0<sup>29</sup>0

# 2020 IMPACT REPORT

#### **CONTENTS**

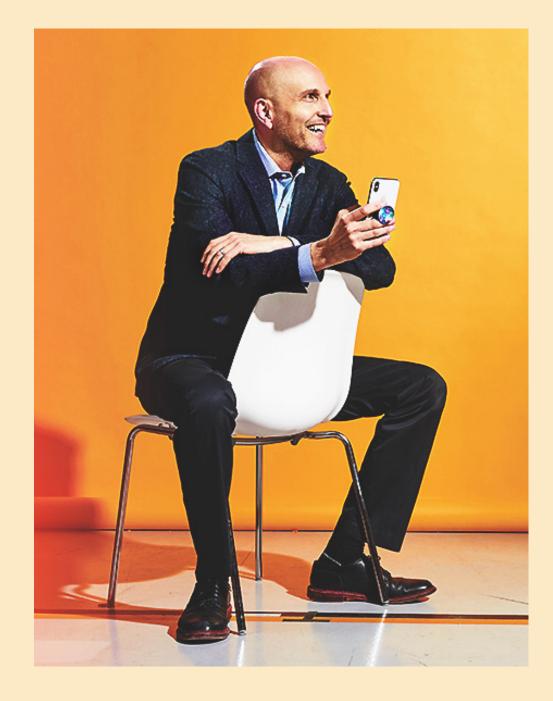
#### **INTRODUCTION**

| CEO Letter   | 3  |
|--|----|
| Our 2020 Impact Report & Beyond                                    | 4  |
| Sustainable Development Goals                                      | 5  |
| KEY 2020 HIGHLIGHTS  |    |
| Wearing our Values on our PopGrips: COVID-19 Response              | 7  |
| Wearing our Values on our PopGrips: Responding to Racial Injustice | 8  |
| ENVIRONMENT  |    |
| Growing the Good   | 11 |
| PGP Product Design Feature   | 13 |
| Sustainability Initiatives   | 14 |
| SUPPORTING OUR NONPROFIT PARTNERS                                  |    |
| Supporting Our Nonprofit Partners                                  | 16 |
| Poptivism in Action  | 17 |
| EMPLOYEES + LABOR RIGHTS   |    |
| Our People   | 20 |
| Labor Rights   | 21 |
|  |    |

#### **P®PSOCKETS**

#### **GLOBAL HEADQUARTERS**

5757 Central Avenue Boulder, CO 80302 United States



**DAVID BARNETT** 

## A LETTER FROM OUR CEO

In the face of unprecedented uncertainty and massive challenges—from a global pandemic, to the unequal impact of the climate crisis, to reckoning with systemic racial injustice—2020 propelled us all to shift the ways we work, collaborate and live professionally and personally. Our focus on having a positive impact on the world took on an even greater role, and we learned a great deal throughout this challenging year.

At the onset of COVID-19, our immediate focus was on the safety of our colleagues and suppliers in Asia. As the virus spread, our priorities expanded to include the wellbeing of our customers, partners and employees, the health of our business, and how we might support our nonprofit partners serving communities under greater pressure than ever. The murder of George Floyd and other acts of racial injustice served as a powerful wake-up call that, in spite of some progress, much urgent work remains to achieve true racial equity.

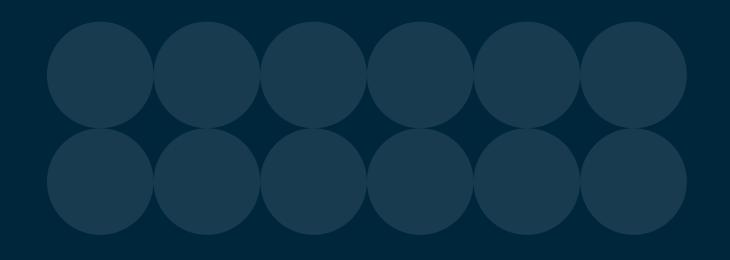
In response to these issues, our team felt compelled to take action. We designed grips to support nonprofits on the frontlines of the COVID-19 response and for those fighting racism across the world, with 100% of the proceeds going

to support these organizations. Some of us used our paid employee volunteer days to march in solidarity against racism. We encouraged everyone to vote, and some of us volunteered as staff at the polls. We also made progress toward more environmentally-friendly products and reduced emissions throughout our supply chain to reduce our impact on the planet.

