

2024 SUSTAINABILITY REPORT



INTRODUCING



OUR PLANET IN MIND WITH EVERY PRODUCT.

Introducing Renew, a new initiative -furthering our commitment to reducing our impact and providing more sustainable options to the industry. This initiative transitions our best-selling items to materials less harmful to the environment, along with exciting new launches.

Each product in our Renew line is carefully chosen by meeting one or more of the key criteria below. With these initiatives situated in their global supply chain, the products in our Renew line contribute to the prevention of unnecessary environmental harm and/or promote social responsibility in communities around the world.

Key Criteria

- Must incorporate a minimum of 20% recycled or byproduct materials - which must be certified by laboratory testing.
- Should include bio-based components in accordance with USDA BiopREFERRED Program guidelines, as an alternative to petroleum-based counterparts. Acceptable bio-based materials include PLA, and compostable claims necessitate proper certification. Additionally, when applicable, replace plastic lids with bamboo. Note that leather products are not eligible.
- Must possess certification for compostability or biodegradability.
- Must hold responsible sourcing certifications, such as FSC®(Forest Stewardship Council) certification.
- Must obtain certification for organic composition.
- Must be recyclable at the end of its lifecycle, with a recycling rate exceeding 50%, in accordance with consumer recycling practices in the United States. (limited to cardboard, cans, and paper products).
- Must be associated with a give-back program, either in the form of monetary contributions or other forms of value.
- Should not be designed as single-use items, even if they meet the above criteria.

As we change or add products, we require our product partners to supply supporting paperwork with their environmental or social responsibility claims. Once claims have been verified, we assign the appropriate icon to indicate what criteria the product meets.



Since 2022, we have been working with our suppliers to use more sustainable materials in the design of many of our products. As of 2024, Renew accounts for 23% of our hard goods items. That means nearly a quarter of those products have sustainability attributes.



Hit holds a chain of custody certification with the Forestry Stewardship Council. The wood, paper, bamboo, or cork material used in these products comes from responsibly managed forests.



Tools, Lights, Key Tags



Notebooks



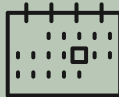
Electronics



Home and Auto



Amenities



Desk and Office



Bags

49

PRODUCTS IN
MANY CATEGORIES



Along with the development of new items, we transitioned many top sellers from virgin materials to recycled versions.

OVER 1,700

SKU S MADE WITH
RECYCLED MATERIAL



Stainless Steel



Plastic



Paper



Aluminum



Cotton

We require all products with the recycled material claim to have Global Recycling Standard certification.



Where plastic used to be,
is now biobased material.

132
UNIQUE
PRODUCTS



Cotton



Wood



Bamboo



Cork

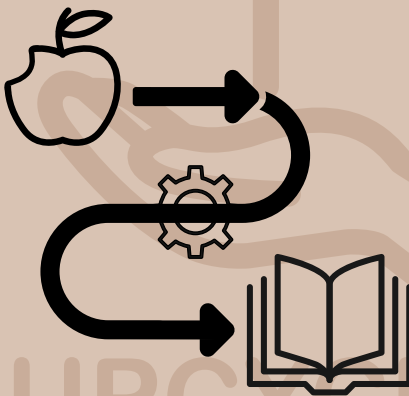


Fruit Paper

All products in this category must meet the minimum quantity of biobased material required for the USDA's Biopreferred Program.



Upcycled items
turn waste from
other processes
into promo.



WASTE REDUCTION AND DIVERSION

We continue to practice waste reduction and diversion using the 5 R's.
Waste prevention starts well before the material enters our facilities.



REFUSE

Our purchasing team works diligently to buy only what material is needed. In parallel, our packaging team collaborates with our product suppliers to make inbound packaging the most efficient it can be without compromising the integrity of our products.

Polybags removed from
inbound and outbound
packaging resulting in

400
TONS OF
PLASTIC SAVINGS
in 2024 alone

Paper dividers
removed from

49
JOURNALS



REDUCE

To protect the integrity of our products in transit, packaging is often a necessary "evil". However, we do not just accept our fate as the packaging market presents it. Our packaging team is always looking for ways to reduce the amount of material coupled with our products.

262

Items moved from
individual packaging to
bulk pack

104

Items moved from
plastic packaging to
more natural and
recyclable materials



REUSE & RESTORE

Stretching the life of resources is the key to a sustainable production mindset. In our facilities, that means using materials multiple times before they are considered waste.

