



CORPORATE RESPONSIBILITY

HALO CORPORATE RESPONSIBILITY INITIATIVES

- a. Introduction 1
- b. Comprehensive Sustainability Project . . . 1
- c. Total Employee Health . . 2
- d. Corporate Citizenship and Philanthropy 3
- e. Environmental Responsibility 4
- f. Responsible Sourcing . . . 5
- g. Supplier Diversity Program 7
- Appendix 9

a. Introduction

HALO Branded Solutions’ commitment to Corporate Social Responsibility (CSR) involves accountability and measurable actions to an all-encompassing range of stakeholders – investors, employees, clients, suppliers and the communities in which we operate.

b. Comprehensive Sustainability Project

As an industry leader, HALO is committed to corporate sustainability. The purpose of an effective corporate sustainability effort is to align the financial, environmental and social goals of an organization. HALO was recently awarded a grant from the Environmental Defense Fund to further our sustainability efforts. We have retained a Harvard University Sustainability Fellow to help us achieve our sustainability goals.

The first step in our comprehensive sustainability program is a materiality assessment. We have identified essential components of sustainability on the survey that is linked below. The Materiality Assessment will help us focus our resources on those aspects of sustainability that are the most important to our stakeholders. We will be sharing the results of our materiality assessment, and our ongoing sustainability efforts, on HALO.com going forward.

<https://www.surveymonkey.com/r/HALOSustainability19>

Our goal is to have a project road map completed by August of 2019.

**HEALTHY
HAPPY
EMPLOYEES
DRIVE
BETTER
BUSINESS
OUTCOMES**

Vitality

<https://www.vitalitygroup.com/how-vitality-works/>

LOVE WHERE YOU WORK

Our headquarters offers:

- Indoor walking track
- Outdoor walking trails
- Motorized standing workstations
- Outside view
- Common Spaces
- Cafe
- Natural lighting
- Nursing/wellness rooms
- Weekly Massages

c. Total Employee Health

HALO's greatest resource is our dedicated and experienced staff. HALO takes the personal health and professional development of our team members and has developed the following programs to ensure a happy and productive workforce.

Wellness

At HALO we understand that healthy, happy employees drive better business outcomes. Research shows that successful companies are built by thriving, resilient employees at every level. An unhealthy workforce translates to negative impacts to productivity, increased health-related absenteeism and turnover, poor performance, and low morale and motivation. The value of investment in employee wellness includes reductions in healthcare spending, increased focus and engagement, and improved innovation, productivity, and job satisfaction.

Vitality Health

Employees are incited financially and with merchandise or prizes to participate in this award-winning wellness program. Instituted in 2009 the goal of this program is to improve the overall mental and physical health of our employees.

Wellness Initiatives

Our Wellness Committee help to plan the following activities and events: Fresh Fruit Fridays, Weight Loss Challenges, On-site Chair Massages, Afternoon Stretch Sessions, Words of Wellness Communications, partnerships with local athletic centers for discounted memberships, and sponsors teams for local runs.

Employee Friendly Workspace

Our employee workspace was designed with the our staff in mind. During the development of our corporate headquarters, HALO surveyed our staff to obtain feedback on their current space as well as suggestions on how to improve. Our new workspaces include the following: indoor walking track, access to outdoor walking trails, motorized standing workstations, a view of the outside for every employee, multiple common areas for relaxation, healthy snack options in our cafe, natural lighting, nursing/wellness rooms and a room dedicated to virtual doctor examinations.

Safety

HALO First Responders

HALO invests in training from the American Red Cross to certify volunteer staff on basic first aid, CPR, and the operation of AED's.



Emergency Procedures

HALO has established disaster planning and training including procedures for fire, natural disasters, or external threats.

Morale Committee

HALO's Moral Committee of staff volunteers promote a culture of teamwork and collaboration by giving our staff opportunities to engage with one another by offering company outings and group volunteer and outreach opportunities.

Human Resources Overview

- HALO maintains salary competitiveness by regularly evaluating compensation and benefits against local and industry averages.
- Formal performance reviews are conducted for all employees at scheduled intervals to promote employee growth.
- Tuition reimbursement is available to all HALO employees.
- HALO is an equal opportunity employer.
- HALO employee programs are developed with the oversight of several volunteer employee committees that recommend successful service.
- Anniversary award programs, “HALO Helper” (a peer-recognition and award program).
- Continuous Improvement Incentives for recommendations that lead to operational enhancements.
- Health Insurance, Short Term Disability, 401K, Life Insurance.