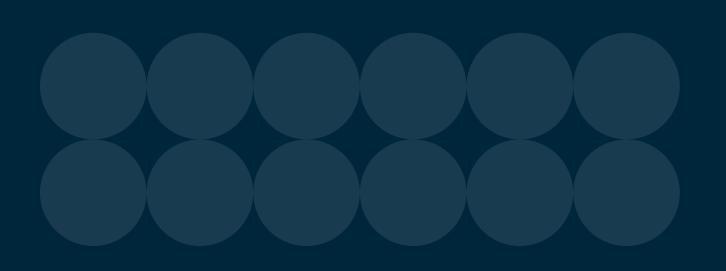
Every day is an opportunity to embody our company values: we aim to be Selfless, Customer Obsessed, Responsible, Impactful, Passionate, Transparent, Innovative, and Courageous in everything we do. There has never been a more important time to center those principles at the core of our business as we work together to build an eternal positivity machine: an enduring global brand that makes an increasingly large positive impact on the world.

Thank you for your support along this journey!

Founder & CEO



# OUR 2020 IMPACT REPORT & BEYOND



In this report, we highlight some of our key social and environmental impact initiatives and share progress towards our goals.

We are reporting our emissions data to CDP and EcoVadis, and beginning to use the United Nations' Sustainable Development Goals, or SDGs, as one of several guiding lights to our work. We begin by outlining our response to key 2020 challenges; the global pandemic and racial injustice, and then share progress and highlights around our work to prioritize the well-being of people and the planet.





We are proud to have received the 2020 Engage For Good Halo Award for our Poptivism program. The award honors programs that measurably advance the interests of both a business and a nonprofit partner or cause.

We were also awarded inclusion in the Fast Company "Most Innovative Companies" list in recognition of our continued product development and innovation.

## As outlined by our CEO in his statement, 2020 was a year of major transition, transformation and change for PopSockets.

We are proud to share the impact that we were able to generate during a time when our team became remote overnight, our global supply chain endured nearly constant uncertainty, and our consumers and employees navigated intense social and emotional challenges.

We see 2020 as an inflection point, propelling us towards our goal to integrate positive social and environmental impact into everything we do. In the years to come, we are looking forward to sharing updates around alignment with internationally-recognized reporting standards, additional sustainability improvements, business model and product innovation, and engaging with our consumers and nonprofit partners around the world.

#### Sustainable Development Goals

As PopSockets becomes an increasingly global company, offering products in more and more geographic regions and adding more international teams each year, the lens through which we approach our impact also grows in scale. The United Nations Sustainable Development Goals have been a helpful guide for us to ensure our efforts are in alignment with the most pressing social and environmental goals facing the world, and we have indicated the most relevant SDGs connected to each of our accomplishments in 2020.





