

OUR DRIVE TOWARDS SUSTAINABLE CHANGE

2023 ANNUAL SUSTAINABILTY REPORT

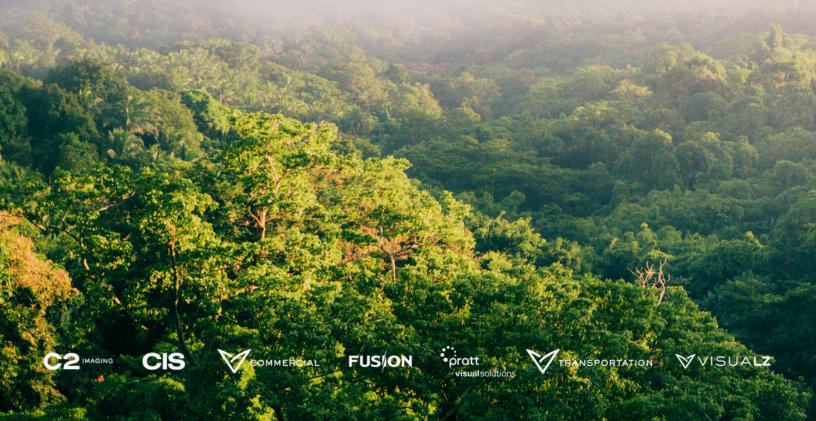


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FROM THE CEO

I am pleased to present our 2023 Sustainability Report, which provides an update on our progress and reaffirms our commitment to social responsibility.

In today's world, it is more important than ever to consider the impact our company has on the world around us.

At Vomela, we want to ensure that we are taking positive steps forward to a brighter tomorrow.

At Vomela, we want to ensure that we are taking positive steps forward to a brighter tomorrow. That's why we've put in place plans to mitigate our environmental impact, be involved with the communities around us, and partner with organizations that strive for improvement.

Integrity is at the forefront of our business plans and I hope that shines through in this report. We intend for this report to provide valuable information on our Environmental, Social, and Governance policies and practices in 2023.

I want to express my gratitude to our stakeholders for your ongoing interest in The Vomela Companies. Your support is vital as we strive to make positive impacts for our customers, employees, and the communities in which we live and work.

Sincerely,

Mark Auth CEO



ABOUT US

The Vomela Companies have a large North American footprint (20 locations in U.S. and 1 Canadian location) allowing us to provide regional service for both production and warehousing facilities. We specialize in digital, screen, offset, and dyesublimation print production for large national consumer brands, major transportation assets and a variety of vertical markets.



Founded in 1947 and headquartered in St. Paul, Minnesota the company has been in business for over 75 years. Throughout its history, The Vomela Companies has emphasized the importance of environmental, social and governance (ESG) in its operations.

We are committed to reducing impact on the environment by continuously improving our sustainable management system. ESG is our approach to critical thinking regarding the impacts of our business and industry.

In this report, we present the progress we have made towards addressing four core principles: environmental responsibility, social responsibility, ethical governance, and stakeholder engagement. We provide updates on our progress toward existing CSR goals and share our forward-looking priorities.

CORPORATE STEWARDSHIP



Environmental Responsibility

The Vomela Companies prioritizes reducing its carbon footprint. We invest in energy-efficient technologies for our operations, use renewable energy sources, and recycle waste materials. Our product offerings are designed to help other businesses and individuals reduce their environmental impact.



Ethical Governance

The Vomela Companies adheres to high ethical standards in all its business practices. This includes transparent reporting of our financials, ensuring honest marketing of our products, and maintaining strong ethical guidelines for our supply chain.



Social Responsibility

The Vomela Companies foster a positive work environment by offering fair wages, investing in employee development, and promoting diversity and inclusion within the workplace. We also engage in community outreach programs, such as supporting local schools with educational resources and providing support for sustainable practices within the print industry.



Stakeholder Engagement

The Vomela Companies actively engages with stakeholders—including employees, customers, suppliers, and local communities—to understand their needs and concerns. We seek feedback and involve stakeholders in decision-making processes to ensure their operations align with broader societal values.