New Employee Training

Starting in 2019, all new hires are required to complete a six week training & orientation process developed by a well known staff training consultant. The training contains interactive content as well as video education that helps to acclimate new staff to our history, industry, company culture and goals. All participants receive a new hire kit to welcome them to the HALO family and an informative orientation lead by corporate leadership. All HALO staff with less than 5 years tenure will be required to complete the training in 2019 as well.

**MAKE A
POSITIVE
IMPACT
ON THE
COMMUNITIES
WE SERVE**

d. Corporate Citizenship and Philanthropy

HALO operates in many locations nationwide and always seeks to make a positive contribution to the communities we serve. HALO's Corporate Citizenship and Philanthropy efforts include:





**AT HALO
RESPECTING
THE
ENVIRON-
MENT IS
IMPORTANT**

HALO Cares

A committee of employees that actively seeks volunteer and outreach opportunities for HALO to support with financial contributions, human resources, and our knowledge of products, creative design and fundraising expertise.

Cooperative Marketing Fund

HALO provides over \$600,000 to our account executives to share in the cost of local and regional sponsorships for non-profit organizations. Our employees and executives are actively involved in many community service endeavors, and our organization supports over 100 local and national charities throughout the year. Charities and fund-raisers, including American Cancer Society Relay for Life, Rotary International, Toys For Tots, the Salvation Army, Walgreen's Red Nose Day, Northwell Health Walk at Jones Beach along with a multitude of local charities at our corporate headquarters location in Sterling Illinois and at our satellite offices.

e. Environmental Responsibility

As a distributor, we do not manufacture products and do not have direct environmental impact in terms of manufacturing. However, awareness and research are both fundamental in protecting our company and our clients on environmental issues. HALO's Environmental Responsibility initiatives include:

Environmental Responsibilities

At HALO respecting the environment is very important, some of the initiatives we have taken in recent years to reduce our carbon footprint include: Utilizing SGP printers, Eco-Friendly Shipping Program, On-site Recycling Program, E-Catalogs, E-Cycling, Motion Activated Light Systems, Temperature Activated Window Shutters, and Solar Light Tubes.

Eco-Friendly Products

We maintain the most extensive global research database of over 65,000 eco-friendly products our clients can utilize with confidence to project their environmental stewardship including promotional merchandise made from certified organic, post-consumer recycled and/ or recyclable materials and apparel fabric options such as:

- Organic Cotton: Organic cotton farming systems replenish and maintain the soil. The cotton is grown without the use of chemicals like pesticides and fertilizers.
- Recycled Cotton: Using pre-consumer textile waste, discarded yarn and industrial fibers, this cotton product is manufactured without land use or new dyeing.

- **Bamboo:** Bamboo fabric is soft and strong, made from bamboo pulp. The plants grow quickly and thrive naturally without the use of pesticides and fertilizers.
- **R.P.E.T. (Recycled Polyethylene Terephthalate) Recycled Polyester:** Recycled plastics like soda bottles and plastic packaging makes this new form of polyester. The plastics are sorted, chopped, softened and pulled into long strand fibers, which are woven into fabric.
- **Hemp:** Hemp farming uses very little water, does not require the use of chemical pesticides or fertilizers, and is a readily renewable resource. The plant renews the soil each growth cycle, and is very strong and lightweight.
- **Soy:** Soy is a renewable resource, being a valuable rotation crop that doesn't require the use of fertilizers or pesticides. Soy hulls are extruded and broke into pulp, which then can be pulled into thread.

f. Responsible Sourcing

HALO manages a supply chain consisting of over 3,000 domestic and international vendors. We realize that our clients entrust us to both promote their brand and protect it. In order to achieve the most comprehensive product safety and social compliance available in the promotional products industry, HALO:

Mandates Product Safety and Social Compliance Documentation

HALO's "Secure Source" product integrity protocol guarantees that the products we sell are compliant with all local, state, national and international laws on product material composition and manufactured in accordance with international labor standards. HALO's Code of Conduct and Certificate of Compliance agreements—required documents for every HALO supplier/manufacturer are available upon request. Factories are considered and selected based on commodity category but weighted heavily by a combination of onsite factory visits to ensure social and product safety compliance, as well as capacity and demonstrated quality work output. Secure Source documents that are required on an annual basis to be listed as a supplier:

- Signed Commitment to Ethical & Responsible Conduct (Code of Conduct)
- Product Safety Position Letter
- Signed Indemnification Agreement
- General Conformity Certificate (GCC)
- Proof of Product Liability Insurance (Minimum \$10 million)

Secure source documents for supplier/manufacturers are available upon request.

