

2022 **IMPACT REPORT**

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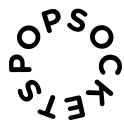
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INTRODUCTION

IMPACT OVERVIEW

2022 was a year of key achievements for PopSockets, featuring several important refinements in our vision for what it means to be an impactful and conscientious corporate citizen. In addition to our increasing understanding of our operational environmental impact, we also continued key programs and initiatives that allow both our employees and customers to contribute to the causes they care about most and pursue lifestyles that are better for the planet. Among these were:

- Completing of an in-depth analysis of the environmental impacts of our products and company operations through the life cycle assessments we started in 2021
- Achieving carbon neutral certifications at both a company and product level through by Climate Neutral and SCS Carbon Neutral. As part of the Climate Neutral certification process, we created a public facing carbon reduction plan and commitment, allowing stakeholders to track our progress to 2030.
- Full accreditation from the Fair Labor Association, the culmination of a multi-year process to ensure the fair treatment of workers throughout our global supply chain.
- The launch of our plant-based suite of products, the PlantCore line.
- Partnering with nonprofit causes to generate approximately \$62,000 in donations from purchases of bespoke PopGrip designs, and over \$40,000 via microdonations to a range of causes through our investee company ChangeUp's online checkout plugin.
- Providing paid time for employees to volunteer for causes they believe in, partnering with Plants + Perks, an employee portal that supports the adoption of more plant-based lifestyles, and embracing an ongoing remote work option which reduces commute-based emissions.

We continue to make strides towards a comprehensive and transparent impact reporting process and have built upon the impact reports of the past three years. We use a number of frameworks to support our goals and impact analysis, including the United Nations Sustainable Development Goals, CDP, EcoVadis, and SASB. We are also excited to continue working with Brightest, our impact data partner, to develop a comprehensive internal data analysis and goals tracking process as we continue to refine our impact strategy.



We have indicated the SDGs most relevant to each of our impact initiatives in 2022 at the beginning of each section of this report, and a full table of all of our initiatives and the corresponding SDGs is in the appendix.

POLICIES

Sustainable Packaging: PopSockets is committed to minimizing the environmental footprint of our packaging. We use Recycled FSC-certified paperboard as much as possible and require that all of our packaging is recyclable. We are also committed to reducing single use plastic in our packaging, and have made significant progress towards this goal. Where plastic is still used, it is made from recycled materials. Our packaging materials guidelines also ensure that we never use acrylic, polystyrene, PVC or EVA.

Supplier Code of Conduct and Labor Rights Monitoring Program: Labor rights has been an important pillar of our impact work dating back to 2016. PopSockets has maintained a public-facing Supplier Code of Conduct (COC) on our website since then. Our COC is aligned with International Labour Organization (ILO) Core Conventions and the Fair Labor Association (FLA)'s Workplace Code of Conduct and Benchmarks. In some cases, our COC is stricter than internationally accepted labor rights standards, including on child labor, non-discrimination, and worker voice. We audit all Tier 1 suppliers, third-party logistics partners, our most important Tier 2 suppliers, and our gel and packaging manufacturers against our rigorous standards on an annual basis. Audits are followed by a 120-day remediation period focused on addressing the root causes of issues rather than a check-the-box approach. Our labor rights program is built around the FLA's Principles of Fair Labor & Responsible Sourcing, against which we have

been evaluated, with accreditation granted at time of publishing. The Principles set forth the gold standard for building worker-centric labor rights programs, and accreditation is awarded to companies that meet these standards. We also publish our full factory list down to Tier 3 on our website to provide visibility to our stakeholders on our supply chain.

Fair Compensation: PopSockets is committed to the gradual realization of living wages for workers in our supply chain. We have been analyzing wage data and working with our supplier on fair compensation goals since 2019, and have continued our work through our recently-published commitment to fair compensation. The commitment details our research so far, our goals through 2025, and how we aim to implement fair compensation over time.

Purchasing Practices: Emerging labor rights research indicates that purchasing practices, such as purchase order placement and order lead times, may impact workers in the supply chain in unintended ways. For example, if a brand places a purchase order late to its supplier, but does not give an extension of time for the work to be completed, workers could face excessive overtime to meet the brand's turnaround times. Recognition of these impacts and undertaking active efforts to mitigate them are commonly referred to as responsible purchasing practices. PopSockets commits to engaging in responsible purchasing practices, and supports this commitment through cross-departmental policies and standard operating procedures.

Modern Slavery Disclosure: PopSockets does business in many different countries, including ones with laws regarding the public disclosure of programs and efforts designed to address modern slavery. This type of legislation is becoming more common globally, particularly in Europe, as well as California and New York. We have published a modern slavery report aligned with laws in California, the UK, and Australia since 2019.

Animal Welfare: PopSockets does not permit animal testing in our supply chain and has never used animal products such as leather, wool or down feathers in products. Toward the goal of having 100% vegan products, we are pushing all our materials suppliers to disclose and find ways to eliminate over time even trace amounts of animal-derived compounds.

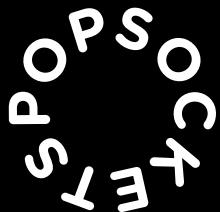
Corporate Meals: In 2019, we implemented a company-wide food purchasing policy requiring all meals served at corporate facilities to be 100% plant-based, and use of corporate funds on meals outside the office to be limited to vegetarian items wherever possible. In doing so, we ensure that our business practices align with our values and sustainability goals, facilitate our employees' trial of plant-based food options (which in some cases has led to people making lasting changes which benefit the

environment, their own health, and animals), and encourage other businesses to adopt similar practices.

PVC: Polyvinyl chloride, commonly known as PVC, is a plastic polymer widely used in many consumer products. However, it poses significant risks to worker wellbeing and to environmental health during production and disposal. Though not legally required, PopSockets has consistently rejected PVC use in our products due to these risks, and maintains a zero-acceptance policy. PopSockets will always specify other safer materials, even at higher product costs, to prevent its use in our products and supply chain.

Recycled Magnets: Rare earth metals, such as neodymium, are commonly used in strong magnets in household electronics. Unfortunately, the mining and extraction process for these metals can have toxic and dangerous environmental and health impacts. Recycled alternatives are available at higher cost and reduce the need to mine for new materials. PopSockets advocates for the use of recycled rare earth metals whenever available and launched the MagSafe PopCase product using recycled materials. Other products, if not originally designed with recycled materials, should be converted to recycled within the first year of production. More sustainable alternatives are continuously explored as they become available.

