



# **Brand Addition.** Sustainability Report.

2023

**brand addition.**

The world is noisier than ever, and at Brand Addition we continue to be committed to doing our part to contribute to a better world while listening to our clients, our people, our suppliers and our investors.

We are working harder than ever to make the world a better place and we believe that transparency is the best way to demonstrate shared goals. That is why we want to share our sustainability efforts of this past year and update you on our achievements since our last report, as well as our sustainability commitments for the future.

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Less waste  
**More wonder**

## Introduction

# Working to improve every aspect of our business

“At Brand Addition, our focus is to continually add what matters to everything that we do.”

Leading our business according to our values: do the right thing, results matter, make it memorable, be easy to work with, allows our teams continue to make great strides across all our ESG initiatives here at Brand Addition. Some of the highlights you will read about in this report include: Ecovadis Platinum accreditation, ISO 9001, 14001, and 27001 certifications (across our entire business), and update to our product standards, alignment on packaging standards, renewable energy updates, new carbon neutral shipping options in Europe and the US, as well as updates to our Scope 1, 2, and 3 emissions.

Fostering trust and long-term relationships with our employees, customers, and suppliers is the foundation of the success of our businesses. This report helps to not only highlight our accomplishments and journey, but also to provide transparency to all our stakeholders. Thank you for taking a few moments to learn more about our team's achievements. I look forward to continuing to update you on the continued progress we make as business.

Respectfully,

Karl Whiteside  
Group Managing Director

Karl Whiteside  
Group Managing  
Director



## Highlights

# A year of progress

Completed our  
**ESG Product Standards**



Joined BPMA Pledge

Joined the  
**Textile Exchange**



Launched  
**Green washing Policy**



### Earth Day Donation

Donated nearly **£10,000** to the Xerces Society's Pollinator Conservation program

**264hrs**  
Engaging suppliers

**PPAI 100**  
THE Industry Leaders 2023  
**Top 20 distributor**  
awarded by PPAI

**+88** New Training Courses on **ba.academy**

Launched New  
**Sustainable Product Catalogue**



**700 hrs**  
Committed to volunteering in 2023



**Platinum Ecovadis**  
rating awarded for third year in a row



**Global ISO Accreditation**

**Carbon offset shipping**  
expanded to USA



**New Single Use Plastic Policy**

**Renewable energy**  
in all European sites by end 2023



## Meet the team



**Christine Jennings**  
Global

Christine joined our business in May 2021 as Group Quality and Sustainability Manager, with over 25 years' experience in Sourcing Products. Christine oversees and lead's strategy for global teams on Quality; Compliancy; Vendor Management; Sustainability and Supply chain governance.

Christine's focus is on aligning group strategies and implementing global policies, driving continuous improvement to ensure the group is strong in all areas of Quality, Sustainability, Compliancy, and Governance.



**Júlia Puertes Micó**  
Manchester

Júlia's extensive experience reflects her unwavering commitment to sustainability. Her role involves providing direct support to our European employees, including customer and supplier engagement, fostering vital international partner relationships to bolster sustainability initiatives, as well as being the Marketing contact for Sustainability. Júlia's cross-functional collaborations have yielded impactful projects, such as ba's first EMEA Sustainable Product Catalogue and our Internal Quarterly Newsletter, both emphasizing our dedication to environmental stewardship. Her work showcases her dedication to transparency and sustainability, driving sustainability through innovative strategies and partnerships.



**Hunter Benkoski**  
St. Louis

Hunter's experience and expertise is in the Environment sphere of ESG. She has undergraduate degrees in Sustainability and in Environmental Studies, and she completed a Masters of Science in Ecology in 2022. At Brand Addition, she works directly with St. Louis employees to provide product consultation, give client presentations, and lead sustainability conversations with suppliers. She worked closely with merchandizers to create ba's first US Sustainable Product Catalogue, and she also led the US warehouse's 2023 packaging overhaul to find more sustainable packaging options that align with larger ba sustainability goals. Her passion for the environment led her to pursue a career focused on sustainability, and the opportunities to learn and continuously improve operations keeps her energized and ready to contribute to ba every day!



**Charles Dunford**  
London

Charlie has been with our business for over 10 years. His background as a senior buyer in our direct sourcing team means he has extensive knowledge of product development and the supply chain.

With a life-long passion for sustainability, he particularly enjoyed working with some of our most environmentally conscious clients and developed a specialism which naturally led him into a dedication position as our sustainability manager - product specialist for London and Asia. His mission is to ensure that Brand Addition provide the most sustainable product and packaging solutions for our customers.



Our team dedicated  
to sustainability










# **Business Overview**

## Business Overview




Brand Addition is a **full-scale merchandise agency** that help global brands **build culture, awareness and meaningful connections with their customers**

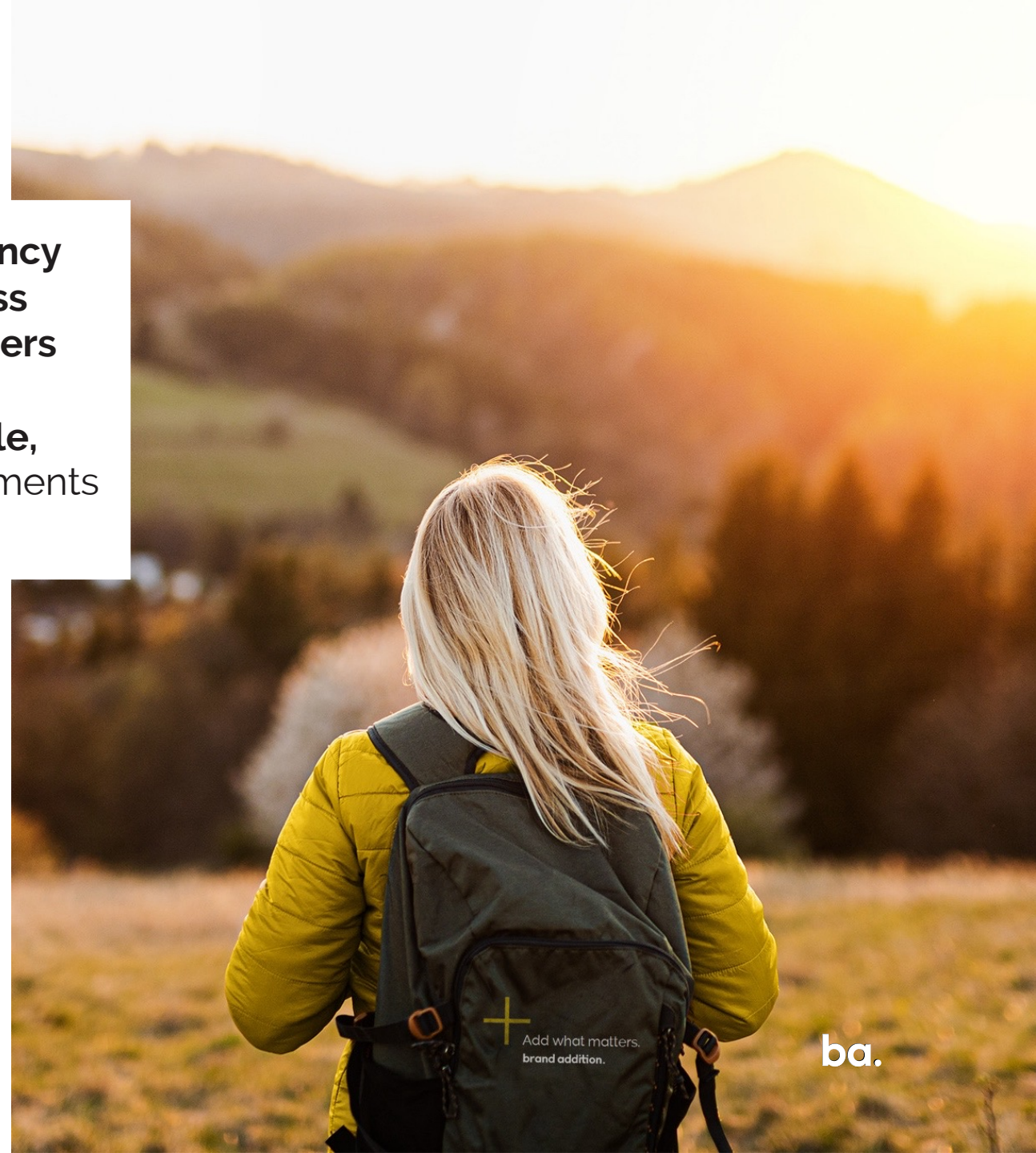
We extend your values in **thoughtful, sustainable, globally conscious** ways to create branded moments that **people love.**


### Our Services

-  Global Account Management.
-  Creative Services.
-  Sourcing & Quality Control.
-  Supply Chain Compliance.
-  Webshop Platforms.
-  Warehousing & Fulfilment.
-  International Delivery.

