



The Bernard Group®  
EXPERIENCE RETAIL DIFFERENTLY

+



SMARTPRESS

---

# 2021 CORPORATE SOCIAL RESPONSIBILITY REPORT



# Contents

03	CEO's Letter		
<b>04</b>	<b>INTRODUCTION</b>	<b>27</b>	<b>STAKEHOLDERS</b>
05	How We Partner	28 - 29	Responsibility Through Leadership
06	Our Facilities	30	Key Performance Indicators: Sustainable Procurement
07	Our Global Reach	31 - 32	Sustainable Development Goals
08	Mission & Purpose	<b>33</b>	<b>COMMUNITY</b>
09	TBG Core Values	34 - 37	TBG Gives Back
10	TBG Approach to Corporate Social Responsibility	<b>38</b>	<b>ENVIRONMENT</b>
11 - 15	Focus Areas	39 - 40	TBG Environmental Policy
16	2020 Core Value Overview of Achievements	41	TBG Environmental Partners
<b>17</b>	<b>WORKPLACE</b>	42- 45	Business Operations
18	Workforce Distribution	46	Key Performance Indicators: Environmental Management
19 - 20	Inspiring Growth	47 - 50	Business Operations
21	Employee Engagement	<b>51</b>	<b>THANK YOU</b>
22 - 23	Employee Health & Well-Being		
24	Key Performance Indicators: Workplace		
25	Key Performance Indicators: Labor and Human Rights		
26	Key Performance Indicators: Business Ethics		

## CEO's Letter

---

Here at The Bernard Group and Smartpress, 2021 marked another year of significant progress towards our sustainability objectives and positive impact in our community.

Our intent from the very start has been to build a company that provides employees a collaborative environment that inspires growth, a company that "wows" our customers, and one that has a positive impact on the environment and society. It has been inspiring to see that even through the pandemic-related challenges of 2021, that spirit is alive and was represented by tangible progress.

We continually request feedback from employees within the framework of our employee engagement program. Acting upon that feedback has led to an Employee Education Assistance Program and an enhanced Leadership Development Program.

Our work has continued to provide the most sustainable solutions available to our customers. We implemented a Sustainable Procurement Program to ensure transparency and sustainability within our supply chain and to track the continuous improvement of our suppliers. We also continued our relationships with global partners like the United Nations Global Compact and EcoVadis, where we report annually on our sustainability progress.

As we grow and expand our business, we remain committed to conserving resources and improving the sustainability of our operations. We maintained our ISO 14001 certification, implemented our environmental objectives, and offset 100% of our scope 1 and 2 emissions.

Our community involvement has never been more important than in 2021. We supported charities that meet the basic needs such as food, clothing, and housing for children, teens, and women. And as always, we provided opportunities for our employees to volunteer and/or donate by hosting food drives, clothing drives and hosting charity events.

While we are proud to share our progress in these areas, we understand that our sustainability journey is far from over. As we set out to achieve our goals for 2022, we will continue to find ways to make a positive difference while seeking out opportunities to make the biggest impact.



Sincerely,

*Matthew Hanson*

Matthew Hanson, CEO

# About The Bernard Group

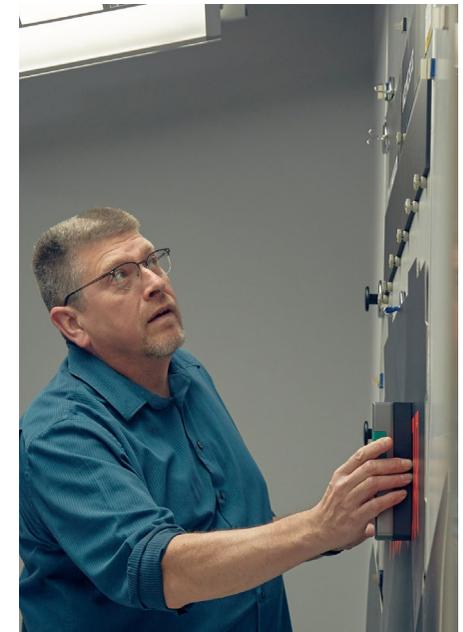


We strive to provide our clients with a world class product and more importantly - world class service. We are a creative, entrepreneurial culture that is leading what's next in the print and display industry.