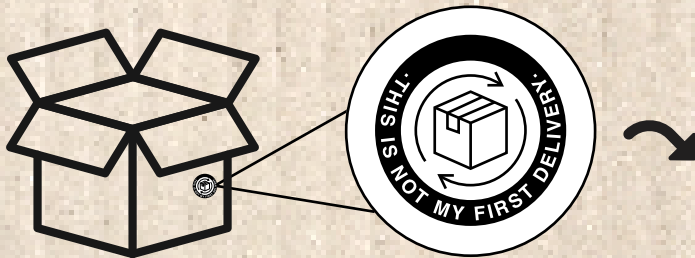
100K

lbs of cardboard
reused in 2024

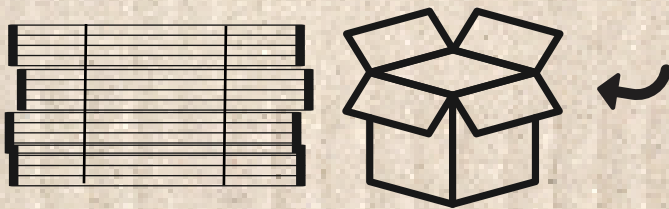
Reduced cardboard
purchases by

37%
from 2023

REUSE IS THE NEW RECYCLE



If the cartons are in proper shape to be used again as a box, we reuse them for outbound shipping. For transparency and fair communication, all cartons are labeled with a mark that explains to the end consumer that they have been reused.



Finally, boxes and carton pieces that cannot be reused are sent to be recycled into new cardboard.

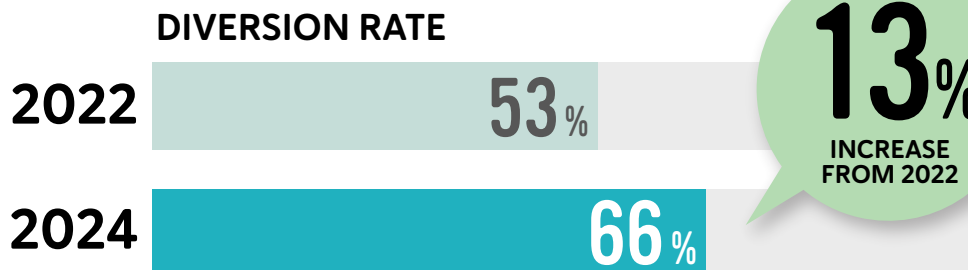


Boxes that cannot be used for shipping cartons are sent to be used for inner packaging. Our special cutting machines perforate the cardboard to make it more flexible. It is used as a filler to protect products while in transit.



RECYCLE

After refusal and reuse techniques have been exhausted, the remaining material is considered for recycling processes. We continue to educate our employees and stakeholders about the importance of diverting material from the landfill, and as a result we see our diversion rate improving year over year.



Recyclable materials in our factories

- PLASTIC
- PAPER
- METAL
- ELECTRONICS
- CARDBOARD
- CERAMICS

ENERGY USE AND EMISSIONS

In 2024, we launched a huge overhaul of our energy fixtures in our Florida facilities. These changes will bring down our energy use and reduce our company Scope 2 emissions. This is just the beginning of our plan to reduce our company’s carbon footprint.



Executed changes in
9 facilities



Over 2,540
fixtures replaced



20% Energy savings
forecasted



\$1.4 Million invested

GHG ACCOUNTING

INVENTORY

Emissions covered in this report are from the 2024 calendar year.