Blank documents are located in the Appendix.





**FAIR LABOR
ASSOCIATION**

FLA Certificate located in the appendix.



**Quality Certification
Alliance**
Quality and Safety. Delivered.

<https://www.qcalliance.org/>

QCA certificate located in the appendix.

Ethical Conduct

HALO strives to work with suppliers that are committed to operating their business in a responsible and ethical manner by respecting the rights of individuals and helping to protect the environment. Adherence to local laws and international standards regarding human rights, workplace safety, and worker compensation and treatment are essential to be a supply partner.

We embrace the ten principles of the UN Global Compact and our factories are certified by Intertek. Audits consist of factory tours, interviews with no less than 15 and no more than 25 workers, a documents review and a summary meeting. Areas of focus for violations include, but are not limited to:

- Compensation Review
- Working Hours
- Forced Labor
- Child Labor
- Discrimination
- Workplace environmental Health and Safety
- Harassment or Abuse

Participates in the Fair Labor Association (FLA)

HALO maintains a category B membership in FLA and has participated in FLA membership groups and training.

Quality Certification Alliance Membership (QCA)

QCA is the only coalition dedicated to ensuring accountability and independent validation of corporate responsibility throughout the promotional product industry's supply chain. Users of custom-branded merchandise can work alongside industry distributors and suppliers to advocate for brand safety through the responsible sourcing of promotional products.

Provides Expertise in Product Testing

HALO maintains an aggressive product testing protocol monitored by a product integrity team of highly-trained and experienced individuals that is implemented by globally-recognized testing labs.

We can work with any lab that is accepted by the CPSC. Those can be found by going to <https://www.cpsc.gov/cgi-bin/labsearch/>. If we are not given a lab that we must test at – based on customer preference – we most often work with Intertek or Bureau Veritas. We also have a number of clients that have specific testing protocols that we accommodate.



HALO can work with any lab that is accepted by the CPSC.

Product Recall Protocol located in the appendix.

Maintains a Product Recall Protocol

We have never had a product recall while supplying over 65,000 satisfied clients with promotional products for over sixty years. However, we do maintain a product recall protocol in the event it would ever happen, including reporting, communication, and corrective action plans.

g. Supplier Diversity Program

HALO's supplier diversity program promotes business opportunities for diverse suppliers, including minority-owned, woman-owned, disabled veteran-owned, veteran-owned, LGBTQ+, and small businesses. These suppliers provide a wide variety of services to HALO and with internal Supplier Relations team managing our spend through these suppliers; we continue to expand our diverse supplier network and have built strong partnerships.

HALO is dedicated to providing fair opportunities to these suppliers. As part of our sourcing process, the Supplier Relations team provides our sales team with a list of qualified diverse suppliers to consider.

Our supplier diversity program is an important part of our business and sourcing model. Our goals include:

- Match qualified diverse suppliers with our service needs
- Build long-term business relationships with these suppliers
- Create new business opportunities for diverse supplier

We are able to provide you with Tier 2 reporting showing sales through these suppliers.

HALO's Diversity Spend for 2018 and 2019

- 2018 Minority/MWBE - 122 suppliers, spend \$11,400,000
- 2019 Minority/MWBE (as of 5/13/19)- 103 suppliers, spend \$5,500,000

SECURE SOURCE NEW VENDOR PACKET

*Commitment to Ethical
and Responsible
Conduct*

*General Conformity
Certificate*

*Product Safety
Document*

[View online](#)



COMMITMENT TO ETHICAL AND RESPONSIBLE CONDUCT

Our Company believes we must not only meet the expectations of our customers and consumers, we must exceed those expectations. To that end, we have adopted standards for the safety, quality and integrity of our products and processes and we are committed to respecting the rights of individuals and protecting the environment. We are dedicated to complying with all applicable laws and to conduct business in an ethical and responsible manner.

Product Safety

We will comply with all applicable laws and regulations regarding safety of products we sell. We will meet applicable recognized voluntary industry standards for our products and processes.

No Abuse of Labor

We will not use any form of forced labor, including indentured, prison, bonded or slave labor. We will not use physical or verbal harassment or abuse to discipline employees.

No Child Labor

We will not use child labor. We will comply with all minimum age provision of applicable laws and regulations.

Freedom of Association

We respect the rights of employees to associate or organize, or join a union without fear of reprisal or interference. If employees are represented by a union recognized under law, we respect the right to bargain collectively.

No Discrimination

We will not discriminate in hiring and employment practices on the basis of age, nationality, race, religion, social or ethnic orientation, gender or disability.