PLANTS



Alignment with UN Sustainable Development Goals



PLANTS SUMMARY

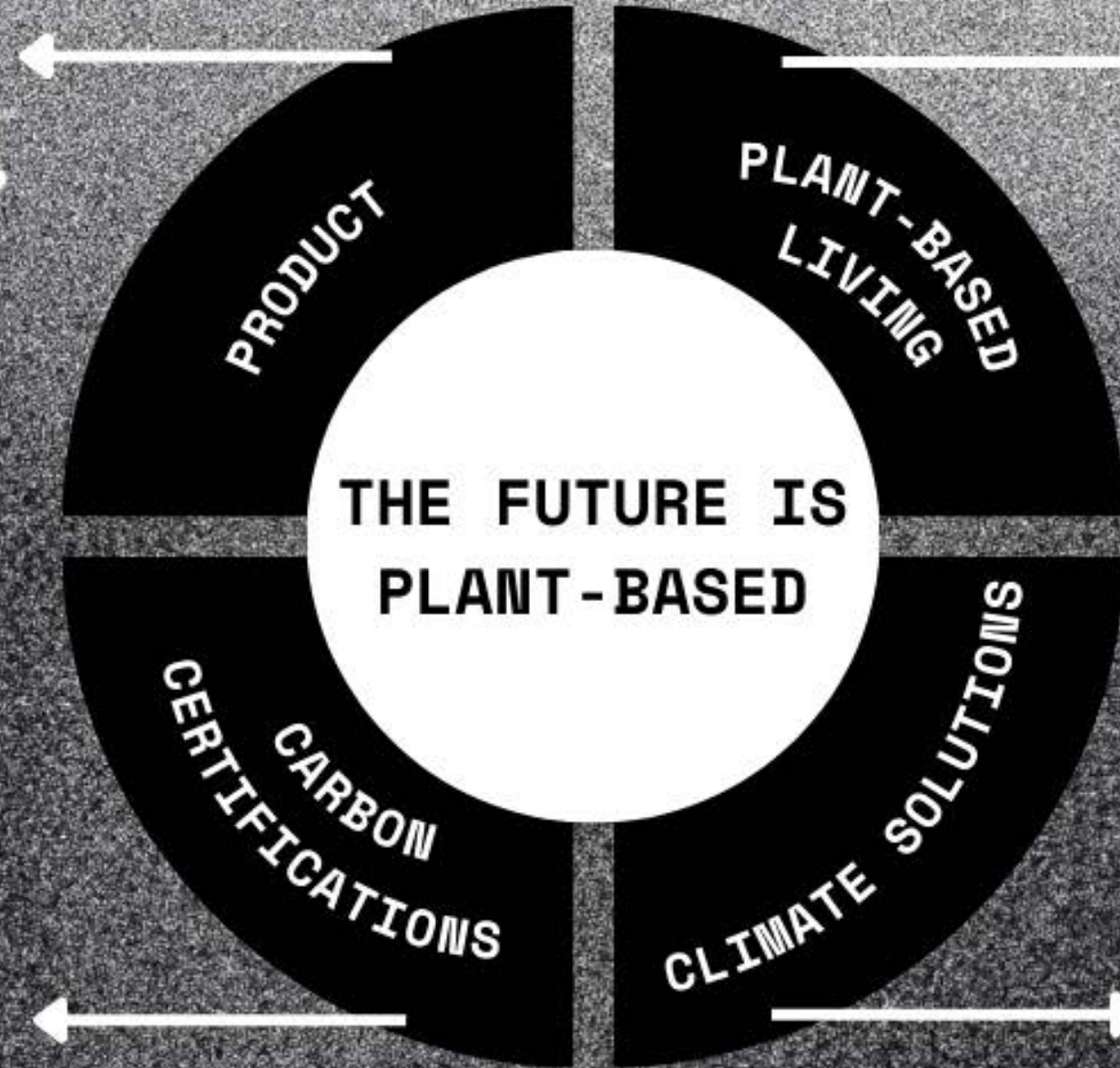
Plant-forward products and lifestyles have been central to our impact strategy from the very beginning, and this was a pivotal year for truly integrating our materials, partnerships, and programs into one cohesive framework. September saw the release of The Future is Plant-Based, our multi-year impact program to mitigate climate change and inequality through the power of plants.

PopSockets aims to serve as an example of the ways in which companies can use collaborative cross-industry partnerships to make significant steps towards creating a more livable planet for all. Previous iterations of this report have included many of our plant-based initiatives as part of our overall environmental impact analysis, but our internal strategy has now evolved such that plants constitute their own set of goals, materials, and partnerships. For the rest of our environmental impact goals and initiatives, see the Planet section on page 14.





CLIMATE
NEUTRAL



PLANTS + PERKS



the
farmlink
project



PLANT-FORWARD PARTNERSHIPS

In order to expand the positive impact of our PlantCore product lines, we continued our product-linked donations to Partnership for a Healthier America (PHA) throughout 2022. For every PlantCore Grip sold, we donated a portion of the proceeds to PHA to provide high quality fresh fruits and vegetables to families in need, with over 344,000 servings donated during the duration of the program, which ran from December 1, 2021 to December 31, 2022. In addition to the direct donations to PHA facilitated by purchase of our PlantCore grips, customers who purchased products from those lines also gained access to information and promotions for products from five plant-based and planet-friendly companies.

Our commitment to plant forward lifestyles extends beyond corporate partnerships aimed at our consumers. We joined forces with plant-based employee health and wellness portal Plants + Perks this year as a way to target food consumption related emissions on a company wide level. Plants + Perks offers PopSockets employees a wide range of educational materials about the environmental and health benefits of plant-forward lifestyle changes, cooking classes, product recommendations, and a supportive community for participants to ask questions, trade ideas, and understand the impact their eating and buying habits can have on the planet.

344,046

**servings of fresh fruits
and vegetables donated
through PHA**

5

**plant-forward corporate
partnerships**

LIFE CYCLE ASSESSMENTS

Integration of plant-based materials into our products has been part of our environmental sustainability plan since 2020, culminating in the launch of our first plant-based grips (originally launched as the PopGrip Plant) in 2021. To inform the process of expanding our plant-based collections, as well as getting a better understanding of our overall product footprint, we completed an in-depth analysis of the environmental impacts of 90% of our existing products in September of 2022.