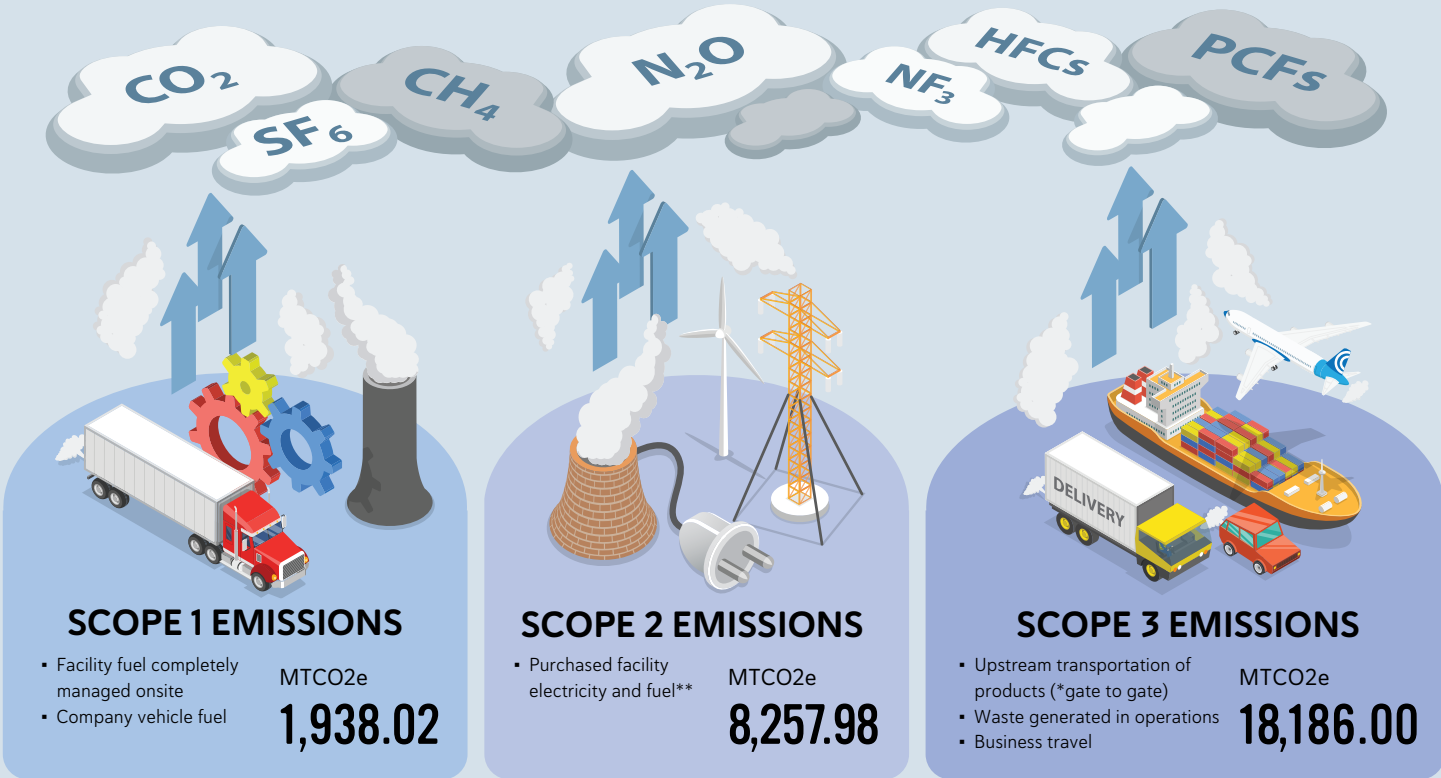
OPERATIONS

Our GHG inventory covers all Hit Promo factory and warehousing locations in the US, as well as gate to gate import operations.



*Gate to gate transportation covers from the point that Hit Promotional Products takes ownership of the items until they reach our distribution or warehouse facilities. Not included in scope are airshipments and custom orders.
**Our facility located in Chinawas not included in this year's emissions calculations.

TOTAL EMISSIONS
MTCO₂e **28,382.00**



DATA SECURITY

We are committed to protecting our digital ecosystem through a multi-layered security strategy that combines governance, advanced technology, and continuous improvement. Our approach is grounded in transparency, accountability, and alignment with global best practices.

We operate an Information Security Management System (ISMS) that is governed by a dedicated Security Committee, with final oversight and approval from the Chief Information Officer (CIO). A formal Governance Board is in place to ensure strategic alignment with organizational risk management and compliance objectives.



Along with a Zero Trust security model, we leverage secure-by-design infrastructure from providers that maintain a comprehensive set of certifications, including:



27001 · 27017 · 27018



All platforms are fully covered under our ISMS, ensuring consistent security governance across environments.



We apply resilience measures that ensure our data and systems remain protected and recoverable under all circumstances.



Defined Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO)



Annual Disaster Recovery (DR) Testing



Comprehensive data classification policies, overseen by the IT Security Team and CIO



Security awareness is embedded into our culture. All system users are required to complete:



We track engagement and performance through security scorecards, allowing us to tailor training and reinforce key behaviors.

SOCIAL RESPONSIBILITY

EMPLOYEE HEALTH AND SAFETY

Since 2016, all Hit facilities comply with Sedex social accountability standards, and SMETA 4 Pilar audits are conducted on an annual basis.

Sedex | Member

Employee health and safety remains a major focus for Hit, and we continue to make investments into our EHS onsite team and the programs they use to audit the safety of our processes, work areas, and the built environment they reside in.