The Bernard Group is a visual merchandising leader that consistently executes complex ideas at the highest levels. We have the talent, technology and unparalleled service to fit seamlessly into your retail strategy.

- + Founded in 1999
- + 746 Employees
- + Six Facilities
- + Employee Owned

"The Bernard Group" includes The Bernard Group and its division Smartpress™ Managed Services which includes Smartpress.com® and Storefront.



Color technician validating color

# How We Partner

## PROCESS



## TEAM



- + account management
- + project management

- + visual merchandising
- + environmental design
- + 3D design
- + graphic design
- + space optimization
- + structural engineering
- + software development

- + project planning
- + site surveys
- + fixture development
- + sourcing - domestic & international
- + estimating
- + online portal development
- + color work

- + visual engineering
- + unique product development
- + prototype creation
- + finish, texture & treatment definition / development
- + technology integration
- + testing

- + large format print
- + small format print
- + sewing & finishing
- + plastic fabrication
- + wood & metal fabrication
- + online ordering

- + assembly, kitting & finishing
- + installation
- + reporting



VISION



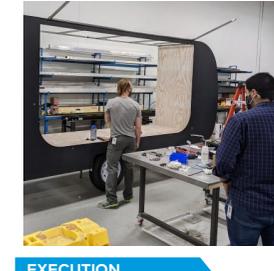
DESIGN



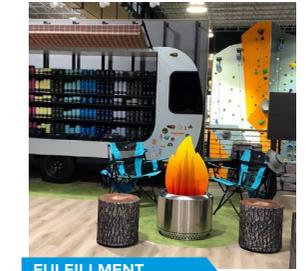
COLLABORATION



DEVELOPMENT



EXECUTION



FULFILLMENT



# Our Facilities

We take pride in our production facilities and ensure the health and well-being of all of our employees.

The Bernard Group is located in Chanhassen, MN. We have over 825,000 square feet in six facilities that house services including:

- fixture manufacturing
- large and small format
- print production
- wood shop
- metal fabrication
- plastic fabrication
- temporary materials structural design
- strategic and creative conceiving
- engineering
- product development
- planning and project management
- global partner management
- sourcing
- estimating
- color management
- testing lab
- assembly and finishing
- kitting
- installation management
- warehousing/inventory management
- shipping
- web-based ordering



The Bernard Group Value:

**"PASSION  
FOR  
EXCELLENCE"**

To bring superior quality at breathtaking speed in the most demanding of environments.

# Our Global Reach

The Bernard Group's US based operations facilities are located in the Minneapolis Metro Area, MN. Our state-of-the-art facilities house small/large format printing, plastic/wood/metal fabrication, graphic/fixture design, engineering, warehousing, fixture assembly, kitting, and logistics.

Additionally, we have global partners to meet our clients timing, budget or quantity needs.



- Minnesota
- New York
- Atlanta, GA
- Seattle, WA
- Portland, OR
- Mexico
- China

## INTRODUCTION

# Our Mission & Purpose

---

We exist to wow our clients with service and products that are the best in the world. Period. Providing this level of service to our clients must be met with an equal amount of passion for collaborating and serving our teammates. We operate in a manner that is environmentally sustainable and socially responsible.



**Our purpose as a company is to build inclusive and diverse teams of stars that serve their individual clients inside a culture that allows them to realize these great motivators. In doing so, we're able to sustain the passion that's requires to wow our clients, and each other, on each and every project.**

We believe we are all inherently hard-wired to:

- Work for something bigger than ourselves
- Be in relationship with each other
- Take ownership of our work
- Have the freedom to make decisions

INTRODUCTION

# TBG's Core Values



## WOW

---

"Wow" is our first company value by intention.