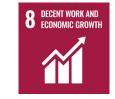






















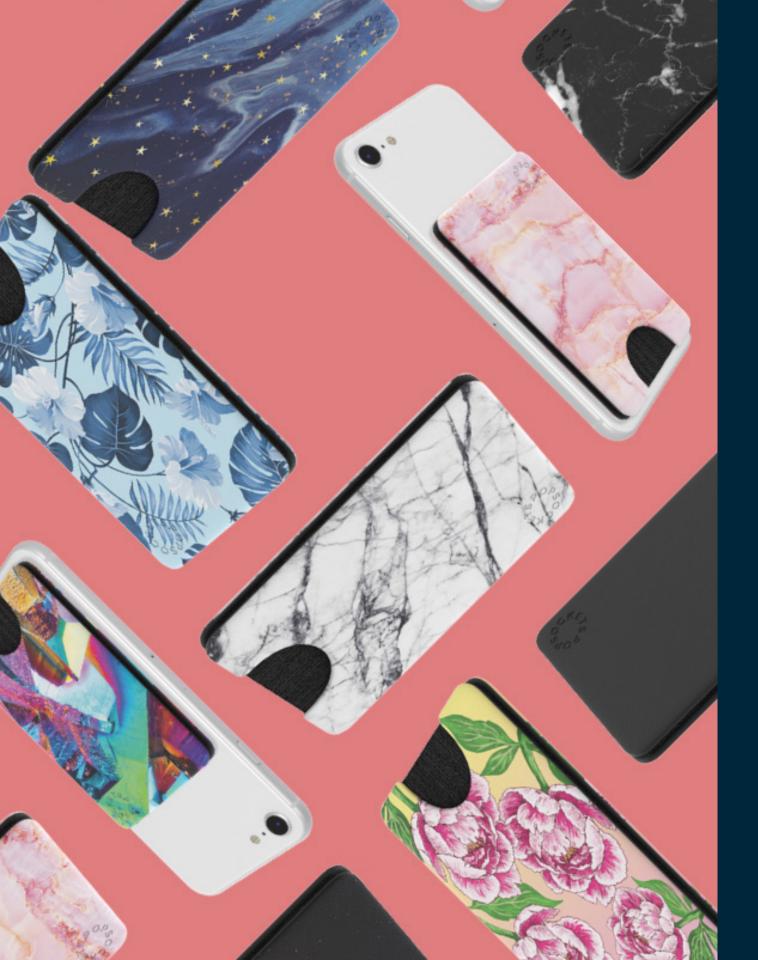






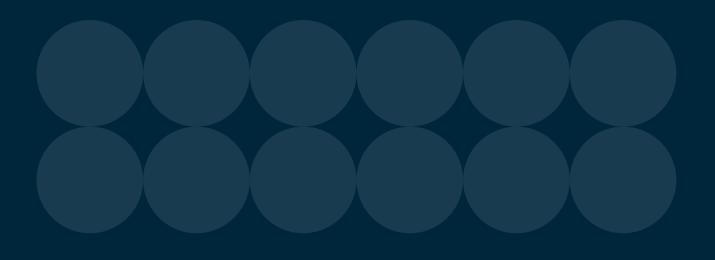


Many of our 2020 goals for Poptivism and beyond are aligned with the Sustainable Development Goals. Reference pages 14, 15, 17, 20 and 21 for details on our progress this year.

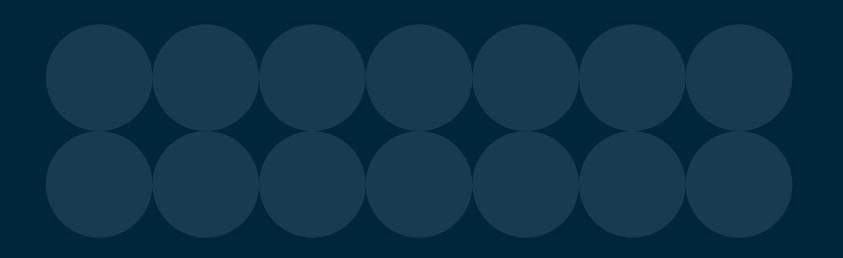


**SECTION 2** 

# KEY 2020 HIGHLIGHTS



# WEARING OUR VALUES ON OUR POPGRIPS: COVID 19 RESPONSE



As COVID-19 ravaged the globe and our teams went into lockdown, we got to work creating a new line of Poptivism grips with 100% of corresponding sales being donated to our COVID-19 relief partners. We raised more than \$100,000 for six organizations working directly on the frontlines of the pandemic: Americares, the American Foundation for Suicide Prevention, Doctors without Borders, ENA Foundation, Feeding America and Food Banks Canada. We also donated grips to healthcare workers in gratitude for their selfless work.

# WEARING OUR VALUES ON OUR POPGRIPS: RESPONDING TO RACIAL INJUSTICE



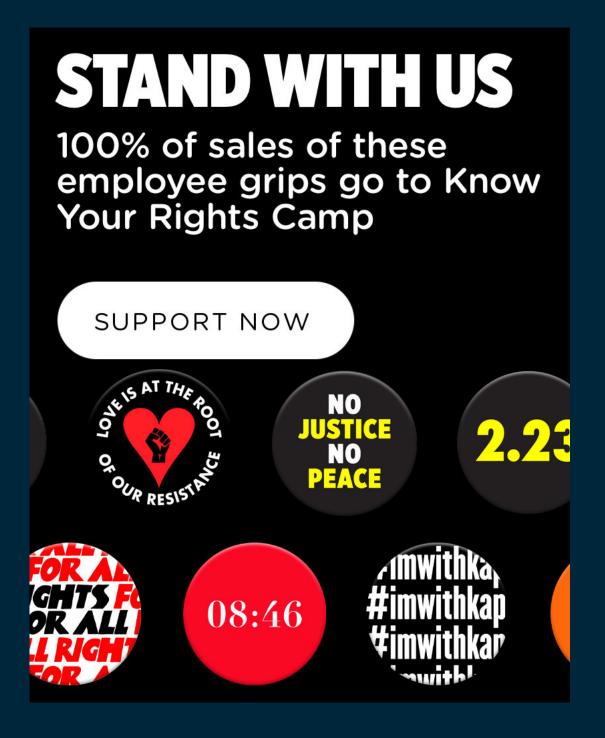
Like so many others, our team was appalled by the violent acts of racial injustice that transpired in 2020.

