GROUP Ō®

ANNUAL SUSTAINABILITY REPORT

2023

GROUP Ō ®

From our
OWNER

Group O recognizes the need for sustainable business practices and has a strong desire to do our part to keep our planet, our people, and our economy flourishing. We have placed a high priority on sustainability since 2008 when we implemented our **purpose|tomorrow** leadership team which was created to act as the sustainability body for our organization. With a focus on giving back to the communities in which we live and work and with keeping our employees "healthy, wealthy, and wise" through various programs, **purpose|tomorrow** has logged thousands of hours of sustainable activity from volunteering to educational seminars.

We made the decision to add the GRI report to our other initiatives in order to further our commitment to sustainability and foster the transparency which has become so crucial to the overall health of an organization.

As our business has grown, so has our impact on the environment which we work to keep as minimal as possible. It also provides us with additional opportunities to grow and improve the communities and people around us.

As we look to the future, we are excited to grow and work to continually improve while keeping with the core values on which we were founded.

Onward and Upward!

Gregg Ontiveros
Principal Owner

General Disclosures

Name of the Organization

Group O Inc.

Activities, Brands, Products, and Services

Markets Served

Cutting-edge solutions from Group O meet the needs of Fortune 100 clients across a broad range of industries, including food and beverage, telecommunications, manufacturing, consumer packaged goods, retail, financial services, pharmaceutical, healthcare, technology, public sector, and energy.

Group O accomplishes serving these markets through our main divisions of: Incentive Marketing Solutions, Supply Chain Solutions, Managed Mobility Solutions, and Packaging Solutions. Group O provides services across the United States and internationally as dictated by client need.

Location of Headquarters

Location of Operations

Group O Headquarters is at 4905 77th Avenue, Milan, IL 61264, with additional operations in Minnesota, Texas, Pennsylvania, and Mexico.

Ownership and Legal Form

Group O is a privately held S-corporation.

Scale of the Organization

Information on Employees and Other Workers

At the end of the reporting period, Group O employed a total of 1,116 employees across 10 locations. Information on temporary workers was not available as Group O uses staffing agencies for temporary work and they are not Group O employees. As a private company, Group O does not disclose financial information publicly.

Supply Chain

Group O employs a multitude of suppliers through our various supply chains. Our main business units apply various methodologies to complete their supply chain. Group O has some mandated suppliers, based on our clients' requirements, but when possible, we use locally sourced suppliers. Industries served through our supply chains include: Agricultural, Construction, Packaging, Forestry, Rework, Mobile Devices, Reverse Logistics, Logistics Management, Branding, Marketing, Quoting, Indirect Purchasing.

Significant Changes to the Organization and its Supply Chain

Momentive business was onboarded in Milan, IL in 2021. Mexico Operations opened a new warehouse in 2022.

Precautionary Principle or Approach

Group O strives to apply the precautionary approach as part of our overall risk management program. Our robust risk and opportunity assessment program requires Top Management involvement and active participation from internal stakeholders. We employ the Riskonnect BCP software for business continuity planning and risk/ opportunity assessment planning.

All Risk and BCP data is reviewed at least annually to ensure that we continue to meet client expectations while capitalizing on available opportunities.

External Initiatives

EcoVadis, CDP, Sedex, TIA QuEST Assessor, ISN

Membership of Associations

United States Hispanic Chamber of Commerce

National Minority Supplier Development Council

Institute for Supply Management

Association of Proposal Management Professionals

Values, Principles, Standards, and Norms of Behavior

Purpose Statement: We believe in expanding what's possible so together we redefine the journey to success.

Group O also has several policies, on which employees are trained, related to safety, compliance, ethics, standard conduct, complaints and whistleblowing, and harassment.

Governance Structure

Our governance structure is comprised of a board of directors which oversees the executive leadership team. The purpose|tomorrow leadership team which includes members of executive leadership is responsible for decision making on economic, environmental, and social topics.

We take **PRIDE** in our Core Values

PARTNERSHIP
Demonstrate passion for creating strong, professional, long-term partnerships built on trust and integrity.

RESPECT
Earn and show respect through ethical behavior, collaboration, and hard work.

INNOVATION
Challenge conventional thinking to develop innovative solutions that drive new standards of excellence.

DEDICATION
Be dedicated to the success of our employees, clients, and communities.