Our life cycle assessments (LCAs) were completed in partnership with SCS Global Services in adherence with ISO 14040 and 14044 standards, and cover a range of environmental impact categories for each product, including carbon emissions, smog formation, and ozone depletion. The LCAs cover 29 key product lines and are cradle-to-gate, meaning that they examine the impact of those products from the point of raw materials extraction up to the point of leaving the factory gate. For our popsockets.com sales, our customers carbon neutral shipping and a frictionless return-recycling program featuring reusable mailers and return labels. For the purposes of assessing our environmental impact we felt it unnecessary to assess impacts beyond the factory gate, since our products do not cause any additional environmental impacts over the course of their use. For a detailed summary of the LCA process and findings, please see the PopSockets LCA Summary.

We intend for LCAs to be an iterative process as our materials science and innovations teams continue to develop and refine strategies for integrating animal-free and plant-based materials across our product lines. One of the key learnings from this foundational round of LCAs is that minimizing the amount of material used in a product without impacting performance can have as significant an impact as changing from traditional materials to plant-based content.

90%
of existing products
analyzed

29
key product lines
covered

PLANTCORE

A central part of our impact strategy has been the development of PlantCore™, our unique mix of plant-based and fully recyclable materials, which we are including in a growing number of products. PlantCore is the result of an extensive research and development process to find materials that will significantly decrease our overall environmental impact without sacrificing quality, performance, or aesthetics. We ultimately decided to pursue plant-based plastics as opposed to compostable materials because in the event that grips are not returned to an appropriate industrial composting facility and instead end up in a conventional landfill, compostable materials would likely have a more significant GHG impact at the end of their life than PlantCore products will. Our analysis of the full range of environmental impacts for each potential option led us to a material that reduces our carbon footprint and our reliance on fossil fuels, and allows us to integrate plant-based living into not only our corporate partnerships and programs, but into our products themselves. We are continually testing new materials and how we can expand our PlantCore portfolio.

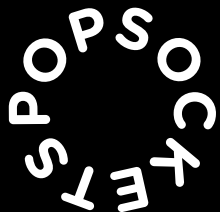
We expanded our portfolio of PlantCore products this year from our initial line of solid color grips to include both printed grips and a new line of iPhone 14 cases. It was a challenging process to create the kind of durability with our PlantCore printed designs that we have achieved with our standard PopGrips, but the result was 14 new and unique grip designs in addition to the Light Jade, Dusty Lavender, and Faded Stone colors that launched in 2021. The decision to launch our PlantCore iPhone 14 case in September of this year was a significant step in our commitment to integrating plant-based materials across our product lines because we believe it is the right path forward to a healthier planet, and almost every component of the case incorporates plant-based materials. Expanding integration of plant-based materials beyond grips as soon as possible aligns with our commitment to our impact goals.

14

new PlantCore designs



PLANET



Alignment with UN Sustainable Development Goals

12

13

14

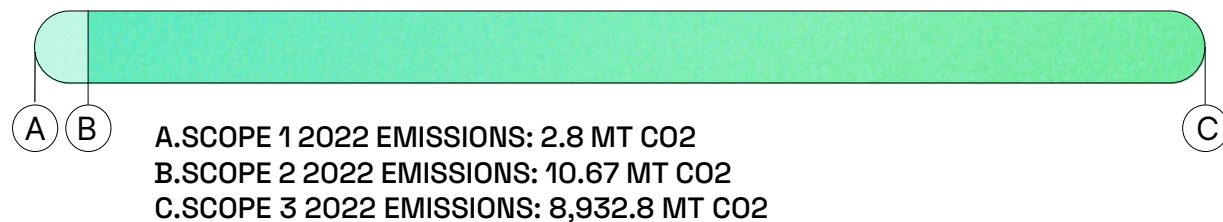
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CLIMATE AND CARBON

2022 marked several pivotal steps towards implementing the long-term carbon management and improved environmental performance strategy that we developed in 2021. We achieved both company- and product-level carbon certifications in partnership with Climate Neutral and SCS Global services, respectively. These certifications helped us to understand the impacts surrounding the already comparatively low carbon footprint of PopSockets products, especially our PlantCore PopGrips. As a part of the certification process we also set science aligned reduction targets, developed a reduction strategy, and partnered with two new and innovative climate solution partners that will allow us to support impactful sustainable food system solutions now and into the future as we continue to reduce our own emissions.

We continued in 2022 participation in Walmart’s Project Gigaton joining other Walmart suppliers in collecting data on energy use, waste, packaging, impacts on nature, and product design. As of this year, Project Gigaton has succeeded in avoiding more than 574 million metric tonnes in emissions, and PopSockets is proud to be participating in the broader ecosystem of corporate emissions reductions initiatives. We also offset 154 tons of our total 8,946 tons CO2 emissions through DHL's default carbon neutral shipping option directly through their GOGREEN program for purchases made on www.popsockets.com. We are thrilled to have reduced freight emissions by 91%, and this year we also revised the way we calculate those emissions to be more aligned with the GHG protocol.

2022 EMISSIONS



91%
reduction in freight
emissions since 2018

17.9%
reduction in Scope 3
emissions

0%
Scope 1 emissions for
HQ solar energy

CARBON CERTIFICATIONS

In early 2022, PopSockets retained two leading firms that issue carbon related certifications: SCS and Climate Neutral. Both firms require companies to measure and fully offset prior year carbon emissions and commit to a credible carbon reduction plan. In August of this year, we achieved company level certification through Climate Neutral, a non-profit organization with a community of over 400 other certified brands. Unlike some other certifications, Climate Neutral requires companies to include scope 3 emissions as well as scope 1 and 2 in their calculations (for consumer products companies that do not self-manufacture, Scope 3 emissions can typically account of the lion's share of total emissions).

In September, we also received SCS Global's Carbon Neutral certification, which used the product specific carbon emissions determined by our LCA results to certify carbon neutrality on a product-by-product basis. SCS Global is an international leader in third-party certification, validation, and verification for environmental quality performance claims, and PopSockets' achievement of this certification is recognized by Amazon as a qualifier for its Climate Pledge Friendly badges, which are now featured on 90% of our products sold on that marketplace.

Scopes as defined by the Greenhouse Gas Protocol:

Scope 1 - Direct GHG emissions occur from sources that are owned or controlled by the company
Scope 2 - GHG emissions from the generation of purchased electricity consumed by the company
Scope 3 - All other indirect emissions that are a consequence of the activities of the company, but occur from sources not owned or controlled by the company



EMISSIONS OFFSETTING AND REDUCTION

PopSockets is partnering with two young and innovative organizations, Farmlink and Climate Refarm, to invest in climate solutions that reduce food waste and facilitate the transition to plant-rich diets. According to Project Drawdown, these the two most impactful strategies to combat global climate change, and our choice to address the gaps in our operational emissions by supporting offset partners that focus on the intersection between environmental stewardship and global food inequality is an important part of the The Future is Plant-Based strategy.