Webster's defines "wow" as:  
To overwhelm with delight and amazement.

## WE AGREE



## OWNERSHIP

---

Ownership of our company makes each co-owner 100% accountable.

An ownership culture and the freedom associated with it brings top talent to TBG.

We have proven that top talent on the front lines, given the ability to make decisions, will consistently trump a top down management style.



## PASSION for EXCELLENCE

---

It is quickly realized by new hires who have prior experience in our industry that this value is indeed central to our culture.

We often hear from them how our quality is superior and the speed in which we do it is a bit breathtaking.

It's a demanding environment but very satisfying to those with the right DNA.



## THE ART OF TEAMS

---

We believe teams of top talent with clear objectives will consistently outperform centralized control.

We put a great amount of energy into building skilled and diverse teams to handle our most challenging pursuits.

It's the difference between being average and being great.

## INTRODUCTION

# TBG's approach to Corporate Social Responsibility

---

**The Bernard Group is committed to operating in a responsible and sustainable manner and creating positive social change in our community.**

Our corporate policies support the Global Compact's ten principles and Sustainable Development Goals (SDG's), which provide a framework for the governance of TBG. We are committed to understanding, integrating and monitoring our social, environmental and economic impact to enable us to contribute to society's wider goal of sustainable development. This commitment has become ingrained in our core values and we aim to demonstrate these responsibilities through our actions and within our corporate policies.

### **Commitment & Vision**

- Provide our clients with high quality and socially responsible solutions
- Partner with our customers and suppliers to achieve a shared vision of sustainability
- Manage and reduce the impact that our work has on the environment
- Seek ways to give back to the communities in which we live and work
- Continually update our policies, procedures, training, and offerings to reflect the most current information, technologies, and programs best suited for the customers we serve



## INTRODUCTION

# Focus Areas

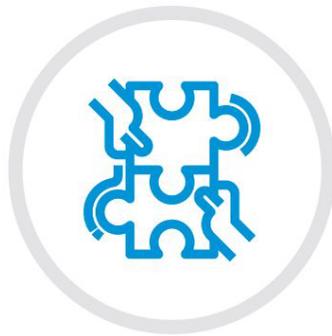
The impacts of our business operations fall into multiple categories and affect different stakeholders. TBG has developed a multidimensional approach to achieve our vision. This commitment has become ingrained in our core values and we aim to demonstrate these responsibilities through our actions and within our corporate policies.

The four categories shown below represent our areas of CSR and the performance highlights associated with them:

Workplace



Stakeholders



Community



Environment



## INTRODUCTION

# Focus Areas: Workplace

Our success depends upon the success of our employees. We provide them with meaningful work, opportunities for professional growth and to be part of a talented team of people who care.

### 2021 Performance Highlights

- Continued to navigate the global pandemic by following safety protocols recommended by CDC and State agencies in order to keep our employees safe at work
- Implemented a Leadership Development Program
- Conducted our fourth annual Gallup employee engagement survey with 87% participation and an overall score of 4.06 (+0.11 from 2020)
- Developed and conducted Respectful Workplace training to all employees
- Developed and conducted Anti-Corruption/Bribery training to all applicable employees
- Developed an Employee Education Assistance Program as part of our 2022 Total Rewards package

### 2022 Focus:

- Execute identified talent pipelines in our talent acquisition efforts
- Create a brand/story for TBG as an employer of choice for recruitment related communications
- Develop and implement an Employee Development Program to include an on-boarding program, development tools, mentoring program and formal career paths for employee growth
- TBG Academy to all employees, which includes a learning and development focus in the following areas:
  - Ownership Academy
  - Leadership Academy
  - Functional Academy
  - Wellbeing Academy
- Develop and implement Unconscious Bias training to support a culture in which employees feel that they belong, are included, and are valued for their unique perspective
- Provide Total rewards statements to our employees demonstrating the value of the total benefits package