OUR APPROACH

ALIGNMENT WITH UNSDG SUSTAINABILITY OVERSIGHT VISION & VALUES STRATEGIC PARTNERSHIPS

ALIGNMENT WITH UNSDG











We aligned with the **United Nation Sustainable Development Goals (UNSDG)** to better our partnerships and our earth. We believe we are stronger together and commit to continually improving our business to better align with a sustainable business model.



With the commitment of being a valued supply chain partner, we collaborate with our suppliers to align with the UNSDG. While transitioning to a more proactive approach, we aim to better align with our commitments to our supply chain partners through continuous improvement projects. These projects include:

- Ensuring our suppliers are in alignment with providing proactive solutions for environmental concerns, regulatory requests, technology and development.
- Providing transparency and honesty within our claims while also ensuring that these claims can be measured.

We aim to continually evolve our sustainable procurement program to ensure that we are minimizing and eliminating our environmental impact.

SUSTAINABILITY OVERSIGHT

Sustainability oversight in the print industry encompasses practices and strategies aimed at reducing the ecological footprint and enhancing the social responsibility of our printing operations. Our approach considers the following:

Environmental Impact: Making efforts to minimize waste through recycling and repurposing, and reduce energy consumption by using energy efficient technologies. Additionally, promoting projects that allow an eco-friendly alternative and utilizing eco-friendly packaging materials.

Chemical Management: Ensuring that chemicals used in the printing process are safe and managed properly is crucial. This includes using low-VOC (volatile organic compounds) inks and solvents and implementing practices to handle and dispose of hazardous materials responsibly.

Supply Chain Responsibility: Sustainability oversight extends to the entire supply chain, ensuring that suppliers adhere to environmental and ethical standards. This involves choosing suppliers who align with our values and goals (e.g. following sustainable practices and supporting fair labor conditions).

Product Lifecycle: Evaluating the environmental impact of printed materials throughout their lifecycle—from production and distribution to disposal or recycling—is important. This includes designing products for easy recycling or using biodegradable materials. Through some of our partnerships you can see that we design with the end in mind.

Regulatory Compliance: Ensuring our operations, and those of our suppliers, comply with relevant environmental regulations and standards, such as waste management laws and emissions controls.

Social Responsibility: Overseeing fair labor practices and supporting community initiatives (e.g. engaging in local environmental projects, and partnering with local charities).

By integrating these practices, print industry companies aim to operate more sustainably, reducing their environmental footprint and contributing positively to society while maintaining operational efficiency and profitability.

VISION & VALUES



The Vomela Companies are committed to being an industry leader in providing creative, innovative, technologically advanced, and sustainability-minded solutions to their customers. This mission is strengthened by our commitment to:

- Monitoring all applicable EHS regulations and all Federal State and Local employment labor laws to maintain or exceed compliance.
- Continuous improvement of the facilities sustainability performance that emphasizes source reduction, reuse, and recycle.
- Communication of Vomela's sustainability performance to all stakeholders.

Vision

We are committed to providing innovative solutions for our customers that minimize environmental impact on the world. As a leader in print and visual communications, we are aware of the growing need for ESG guidance in our industry.

We aim to continue our journey through innovation, community support, and education.

Values

At Vomela, we are committed to environmental, social, and governance practices that align with global sustainability goals. We prioritize responsible partnerships, innovation, and sustainable operations, from reducing waste in our supply chain to reusing unrecyclable plastic materials.

By fostering collaboration, we strive to create lasting value for our communities and the planet, ensuring that ethical, environmental, and social considerations guide every decision we make.

STRATEGIC PARTNERSHIPS

Here's a highlight of a few of our strategic partnerships in 2023:



Green Sports Alliance

Vomela became a founding Visual Communications Partner of the Green Sports Alliance in 2022. Every year, GSA hosts an annual summit gathering the sports and entertainment communities to unite around sustainability. Our ESG team attended the summit at Seattle's Climate Pledge Arena, the only arena to have a zero carbon certification. Vomela provided various pieces of sustainable signage for the event, including our patented 3D Cube Stack that is completely collapsible, allowing for easy storage to reuse again and lower shipping costs to get to the event.