### Our Values

-  Do The Right Thing
-  Make It Memorable
-  Easy To Work With
-  Results Matter



  
Add what matters.  
brand addition.

ba.

## Business Overview



# Global Business.

Part of The Pebble Group plc.

**ba.us**  
St Louis, MO.

**ba.ireland**  
Dublin.

**450**  
Global team

**ba.uk**  
Manchester & London.

**ba.germany**  
Gelsenkirchen.

**120**  
Brands we work with

**ba.china**  
Hong Kong, Shanghai  
& Guangzhou.

**\$147m**  
2022 revenue



 **Sustainability**

## Our Strategy

# The Progress of our Strategy

**ba.one** unites us across oceans and continents to build a better, brighter future for our partners, our people and our planet.

In January 2021, we launched **ba.one** - a strategy designed to unite our offices across oceans and continents with a shared set of sustainability goals that will change our business and our industry for the better.

In 2022 and continually in 2023 we have pushed forward focusing on our group goals and milestones. Focusing on renewable energy sources for our group locations; reporting and seeking areas of improvement in emission reductions; supplier and supply chain engagement advancements; and more.





## Our Strategy

# Leading through sustainability



### Product

Our products are the very core of our business and represent the most visible face of our commitment to sustainability. Through our products, we convey our values and our commitment to using more environmentally and socially friendly materials and processes.



### Planet

Not only do we work to offer the most sustainable products to our customers, but we have put in place ambitious measures to reduce the impact of our business in all its operations: from the implementation of a carbon emissions inventory system, to the plan to convert our locations to renewable energy, the use of carriers that offer carbon neutral shipping options, as well as many other strategies.

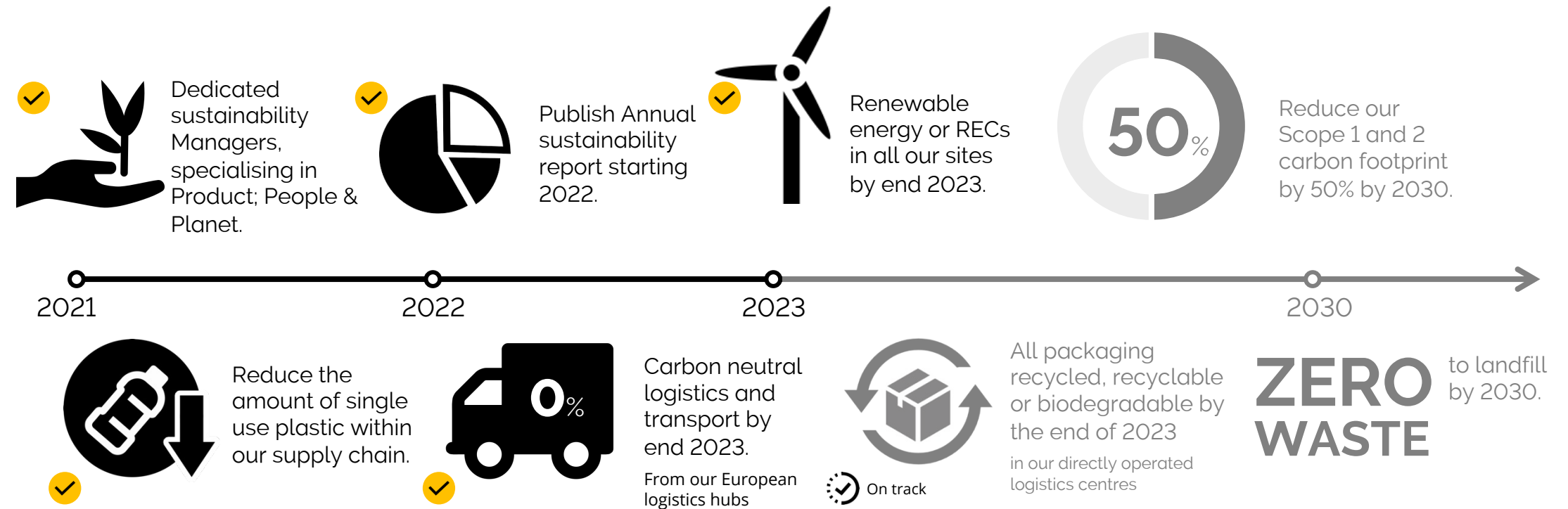


### People:

Our people are our most valuable asset. We support our employees with sustainable careers in a growing business and extend our values throughout all of our relationships with customers, suppliers, and investors.

## Our Sustainability Goals

In 2021, as part of our ba.ONE strategy, we presented our sustainability goals for 2030. Key initiatives include reducing our carbon footprint, switching to renewable energy in our facilities and minimising the use of plastics in our value chain:



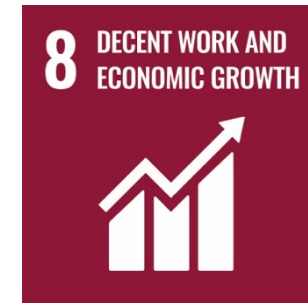
## Supporting the Goals

# Our Commitment to UN Sustainable Development Goals

The UN Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. Brand Addition is a supporter of these shared goals; committed and taking action in areas key to our business to build a better future.

We have committed to supporting the following goals with the initiatives found in this report.

Learn more about the [UN Sustainable Development Goals](#)





**ecovadis**  
Business Sustainability Ratings

## Reporting and accreditations

# Our Platinum Rating and Ongoing Progress with Ecovadis

BA is Platinum-rated, **top 1%** of companies within our sector.

Ecovadis is one of the world's largest and most trusted providers of business sustainability ratings, creating a global network of more than 75,000 rated companies over the past 14 years. Our sustainability performance is assessed annually by Ecovadis against the following pillars: Environment, Labour & Human rights, Ethics and Sustainable Procurement.

Our journey with Ecovadis began in 2010 with an overall score of 59. Our commitment to improve our standing

across all of the criteria has culminated to Brand Addition achieving a Platinum rating in 2020, 2021 and again in 2022. This places our company among the top 1% of companies within our sector assessed by Ecovadis. In addition, we were also able to demonstrate improvements during the assessment increasing our overall score from 76 in 2020 to 80 in 2022.

Note: We submit our Ecovadis score at the end of the year, so our 2023 score will not be available until early 2024.



## Reporting and Accreditations

# A Closer Look at Brand Addition's Certifications and Systems

Brand Addition proudly announces its recent achievement of global ISO 27001 certification, further reinforcing our commitment to information security across all our locations.

### THE CARBON DISCLOSURE PROJECT (CDP)



We also report annually to the carbon disclosure project, which assesses against Governance, Business Strategy and Verification among other, with a special focus on our Carbon Emissions which in 2023 included our scope 3 emissions. Learn more about the CDP here: [What we do - CDP](#)

### Document Control Register

Our Global Document Control Register has been totally revamped to make it more user friendly with individual tabs for all departments with the whole all locations now being able access the register.

### IMS Integrated Management Systems

Across Brand Addition we have effective Integrated Management Systems encompassing four ISO standards in place that are annually audited by 3 core 2 to ensure continued certification against globally recognised standards.

### Helpdesk – Compliance Ticketing System

As a part of continuous improvement compliance launched their ticketing system on the BA Helpdesk this is to aid a quicker response time and to ensure the best possible of service from the compliance team.

### ISO 9001 – Quality Management System



Following our successful extension to scope of our ISO 9001 in May and June 2023 we have now obtained ISO 9001 certification at all Brand Addition Sites Manchester, London and Gelsenkirchen, Dublin, Gelsenkirchen, Shanghai, Hong Kong, Guangzhou, St Louis office, and St Louis warehouse.

### ISO 27001 – Information Management Security System



After several years preparation Brand Addition embarked in July/August 2023 on a 2 day stage 1 audit and a 10 day stage 2 audit in a quest to obtain ISO 27001 globally. From those audits Brand Addition has been awarded ISO 27001 certification globally at Manchester, London and Gelsenkirchen, Dublin, Gelsenkirchen, Shanghai, Hong Kong, Guangzhou, St Louis office, and St Louis warehouse.

### ISO 14001 – Environmental Management System



Also in Q2 2023 we extended our ISO 14001 scope to cover all of Brand Addition warehouses Manchester, Gelsenkirchen and St Louis

### ISO 50001 – Energy Management System



In April 2023 an annual external surveillance audit was conducted at Manchester London and Gelsenkirchen from that audit there were no nonconformance findings.