## INTRODUCTION

# Focus Areas: Stakeholders

### Performance Highlights

- Maintained Gold status with EcoVadis, a CSR evaluation company which puts us in the 97th percentile of all companies assessed by EcoVadis, scoring highest in the Environmental and Ethics categories
- Contributed to global solutions by working towards the United Nations Sustainable Development Goals (SDG's)
- Developed a Sustainable Procurement Program to improve the sustainability of our supply chain
- Continued to provide excellent customer solutions including an ethical supply chain, sustainable materials, sustainable innovations and quantified metrics
- Despite the global pandemic, raised our stock price to \$69.20 per share



### Future Focus

- Attain "Platinum" status with EcoVadis, a CSR evaluation company
- Continue to provide leading edge sustainable materials and packaging options to our clients
- Increase supplier participation in our Sustainable Procurement Program to ensure an ethical and sustainable supply chain
- Lead the industry in minimizing our environmental impacts
- Encourage and educate our vendor partners to align their business practices with our Corporate Social Responsibility program

## INTRODUCTION

# Focus Areas: Community

### Performance Highlights

- Continued to fight hunger and meet the needs of the Fatherless; women, teens and children in need
- Raised over \$67,000 for three of our charity partners at our 3rd annual charity Golf Open
- Employees participated in our employee garden – they are given a plot to plant vegetables and herbs of their choice. All excess produce is donated to a local food shelf
- Provided work to economically disadvantaged people by partnering with Opportunity Partners
- Implemented the "SAIL" Program – partnered with a local high school to provide training and employment opportunities to graduating students with disabilities
- Hosted a clothing drive for "Dress for Success", a non-profit charity. Employees donated over 34 bags of clothing, shoes, handbags and accessories to disadvantaged women to help them achieve career advancement, career stability and economic sustainability
- Partnered with a local charity, Neighbors Inc., and sponsored five families in need. Employees formed five teams and bought Christmas gifts for disadvantaged families
- Partnered with Samaritan's Purse - Employees packed shoe boxes full of needed items and gifts for children in need
- Hosted a Hats and Mittens drive to collect hats and mittens to children in need

### Future Focus

- Expand our charitable giving beneficiaries
- Support the local community projects that meet the needs of people in need
- Provide meaningful work to people in our community