Dscoop | HP

Dscoop is a community of HP Industrial Print and Large format customers and partners, aimed at creating a collaborative environment focused on business growth and problem solving.

We were invited to speak at their first ever eco summit to talk about Vomela's ESG journey and share insights to help printers to implement sustainable initiatives within their business.





Sustainable Brands

Vomela joined the Sustainable Brands member network in 2022 as an affiliate member and one of the first visual communications firms enter this global collective. This enabled us to amplify the printing and graphics community's progress in sustainability while inspiring brands to take advantage of more sustainable printing options.

This year for SB's annual summit, we provided sustainable signage that was designed with end-of-life in mind, including a large backdrop, custom Cube Stack, and more.



VOMELA SUSTAINABILITY POLICY

Vomela's mission is to be **the industry leader** in providing creative, innovative, technologically advanced, and sustainability-minded solutions to our customers.



ENVIRONMENTAL

STANDARDS & REPORTING
EMISSION SOURCES
FACILITY EMISSIONS
EMISSIONS ASSESSMENT
SOLAR GENERATION
SGP PARTNERSHIP

STANDARDS & REPORTING

The data to the right shows the results of our **2023 Carbon Footprint Assessment.** This document provides a clear overview of the calculation methodology, a summary of the collected data, and the complete emissions inventory of Vomela's operations.

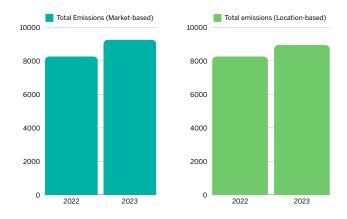
The total carbon footprint of Vomela's activities in 2023 (Market-Based) was 9.259 tCO2e, of which 20% are from Scope 1 and 80% from Scope 2.

Compared to our 2022 emissions calculations, our greenhouse gas (GHG) emissions have increased. This rise may be due to higher job volume, which requires more overtime and, in some cases, the addition of a third shift—both of which extend equipment run times.

Our emissions accounting follows the GHG Protocol Corporate Accounting and Reporting Standard. The 2023 emissions were calculated using activity data collected from Vomela facilities or, where direct data was unavailable, estimates based on our 2022 baseline, incorporating relevant and current emission factors.

Emissions Progress (tCO2e)

	2022	2023
Scope 1	2,219	1,864
Scope 2 (Market-Based)	6,043	7,395
Scope 2 (Location-Based)	6,043	7,084
Total (Market-Based)	8,261	9,259
Total (Location-Based)	8,261	8,948



EMISSION SOURCES

Scope 1		Total 2023 Carbon Contribution
Stationary Combustion - Natural Gas On-site natural gas consumption for heating and manufacturing	Company facilities	1,436 tCO2e
Stationary Combustion - Other Fuels On-site fuel consumption to power generators or other machinery	Propane used for forklifts	1 tCO2e
Mobile Combustion Company-owned or Leased vehicles Combustion of fuels to power company- owned or long-term leased vehicles	Gasoline and Diesel	84.4 tCO2e
Fugitive Emissions Unintentional and intentional releases of GHGs to the atmosphere	Refrigerants used in HVAC systems and carbon dioxide used in production	343 tCO2e

Scope 2	2
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Purchased Electricity Purchased electricity in facilities	Company facilities	7,084 tCO2e

FACILITY EMISSIONS



Emissions per facility and scope (tCO2e):

	Scope 1	Scope 2*
St. Paul, MN - Vomela HQ	510	2,036
Indianapolis, IN	73.3	1,055
Troy, MI	81.5	783
Maplewood, MN	141	648
Elk Grove, IL	70.2	573
Benton Harbor, MI	0.32	334
Kaysville, UT	56	331
Englewood, CO	21.7	279
High Point, NC	0.08	208
Jersey City, NJ	106.71	186