We were also heartened by the countless communities around the world that spoke out in protest of systemic racism and police brutality, demanding real change. Our company stands in solidarity with all marginalized groups and unequivocally seeks justice and equity for all - regardless of race, gender, physical ability, background, spirituality or sexual orientation. We know that collectively, we have a lot of work to do to build truly equitable systems and root out hate in all forms. We hope that 2020 will be a turning point in addressing such crucial issues.

Inspired by the powerful protest artwork born out of this movement, our employees decided to create a meaningful collection of Poptivism grips featuring their own protest art. Each design was made available on our website accompanied by the individual's statement about its meaning. 100% of sales were donated to Colin Kaepernick's Know Your Rights Camp. These donations, made possible by the heartfelt work of our employees and the many customers that purchased these grips, funded experiential programming for 92 Black, Indigenous, People of Color (BIPOC) children to help advance the next generation of change leaders through education and empowerment.

We also donated more than 600,000 grips to protestors, in hopes that placing them on the back of cell phones would amplify their important messages and increase visibility for the movement.

As a company that makes expressive mobile phone accessories, we felt that our grips could serve as statements of solidarity with George Floyd and the many other Black Americans and people of color that continue to face injustices in their lives at the hands of law enforcement and/or systemic racism.





**SECTION 3** 

# ENVIRONMENT



## PopSockets has been working continuously to reduce the environmental footprint of our products.

From the outset, our team has made a concerted effort to design with sustainability in mind, minimizing waste and excess materials wherever possible. Our grips are used by tens of millions of people globally to use their phones more easily and minimize the risk of dropping them, which avoids the negative environmental impacts of producing replacement phones.

For more than three years, our dedicated team of engineers and product designers have made it their mission to deliver an even more environmentally-friendly PopGrip by reducing our use of petroleum-based plastics. We worked with suppliers around the world to test recycled, ocean-recovered, plant-based, and compostable alternatives to traditional plastics that would meet our product needs. Our non-negotiables were that the new offerings must reduce overall lifecycle greenhouse gas emissions and must maintain the same quality and performance standards as our original PopGrips.

This cross-functional research and development effort resulted in the creation of PopGrip Plant, a phone grip designed with 35% plant-based materials such as castor beans, cornstarch and canola oil.

The product was approved for production in late 2020 with a launch planned for Earth Month 2021. We had also tested a fully-compostable PopTop prototype, but decided this was a sub-optimal solution because our research indicated that in most actual end-of-life scenarios, it would release more methane gas during the composting process than our original product. We are looking forward to finding ways to incorporate these and other such materials in more of our products.



# POPGRD P 56% **52% Corn Starch from Europe Canola Oil from Europe** 70% **WE'RE WORKING ON IT! Castor Beans Grown in India**

# SUSTAINABILITY INITIATIVES

We are thrilled by the development of PopGrip Plant as a first step towards increasing plant-based materials in our product portfolio. We are also proud to continue offering free product and packaging recycling to our consumers in the United States through TerraCycle®, and expanded the program to the United Kingdom and Germany. We are looking forward to enhancing these efforts in the years to come.

Below are updates on our sustainability achievements and progress against our goals.

| KEY 2020 ACHIEVEMENTS   | SDGs SUPPORTED* | KEY 2020 ACHIEVEMENTS   | SDGs SUPPORTED* |
|---|-----------------|---|-----------------|
| Developed 35% plant-based grip from castor beans, cornstarch and canola oil (brought to market in 2021) which has an estimated 35% lower carbon emission profile than our conventional product. | 9 12 13         | Reduced manufacturing emissions by 6%.                                    | 13              |
| Increased recycled and sustainably forested paperboard in packaging to 99%.   | 12              | Reduced shipping emissions by 66%.  | 13              |
| Recycled more than 55,000 lbs of product and packaging through TerraCycle.  | 12              | Diverted 75% of headquarters waste (pre-COVID closure).                   | 12              |
|   |                 | Participated in Walmart's Project Gigaton Emissions<br>Reduction Project. | 13              |

\*See page 5 for a key to the UN SDGs POPSOCKETS 2020 IMPACT REPORT | ENVIRONMENT