The Farmlink Project rescues would-be produce waste from farms and donates it to local food banks, providing nutritious produce to families in need while also avoiding carbon and methane emissions from food that would otherwise rot. While Farmlink works to get these innovative carbon credits certified, PopSockets has purchased more traditional credits through the same organization. Offsets for our 2021 emissions, purchased in 2022, were generated by plant-adjacent projects offered through the Farmlink portfolio, including a renewable energy project in China that uses agricultural waste to displace fossil-fuel based energy, and a landfill gas recovery project in Florida that reduces methane emissions. Our 2022 emissions offsets will also be purchased through Farmlink, with plans to start using both Farmlink's and Climate ReFarm's original, Verra approved credits to offset 2023 emissions.

In addition to offsetting our current emissions, PopSockets has committed to reduce 2021 emissions 50% by 2030 by focusing on materials used in our products, renewable energy in our supply chain, and supporting a transition to plant-rich diets. Our emissions reduction plan formalizes the steps we are already making towards transitioning a portion of virgin petroleum-based materials to high quality plant-based and recycled alternatives in our key product lines. The plan encompasses the development of our PlantCore products and the promotion of the Plants + Perks app and programming, in addition to encouraging the use of renewable energy at certain facilities and managing our production mix to drive increased efficiency across facilities. We have already taken steps towards fulfilling this plan by converting all of the power at our Boulder, CO headquarters to Windsource through Xcel Energy.

PACKAGING AND CIRCULARITY

We continue to support product life cycle circularity through curbside and bespoke recycling programs that cover the vast majority of PopSockets' products and packaging.

In order to streamline participation in our TerraCycle partnership, we offer free recycling on all of our own products and phone cases of any brand, and provide a pre-paid, pre-addressed shipping label and recycling instructions in the recyclable and reusable mailer for each product we send out. The labels can be affixed directly to the mailer that was received and sent back to our Boulder headquarters, where products are sorted before being shipped in bulk to TerraCycle for recycling. We also continued our partnership with Tricked Out Accessories that launched in December 2021. Twenty-one stores in Hawaii, Idaho, and Utah now have custom collection boxes for customers to recycle their PopSockets products, packaging, and phone cases.

In 2022 we converted the remaining 1% of our PET blisters to recycled PET, and we continue to explore ways to reduce further or eliminate single-use virgin plastics from packaging. We also converted all of our ecommerce mailers for European countries to our sustainable recycled paper mailer envelopes. All of these steps towards more sustainable packaging are in step with our joining the Responsible Packaging Movement & Sustainable Packaging Coalition this year, which represent our ongoing commitment to pursue the lowest impact packaging options possible.

99%

FSC certified &
recycled paperboard

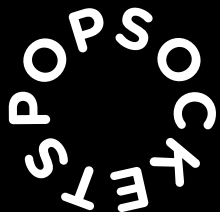
5,416lbs

recycled through
TerraCycle

23,790lbs

recycled through the
PopSockets recycling
program

PEOPLE



Alignment with UN Sustainable Development Goals



PEOPLE SUMMARY

PopSockets employees are integral to our impact work at every level of the company. From cross-departmental collaboration on major goals to individual action to minimize our environmental footprint and support the causes that mean the most to us, the desire to make a difference is woven into the fabric of our corporate culture.

We aim to support employees in embracing lifestyles that are good for both people and the planet, and we have continued to develop new perks and opportunities to further that goal. PopSockets continues to offer paid time off to support employees donating time to volunteer their time and effort to the cause of their choosing. In 2022 PopSockets employees contributed a total of 288 hours to their chosen mission-driven organization. We were also thrilled to add Plants + Perks as our newest employee benefit, available to everyone in the company, including interns and contract workers. Employees participated in cooking classes, made pledges for plant-forward dietary changes, and traded ideas and information about the best planet-friendly products and practices. We continue to offer a comprehensive suite of other perks and benefits, including ThrivePass stipends, tuition/education reimbursement and sabbatical opportunities, robust healthcare, retirement plans, parental leave, paid time off, and company holidays. 2022 also marked the third year of our Women in Leadership Employee Resource Group, an employee led group focused on leadership and networking.

2022 was a year of growth and continued adaptation for our global team and supply chain partners. 65 new employees joined us, of which 54% identify as women and 46% as men. The covid-19 pandemic changed the way we think about how we work and interact with our colleagues, and we continue to offer employees the opportunity to continue working remotely as needed in the way that best suits their needs and lifestyle. The contributions of our employees in the US, Latin America, Asia, and Europe inform our perspective, drive the innovation and design behind our products, and allow us to take advantage of a diversity of skills and experiences to ensure that PopSockets maintains its path towards being a truly impactful company. We fostered a culture of collaboration and inquiry by continuing our Impact Chats series into 2022, featuring The Farmlink Project, Doctors Without Borders, Partnership for a Healthier America, It Gets Better Project, and Mercy for Animals. These educational programs allow a space for all PopSockets team members to learn about our impact work, ask questions, and create a toolkit for integrating those values into their own lives and lifestyles.

SOCIAL IMPACT SUMMARY

PopSockets has prioritized giving back to the causes important to our customers and fans since the launch of the first iteration of our Poptivism program in 2018. For each nonprofit partner grip purchased, we donate 50% of the cost of the grip to that organization, and Poptivism, along with our other donation programs, has allowed us to generate more than \$4,000,000 in aggregate donations.

This year we continued to donate products to the Rocky Mountain chapters of the ALS Association and Parkinson's Association of the Rockies, mobility organizations local to our Colorado headquarters. These donations help people with mobility issues hold and interact with their phones in a more secure and convenient way. We have also now facilitated \$125,676 in donations to a range of nonprofit partners via ChangeUp, which allows customers to round up their purchases on popsockets.com in support of featured causes.