EXCELLENCE
Strive to achieve excellence by delivering the highest quality customer service and business solutions.

Working together to achieve *Success*

List of Stakeholder Groups

Employees and workers

Customers/Clients/End Users

Suppliers

Regulatory Bodies

Local Communities

Board Members

Collective Bargaining Agreements

Group O does not have any collective bargaining agreements.

Identifying and Selecting Stakeholders

Group O sees stakeholders as individuals or groups of individuals that significantly affect or are affected by the organization. Group O's executive team analyzes the organization frequently to ensure we have identified the appropriate stakeholders. Stakeholder analysis is a fluid process; as the organization evolves, so does its stakeholders.

Approach to Stakeholder Engagement

Employees/Workers – Annual Employee Engagement Survey, Open Door policy for communication

Group O and its stakeholder network participate in open dialogue to ensure that all requirements are met for both parties.

Tools for communication and data capture for determination of material topics include:

Customer and supplier surveys

Customer and supplier feedback meetings, phone-calls, onsite meetings

Community engagement activities, including partnering with local charities, community leaders, membership in local groups and committees (e.g. chamber of commerce)

Key Topics and Concerns Raised

Concerns raised by our clients and handled through the Client Services department. Questions and concerns related to sustainability data are handled through either our purpose|tomorrow committee or our sustainability team on a case by case basis.

Entities Included in the Consolidated Financial Statements

Group O is a privately held company and, as such, does not disclose financial statements or the like.

Defining Report Content and Topic Boundaries

Stakeholder Inclusiveness: Stakeholders are engaged through various means including surveys, meetings, requirements gathering, etc. The results of these activities are consistent with the material topics included in this report.

Sustainability Context: We strive to present our performance in a manner appropriate to the sustainability context based on the impacts related to the material topics.

Materiality: All material topics were chosen based on the impact our organization has on them or their influence on stakeholders.

Completeness: Group O strives to be as accurate and transparent as possible. This report is designed to show the significant impacts of Group O to the environment, the economy, and society. Instances where information was either unavailable or incomplete are noted in the GRI Content Index.

List of Material Topics

Health and Safety

Cyber Security

Human Rights and Fair Employment

Community Engagement

Diversity

Employee Engagement

Recycling and Waste Management

Water

Energy

Business Ethics

Restatements of Information

There are no restatements of information.

Changes in Reporting

There are no changes in reporting.

Reporting Period

Date of Most Recent Report

Reporting Cycle

Our 2023 report is compiled from data generated in the 2022 calendar year. Future reports will be generated on an annual basis.

Contact Point for Questions Regarding the Report

Please contact our sustainability team at QASustainability@GroupO.com

Claims of Reporting in Accordance
with the GRI Standards

This report has been prepared in accordance with the GRI Standards: Core Option

GRI Content Index

The GRI Content Index is located on Page 20

External Assurance

This report has been prepared without external assurance; however, it is our goal to be accurate and transparent regarding all information contained in this report.

Management Approach

Explanation of the Material Topic and its Boundary

All of our material topics were chosen based on the impact our organization has on them or their influence on stakeholders. We reviewed standard material topics and chose the most relevant based on stakeholder engagement and internal review of impacts. The boundaries for all topics are the significant locations of operation and the surrounding areas.

The Management Approach and its Components

Evaluation of the Management Approach

The organization will explain how it manages its material topics and why it matters to the organization.

Unless otherwise stated, we are working to establish goals and targets as 2018 is to serve as the baseline for future improvement plans.

Health and Safety, Human Rights and Fair Employment, Employee Engagement: Group O considers our employees our greatest resource. While our Human Resources department manages health and safety and is responsible for handling human rights and fair employment, we believe that it is everyone's responsibility to ensure these tenants are upheld.

Our goal is to reduce safety instances, first aid instances and OSHA recordables each year, year over year.

2021 YTD		
Total Incidents	Total First Aid	Total OSHA
16	43	3

2022 YTD		
Total Incidents	Total First Aid	Total OSHA
37	48	5

Community Engagement: One of our pillars is giving back to the communities in which we work and live. The **purpose|tomorrow** committee is devoted to selecting and managing projects, initiatives, fundraising, volunteer opportunities and the like. We believe community involvement is a critical component of sustainability and part of our ethical responsibility. We are proud to support Junior Achievement, United Way, the Boys and Girls Clubs, Habitat for Humanity and many other organizations.