# The BA Sustainability Grid

## Our sphere of initiatives across ESG.

	ISO (9001, 14001, 27001, 50001)	SEDEX/SMETA	EcoVadis	B Impact Assessment	Carbon Disclosure Project (CDP) Reporting	Sustainability Standards (internal)	Gender Pay Gap Analysis (internal)	Bribery & Tax Evasion Policies (internal)	Responsible Cotton Sourcing Policy (internal)	DHL GOGREEN Europe	FedEx Carbon Offset Program USA
<b>Environment</b>											
Carbon emissions (scope 1, 2, and 3) and energy use											
RECs and carbon offsetting											
Waste management											
Environmental management systems											
Carbon neutral shipping											
Alignment with UN Sustainable Development Goals (SDGs) (3, 5, 8, 12, 13, 14, and 15)											
<b>Social</b>											
Labor and human rights standards											
Health and safety											
Diverse hiring											
Equitable pay											
Supplier engagement, education, and training											
Volunteer hours											
Charitable Donations											
<b>Governance</b>											
Quality systems											
Business integrity											
Information security (PCI)											
Vendor management & assessments											



## BPMA

# Driving Change

### BPMA Initiative: Joining the Step Forward Pledge

We are delighted to announce that we have successfully submitted our pledge for the BPMA (British Promotional Merchandise Association) Step Forward initiative as part of our ongoing commitment to sustainability.

The Step Forward Pledge's primary goal is to encourage BPMA members to take proactive steps toward incorporating sustainability into every facet of their business, including their products, operations, and community involvement. When members commit to the pledge, they are signalling their determination to consistently track and evaluate their sustainability efforts on an annual basis.

By pledging our support, we have declared our unwavering commitment to annually track and measure our sustainability performance. This initiative resonates with our core values of environmental responsibility and community engagement, and we are dedicated to making a meaningful impact.

Join us in celebrating this important milestone as we continue our journey to champion sustainability, fostering a brighter and more responsible future for all.

[Learn more about the BPMA](#)



Supporting UN Sustainable Development Goals

# Industry Recognition

### PPAI 100: 2023 Recognition and Sustainability Commitment

#### Distributor No. 20: Brand Addition.

PPAI 100 is an exclusive, research-backed ranking of the 50 leading distributors and the 50 leading suppliers in the promotional products industry. Companies are scored based on a variety of metrics.

We are proud to announce that Brand Addition has been awarded the No. 20 position in the distributors category of the prestigious PPAI 100 for 2023. This recognition is a testament to our unwavering commitment to sustainability and responsibility within the promotional products industry.

As a global entity, Brand Addition (PPAI 105169, D10) is dedicated to making a

meaningful impact on the environment while achieving industry recognition. Our guiding principle is "More joy. Less Junk. A better, brighter future for our partners, our people, and our planet."

The achievements highlighted in this report are some of the key factors that have contributed to our No. 20 recognition.

[Learn more about PPAI 100](#)



# Leading Through Sustainability.



Product



Planet



People

For our business, sustainability starts with the product we provide to support our customer's brand engagement activities. Brand Addition focuses on the raw & source materials, manufacturing principles, intended use, and certification criteria to ensure that our products are what they say and meet our rigorous quality standards. In addition to the wonderful product, we also focus on the packaging of the product to limit the impact on the environment across our supply chain. We are committed to protecting the environment and improving our solutions to divert as much waste as possible from landfills.

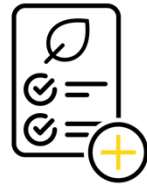
## ESG Product Standards.

# We created clear guidelines and criteria for sustainable products

The ability to verify the sustainability of our products is key to us. That's why we created clear standards to help our teams and our clients identify the most sustainable products and materials for their brand engagement.

Following the launch of our **sustainable product standard** in 2022, we introduced our **sustainable packaging standard** and **responsible product standard**. Together these three guidance documents complete a three-way framework, which enable our teams to identify or develop more sustainable products and avoid greenwash.

These standards provide clear and detailed guidance about which materials we consider to be sustainable and how to certify any relevant claims. This allows us to follow a consistent product sourcing strategy and be fully transparent in meeting our customer's needs.



### Sustainable Product Standard

Our material framework helps to identify the most sustainable materials and certification requirements.



### Sustainable Packaging Standard.

Outlines best-practice for packaging. Our goal is to avoid single-use plastics and promote recycled/recyclable content wherever possible.



### Responsible Product Standard.

This highlights responsible sourcing options that benefit people and the planet (e.g. Fair trade, ethical & locally-produced products, better eco materials), suppliers operating employee initiatives, regeneration of energy & waste materials.



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## Product

# Making our clothing more sustainable

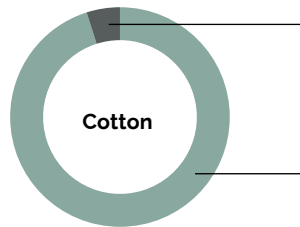
Brand Addition works with brands to elevate the sustainable credentials of their products without impacting on quality or design.

For example, we worked with one of our largest clients to accelerate the use of responsible fibres such as organic cotton and recycled polyester/nylon across their entire clothing range.

In 2022 we delivered 211,161 pcs of garments and textiles for this brand, of which 85% (by weight) of the fabrics in these items were made with organic cotton or recycled fibres.

We are excited by the progress made so far, but won't stop there. We're already looking at materials that could reduce the impact of our products even further.

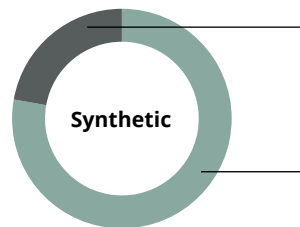
### Client case study: clothing range – total fibre consumption



Conventional cotton 2022:  
**5% = 1,477 KG**



Organic cotton 2022:  
**95% = 28,585 KG**



Recycled fibres 2022:  
**78% = 41,031 KG**



Virgin synthetic fibres 2022:  
**22% = 11,714 KG**



Supporting UN Sustainable Development Goals



## Product

# Using innovative materials that do good.

We developed a fully recycled beach towel from a blend of 77% recycled cotton and 23% SEAQUAL® recycled polyester yarn.

The SEAQUAL initiative produce recycled yarns made from 90% recycled polyester and 10% upcycled marine salvaged ocean plastic. For every 100 grams of the latter, an average of 500 grams of marine litter (including non-plastics) is removed from the ocean.

Through the orders we delivered to our customer in 2023, the SEAQUAL initiative helped to remove at least 36 tonnes of marine litter from the ocean.



Made in Europe



100% Recycled

SEAQUAL  
INITIATIVE

SEAQUAL Initiative



Supporting UN Sustainable Development Goals





## Product

# We joined Textile Exchange



In 2023, we became a member of Textile Exchange - a global non-profit organisation driving positive impact on climate and nature across the fashion and textile industry to speed up our adoption of preferred fibres.

This membership provides us with access to resources and research on 'preferred' materials, helping to guide more sustainable product development and purchasing decisions.

We'll also attend the annual Textile Exchange conference which will bring together leaders and experts from across the fashion, textile, and apparel industry, providing a space to collaboratively explore challenges and solutions to overcoming the climate crisis.

### About Textile Exchange

Textile Exchange is a global non-profit driving positive impact on climate and nature across the fashion and textile industry. It guides a growing community of brands, manufacturers, and farmers towards more purposeful production from the very start of the supply chain. Its goal is to help the industry to achieve a 45% reduction in the emissions that come from producing fibres and raw materials by 2030.

To get there, it is keeping its focus holistic and interconnected, accelerating the adoption of practices that improve the state of our water, soil health, and biodiversity too. For real change to happen, everyone needs a clear path to positive impact.

That's why Textile Exchange believes that approachable, step-by-step instruction paired with collective action can change the system to make preferred materials and fibres an accessible default, mobilizing leaders through attainable strategies, proven solutions and a driven community.