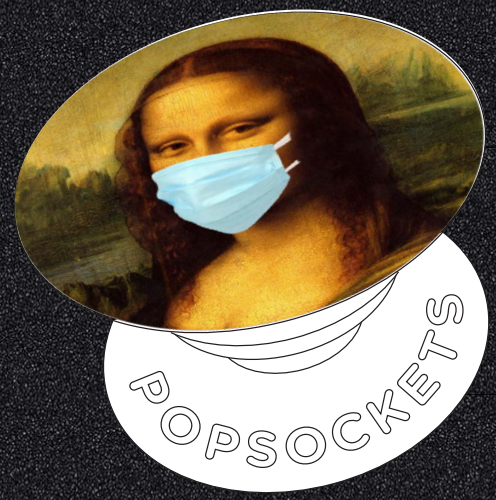
We have continued to refine and develop our engagement strategy for our nonprofit partnerships over the course of the program's existence. In 2020, we moved from independent design submissions by artists, influencers, and customers in support of their favorite causes to allowing our nonprofit partners to curate their own range of custom PopGrips designs and submit them directly to PopSockets. In 2021, we decided to amplify the impact of our donations by focusing the number of partner organizations from over 400 to just over 40, spanning the three key and intersecting themes of Environment, Food & Animals; Expression, Equity & Inclusion; and Global Health & Wellness. In 2022, we took steps to align even more closely our nonprofit partnerships with our core impact goals, deepening our support for organizations focused on climate change and inequality per our Future is Plant-Based framework.



BEST BUY TEEN TECH CENTER MENTORSHIP PROGRAM

2022 marked PopSockets' second year in partnership with the Best Buy Teen Tech Centers to support the career exploration and development of a diverse group of teen designers. Teen Tech Centers provide a safe and creative after-school learning environment where teens can develop design and technology skills under the guidance of experienced mentors and gain hands-on experience in competitive fields. A team of 14 PopSockets mentors worked directly with 21 Black, Latinx, and LGBTQ+ teens to develop their own PopGrip designs to be sold on the PopSockets and Best Buy websites. PopSockets is proud to partner with Best Buy to provide engaging programming that aims to build a diverse pipeline of creative talent in the consumer goods space.





PARTNER IMPACT HIGHLIGHTS

Below is a snapshot of some of the tangible impacts generated through our donations and collaborations with our nonprofit partners:

Supported lifesaving therapeutic food to treat 27 children suffering from severe malnutrition through Doctors without Borders



Allowed the ENA Foundation to provide 4 virtual continuing education opportunities for emergency nurses



Funded over 41 hours of research to support the Breast Cancer Research Foundation's researchers in their vital work

Provided clean water for a year for 22 people through charity:water

Helped fund 104 paid STEM internships for participants in Colorado through Girls, Inc.

Donated grips to 14 teacher classrooms to support the creation of sensory boards and student concentration aids





Planted 203,386 trees via Trees for the Future to date

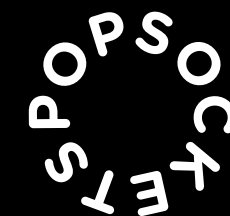


Funded 344,046 servings of fruits and vegetables via Partnership for a Healthier America



Donated \$16,500 to Farmlink through Giving Tuesday promotion

RESPONSIBLE SOURCING



Alignment with UN Sustainable
Development Goals



LABOR SUMMARY

2022 was an exciting year for advancing our strategy for improving the welfare of workers throughout our supply chain. One key development was the completion of our accreditation process through the Fair Labor Association (FLA), with which we have maintained a relationship since we joined in 2018. We also published our commitment to fair compensation and living wages and continued the process of engaging suppliers to reduce our scope 3 emissions, in line with the carbon reduction plan we created as a part of our carbon certifications process.

We continued our relationship with Ulula, a leading stakeholder engagement partner for responsible supply chains. Ulula leverages their innovative survey platform to gather insights about how workers feel about their working conditions. They also facilitate feedback to PopSockets through both survey responses and a worker grievance hotline, which allows us to address and improve the working conditions for over one thousand workers across four factories in China. Thus far, we have worked with our supply chain partners to address issues such as understanding wage slips, curbing excessive working hours, and making canteen improvements, and plan to continue this partnership into the future.

In an effort to maintain and improve working conditions and opportunities for all of our global supply chain workers, we continued our engagement with our partners PSYDEH (Psicología y Derechos Humanos), a nonprofit specializing in women's empowerment and human rights training for workers. In 2022, the partnership empowered line leaders at our Wisconsin factory by providing human rights-centric leadership development training. We also maintained our membership in the Americas Group, a collaborative group of brands and civil society organizations, which provides PopSockets with insights into local legal and cultural issues in the areas of our Mexico operations to better inform conversations about improvement in working conditions.

FAIR LABOR ASSOCIATION

As of July 2022, PopSockets is an accredited member of the FLA, joining a forward thinking community of companies worldwide that have achieved full accreditation. The FLA is dedicated to protecting worker rights across the globe in the apparel, footwear, and agriculture industries, and we are proud to have achieved this status after an intensive review of our labor rights program policies and procedures, and holistic analysis on the positive impact our labor practices have on workers throughout our global supply chain.

As part of the accreditation process, the FLA reviewed several key components of our worker engagement policies and procedures including the implementation of a living wage standard, provision of incentives for suppliers that show consistency or improvement, grievance procedures for workers and meaningful remediation strategies, and an extensive training program to educate its headquarters staff and inform suppliers on policies and programs relating to labor rights and sustainability issues.

FAIR COMPENSATION PLAN

The PopSockets Supplier Code of Conduct calls for the right of workers throughout our global supply chain to fair compensation, and as part of our responsible sourcing efforts in alignment with our partnership with the FLA, we published our public commitment to fair compensation in 2022. This commitment sets a series of goals to 2025, and includes not only benchmarks for a fair hourly wage, but also initiatives to reduce average overtime required of workers to within legal limits. Our goal is to raise wages for 30% of our global workforce to meet levels in alignment with the Global Living Wage Coalition by 2023, and we are pursuing this through engagement with our suppliers in China and Mexico to produce costing estimates for the rollout of this program. We have also committed to pursuing purchasing practices that do not result in excessive overtime.

“Fair Labor Accreditation is a tangible example of PopSockets’ commitment to driving long-lasting, positive change to improve workers’ lives. Our evaluation of PopSockets’ social compliance program documents that the company has effective systems in place--from headquarters to factory floors--that protect workers in their global supply chain.”

Sharon Waxman, FLA President and CEO

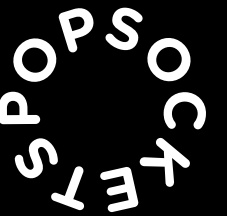
SCOPE 3 EMISSIONS AND SUPPLIER ENGAGEMENT

As part of our emissions reduction efforts, we are working to empower partners throughout our supply chain to make better environmental decisions and be proactive in reducing their own emissions. The landscape for improving environmental performance on a company-by-company basis is varied and complex, and our strategy of encouraging independent action on the part of our third party suppliers has already seen success, with one of our major suppliers transitioning their operations to renewable energy in 2022. We continue to support our other suppliers in strategizing a path towards identifying inefficiencies in electricity use and pursuing increased use of renewable energy going forward, and expect to see increased reductions in our scope 3 emissions heading in to 2023.