## INTRODUCTION

# Focus Areas: Environment

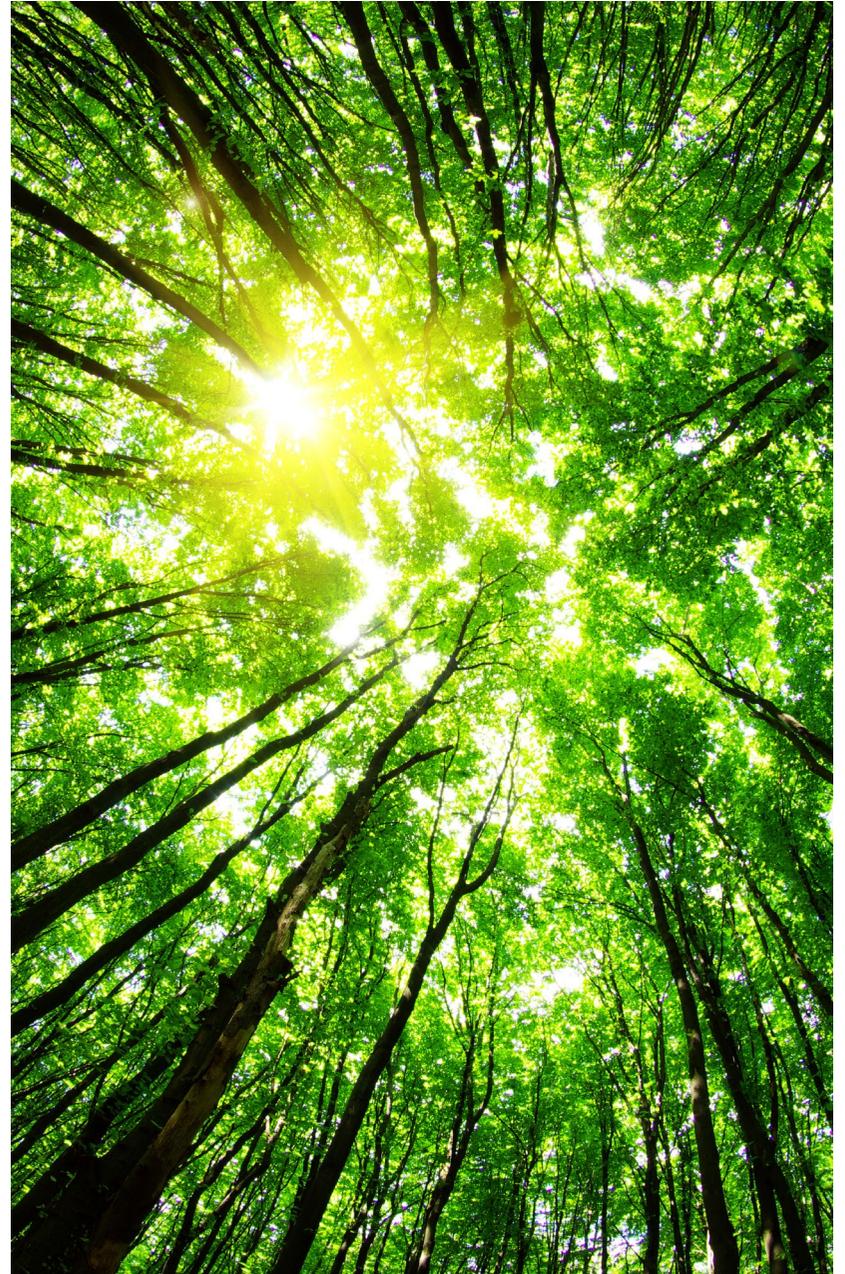
---

### Performance Highlights

- Became a EPA (Environmental Protection Agency) Green Power Partner
- Participated in the Carbon Disclosure Project
- Developed a Carbon Offset Program - Offset 100% of our facilities Scope 1 and Scope 2 emissions
- Began Measuring our facilities Scope 3 emissions
- Maintained ISO 14001 Environmental certification
- Maintained our Environmental Management System that allows for consistent implementation of our environmental initiatives
- Eliminated all chemicals in our cleaning process by implementing Aqueous Ozone cleaning protocol in all facilities

### Future Focus

- Offset Scope 1,2, **and** 3 emissions
- Improve our waste program performance throughout all facilities
- Reduce energy consumption with calculated energy savings projects
- Eliminate all plastic packaging when shipping products



INTRODUCTION

# 2021 Core Value Overview of Achievements

	ENVIRONMENT	WORKPLACE	STAKEHOLDERS	COMMUNITY
WOW	Named a Green Energy Partner of the Environmental Protection Agency	Implemented a Leadership Development Program	Maintained Gold Status with EcoVadis increasing our score to 69	Raised over \$76,000 for three local charities by hosting our 3rd annual Golf Open
OWNERSHIP	Developed a Carbon Offset Program – Offset 100% of our Scope 1 and Scope 2 emissions	Developed an Employee Education Assistance Program	Increased ESOP stock value to \$69.20 per share	Title sponsor for Love Inc's charity golf tournament benefiting the local community
PASSION FOR EXCELLENCE	Participated in the Carbon Disclosure Project (CDP)	Developed and conducted Respectful Workplace training to employees	Signatory of United Nations Global Compact and align with their 10 Principles	Employees donated gently used professional clothing to Dress For Success, a women's back to work program
THE ART OF TEAMS	Maintained ISO 14001 Environmental Certification	Conducted an annual Gallup Employee Engagement survey with 87% participation	Provided customer solutions including sustainable innovations	Employees formed teams and adopted families to provide Christmas gifts to disadvantaged children/families