## Product

# Our Sustainable Materials Library

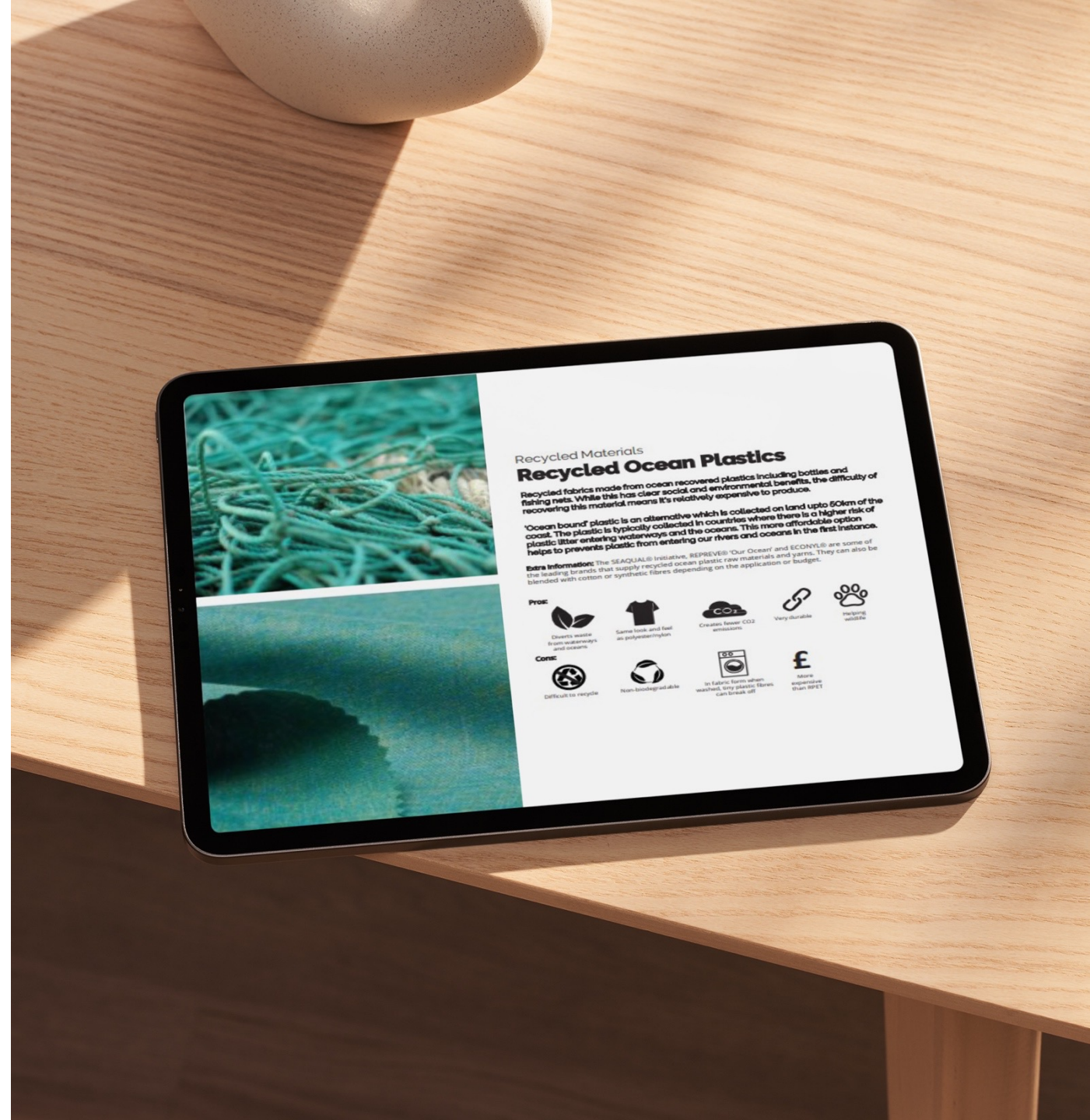
This year, we launched our very own Sustainable Materials Library – a helpful guide that summarises key information about a wide range of sustainable materials, along with the pros and cons of each.

We hope this guide serves to educate all stakeholders in an easy-to-understand format that has been designed to inspire better and more sustainable material choices.

This example is just one of the ways in which we are training our staff, suppliers and customers to ensure they are properly informed about sustainable materials.



Supporting UN Sustainable Development Goals



## Product

# Launching our Sustainable Product Catalogue

Working with our core suppliers in Europe and North America we compiled the first editions of our sustainable product catalogues, featuring a wide variety of indirectly sourced sustainable products.

The items in our catalogues have been pre-vetted and checked by our sustainability managers to ensure they meet our sustainable product standards.

We have created two versions of the Sustainable Product Catalogue to cover our European and North American markets. Each offers a range of products

divided into categories (e.g.: apparel, technology, outdoors, etc.) which fall into at least one of our ESG Product Standards.

With this resource we hope to make it easier for our teams and our clients to make genuinely sustainable product choices.



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### Conference Speaker

Experience unparalleled audio quality with this cutting-edge product featuring Anti-Noise Cancelling function and Dual Built-in Microphones, ideal for 4-6 people meetings. Its Intelligent Cable Hiding Design ensures a clutter-free workspace. Customize your device with imprinted designs, adding a personal touch to your audio experience.

**Sustainable highlights:**  
Anti-Bacterial RPET & Natural Cork Housing  
Certified paper packaging

Technology - Speakers



### Bluetooth Speaker

Introducing a compact powerhouse designed to elevate your audio experience. With dimensions of 88 x 44 x 18mm, this device packs a 3W speaker, providing remarkable sound quality. Enjoy up to 8 hours of playtime for uninterrupted entertainment. Choose between a sleek Black or modern Transparent body colour, and further personalize your device with options like an LED Logo or Screen-Printed design, adding a touch of uniqueness to your audio accessory.

**Sustainable highlights:**  
Made from certified recycled ABS.  
Packaged in a Kraft Tuckbox

Technology - Speakers



### Bamboo Speaker

Unveil a new level of innovation available in Anthracite colour, embracing a PVC-free design, unique decoration options such as pad print, custom sleeves, or gift personalized touch to your device.

**Sustainable highlights:**  
Speaker fabric: 100% certified (post-consumer) Casing: 100% (post-consumer) or 100% certified CO2 footprint: 3.1 kg.  
From a factory with valid BSCI Certified card packaging.

Technology - Speakers





## Product

# Single-Use Plastics Policy

We launched our Single-Use Plastics (SUP) Policy in 2023. This policy outlines our company's dedication to reducing the use of SUP products and packaging across our operations.

In addition to our own operations, we are engaging with our suppliers to encourage them to reduce single use plastics throughout the supply chain.

Our aim is to:

1. Avoid unnecessary SUP where possible.
2. Opt for alternative materials to SUPs, such as recycled paper.
3. Encourage the use of recycled plastic over virgin plastic.



Supporting UN Sustainable Development Goals

## Product

# Innovative materials to combat single use plastics

Brand Addition works with clients to develop solutions that reduce unnecessary plastic waste.

A luxury skincare brand was seeking a more sustainable packaging alternative to the plastic foams which are typically used to protect fragile gifts.

This biodegradable foam is made from corn starch and was developed to provide the support the product needed whilst maintaining a premium look with an FSC card topper.

It's just one example of the ways in which we have reduced plastic waste through better design and innovative materials.



100% biodegradable



Plastic free



Supporting UN Sustainable Development Goals



## Product - Packaging

# Going plastic free

Brand Addition has worked closely with one of its clients to develop a diverse range of bespoke merchandise with totally plastic-free packaging. Now all product packaging in this range is made using entirely certified FSC Mix or FSC Recycled paper, meaning every piece of packaging contains at least 70% recycled content and is fully recyclable.

### 13+ million units

with plastic free and recyclable packaging since 2020



100% recyclable



Plastic free



Supporting UN Sustainable Development Goals



## Product

# Packaging Improvements

One of our **ba.one** sustainability goals is to have all packaging be recycled, recyclable or biodegradable by the end of 2023 in our directly operated logistics centres.

In line with this goal, we want to highlight the efforts of our North American team, which include:

- Replacing plastic carton-sealing tape with reinforced paper water-activated tape (C2C Certified Bronze).
- Replacing 25% recycled content poly mailer to 100% recycled content poly mailers.
- Replacing paper void fill with an alternative with higher post-consumer recycled content.

On top of these environmental gains, we also found opportunities to improve worker wellbeing through process and machinery optimisation, decreasing worker fatigue and long-term health risks.



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# Leading Through Sustainability.



 Product

 Planet

 People

We continue to partner with Normative, a third-party carbon accounting engine, to calculate our Scope 1, 2, & 3 emissions. This helps us identify emissions reduction opportunities and minimize climate risks. While we've been investing into improving our carbon accounting data accuracy, we've also been expanding our Planet scope to consider how we can make a positive impact beyond carbon emission reductions.

## Planet - Carbon Footprint

# Understanding Scope 1, 2, and 3 emissions

Planet is a fundamental pillar of our ba.one Sustainability Strategy. Our Planet pillar contains strategies to calculate, report, and reduce our direct and indirect greenhouse gas emissions in accordance with the Greenhouse Gas Protocol Corporate Standard.