	Scope 1	Scope 2*
Wilsonville, OR	134	182
Houston, TX	5.02	111
Seattle, WA	33.6	44.2
Sante Fe Springs, CA	59.4	39.7
San Francisco, CA	24.2	38.3
Lafayette, IN	25.3	18.1
Cornelius, NC	6.3	5.6
Springfield, VA	32.8	4.5
Brazil, IN	25.2	3.3
Vancouver, BC	42.7	204

^{*} Scope 2 (Location-based)

EMISSION ASSESSMENT

Result insights from our emissions assessments:

1,339 tCO2e



Natural gas constitutes the second biggest source of GHG emissions for Vomela. This totals 1,339 tCO2e. Within Scope 1 emissions, the combustion of natural gas is responsible for 13% of Vomela's total emissions. Both location and operations influence the amount of natural gas consumed with locations in colder climates having higher natural gas usage.

1 tCO2e



We also use **propane** in our forklifts. We are replacing propane with electrical forklifts when they need replacement. Our propane usage is a tiny source of our GHG emissions, accounting for 0.0001% of our totals.

84.4 tCO2e



Emissions for **owned or leased vehicles** is estimated to be a small part of our emissions, with a total of 84.4 tCO2e or 0.84% of Scope 1 emissions.

343 tCO2e



Fugitive emissions account for GHG emissions of 343 tCO2e. These are the result of leakage of refrigerant gas and carbon dioxide. Our carbon dioxide emissions came from only one facility. Fugitive emissions account for 3.3% of our total emissions. Our fugitive carbon dioxide reporting includes some estimations for locations with HVAC accessibility hurdles.

We are continually working to improve our collection processes so that we can reduce our footprint more effectively:

- In 2024 we are implementing a new software solution to track our Scope 1 and 2 data in 2023 that will improve the accuracy and speed of our reporting.
- We have begun to track some Scope 3 data, including water and waste information. We are expecting to begin reporting on these in 2024.

SOLAR GENERATION

7,084 tCO2e



Electricity is Vomela's number one contributor to GHG emissions in 2023.

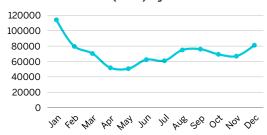
Our goal is to incorporate and purchase energy-efficient technologies wherever possible. Our total GHG emissions for electricity in 2022 was 6,043, and 7,084 tCO2e in 2023.



In 2019, The Vomela Companies built a new headquarters in St. Paul, Minnesota. During construction of the new facility, we prioritized the health and safety of our employees, as well as followed LEED criteria to improve the environmental aspects of our facility. We invested in 3,408 solar panels to minimize nonrenewable electricity consumption and provide energy to the local community. Our solar panel array contributes:

- 1.3 MW maximum solar generation
- 2,400,000 lb. CO2 offset each year
- 1.6M kWh generated each year
- 1,483 acres of forest preserved.

Solar Generation (kWh) by month in 2023



Total for 2023: 858.332 kWh

This solar generation is equivalent to:



70.6
homes'
electricity use
for one year



23.6M smartphones charged



915k miles

driven by an average gasoline-powered vehicle



124 tons

of waste recycled instead of landfilled

SGP PARTNERSHIP



We are active leaders in the **Sustainable Green Printing Partnership (SGP) program.** This program has provided the framework for a companywide sustainable management system (SMS). These programs have given us the foundation needed to ensure success as we begin large implementation for our ESG initiatives. The Saint Paul, Minnesota location has been certified since 2020.

Currently, The Vomela Companies is working to reduce our GHG emissions and follows best practices pertaining to waste management, health & safety, and sourcing sustainable materials.

We are continuously looking for ways to lower emission technologies and practices. Here are a few of the programs we've implemented at a our headquarters:

→ Recyclable Packaging

Starting in 2023, we began making the switch to using fully recyclable packing materials for all outbound shipments.

→ Plastics Recycling

Starting in 2023, we began ensuring recycling for all styrene and plastic end caps to decrease the number of single use materials going to our local landfill.