A low-angle, upward-looking photograph of a diverse group of office workers. They are gathered in a circle, with their hands stacked together in the center. The workers are looking upwards with expressions of joy and excitement, some with their mouths open as if laughing or shouting. The background consists of a white grid ceiling with a circular vent. The lighting is bright, suggesting an indoor office environment with large windows. The overall mood is one of positive collaboration and team spirit.

**WORKPLACE**

WORKPLACE

# Workplace

**We strive to attract the best talent. Our people are the heart of The Bernard Group and our accomplishments are a direct result of the talented professionals who work here.**

We continue to look for ways to be an excellent workplace and to empower our employees by providing our people with safe, healthy working conditions, fair labor practices, an inclusive work environment free from discrimination, intimidation and harassment, and equal opportunities for growth and advancement so they can achieve significant results for our customers.

The following pages highlight three key areas: learning and development, employee engagement and health and safety.



WORKPLACE

# Inspiring Growth

We provide effective learning paths for employees that represent a range of skills and abilities. We provide access to LinkedIn Learning, which provides a wide variety of courses that benefit every role. We have also found that courses viewed on LinkedIn Learning can add value for personal development goals as well, such as managing stress, cultivating mental agility and time management.



We also provide all employees with Clifton Strengths Assessments. Our goal is to help everyone realize what they are naturally good at and how that can be applied both personally and professionally.

When we tap into our natural talents, we improve our personal engagement and enhance our quality of life. We encourage our managers to share each team member's individual strengths, how they complement others on the team and how each team member can contribute based on their natural talents.

**We encourage employees to take time for their personal development and learning. We believe that where there is learning and development, there is innovation and performance.**

## WORKPLACE

# Inspiring Growth: Leadership Development

TBG is committed to developing our leaders. We believe that having strong leaders can reduce employee turnover, promote accountability, improve problem solving and clarify job roles, which all have a huge impact on our overall success.

To begin developing our leadership program, we included the following:

- Developed leadership competencies and behaviors to align with our Core Values that define what a successful leader looks like, titled "How We Lead"
- Designed, piloted and implemented a Fundamentals of Leadership training program for our people leaders
- As part of our leadership development program, we provided the next level of training to focus on "What do Leaders Do?" to complement the Fundamentals program
- Incorporated enhanced training on the recruitment process and interview skills training
- Incorporated additional training for Continuous Improvement for production leaders



WORKPLACE

# Employee Engagement

**We believe that increased engagement levels lead to happier employees, higher productivity, lower absenteeism and lower turnover. We have an “Employee Engagement Team” that is dedicated to creating an environment for engaged employees in order to create valuable “wow” experiences for our customers and prospects.**

We conduct annual Gallup engagement surveys to gain insight from employees on how satisfied they are with their job, if they know what’s expected of them, if they have the tools they need to do their job, what improvements they would like to see and what management could do better. We then follow up with action planning sessions.



Employees participating in a charity golf tournament



Employee Garden



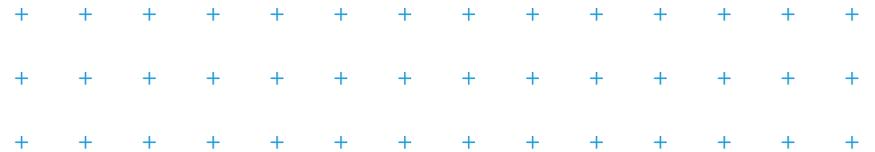
Employees at our Christmas/Holiday Party

WORKPLACE

# Employee Health & Well-Being



At TBG, we invest in our employees' health and wellness because we know they are our greatest asset. That's why we offer benefits to enhance our employees' quality of life with packages that include major medical, dental, vision, and life insurance. We also offer employee assistance and wellness programs, and we support a healthy work-life balance by providing paid holidays and paid time off.