#### **Progress Against Goals:**

#### DECREASE VOLUME OF SHIPPING RELATED EMISSIONS (IN METRIC TONS)



2022 Goal: 5036T of CO<sub>2</sub> per year

2020 Progress: 3287T of CO<sub>2</sub>

#### **INCREASE VOLUME OF RECYCLED PRODUCT**



2022 Goal: 20kgs Total recycled

2020 Progress:25kgs Total recycled

#### **DECREASE PERCENTAGE OF PLASTICS IN PACKAGING**



2022 Goal:

Plastic packaging to make up less than 15% of total weight by 2022

2020 Progress: Less than 1% of packaging is plastic, more than 99% is paper

#### INCREASE PERCENTAGE OF RECYCLED/SUSTAINABLY FORESTED PACKAGING



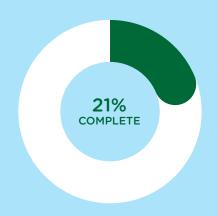
2022 Goal:

50% Recycled/sustainably forested

2020 Progress:

99% Recycled/sustainably forested

#### DECREASE VOLUME OF PRODUCTION RELATED EMISSIONS (IN METRIC TONS)



2022 Goal:2900T of CO<sub>2</sub> per year

2020 Progress: 3782T of CO<sub>2</sub>

#### INCREASE PERCENTAGE OF BIO-BASED PLASTIC IN CORE PRODUCTS



2022 Goal:

40% Bio-based plastic

2020 Progress:0% Bio-based plastic



**SECTION 4** 

# SUPPORTING OUR NONPROFIT PARTNERS

# SUPPORTING OUR NONPROFIT PARTNERS

The power to do good is in our hands. Since its original launch in 2018, our Poptivism program has been allowing consumers, employees and organizations to design custom products to raise money for causes they care most about. It has also allowed our consumers to express their values and beliefs on the backs of their phones.

Through hundreds of Poptivism design submissions, sales and purchases, PopSockets customers directed support to more than 350 nonprofits and touched millions of lives.

In addition, through our equity investment in and partnership with ChangeUp, we facilitated approximately \$50,000 of micro-donations on our website, benefitting a range of social and environmental causes selected by our customers.

# Donated nearly \$550,000 to more than 350 nonprofits and expanded donation partner programs to France and Colombia (in addition to US, Canada, UK and Germany). Supported global COVID-19 relief nonprofit partners with 100% of Poptivism sales. Supported racial justice nonprofit partners with 100% of Poptivism sales.

#### **PROGRESS AGAINST GOALS**

Increase total corporate donations to \$6M cumulative by 2022.



2022 Goal: \$6 million in cumulative donations 2020 Progress: \$3.8 million in cumulative donations

Increase number of countries touched by PopSockets' social impact.



2022 Goal: 8 Countries 2020 Progress: 5 Countries

### **POPTIVISM IN ACTION**

Here are some of the initiatives made possible through the Poptivism program.

#### Poptivism 2020 impact highlights:

#### **ASPCA**

Provided a month of food for 300 rescued dogs.

#### **Alliance for Climate Education**

Sent 2,295 climate action postcards to inspire first-time voter registrations.

#### **American Shark Conservancy**

Purchased 2 underwater cameras to monitor vulnerable shark populations.

#### **Americares Foundation**

Provided 1,000 protective masks, gowns and gloves to frontline health workers.

#### charity: water

Brought 105 people access to clean and safe drinking water.

#### **Feeding America**

Provided 522,396 meals to families in need.

#### **K9s for Warriors**

Rescued two shelter dogs to support returning Veterans.

#### **Know Your Rights Camp**

Allowed 92 kids to receive racial equity leadership training through Colin Kaepernick's Know Your Rights Camp.

#### Refugee & Immigrant Center for Education and Legal Services

Helped 115 young immigrants renew DACA applications.

#### **Living Lands & Waters**

Helped remove 798 pounds of garbage from US waterways.

#### **She Should Run**

Supported 200 women exploring a first-time run for elected office.