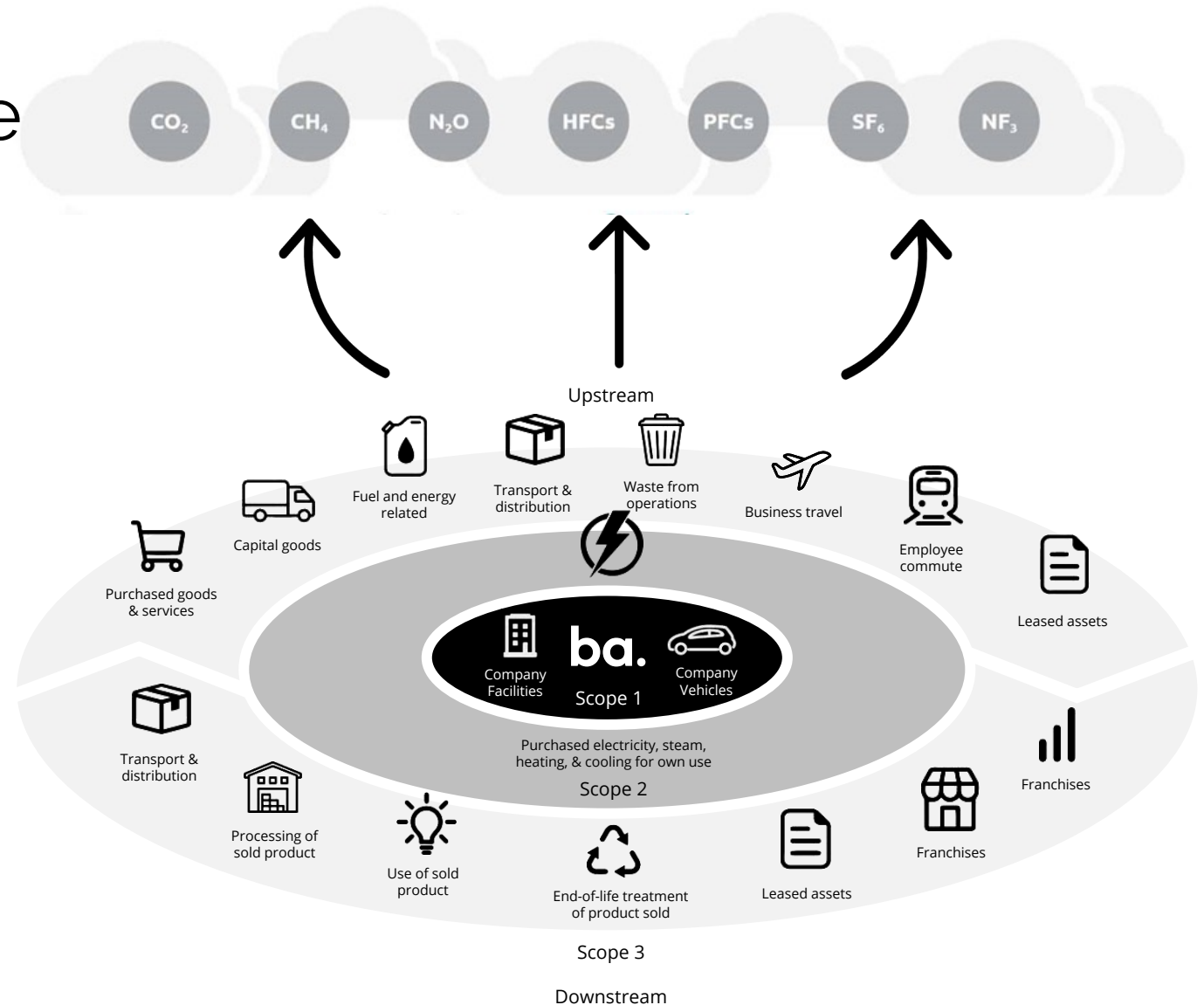
According to this Standard, carbon emissions are categorized into 3 types based on their origin:

**Scope 1:** Direct emissions from sources that are owned or controlled by the company, such as from boilers or company-owned vehicles.

**Scope 2:** Indirect emissions from the generation of purchased electricity, heat, or steam consumed by the company.

**Scope 3:** Indirect emissions that occur in the value chain of the company, such as products, transport, logistics, or waste.

Learn more about [Normative](#)



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ba.

# Planet - Carbon Footprint

# Our actions to address Scope 1 and 2 emissions

We put a consistent data capture system in place in 2021 to track our monthly gas and electric usage at all ba sites (we will also begin to track water usage at some ba sites in 2023). We switched some sites to renewable biogas (Manchester) and/or electricity (London, Dublin, Gelsenkirchen), where contracts allow.

For the sites where we're not yet able to switch to renewable electricity, we will purchase Renewable Energy Credits (RECs).

Our first REC purchase will be at the end of 2023 to account for all 2023 Scope 2 emissions.

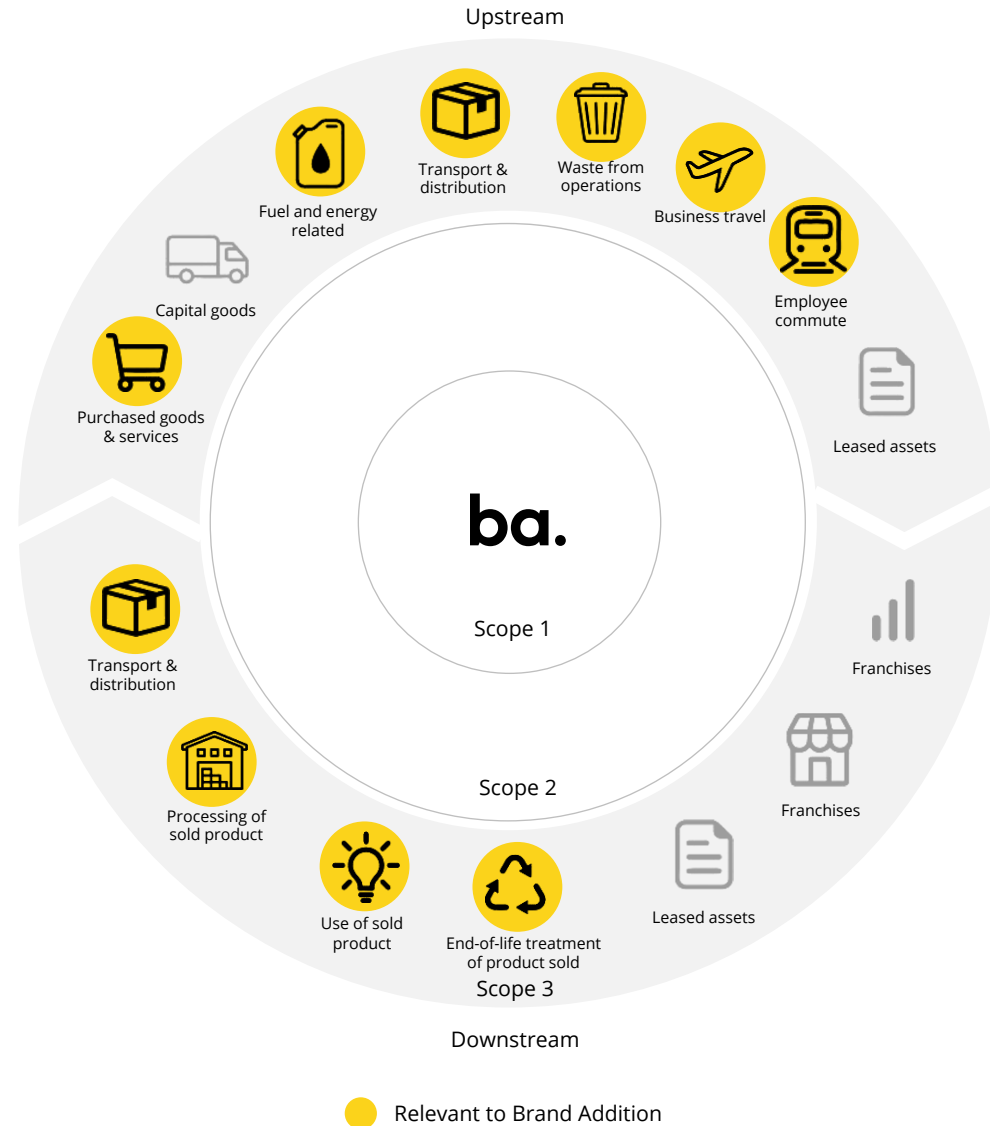


## Planet - Carbon Footprint

# Our actions to address Scope 3 emissions

Scope 3 emissions are usually the largest and most difficult to calculate and influence. Given the nature of ba's operations, our Scope 3 emissions are derived from the areas highlighted in the figure on this page. Although our emissions are from all the highlighted areas, we currently only calculate the upstream emissions highlighted- purchased goods and services, fuel and energy related, transport and distribution, waste from operations, business travel, and employee commute.

With these limitations in mind, we addressed Scope 3 emissions in 2023 by improving reporting data integrity - adding more in depth spend and material value data, fine tuning our supplier engagement, and engaging with Normative's corrective tool across product categories.



Supporting UN Sustainable Development Goals



## Planet - Carbon Footprint

# Emission data

Emissions went down in all 3 scopes from 2021 to 2022.

These reductions were primarily due to:

- Introduction of biogas in Manchester and renewable electricity in London in 2022
- Consolidation from two German warehouses to one German warehouse with renewable electricity in 2022
- Introduction of DHL Go Green shipping in Europe

\* We previously reported the 2021 Scope 2 emissions as 321 tCO<sub>2</sub>-e. The updated figure, 313.3 tCO<sub>2</sub>-e, was re-calculated in early 2023 to be more accurate.