Diversity: As a 100% Hispanic Minority Owned Business Enterprise, diversity is close to our heart. We embrace our differences and do our best to leverage those differences to tackle challenges and use the unique perspectives of our employees to improve our culture and our business.

Recycling/Waste Management: The planet has a limited amount of resources and it is our responsibility to act as stewards of those resources.

Water and Energy: Water is used primarily for cleaning and drinking at Group O. Energy is used to heat and cool our buildings, lighting and to support the work that runs our business.

Cyber Security, Business Ethics: The organization takes data security very seriously. We adhere to SSAE 18 SOC 2 and PCI standards to ensure we stay up to date on data security. The organization also implemented ISO27001 in January 2021.

Boys & Girls Club of the Mississippi Valley golf invitational.

Employee Engagement and Diversity

Proportion of Senior Management Hired from the Local Community

Senior management is defined as an individual who has been categorized as a member of the "Leadership" employee group (generally Associate Vice President and above). As of the end of the reporting period, 94.4% of senior management was hired from the local community. Local community is defined as the metroplex and surrounding communities of each location of operation within 100 miles.

New Employee Hires and Employee Turnover

At the end of the reporting period, 630 employees had been hired and 490 were no longer employees.

Benefits Provided to Full-Time Employees that are not Provided to Temporary or Part-Time Employees

All full-time employees, regardless of location, are offered insurance for medical, dental, vision, life, short and long-term disability as well as a 401k program and paid time off.

Average Hours of Training per Year per Employee

Employees receive relevant on the job and safety training throughout the year. The average number of CEU hours per employee in 2022 was 12.2 hours.

Programs for Upgrading Employee Skills and Transition Assistance Programs

Group O offers several programs for upgrading employee skills. Group O offers several classes through a local community college or some other professional development training organization such as business writing, classes on the Microsoft Office Suite, Facilitation and presentation skills etc. These are available to all Group O employees. Additionally, employees are encouraged to seek out training that will aid them in their role and then submit a request for approval.

One that is specifically targeted toward employees in supervisory or management roles is "You Make the Difference". A few key areas are developing communication and problem-solving skills of those involved as well as teaching the principals and qualities of genuine leadership. We work to equip our employees with the skills and knowledge they will need to succeed.

Group O believes that people can make a difference. In order to help effect change, **purpose|tomorrow** was created to be the sustainability initiative for the entire company. The primary mission of **purpose|tomorrow** is to *"make tomorrow better than today"* by continually improving our greatest resources – our earth and our people.

The **purpose|tomorrow** Leadership team works to promote, communicate, and manage Group O's sustainability efforts in the following five areas:

Reduce Carbon Footprint

Community Service

Transparency

Talent Retention

Safe Work Environment

purpose|tomorrow ®

Healthy, Wealthy, Wise A comprehensive physical, financial, and mental health and wellness program, Healthy, Wealthy, Wise runs year-round, January 1st - December 31st. Employees are allowed to report a variety of approved activities each day and earn points. Points can be accumulated and used toward the selection of awards.

Walk at Work To participate in the Walk at Work program, employees may walk approved 1 mile routes on work days before work, during lunch, or after work. Additional miles can be logged under the Exercise & Earn program and are subject to the rules of that program.

Learn & Earn Educational activities, such as Lunch & Learn and e-Learning activities, are offered that allow employees the opportunity to participate and earn additional points.