PopSockets also engages suppliers in capacity-building efforts on labor rights and sustainability. We host an annual supplier summit where we introduce cutting edge topics to our suppliers through guest speakers, breakout groups, and collaborative activities. Suppliers from all levels in our supply chain are present for the multi-day summit. In 2022, we covered the topics of forced labor and responsible recruitment. Previous years topics have included grievance mechanisms, women's empowerment, and introduction to climate change.



APPENDIX



ALIGNMENT WITH UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

TOPIC	DESCRIPTION	SDGs
OVERALL EMISSIONS	In 2022, our scope 1 emissions were 2.8 metric tons of CO2, our scope 2 emissions were 10.67 metric tons of CO2, and our scope 3 emissions were 8,932.8 metric tons of CO2.	13
SHIPPING RELATED EMISSIONS	In 2022 154.32 metric tons CO2 of our total shipping-related emissions were offset by DHL's offerings.	13
CARBON DISCLOSURE	We continued reporting to CDP, EcoVadis, and Walmart's Project Gigaton.	13
CARBON CERTIFICATIONS	In 2022 we became certified on a company level through Climate Neutral, and on a product level through SCS carbon neutral, using 2021 data as a baseline for reducing carbon emissions to 2030.	13
CARBON OFFSET PARTNERSHIPS	We partnered with Farmlink and Climate ReFarm to support the development of innovative food diversion offsets as part of our emissions offsetting strategy.	13 15
PLANT-BASED MATERIALS	In 2021 we brought to market our long-anticipated 35% plant-based collection, which utilizes castor beans, canola oil, and cornstarch. This was a critical first step in transitioning our portfolio to plant-centric materials wherever possible.	9 12
PAPERBOARD IN OUR PACKAGING	We have increased our recycled and sustainably forested paperboard packaging to 99% of our total portfolio.	12
PLASTICS IN OUR PACKAGING	In 2022 we maintained our practice of having less than 1% of our packaging made of plastic, and converted all plastic used to rPET.	14
DONATIONS GENERATED THROUGH NONPROFIT PARTNERSHIP PROGRAM	In 2022 we donated \$61,800 to our nonprofit partners through our eCommerce collections.	2 3 4 5 6 7 8 10 12 13 14 15

TOPIC	DESCRIPTION	SDGs
DONATIONS FACILITATED THROUGH CHANGEUP AT CHECKOUT	Via the ChangeUp option at checkout on our website, we facilitated \$40,285 in donations to a range of nonprofits.	2 3 4 5 6 7 8 10 12 13 14 15
PRODUCT DONATIONS	We donated \$56,000 worth of products to the Rocky Mountain chapters of the ALS Association and Parkinson’s Foundation to support people with mobility disorders.	3
PLANT POSITIVE	We continued the Plant Positive initiative with Partnership for a Healthier America (PHA) to help fight the climate crisis and food inequity. The program was so successful in its first year that we extended the donation goal and donated 344,046 servings in 2022.	2 3 10 13 14 15
BEST BUY TEEN TECH CENTER MENTORSHIP PROGRAM	PopSockets’ Best Buy mentorship program aims to cultivate a pipeline of diverse designers, and in 2022, PopSockets mentees designed 14 grips that raise money to support Best Buy's Teen Tech Centers.	4 10
EMPOWERMENT IN OUR GLOBAL SUPPLY CHAINS	We partnered with several nonprofit organizations to empower global supply chain workers, including BSR's HERproject HERhealth in China, a program that ensures that female workers in our supply chain have appropriate access to healthcare, and PSYDEH (Psicologia y Derechos Humanos), a Mexico-based nonprofit that specializes in women's empowerment.	3 5 8
FLA	In 2022 we achieved full FLA accreditation after several years of working towards this goal while maintaining Participating Company status.	1 8 17
FAIR COMPENSATION	In 2022, we published our public commitment to fair compensation and living wages. Our 2025 goals are to raise average net wages for 30% of our suppliers’ workforce to Global Living Wage Coalition levels, and reduce average overtime to within legal limits.	1 2 8 10

SASB TABLE

MANAGEMENT OF CHEMICALS IN PRODUCTS

CODE	ACCOUNTING METRIC	RESPONSE
CG-AA-250A.1	Discussion of processes to maintain compliance with restricted substances regulations.	PopSockets tests all of our products to strict standards to ensure they comply with restricted substances regulations. All manufacturers are required to conduct testing both proactively on newly developed and existing products with their preferred local third party provider in accordance with our restricted substances list, which factories are expected to meet at all times. Our list is built upon U.S. Consumer Product Safety Commission, Restriction of Hazardous Substances Directive (RoHS), EU REACH, and California Proposition 65 regulations. We also test for several additional substances of concern relevant to the materials used in our products and any emerging materials of concern. After this initial round of testing, PopSockets conducts a second round of testing for restricted substances on an as-needed basis with Intertek, per the requirements of our retail partners. PopSockets' partnership with Intertek extends to conducting restricted substance list retesting of active materials on an annual basis. We also audit SDS/TDS sheets from material suppliers to verify that there are no SHVCs in use. We enforce corrective actions on suppliers by requiring 8D documentation of the corrective actions for any non-conformance. Any goods suspected of non-conformance are scrapped at the suppliers cost. We do not allow shipments from suppliers of any products with non-conformance issues until they provide proof of remediation (through 8D report) and retesting of material after corrective action.
CG-AA-250A.2	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products.	In addition to the processes we maintain to ensure compliance with restricted substances regulations, we also include chemical safety for workers as part of our annual Supplier Code of Conduct audit process. Our HSE Standards, available on our website here, contain language regarding chemical safety in Section HS.16.

ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN

CG-AA-430A.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreement	TIER 1: 100%BEYOND TIER 1: 100%
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CODE	ACCOUNTING METRIC	RESPONSE		
CG-AA-430A.2	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Sustainable Apparel Coalition’s Higg Facility Environmental Module (Higg FEM) assessment or an equivalent environmental data assessment	TIER 1:	100%	BEYOND TIER 1: 16% But, these comprise 91% of business. We evaluate environmental performance through our Supplier Code of Conduct (COC) audits (see description under CG-AA-430b.1), which leverage our publicly available HSE Standards.
LABOR CONDITIONS IN THE SUPPLY CHAIN				
CG-AA-430B.1	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a labor code of conduct, (3) percentage of total audits conducted by a third-party auditor	TIER 1:	100%	BEYOND TIER 1: 16% But, these comprise 91% of business. We evaluate environmental performance through our COC audits, which leverage our publicly available Labor Standards, here.
				TOTAL AUDITS: 100% PopSockets published the first iteration of our publicly-facing Supplier Code of Conduct in 2016. Since then, we have conducted annual audits for all our Tier 1 and Tier 3 facilities, and our most business-critical Tier 2 facilities. Our audit protocols are aligned with internationally accepted standards such as the International Labour Organization (ILO), the Fair Labor Association (FLA), and business partner requirements. Following the issuance of audit reports, PopSockets collaborates with suppliers on root cause analysis to ensure sustainable remediation of issues found.
CG-AA-430B.2	Priority non-conformance rate and associated corrective action rate for suppliers’ labor code of conduct audits	In 2022, 72% of all findings were Corrected or Partially Corrected in 120 days or less. 90% of findings were of “major” prioritization, and 10% were of “minor”. There were no Zero Tolerance issues found in 2022. 77% of major issues were remediated in 120 days or less. 40% of minor issues were remediated in 120 days or less.		

CODE	ACCOUNTING METRIC	RESPONSE
CG-AA-430B.3	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	LABOR RISKS Process for evaluating risk: Evaluating labor rights risks utilizes a combination of our own COC audit results data and our affiliation with the Fair Labor Association (FLA). Our audit results analysis points to topical areas where PopSockets needs to make the most progress in improving working conditions. Our affiliation with the FLA keeps us informed about other ongoing topics in labor rights, allowing us to proactively integrate these issues into our labor rights program through audits, training, and improving our own COC and Standards. As an example, a major change we made to our COC in 2020 was to create a dedicated section for worker voice & protections. This highlighted the industry trend towards worker voice as a significant “beyond compliance” topic that PopSockets felt empowered to take a firm stance on through our COC. Risks to PopSockets as a brand: One of the greatest risks to PopSockets as a brand is scrutiny of our purchasing practices by external stakeholders and how they may impact workers in ways we do not anticipate. We have a purchasing practices policy jointly managed by Costing, Supply Chain, and Responsible Sourcing functions to mitigate this. We also conduct supplier surveys to understand their views on how our purchasing practices may impact their business and, by extension, their workforce. We also face risks related to the non-vertical parts of our supply chain, such as our Tier 2 supplier base. Our lack of a direct contractual sourcing relationship with Tier 2 suppliers means we have less leverage to influence how workers in these facilities are treated. We address this by including clauses in our contracts with our Tier 1 suppliers obligating and training them to engage meaningfully with Tier 2 suppliers on labor rights. Major Tier 2 suppliers are also included in our labor rights audit program so we can monitor, collect data and gain insights into working conditions at these facilities. Another area of risk is our understanding of our supply chain beyond Tier 3. Tier 4 and beyond for us are plastic resin manufacturers. We understand who these facilities are in terms of their names and addresses through purchase orders, but as commodities have not yet engaged directly with these manufacturers on labor rights. Many are orders of magnitude larger than PopSockets, and likely require a concerted effort by several brands to gain insights into working conditions. Risks to workers: We know from our 2022 COC audit cycle that findings related to working hours posed the most risk to workers, at 19% of all findings. Wages & benefits (14% of all findings) and transparency (3% of all findings) were the second and third most numerous labor rights violations.

CODE	ACCOUNTING METRIC	RESPONSE
CG-AA-430B.3 CONTINUED	Description of the greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	ENVIRONMENTAL, HEALTH, AND SAFETY RISKS Process for evaluating risk: Evaluating environmental, health, and safety risks relies on our COC audits and our relationship with the Fair Labor Association (FLA). Our audit results point to specific topical areas within HSE where PopSockets can partner with suppliers to improve working conditions. We also leverage resources from the FLA to keep informed about emerging HSE issues. Because the FLA has been at the forefront of disasters such as at Foxconn in 2012, we rely on their expertise in this area to build stronger HSE Standards. Risks to PopSockets as a brand: The largest risk to PopSockets as a brand is a potential factory disaster. Even though PopSockets was not directly impacted by factory disasters such as Rana Plaza in 2013, the reverberation of these events continue to be felt as we build our HSE Standards to be their most stringent. For example, blocked exits are a Zero Tolerance issue in our COC audits and during our pre-sourcing assessments. Risks to workers: We know through our 2022 COC audit cycle that ergonomics was our top HSE issue at 8% of all findings. Soil and groundwater pollution prevention, personal protective equipment, emergency preparedness, and electrical safety each comprised 6% of all findings in our 2022 COC audits, demonstrating that workers in our supply chain face a variety of health, safety, and environmental risks. More about our risks and how we manage them can be found in our modern slavery disclosure available here.

RAW MATERIALS SOURCING

CODE

ACCOUNTING METRIC

RESPONSE

CG-AA-440A.3

(1) List of priority raw materials; for each priority raw material: (2) environmental and/or social factor(s) most likely to threaten sourcing, (3) discussion on business risks and/or opportunities associated with environmental and/or social factors, and (4) management strategy for addressing business risks and opportunities

PopSockets has two main categories of priority raw materials: plastic resins made from traditional fossil fuel sources, and plastic resins from plant-based sources.

TRADITIONAL FOSSIL FUEL-BASED PLASTIC RESINS

In 2022, PopSockets purchased 223.3 metric tons of traditional plastic resins.

Environmental & Social Factors:

For traditional plastics, our environmental and social factors that threaten sourcing are aligned with the general use of fossil fuels as an input source for our resins. We rely on an increasingly finite resource whose extraction is strongly linked to elevated greenhouse gas emissions. The energy consumption required for converting fossil fuel raw materials into plastic resins also poses a risk to our sourcing as energy becomes more expensive. The end-of-life of traditional plastic resins presents a problem for PopSockets in that these products are not easily recyclable. On the social side, there is much documented evidence regarding the working conditions in the extractives sector. Social impacts and the backlash against them may cause sourcing difficulties for resin manufacturers and therefore for PopSockets.

Business Risks & Opportunities

Our main risk to the business from these factors is the relationship between the cost of our resins and the cost of oil. We have already felt the effects of higher oil costs on our traditional resins costing. PopSockets also sees many of the factors related to traditional plastic resins as opportunities to adjust our manufacturing processes and sourcing decisions. One opportunity is to use high cavity molding practices to minimize our overall plastics usage in the injection molding process, leading to less waste and less overall consumption of traditional resins. We also can develop progressive recycling options that solve our recycling challenges, including our ongoing relationship with TerraCycle and developing products using our own waste. On social risks, we can manage our priority materials suppliers as Tier 3 suppliers under our monitoring policy, which requires annual human rights due diligence for all Tier 3 suppliers on an annual basis.