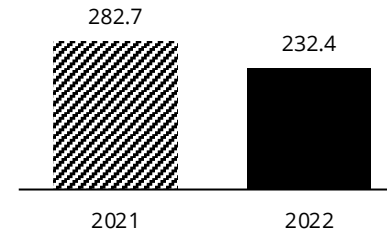


Supporting UN Sustainable Development Goals

### Scope 1

2022 emissions

232.4 tCO<sub>2</sub>-e



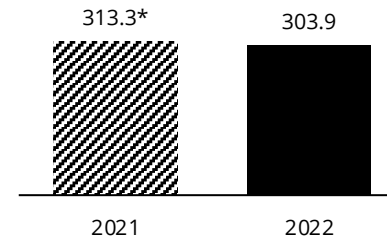
Progress

**-17.8%**

### Scope 2

2022 emissions

303.9 tCO<sub>2</sub>-e



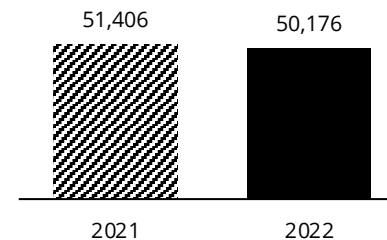
Progress

**-3%**

### Scope 3

2022 emissions

50,176 tCO<sub>2</sub>-e



Progress

**-2.4%**

## Planet - Our Programme

# Renewable Energy Certificates (RECs)

Renewable energy in all European sites, and RECs in all other sites by end 2023.

Our European sites – Manchester, London, Dublin, and Gelsenkirchen – will be fully transitioned to renewable energy by the end of 2023.

When our sites are based in leased offices or locations where renewable electricity is not readily available, we will purchase RECs equivalent to the amount of energy we have consumed until we are able to directly source renewable energy from our electricity providers.

We are partnering with 3Degrees, a third-party platform, to purchase verified unbundled RECs from different markets, including I-RECs in China and Green-e energy certified RECs in the US.

What about offsetting? We made the decision to transition from carbon offset purchase (with Tree Nation to offset all Scope 1 and Scope 2 emissions in 2022) to REC purchase (to cover all Scope 2 emissions in 2023) to better align our practices with guidance from the GHG Protocol and the SBTi.



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## Planet - Promoting Biodiversity

# Earth Day Initiative

**Earth Day Initiative.**  
**1% of sales during campaign.** For every order that was placed by our customers from the 17<sup>th</sup> to 21<sup>st</sup> of April.

Brand Addition donated **£9,050** to the Xerces Society for Invertebrate Conservation's Pollinator Conservation program.

The Xerces Society is a leading international nonprofit organisation that protects the natural world through the conservation of invertebrates and their habitats.

The **Pollinator Conservation** program:

- protects endangered pollinator species and their habitats
- trains farmers and land managers to restore and manage habitat, providing bees, butterflies, and other vulnerable pollinators with the flowering plants critical to their survival and resilience
- educates hundreds of thousands of people across the US on the importance of these animals and what they can do to help protect them

[Click here to learn more](#)



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## Planet - Sustainable Logistics

# Our plan in practice

### DHL GOGREEN Shipping: Europe.

- In our European shipping hubs, we use DHL's GOGREEN service wherever possible (currently in 40 countries).
- Carbon emissions from a GOGREEN shipment calculated with verified measurement process.
- Translated into required 'carbon credits' redeemed through climate protection projects.



### FedEx Carbon Offset Program: USA. Benefits.

- Started shipping with the FedEx Carbon Offset Program in September 2023
- US Domestic volume only, covers Express, Ground, and Freight inbound and outbound shipping
- Visibility of emissions estimates from our shipments.
- Can account for carbon emissions from 3rd party shipping with single measurement per shipper.
- Powerful 'what if?' function showing how carbon emissions can be reduced (DHL).



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## Planet - Waste Management

# Internal waste management improvements.

### St. Louis Office & Warehouse

In September 2022, we conducted an internal waste audit in the St. Louis office. We found opportunities to improve our office waste management by consolidating waste bins and by adding a compost program. We estimated that these updates should help us divert over 700kg of waste from landfill annually (this is an annual diversion rate of 72%, bringing us closer to our ba.one goal of zero waste to landfill by 2030).

In February 2023, we conducted an internal waste audit in the St. Louis warehouse. We found opportunities to improve our warehouse waste management by adding additional waste bins in strategic locations, standardizing the colour of different waste streams, and adding new signage at existing bin locations. In addition to streamlining our

warehouse operational waste, we also started a new partnership with a local electronic waste recycler.

### Manchester Office & Warehouse

In 2022, we updated all bin signage and worked with our cleaning service team to improve the separation of recycling and non-recycling waste. We've removed unnecessary bins and optimized bin placement in offices.

### London Office

During our 2022 office refurb, we removed over 50 individual desk bins and replaced them with 3 centralized recycling points. We also introduced separate bins for plastic films, mixed recycling, compostables, and general waste + new signage to educate on what should go in each bin. We continue to partner with The First Mile for their zero-waste to landfill waste collection service.



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# Leading Through Sustainability.

 Product

 Planet

  People

Our people have been and continue to be the bedrock of our organization. Throughout the turbulent years after the pandemic and through to today, we continue to focus on the health, safety, well-being, and growth of our employees across the globe. Like our overall strategy related to ESG, we continue to invest in resources, training, and programs to improve our employee's engagement and focusing on their career path progression within the organization. We have also increased our engagement with our supply chain to align with our ESG efforts, utilizing our vendor assessments to ensure social and sustainability compliance.

## People – Training

# Our Staff

After the launch of our BA Academy in 2022, we continue to add relevant courses to support employee growth and engagement.

### BA Academy

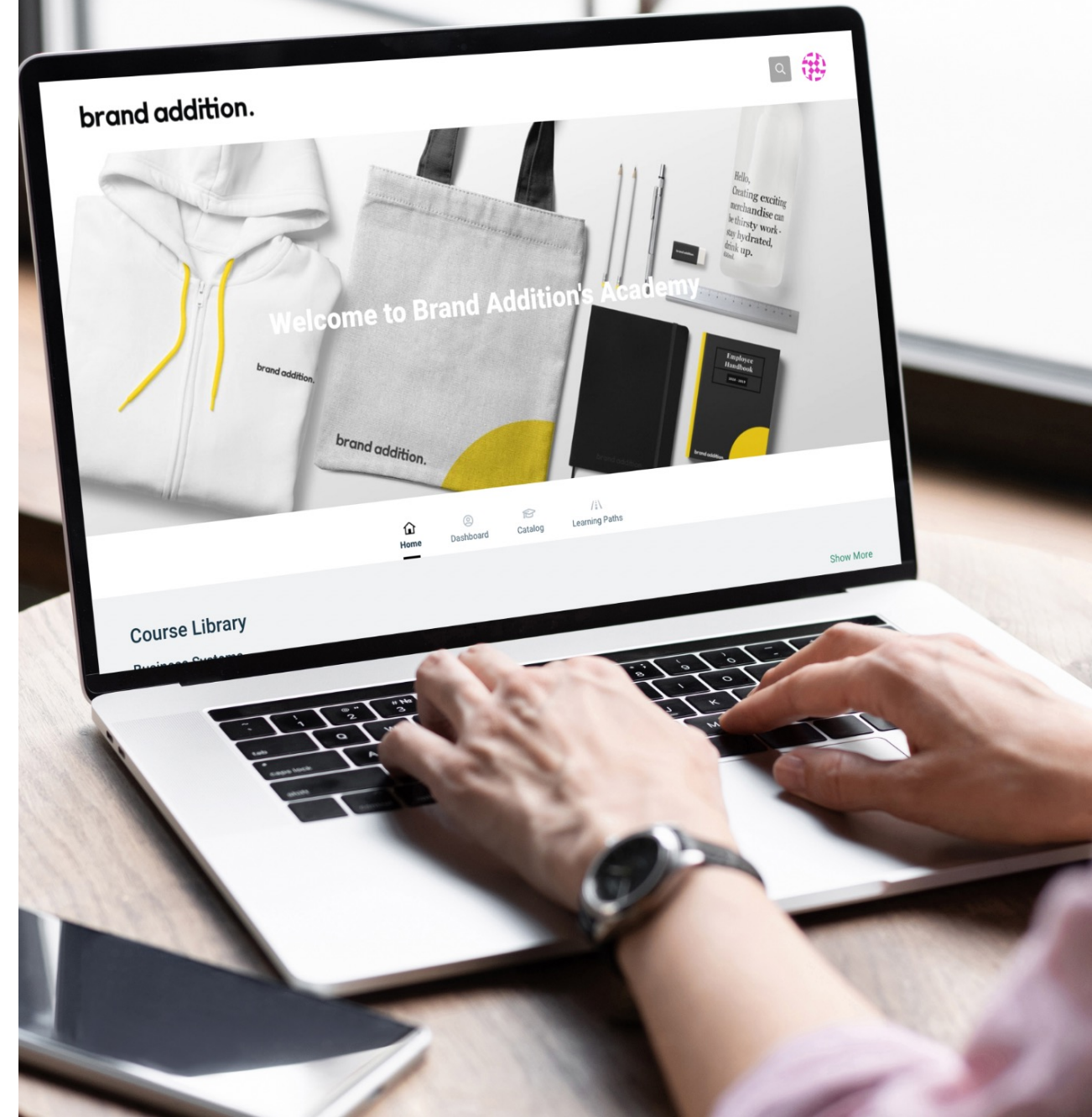
In April 2022, we launched our internal training platform, BA Academy, where we share valuable information between departments. On this platform, we exchange training sessions on relevant subjects such as Quality and Compliance, Sustainability, Health and Safety, and Inclusion and Diversity, among others. BA Academy is proving to be a valuable tool for the continuous growth of our teams.