Lose It to Win It Challenge The Lose It To Win It Challenge is available to core employees at all Group O locations. Participants will provide a before picture and submit starting weigh-in. The top 3 individuals with the greatest total percentage of body weight lost will be eligible to win one of three cash prizes
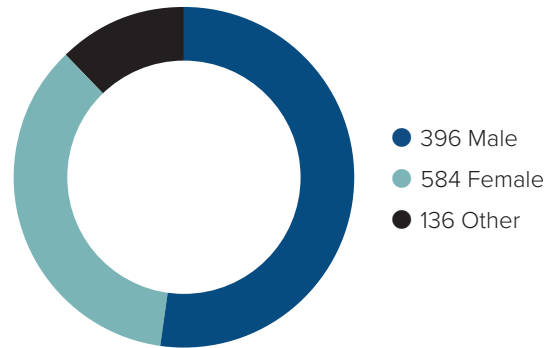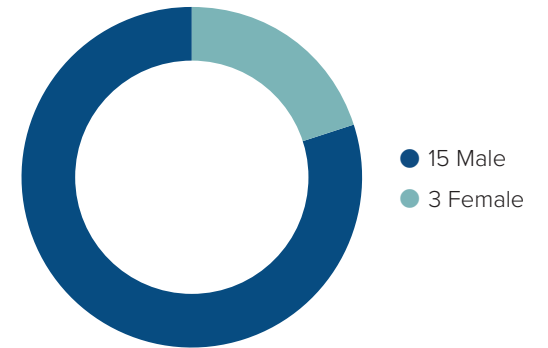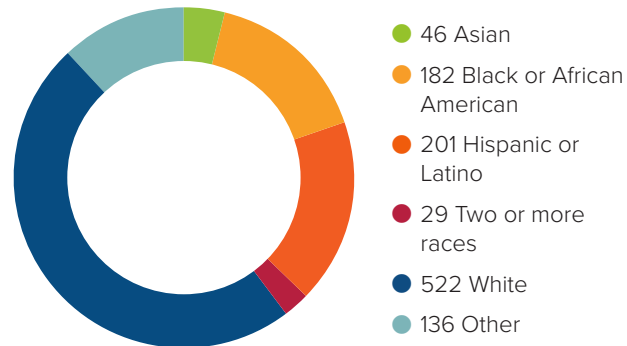
Diversity of Governance Bodies and Employees
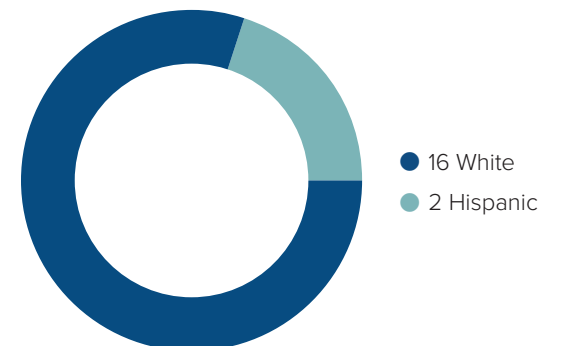
Workforce Gender Breakdown

- 396 Male
- 584 Female
- 136 Other

Executive Team Gender Breakdown

- 15 Male
- 3 Female

Workforce Diversity Breakdown

- 46 Asian
- 182 Black or African American
- 201 Hispanic or Latino
- 29 Two or more races
- 522 White
- 136 Other

Executive Team Diversity Breakdown

- 16 White
- 2 Hispanic

Workforce Age Breakdown

- 201 Under 30
- 495 30-50
- 327 Over 50
- 93 None
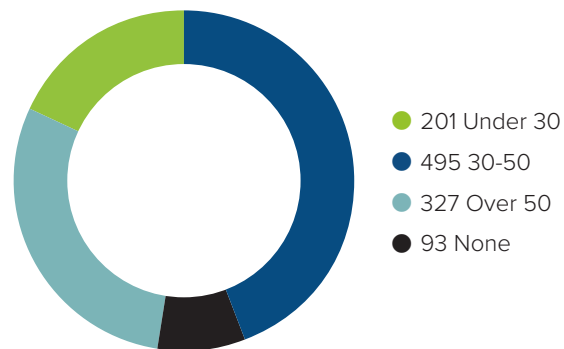
Executive Team Age Breakdown

- 4 30-50
- 14 Over 50
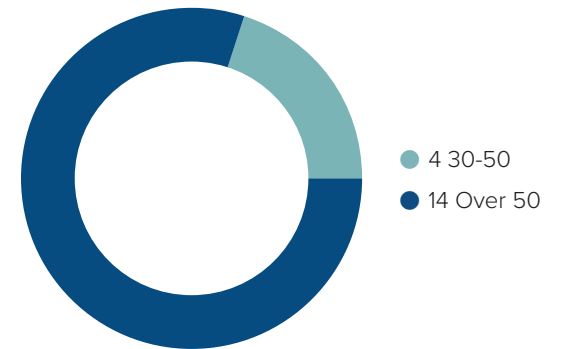
Environment

Energy Consumption within the Organization

Total energy consumption within the organization was 5,783 MwH.