Hours and Wages

We will comply with all applicable wages, work hours, benefits, and overtime laws and regulations, including those that restrict the use of child labor, require employers to give meal and rest breaks and require employers to pay overtime. If local industry standards are higher than applicable laws and regulations, we will meet the higher standards.

Workplace Conditions

We will provide a safe, healthy and secure workplace. We will abide by all applicable laws and regulations for safety and health. Proper sanitation, lighting, ventilation and fire safety protection will be provided.

Environment

We abide by all applicable environmental laws and regulations. We will manage our environmental footprint to minimize the adverse impact on the environment. We will manage our energy, water and waste systems for maximum efficiency and minimal adverse impact on the environment.

Absence of Applicable Laws and Regulations

In the absence of law in a particular location relating to product safety, labor, employment, environment or working conditions, the spirit and intent of these policies shall be met.

Subcontractors and Sources

We require all businesses that support our business as subcontractors, manufacturers or sources of goods to comply with all of the same policies stated in our Commitment to Ethical and Responsible Conduct Policy. All subcontractors and suppliers are required to comply with all applicable and national laws.

We expect those businesses to develop and implement internal business procedures to ensure compliance with our policy. We routinely monitor and assess compliance.

Name of Supplier

Name and Title of Authorized Representative

Signature of Authorized Representative

FLA CERTIFICATE

FAIR LABOR
ASSOCIATION_®

**Fair Labor Association
Registration Certificate**

This is to confirm that **HALO Branded Solutions, Inc.**
is registered with the Fair Labor Association
as a **Category B** affiliate
as of **03/22/19** and
with expiration date on **12/31/19***

Organization Name	HALO Branded Solutions, Inc.	contact Name	Holly Glassburn
Address	1980 Industrial Drive PO Box 657 Sterling, IL 61081 United States	Email	holly.glassburn@halo.com
		Tel.	8155489006

FLA affiliate category as of **03/22/19: Category B**
Affiliate ID: EN00QS-0000042

Notes about Company Registration and Affiliation:

***Registration renewals are required annually prior to the expiration date in order for companies to remain active. FLA registration operates on a calendar year basis (i.e. January - December).**

A company's FLA status is dependent on fulfillment of additional procedural and program requirements beyond registration. For more information about the FLA licensee categories and obligations or a company's FLA status, please check the FLA website at www.fairlabor.org or contact the FLA directly.

Fair Labor Association
1111 19th Street, NW
Suite 401
Washington, D.C. 20036
Tel: 202-898-1000
www.fairlabor.org

QCA CERTIFICATE

Quality Certification Alliance Board of Directors and the
DAC Committee recognize as a representative of the
Distributor Advocacy Council

HALO BRANDED SOLUTIONS

November 1, 2017 To October 31, 2018

for making the commitment to help suppliers of the promotional products industry understand that demonstrating control of the supply chain in providing safe and quality products is good for their businesses. DAC representatives actively support suppliers who invest in measurable compliance assurance processes.



**Distributor
Advocacy Council**

Quality Certification Alliance

Tim Brown
Executive Director

David Clifton
Board President

PRODUCT RECALL PLAN

[View Online](#)

HALO Product Recall Plan



Roles and Responsibilities

Recall Coordinator

Role/Authority. The recall coordinator is granted full authority to take the steps necessary to initiate and implement all recalls with the approval and support of our client and HALO's CEO.

Responsibilities. The recall coordinator responsibilities include:

Collecting Data. Organizing and collecting the documentation of all recall decisions and actions in a master recall database.

Leading Recall Team. Assembling the recall committee or team.

Assembling Resources. Authority to involve appropriate departments and access necessary company resources to assist the process.

Overseeing Recall Process. Managing the implementation of the company's product recall, including making necessary recall decisions.

Communicating With Management. Keeping management informed at every stage of the recall.

Being Liaison With Authorities. Serving as the company's primary liaison with the CPSC, FDA, or other authorities.

Recall Team

Our company's product recall team is composed the following persons:

Department/Group	Person	Title
Senior Manager	Terry McGuire	Sr. Vice President
Recall Coordinator	Jackie Yount	Order Compliance Coordinator
Customer Service	Marti Eastman	Customer Service Manager
Sales	Jim Stutz	Executive Vice President
Information Technology	Rick Goddard	Chief Information Officer
Marketing	Stephanie Preston	Director of Marketing
Finance	Heather Bridges	Chief Financial Officer
Vender Relations	Kerri May	Supplier Relations Manager

The recall team will be assembled at the discretion of the recall coordinator.