Our commitment to comprehensive learning is reflected in the 88 courses currently available on BA Academy. These courses cover a wide spectrum of topics, with 16 dedicated to **People & Culture**, 9 focusing on **Sustainability**, and an additional 6 providing valuable insights in the **Skills, Helpful Hints & Tips** category. Moreover, we are thrilled to report that our teams' dedication to learning shines through in the remarkable course progress statistics. On average, our team members have achieved an impressive 91% course completion rate.

As we continue to expand the scope of BA Academy and its offerings, we look forward to further nurturing the professional development of our teams and reinforcing our commitment to excellence. BA Academy remains a vital asset in our pursuit of sustainable practices and organizational advancement.



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## People – Our Staff

# Understanding Gender Pay Gap

### Brand Addition – UK Gender Pay Gap

Brand Addition in the UK has now exceeded the threshold for mandatory annual reporting (>250 people)

The UK median gender pay gap remains below the UK median as published by the office of national statistics.

We continue to see a widening of the gender pay gap in favour of women) which goes against the trends in national data where the median gap is reducing in favour of men.

The data suggests a few reasons for this gap:

We have far more women in the UK business than men.

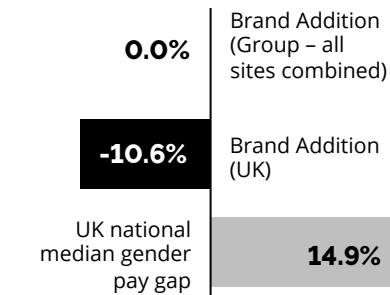
We have seen a reduction of the number of men in the upper middle quartile and an increase in the number of men in the lower and lower middle quartile bands. This seems to be mainly a reflection of the large band of account executive

positions and in finance (which are predominantly women).

We saw less UK bonus payments in 2023 (and as gender pay is based upon hourly pay + bonuses) this has a slight impact on the gap, although not significant.

### Brand Addition – Full Group Gender Pay Gap

For the full BA Group, we have achieved gender parity (0% median gender pay gap) which is quite an achievement!



**A negative gender pay gap shows that women are paid more than men.**

UK median gender pay gap (Source – [ONS](#))

### What is our hourly pay gap?

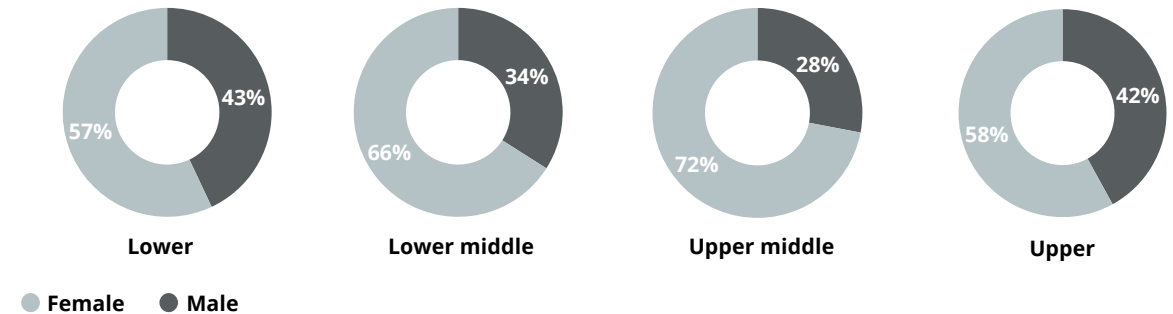
**Median** hourly pay gap

-10.6%

**Mean** hourly pay gap

4.6%

### Quartile bands



### What is our gender bonus gap?

**Median** bonus gap

4.6%

**Mean** bonus gap

1.0%

### % Receiving a bonus

**Males** receiving a bonus

12.6%

**Females** receiving a bonus

9.8%



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## Our staff

# Fostering Knowledge and Connection

## Highlights of Our Fireside Chats, London BA Huddle, and Pride Celebrations

Introducing a groundbreaking addition to our initiatives this year: the fireside chat series for Quality, Compliance, and Sustainability. This innovative platform brought together experts and enthusiasts to explore a diverse array of topics crucial to our operations. From sustainability strategies to compliance best practices, these interactive sessions provided a space for in-depth discussions, illuminating insights, and valuable knowledge exchange.

We have also celebrated the dynamic and collaborative London BA Huddle, a week-long gathering that has become a hallmark of our yearly calendar. This engaging series of sessions brings our diverse departments together, offering an invaluable platform to showcase and celebrate the remarkable efforts and achievements of each team. From marketing and finance to operations and

beyond, these huddles provide an immersive experience to learn, connect, and align.

Throughout the month of July, our teams came together in a vibrant celebration of PRIDE. With rainbow flags flying high and exciting raffles in full swing, our collective spirit was ignited. Notably, our UK teams united for a wonderful cause, raising an impressive £357. This generous contribution was directed towards The Proud Trust, a distinguished LGBT+ youth charity dedicated to empowering young individuals to embrace their authentic selves.



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## People – Our Staff

# Uniting Through Celebrations, Awards, and Genuine Bonds

Team MB, our dedicated US Morale Boosters, orchestrated a series of unforgettable and enjoyable events that embraced both local and global festivities. From Valentine's Day to Cinco de Mayo, Juneteenth, Pride, and the opening day of the Cardinals, our celebrations were nothing short of spectacular. Our journey around the world during Employee Appreciation Week was a highlight, featuring stops in Hawaii, the UK, and Mexico. The culinary delights of a food truck brought us the taste of Mexico's cuisine.

In addition to these festivities, Team MB adds a special touch to our annual End of the Year award ceremonies. This year,

under the glamorous theme of a red carpet, every team member participated in voting for awards that truly reflect the spirit and accomplishments of their colleagues.

Last but certainly not least, the absence of face masks has brought our teams even closer, allowing for genuine connections to flourish. A wonderful example of this camaraderie can be seen in our badminton team in Shanghai. As face masks became a thing of the past, the shared passion for sports brought our team members together in exhilarating matches.



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## Our staff

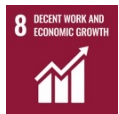
# Elevating Diversity and Inclusion

### The Role of DE&I Focus Groups

We now have DE&I Focus Groups across the business to support not only local initiatives but global ones too, which means we can be more aligned on a number of events throughout the year.

Our 11 DE&I Team Champions play a pivotal role in our commitment to diversity and inclusion. They take responsibility for supporting, developing, and driving inclusion in various ways:

- Creating Awareness and Open Dialogue: Champions foster conversations about diversity and inclusion, cultivating an environment where everyone's voice is heard.
- Challenging Definitions: They challenge our understanding of diversity, broadening our perspective to embrace a more inclusive vision.
- Knowledge Sharing: Champions educate others, sharing knowledge and dismantling barriers that hinder inclusivity.
- Engagement Drop-in Sessions: They lead or support "engagement drop-in sessions," sharing personal experiences and strategies to overcome challenges and concerns.
- Promoting & Celebrating Difference: Our champions organize events that promote and celebrate diversity, ensuring inclusion for all.



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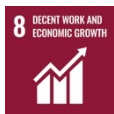
## People – Mentoring program

# Fostering Passionate, Customer-Focused Professionals

At Brand Addition, our workforce embodies ambition and holds lofty standards for their professional journey. Embracing a mentoring culture can pave the way for a more inclusive, supportive, and ambitious environment.

Excitingly, we'd like to share the inaugural BA Mentoring Programme in Manchester, launched in early September 2023. The application window for both Mentors and Mentees was open throughout August, creating an opportunity for individuals to embark on this impactful journey.