Water Withdrawal by Source

Total water withdrawal of facilities under our control was 3,605,644 gallons. This information has been compiled from utility bills from our various locations. This excludes locations for which we are not responsible for utilities such as rented facilities. Surface water from the Mississippi River is the main source of water for our Quad City locations with one location using primarily ground water. Our Texas facilities use surface water from 6 sources: Lake Bridgeport, Eagle Mountain Lake, Lake Worth, Benbrook Lake, Cedar Creek Reservoir, and Richland-Chambers Reservoir.

Energy Indirect (Scope 2) GHG Emissions

4,291 Metric tons (Co2e). This amount is based on electricity and gas usage for our facilities.

Waste by Type and Disposal Method

235 tons of waste were generated by the facilities. 332 tons of material was recycled.

Non-Compliance with Environmental Laws and Regulations

There are no known incidents of non-compliance with environmental laws or regulations during the reporting period.

Each year, the **purpose | tomorrow** Leadership Team host a week-long celebration leading up to Earth Day. These activities support the Reduce Carbon Footprint portion of Group O's sustainability efforts.

Nearly 500 employees participated in Learn & Earn activities focused on energy and recycling.

200 packets of milkweed seeds were distributed to employees who want to make a difference for Monarch butterflies.

During Campus Cleanup, more than 20 employees spent time tidying up the Group O grounds.
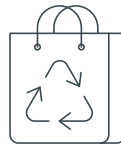
Nearly 30 lbs. of plastic bags were collected for recycling. That is the equivalent of about 2,500 plastic bags kept out of the landfill.

60 employees logged Healthy, Wealthy, Wise activities for 10 bonus points and a chance to win more bonus points.

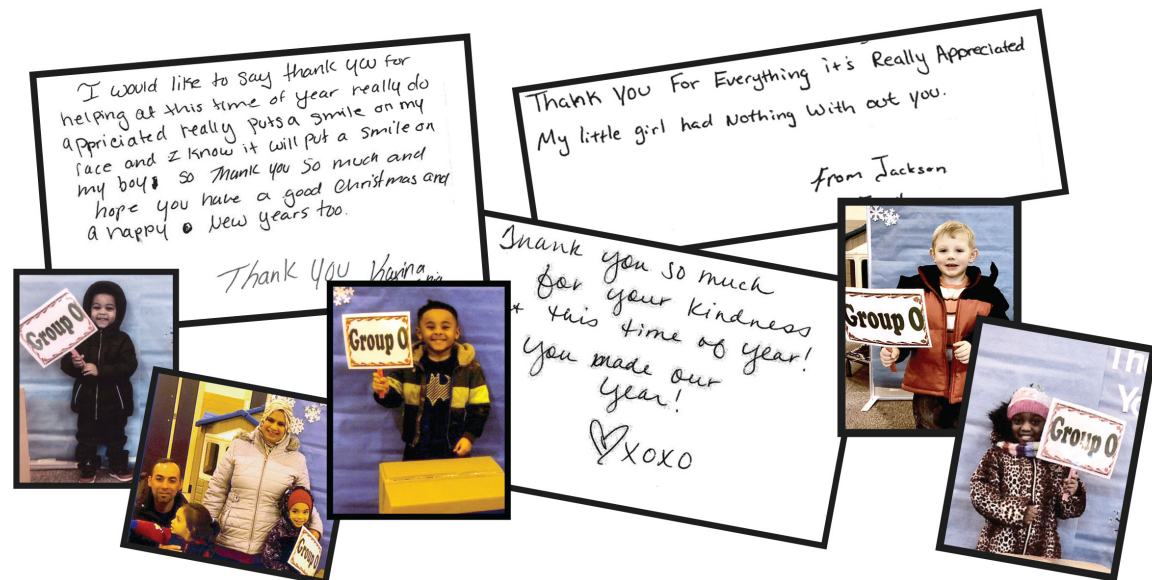# Community Engagement

Operations with Local Community Engagement, Impact Assessments, and Development Programs

Our sites participate in local community engagement. These activities range from food drives for local food banks/pantries to Bowl-A-Thons for Junior Achievement and local United Way donations and volunteering. During the holiday season, our Quad Cities and Mendota operations supported Angel Tree (QC supports kids from the Rock Island/Milan Head start Program for low income families. MH supports Prison Fellowship which brings children with incarcerated parents a gift, the Gospel message, and a letter of love from their parent) and our Texas operations supported The Christmas Wish Project (Helps foster parents make precious, long-lasting memories for their foster child. This makes it possible for foster children to enjoy a simple childhood rite of passage that many of us take for granted). As a whole, Group O raised over $100,000 for the various charities we support.