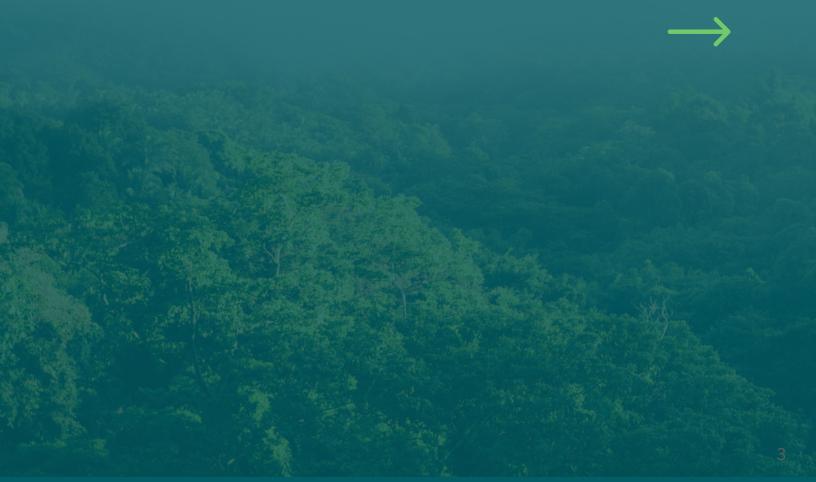
→ SGP Conference Presentation

In 2023, our ESG team presented at "The Power of Sustainable Print in the Digital World" conference hosted by SGP, discussing the increase in sustainability within print supply chains and the advantages of SGP certified facilities.





SOCIAL



SOCIAL

The Vomela Companies is committed to supporting and providing a positive impact within the communities we reside. Our network touches a large number of individuals, from our 1,400 employees to the participants in the retail, grocery, healthcare, events and hospitality industries, This means that we carry a responsibility to everyone of those individuals to use our resources for improvement.

We take a multifaceted approach to our social responsibility, from supplying large scale events with sustainably sourced materials to involvement with communities our facilities inhabit. We like to highlight local interactions as an effective way to engage.

Here are a few actions we have taken in 2023 across our network:

3BL Twin Cities Network Effect Summit at Medtronic HQ

Sponsored and provided print signage and badges for their event discussing sustainability and social impact issues at Medtronic headquarters in Minneapolis, MN.

→ Green Sports Alliance

Provided sustainable signage, including these collapsible 3D Cube stack for GSA's annual summit in Seattle. Our patented 3D Cube stacks can be folded down, allowing for easy re-use, transport and storage.



Vomela's patented 3D cube stack at the Sustainable Brands Brand-Led Culture Conference.

Sustainable Brands

Partnered with Sustainable Brands to provide recyclable and reusable signage for their Brand-Led Culture Conference.

→ MSP Business Journal

Featured in a panel hosted by the Minneapolis St. Paul Business Journal. A Vomela ESG representative, Lou Raiola discussed the increasing importance of ESG reporting and the value of a supply partner like Vomela.

St. Paul Schools Donation Drive We hosted a winter clothing and hygiene products drive at our Headquarters with

products drive at our Headquarters with donations going the American Indian Magnet School in St. Paul, MN.



GOVERNANCE



GOVERNANCE

Sustainable governance means managing our printing operations responsibly, with a focus on protecting the environment, supporting communities, and acting ethically. It involves building sustainability into company policies, decision-making, and planning to balance environmental, social, and economic goals. In the print industry, sustainable governance ensures that all management and business practices consider environmental, social, and ethical impacts. Key components of our governance include:

Strategic Integration: Setting clear goals for reducing environmental impact, such as decreasing energy consumption, minimizing waste, and using eco-friendly materials. Sustainability is embedded into our company's core strategy and objectives. We are committed to continually expanding our data coverage on these environmental impacts and providing solutions to minimize our negative environmental impacts.











Policy Development: Establishing and enforcing policies that promote sustainable practices. This includes guidelines for using sustainable inks and papers, managing waste, and reducing emissions.











Stakeholder Engagement: Engaging with stakeholders—such as customers, employees, suppliers, and communities—to understand their concerns and expectations related to sustainability. This helps ensure that the company's practices align with broader societal values and expectations.