#### **Special Olympics**

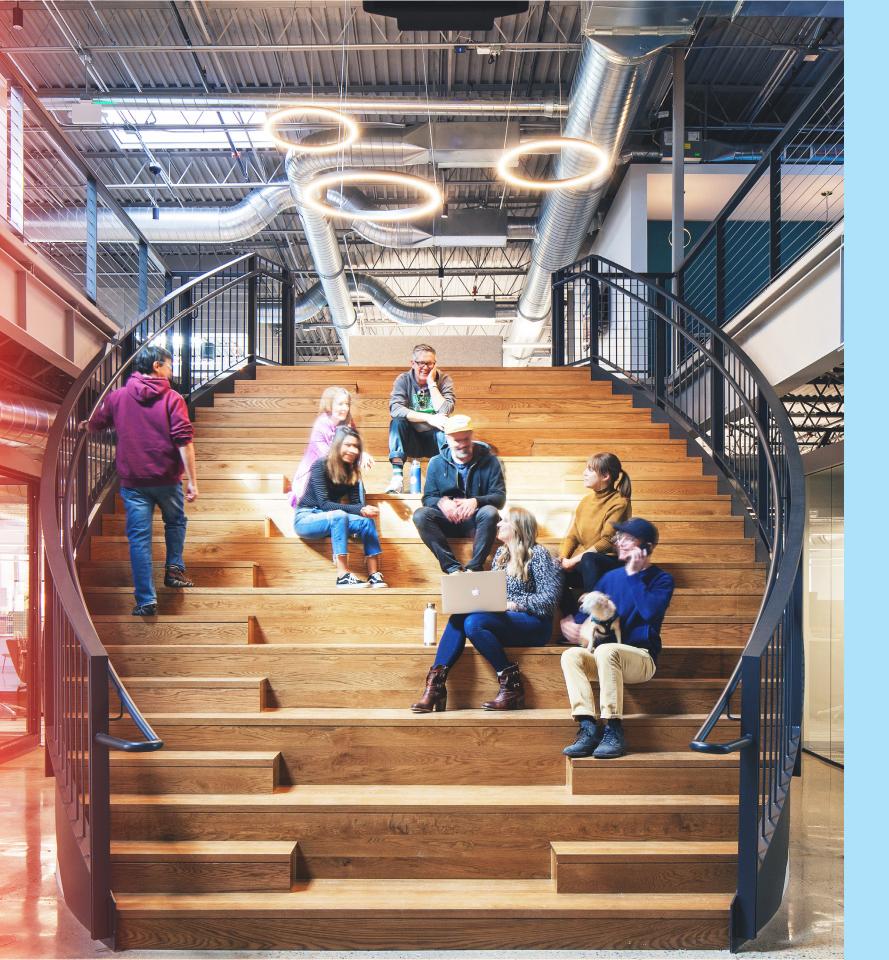
Trained 38 athletes with disabilities.

#### **Trees for the Future**

Planted 56,591 trees in developing nations to help train farmers, increase food access, and sequester carbon.

#### **Youth Ocean Conservation Summit**

Trained 300 youth in habitat conservation, plastic pollution prevention, marine sciences and advocacy.



**SECTION 5** 

# EMPLOYEES AND LABOR RIGHTS

## **OUR PEOPLE**

At PopSockets, the people that bring our ideas to life and into the hands of consumers around the world are our top priority.

We strive to create a safe, inclusive, and engaging work experience for our employees around the world. We are proud to share some achievements and progress against our goals.

#### **KEY 2020 ACHIEVEMENTS**

**SDGs SUPPORTED\*** 

Launched first Employee Resource Group: Women in Leadership, founded and led by a cross-functional leadership team.



We collectively logged more than 300 employee community volunteer hours serving a wide range of organizations that our teams identify with.



#### **PROGRESS AGAINST GOALS**

Increase number of global employee volunteer hours to 800/year.



2022 Goal: 2100 total hours 2020 Progress: 300 total hours

## **LABOR RIGHTS**





Throughout our global supply chain, we are constantly working with our partners to prioritize worker welfare and maintain our standards of ethics and conduct. This extends to our fulfillment centers and factories on four continents. We are a proud member of the Fair Labor Association as well as the Sumerra Ethical Supplier Engagement Program. Here are a few key highlights we'd love to share from 2020.

#### **2020 ACHIEVEMENTS SDGs SUPPORTED\*** Maintained Fair Labor Association (FLA) Participating Company Status and made great strides towards achieving full FLA accreditation. Partnered with three nonprofit organizations to empower global supply chain workers. Participated in BSR's HERhealth to conduct women's empowerment trainings in China. Launched leadership trainings in Mexico. **PROGRESS AGAINST GOALS** 85% COMPLETE

Achieve and maintain Fair Labor Association accreditation.

\*See page 5 for a key to the UN SDGs POPSOCKETS 2020 IMPACT REPORT | EMPLOYEES AND LABOR RIGHTS