Operations with Significant Actual and Potential Negative Impacts on Local Communities

There are no known operations with significant actual and potential negative impacts on local communities.

Human Rights & Health and Safety

Incidents of Discrimination and Corrective Actions Taken

There have been no incidents of discrimination, and therefore no corrective actions taken.

Incidents of Violations Involving Rights of Indigenous Peoples

There have been no incidents of violations involving the rights of indigenous peoples.

Operations that have been Subject to Human Rights Reviews or Impact Assessments

None of our operations have been subject to human rights reviews or assessments.

Types of Injury and Rates of Injury, Occupational Diseases, Lost Days, and Absenteeism, and Number of Work-Related Fatalities

Group O had an Injury Rate (IR) of 0.43, and Occupational Disease Rate (ODR) of 0, and a Lost Day Rate (LDR) of 0. Injury is defined as OSHA Recordable. There were no work-related fatalities in 2018. Per OSHA, "days" is defined as calendar days and the 'lost days' count begins the day after an accident. No work-related fatalities in 2022.

Workers with High Incidence of High Risk of Diseases Related to their Occupation

There were no workers with a high incidence or high risk of diseases related to their occupation.

Business Ethics

Confirmed Incidents of Corruption and Actions Taken

There were no confirmed incidents of corruption involving employees, business partners, or public legal cases against Group O.

Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices

There were no legal actions related to anti-competitive behavior and zero violations of anti-trust and monopoly legislation during the reporting period.

Incidents of Non-Compliance Concerning Product and Service Information and Labeling

There were no incidents of non-compliance with regulations or voluntary codes concerning product and service information and labeling.

Incidents of Non-Compliance Concerning Marketing Communications

There were no incidents of non-compliance with regulations or voluntary codes concerning marketing communications.

Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data

There were no substantiated complaints concerning breaches of customer privacy or losses of customer data.

Non-Compliance with Laws and Regulations in the Social and Economic Area

There were no incidents of non-compliance with laws and or regulations in the social and economic area.

GRI CONTENT INDEX

F = Full Disclosure   P = Partial Disclosure   N = Not Disclosed

GRI Standard Number	Disclosure Title	Page Reference or Direct Response	Disclosure Level
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102-3	Location of Headquarters	4	F
102-4	Location of Operations	4	F
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102-11	Precautionary Principle or Approach	5	F
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102-13	Membership of Associations	6	F
102-14	Statement from Senior Decision-Maker	3	F
102-16	Values, Principles, Standards, and Norms of Behavior	6	F
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205-3	Confirmed Incidents of Corruption and Actions Taken	19	F
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302-1	Energy Consumption within the Organization	15	P
303-1	Water Withdrawal by Source	15	P
305-2	Energy Indirect (Scope 2) GHG Emissions	15	P
306-2	Waste by Type and Disposal Method	15	P
307-1	Non-Compliance with Environmental Laws and Regulations	15	F
401-1	New Employee Hires and Employee Turnover	12	P
401-2	Benefits Provided to Full-Time Employees that are Not Provided to Temporary or Part-Time Employees	12	F
403-2	Types of Injury and Rates of Injury, Occupational Diseases, Lost Days, and Absenteeism, and Number of Work-Related Fatalities	18	P
403-3	Workers with High Incidence of High Risk of Diseases Related to their Occupation	18	F
404-1	Average Hours of Training per Year per Employee	12	P
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405-1	Diversity of Governance Bodies and Employees	14	F
406-1	Incidents of Discrimination and Corrective Actions Taken	18	F

411-1	Incidents of Violations Involving Rights of Indigenous Peoples	18	F
412-1	Operations that have been Subject to Human Rights Reviews or Impact Assessments	18	F
413-1	Operations with Local Community Engagement, Impact Assessments, and Development Programs	17	P
413-2	Operations with Significant Actual and Potential Negative Impacts on Local Communities	17	F
417-2	Incidents of Non-Compliance Concerning Product and Service Information and Labeling	19	F
417-3	Incidents of Non-Compliance Concerning Marketing Communications	19	F
418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	19	F
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