TOGETHER

For more information please contact us at BetterFutureBlueprint@havi.com

Visit us at havi.com

Follow us at [LinkedIn](https://www.linkedin.com/company/havigroup) [LinkedIn.com/company/havigroup](https://www.linkedin.com/company/havigroup)

[X](https://twitter.com/HAVITweets) [@HAVITweets](https://twitter.com/HAVITweets)