LTI
LOST
TIME
INJURY **.61**

MTI
MEDICAL
TREATMENT
INJURY **4.27**

TRIR
TOTAL
RECORDABLE
INCIDENT RATE **.86**

SUPPLY CHAIN MANAGEMENT

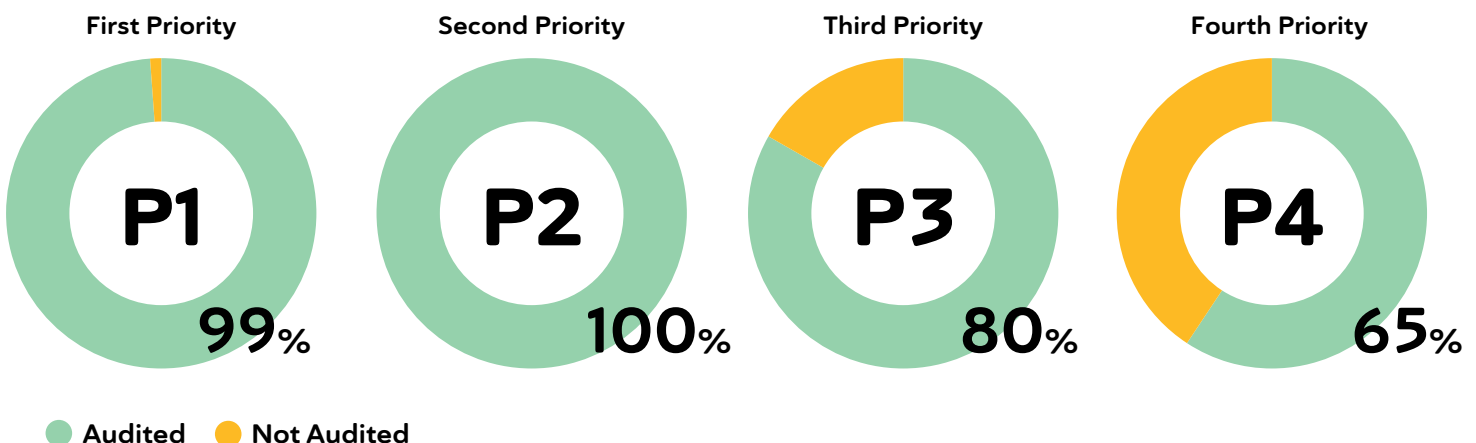
Since 2022, we have been a member of amfori.

amfori Business Social Compliance Initiative (BSCI) is a comprehensive programme designed to identify, assess, and mitigate social risks within supply chains. BSCI enables us to exercise ESG due diligence, enhance transparency, and address significant violations of working conditions within international labour rights frameworks.

amfori @
Trade with purpose

Member

Each year, we learn more and more about our supply chain. We continue to make progress on our Factory Compliance Evaluation program, with now 99% completion of our tier 1 and 100% completion for our tier 2 supplying factory partners. With huge shifts in the world economy happening, we remain steady with our goal to evaluate all supplying partners in order to keep our supply chain transparent and responsible.



SOCIAL RESPONSIBILITY

COMMUNITY ENGAGEMENT



We sponsor tower builds, hygiene education, and emergency response efforts.



4 AQUA TOWER PROJECTS

We've deployed aqua towers in areas of the world of which we source our products. These towers are built to support a school, community, or health organization in need, and provide clean drinking water for up to 1,800 people for decades.

HYGIENE EDUCATION FOR SCHOOLS

Through their activity-based program, students learn the importance of healthy hygiene habits and how to make smart food choices for a healthy body and mind.



SOCIAL RESPONSIBILITY

World Vision®



Since 2019, Hit's relationship with World Vision addresses disparities in communities all over the globe.

OVER **1,100**
PALLETES OF
PRODUCTS DONATED

PRODUCTS
VALUED
AT **\$2.4**
MILLION

COUNTRIES SERVED

El Salvador, Guatemala, Honduras,
Somalia, Zambia, Zimbabwe,
United States, Chad, Eswatini,
Ghana, Lesotho, Malawi,
Mauritania, Niger and Sierra Leone

ANNUAL SPONSOR



AWS

PRODUCTS RAISED
\$26,399.93
FOR CHARITIES IN 2024

HIT IS EQUIPPING STUDENTS AND TEACHERS ACROSS THE NATION

Hit is one of the 600 organizations that World Vision partners with to provide essential classroom resources such as toys, bags, writing utensils, notebooks, and more to teachers in under-resourced schools. Together, they supply six Teacher Resource Centers (TRCs) across the United States where twice a year educators from schools in low-income neighborhoods can access much-needed school supplies. This program aims to address the disparity of lower education levels for children living in poverty. In 2024, 172,606 teachers and students were supported and over \$3.3 million worth of school supplies were distributed.