Management Strategy:

Our management strategy to seize the opportunities and mitigate the risks related to sourcing traditional plastic resins include training employees on best practices for efficient molding and encouraging continuous improvement in finding efficiencies in our manufacturing processes. PopSockets also aims to address risks and opportunities by setting baselines and future targets for traditional plastic resin used in our products. To address the risk related to costing, we will develop relationships with our core resin suppliers to mitigate the impact of cost fluctuations. We will also extend our monitoring policy to include resin suppliers as Tier 3 suppliers for human rights due diligence considerations. Where possible, we are also working with our existing suppliers to define backup options for priority materials where possible.

CODE	ACCOUNTING METRIC	RESPONSE
CG-AA-440A.3 CONTINUED	(1) List of priority raw materials; for each priority raw material: (2) environmental and/or social factor(s) most likely to threaten sourcing, (3) discussion on business risks and/or opportunities associated with environmental and/or social factors, and (4) management strategy for addressing business risks and opportunities	PLANT-BASED PLASTIC RESINS PopSockets has identified four plant-based plastic resins as part of our efforts to reduce the carbon footprint of our materials inputs. All four resins are USDA Certified BioPreferred. In 2022, we purchased 26 metric tons of plant-based resins. Environmental & Social Factors: The factors that threaten sourcing of plant-based plastic resins deal largely with the intersection between resin development and the agricultural inputs used for them. One major factor is land use; land use change, deforestation, or the displacement of local communities that could happen in the production of plant-based resin run counter to our sustainability goals. Any instance where land used to produce our plant-based resins competes with land for food growth is also a threat to our overall sourcing goals. Related to specific agricultural practices at the farm level, water consumption and access to sufficient sources of water that are not competing with sources for other uses such as for personal use is a threat to our sourcing at the systemic level as water becomes an increasingly scarce resource. Inadequate information regarding agricultural practices such as pesticide use and labor practices prevents us from making informed decisions about relationships with plant-based resin suppliers. Business Risks & Opportunities: PopSockets’s primary risk from sourcing plant-based resins is the currently unknown impact climate change will have on resin pricing. As water and land become scarcer, we anticipate these wider global issues will impact resin costing. With the rapid evolution in sophistication and use case abilities of plant-based plastic resins, PopSockets sees an important opportunity to integrate plant-based resins across our portfolio as part of our efforts to reduce our carbon footprint. We began selling products with plant-based resins in late 2021 and have since expanded the use of these resins across more product categories. Continuing our relationships with our plant-based resin suppliers gives us increased leverage to gather more information from them regarding land use threats and future improvements to agricultural practices. We can also incorporate plant-based resin suppliers into our human rights due diligence efforts as Tier 3 suppliers, requiring due diligence activities annually. Management Strategy: Our management strategy for integrating plant-based plastic resins into our products is to highlight the use of these resins in our marketing materials by explaining to the public how using these materials lowers our carbon footprint. We are actively monitoring global trends for potential impacts to feedstocks to prepare for any costing impacts. We regularly engage with our suppliers to understand their work on sustainable land management practices and have made our sustainability goals an important pillar in our sourcing discussions. However, at this time we must rely on the resin manufacturers to implement responsible purchasing practices, collaboration between suppliers and stakeholders, and ensuring ethical feedstock production. PopSockets also plans to roll out our monitoring policy and human rights due diligence requirements to plant-based resin suppliers.

CODE	ACCOUNTING METRIC	RESPONSE
CG-AA-440A.4	(1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material that is certified to a third-party environmental and/or social standard, by standard	Of our nine priority raw materials, 45%, are USDA Certified BioPreferred.
ACTIVITY METRICS		
CG-AA-000.A	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	TIER 1: 10 BEYOND TIER 1: 38 Public factory list available here.

THANKS TO OUR PARTNERS

SUSTAINABILITY

BRIGHTEST
CHANGEUP

CLIMATE NEUTRAL
ECOENCLOSE

SCS GLOBAL SERVICES
TERRACYCLE

TRICKED OUT ACCESSORIES

LABOR

FAIR LABOR ASSOCIATION
PSYDEH

ULULA
SUMERRA

FOOD

PARTNERSHIP FOR A HEALTHIER AMERICA
BACK TO THE ROOTS

BEYOND MEAT
HUNGRY PLANET

GTFO IT’S VEGAN
WILD EARTH

THANKS TO OUR PARTNERS

SOCIAL EQUITY AND INCLUSION

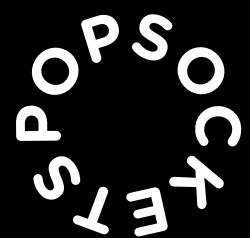
AMERICAN CAMP ASSOCIATION
BEYOND DIFFERENCES
GIRLS INC
GLSEN
HATE IS A VIRUS
IT GETS BETTER PROJECT
KNOW YOUR RIGHTS CAMP
MALALA FUND
SHE SHOULD RUN
SHE’S THE FIRST
STONEWALL COMMUNITY FOUNDATION
TEEN TECH CENTERS

ENVIRONMENT, FOOD, AND ANIMALS

ACTION FOR THE CLIMATE EMERGENCY
AMERICAN SHARK CONSERVANCY ASPCA
ECOLIFE CONSERVATION
GRID ALTERNATIVES
LIVING LANDS & WATERS
MERCY FOR ANIMALS
PROTECT OUR WINTERS
RAINFOREST TRUST
SHELDRIK WILDLIFE TRUST
THE FARMLINK PROJECT
THE GOOD FOOD INSTITUTE
TREES FOR THE FUTURE
VEGAN OUTREACH
WILDLIFE CONSERVATION NETWORK
YOUTH OCEAN CONSERVATION SUMMIT

HEALTH & WELLNESS

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AMERICAN FOUNDATION FOR SUICIDE PREVENTION
AMERICARES
ARTHRITIS FOUNDATION
BREAST CANCER RESEARCH FOUNDATION
CHARITY: WATER
CHARLIZE THERON AFRICA OUTREACH PROJECT
DOCTORS WITHOUT BORDERS
ENA FOUNDATION
MARCH FOR OUR LIVES
PARKINSON’S ASSOCIATION OF THE ROCKIES
RAINN
SHE IS MORE THAN
THE JED FOUNDATION
TO WRITE LOVE ON HER ARMS



2022

IMPACT REPORT