Transparency and Reporting: Providing transparent reporting on sustainability performance, including environmental impact, social contributions, and governance practices. This often involves publishing sustainability reports and adhering to recognized standards and certifications.









Ethical Conduct: Ensuring ethical practices in all aspects of business, from fair labor practices and responsible sourcing to honest marketing and compliance with regulations.











Continuous Improvement: Regularly assessing and improving sustainability practices through audits, feedback, and innovation. This involves staying up-to-date with new technologies and methods that enhance environmental and social performance.











We are committed to continuing to develop and assess our goals to ensure that we are managing our printing operations responsibly.



PRODUCTS & SERVICES

APPROACHING SUSTAINABLE SOLUTIONS SUSTAINABLE PRODUCT PORTFOLIO

SUSTAINABLE SOLUTIONS

Sustainability Assessment Process for Sampling and Testing Materials from our Suppliers

Vomela has maintained established principles of assessment for our materials, ensuring the integrity of our sustainable offerings, based on the following evidence submitted by the supplier:

Evidence: All materials were assessed by evidence demonstrated from the supplier for each product.

Industry: Major issues in each substrate category were assessed, due to differences in environmental, social, and certifications in each industry.

Location and size: Suppliers' facilities were assessed for location, size, and capabilities to mitigate endangering the surrounding environment. Each facility was assessed for any possibility of a chemical spill, improper treatment of water, and waste from the facility.

Diverse sources: All evidence and sources were assessed for diversity and accreditation through a third party. Materials with a lack of evidence for their claims were denied.

Advancing technology: Assessed and measured the security risk of new forms of technology. Additionally, assessed new machinery for additional capabilities as opposed to a single use within their facilities.

Sustainability professionals: Material assessments were completed by our in-house sustainability professionals. Additionally, we provided recommendations to our customers on waste diversion opportunities, material alternatives recommendations, and consumption information.

Traceability and Transparency: Suppliers were required to provide transparency and traceability to the sustainability claims of their materials.



The Vomela Companies are committed to providing screenings of our suppliers, to provide an increase in materials with a sustainable story within our portfolio.

PRODUCT PORTFOLIO

We pride ourselves on offering innovative materials with a sustainable story.

We used the process outlined on the previous page to complete an assessment following sustainability perspectives on Vomela's supply chain production, process and products.

- Partnered with suppliers to complete material and production process surveys to ensure we are providing our sales representatives with the information they need regarding sustainability related questions.
- Plans for this program are to expand this information to our sales and marketing team to enable proactive material recommendations with a sustainable story.

Vendor Global Spotlight with Momentum Worldwide

As part of our sustainabilty work, Vomela provides information on innovative product offerings in the industry to our suppliers and customers.

Momentum Worldwide featured Vomela in the September edition of their Vendor Global Spotlight newsletter. We showcased a new vinyl alternative product that can reduce the environmental impact in comparison to traditional vinyl products.





THE FUTURE

GOALS FOR 2024

THE FUTURE

For 2024, we plan to expand and improve our environmental, social, and governance best practices and procedures. SGP and EcoVadis both provide us with support on prioritizing which areas of our programs to focus on.





Energy (Goal 1)

Increase our renewable energy usage. (2025)



End-of-Life (Goal 2)

Determine waste consumption and provide education on waste procedures within our facilities. Continue to develop waste procedures to divert as much away from the landfill as possible. (e.g., textile recycling program, plastics recycling, and all recycable packaging) (2024-Ongoing)



Sustainable Procurement (Goal 3)

Enhance our sustainable procurement program with a supplier code of conduct, CSR questionnaires, supplier audits, remediation procedures, and future development partnerships to help us align with customer needs. (2024-ongoing)



Chain of Custody (Goal 4)

Verify documentation relating to all sustainability claims from our suppliers to ensure that we are not adding to greenwashing.
(2024)



Reporting (Goal 5)

Continue to develop and expand our sustainability reporting.
(Ongoing)



Learn more about The Vomela Companies at Vomela.com