To empower participants, we are offering valuable training resources through the BA Academy, ensuring that everyone is equipped to make the most out of this programme. We believe that by nurturing talent and fostering collaborative growth, we're strengthening the foundations of our success.



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## People – Our Staff

# Wellbeing initiatives

BA has a team of Wellbeing Champions who have put in place an incredible programme of wellbeing initiatives. A clear sign that the wellbeing of our employees is always our priority.



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## People - Suppliers

# Sustainability across the supply chain

Our suppliers are one of our key stakeholders in terms of the sustainability of our products and the processes that are part of the entire supply chain. From the environmental attributes of the materials and products used to the social standards, our suppliers are treated as partners in the product development process.

For this reason, we have the following processes in place to ensure a sustainable supply chain that meets our requirements.



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### Supplier Assessment System:

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#### Identify

- Identify potential suppliers



#### Assess

- Supplier Assessments
- Product Testing (product compliance)
- Product Inspections



#### Action

- Follow up on any non-conformances
- Test reports



#### Maintain

- Supplier re-assessments
- Supplier reviews (Supplier Evaluations)

Since Brand Addition does not manufacture any products the Supplier Assessment process is critical to our business. The process allows us to establish the suitability of the Supplier to become an approved supplier to Brand Addition.

#### Supplier are assessed on:

- 1- Quality Management Systems
- 2- Product Quality & Process Control
- 3- Product & Supplier Compliance
- 4- Ethical / Corporate Responsibility
- 5- Environmental Responsibility
- 6- Sustainability.



## People - Suppliers

# Code of Conduct

All Brand Addition Suppliers must sign up to the Brand Addition Corporate & Social Responsibility Declaration.

New Suppliers sign this and the Brand Addition Terms and Conditions as part of the New Supplier Set Up process. The aim of the Code of Conduct is to ensure a minimum social and ethical standard across our supply chain.

### **Cotton suppliers**

All Brand Addition Suppliers of cotton-based products must sign up to our Responsible Cotton Sourcing Policy and Traceability Declaration.

New cotton product suppliers must commit to this level of supply chain transparency and compliance while existing suppliers are asked to reaffirm these commitments and requirements.



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## People – Supply Chain

# Members of SEDEX

Brand Addition is an A/B member of SEDEX (Supplier Ethical Data Exchange), a membership organisation for businesses committed to the continuous improvement of their Social & Ethical performance within their supply chain. SMETA (Sedex Members Ethical Trade Audit) audit reports are stored and shared between clients.

These audits are performed by affiliated and approved audit companies only (i.e. SGS) and the audit results including Critical Action Plans are shared within the SEDEX system.

The audits we perform consist of the following:

- SMETA 4 Pillar Audit covers Labour standards, Health and Safety, Environment and Business Integrity.
- SMETA 2 Pillar Audit covers Labour standards and Health and Safety



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## People - Supplier Engagement

# Fostering Strong Supplier Relationships

In the past year, we have undertaken a significant effort to enhance our supplier engagement initiatives. Our commitment to strengthening relationships with our suppliers is driven by our shared dedication to sustainability and responsible business practices.

Through collaborative efforts, we have worked closely with our suppliers to align our goals, implement sustainable sourcing practices, and ensure transparency throughout our supply chain. This year's achievements in supplier engagement underscore our relentless pursuit of sustainable partnerships that enable us to make a positive impact on our industry and the world at large.

Since January, our dedicated Compliance

& Sustainability teams have invested a substantial amount of time, totalling 264 hours, in engaging with our suppliers. Through a multifaceted approach that includes webinars, meetings, and in-person visits, we've actively nurtured these crucial relationships.

Furthermore, our engagement with suppliers has extended to events like Trade Shows, providing a platform for meaningful interactions. In addition to these events, we've welcomed our suppliers with open arms, hosting them at our facilities on 58 separate occasions up to September. These visits have allowed our suppliers to showcase their products and sustainability efforts, deepening our collaboration and reinforcing our shared commitment to responsible and eco-friendly business practices.



## People - Supplier Engagement

# Driving Change Together

### Our Partnership with Normative and our Suppliers to Address Scope 3 Emissions:

As a part of these efforts, we have forged a crucial partnership with Normative to actively engage with our suppliers and facilitate the sharing of their emissions data with us. This initiative holds immense significance for several reasons:

**1. Scope 3 Emissions Challenge:** A staggering 99% of our carbon emissions fall under Scope 3 emissions, representing our most substantial environmental challenge. Addressing these emissions is paramount to achieving our net-zero goals.

**2. Value Chain Collaboration:** Meeting our sustainability objectives hinges on the active participation and support of our entire value chain. Collaborative dialogues with our suppliers are indispensable in this journey.

**3. Urgent GHG Emissions Action:** It is imperative that we collectively initiate discussions with our value chain partners to confront greenhouse gas emissions head-on. This proactive approach is essential to driving meaningful change.

**4. Courageous Commitment:** We are determined to be courageous in our commitment to taking action on sustainability. By launching this initiative, we have taken the first bold step toward a more sustainable future.

Key Takeaways from this Endeavor Include:

- Many of our suppliers have already embarked on their sustainability journeys, demonstrating a shared commitment to environmental responsibility.
- There is a palpable willingness among our suppliers to actively engage and collaborate with us on emissions data sharing.
- Through this process, we have

identified areas where additional support and resources are required to facilitate progress.

- We've also noted some reluctance among suppliers when it comes to setting specific emissions reduction targets, highlighting the need for further dialogue and guidance.
- Importantly, only a small number of suppliers currently possess a clear roadmap for addressing Scope 3 emissions.

Our work in this area is ongoing as we remain resolute in our commitment to sustainability. We will continue to collaborate with Normative and our suppliers, seeking innovative solutions and fostering a culture of sustainability across our value chain. Together, we are laying the foundation for a more sustainable and environmentally responsible future.



## People - Community

# Our 700 hour Commitment

As an integral part of our ba.ONE initiative, we're committed to fostering meaningful connections within the global community. Recognizing the diversity of cultures and backgrounds that define our teams, we've proudly introduced 16 hours of paid volunteering leave for each member. This year, the spirit of giving back has flourished across various regions.

Our Manchester team has forged a strong partnership with Mustard Tree, a charity dedicated to combating poverty and homelessness. Every Friday, a team member lends their support to Mustard Tree's food club or community furniture shop, fostering positive change. Expanding our reach, we've also extended our collaboration with Mustard Tree, helping the vulnerable reintegrate into the workforce through work experience programs.

Our teams across the globe have enthusiastically embraced multiple volunteer opportunities. From Earth Day in Forest Park to local food drives and STL Food Bank initiatives, our teams have shown their unwavering dedication. Notably, our BA team contributed to the Macmillan Thames Path Mighty Hike, raising an impressive £2.4k by selling merchandise for a noble cause.

The commitment to our environment was evident as well. Teaming up with Friends of Big Wood, our volunteers lent a hand in restoring a woodland park. By clearing invasive plant species and tending to the natural balance, our efforts helped maintain a vibrant green space in the heart of London.

These initiatives have not only enriched our communities but also fostered stronger bonds among teammates. Together, we're embracing the power of giving back and creating a positive impact that transcends borders.

As of September 2023, we've already accomplished **94%** of our yearly target of 700 hours.



## Future Plans

# Meaningful action, based on data



### Product

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#### **Sustainable Product Catalogue**

Brand Addition will continue to update and expand our catalogue of off the shelf sustainable products.

#### **New materials**

With the availability of lower impact and recycled materials becoming more widely available, we'll strive to identify and verify the best available options, increasing their use in our directly sourced bespoke products and packaging.

#### **Measure**

We will explore software solutions that allow us to better measure the amount of sustainable products we have in client programs.



### Planet

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#### **Earth Day**

We will visit a new ecosystem and focus on the oceans for our 2024 Earth Day Initiative.

#### **DHL Go Green**

We will explore additional opportunities to offset upstream shipping emissions by participating in DHL's Go Green program in our US operations in 2024.

#### **Improved Reporting**

We will continue to improve our reporting accuracy & performance through the CDP and Ecovadis platforms.

#### **Policy**

We will continue to lead in understanding international legislation & ISO credibility; circularity policy



### People

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#### **Volunteering**

We will increase our positive impact on communities by expanding the volunteering initiatives in which we collaborate.

#### **Wellbeing**

Wellbeing of our staff and all our stakeholders will continue to be at the core of our business.

#### **Training**

We will increase / build upon employee training.

#### **Supplier Engagement**

We will engage with top suppliers to track where they are with carbon management to reduce Scope 3 emissions through supply chain engagement.





# Less waste **More wonder**

Find out how we can support you in  
your sustainability goals:

[ESG@brandaddition.com](mailto:ESG@brandaddition.com)

**brand addition.**