## TOTAL REWARDS

Providing Total Rewards that are important to our employees is a major focus of our senior leaders, managers and HR team.

The value of working for a company goes beyond pay and insurance, and TBG is committed to continuing to evaluate and elevate our Total Rewards to provide meaningful and competitive total compensation for employees.

We conduct annual Employee Total Rewards Surveys and analyze responses to ensure future Total Rewards meet the needs of the majority of our employees. We also formed a benefits committee made up of cross functional leaders to help evaluate health insurance and other benefits.

WORKPLACE

# Employee Health & Well-Being

## EMPLOYEE ASSISTANCE PROGRAM

TBG established an all-employee assistance program offering employees and their families personal counseling, family and caregiving guidance, safety and crisis planning resources, self-improvement tools, life-learning opportunities, and chronic-conditions support. TBG is committed to providing our employees with tools, information, and services that help manage everyday challenges and their wellness for life.

## HUMAN RIGHTS

We support and respect the promotion and protection of human rights within our operations, within our value chain, and in the communities where we operate. We also comply with the employment laws in every location in which we do business. It's essential that our business partners; our suppliers, vendors, contractors, consultants, and other providers of goods and services uphold these same standards. We will not knowingly do business with those who do not comply with local employment laws.

## GIVING VOICE TO EMPLOYEE CONCERNS

We proactively attract world-class talent because we recognize our employees' contributions to our success and to our position as an industry leader. We value each of our employees, as illustrated by our long-standing commitment to fairness and equity in the workplace and by our efforts to foster an atmosphere of inclusion. However, even productive and skilled employees might encounter work-related concerns.

For those employees, our 24-hour Ethics Helpline offers the opportunity to report work-related problems confidentially and without fear of retaliation. These programs support the consistent and fair treatment of employees, improve communications, and encourage a positive workplace. Although some reports require no action, we investigate and resolve employee suggestions, questions, and concerns to help us maintain our commitment to ethics and integrity in all that we do. Area managers and human resources business partners typically serve as facilitators to resolve employee concerns. This provides employees the opportunity to bring employment issues and concerns to the attention of management and/or human resources, ensures communication between the parties involved, and facilitates the prompt resolution of workplace problems and disputes.



Employees participating in a charity golf tournament

WORKPLACE

# Key Performance Indicators: Workplace

Indicators		2019	2020	2021	2022 Target	
<b>Employee Engagement</b>	Percentage of employees who participated in the employee engagement survey	88%	82%	87%	90%	
	Overall Score	3.97	3.95	4.06	4.1	
<b>Benefits</b>	% of employees covered by benefits	428	64% (434)	67% (499)	N/A *	*We cannot state a goal as not all eligible employees choose to enroll in healthcare benefit plans (they may receive benefits through their spouse/partner, etc...)
	% of employees participating in 401K	408	62.5% (419)	62.8% (469)	70%	
	% of Employee Shareholders	148	45% (337)	72% (538/746)	N/A *	*We cannot state a goal. As our business grows and we add headcount, the number of shareholders will decrease due to the rise in headcount.
<b>Voluntary Employee Attrition</b>	Rolling 12 month average turnover	16.64	6.53	14.5%	12%	
<b>Career Management &amp; Training</b>	% employees with development plans	0	0	0	N/A *	*2022 initiative to launch Individual Development Plans (IDP's)
	Number of internal promotions or career change opportunities	N/A	N/A	70	N/A *	*We began tracking this data as of 8/1/21
	Number of training hours employees received to improve professional and personal skills	1073	1154	2151	2500	

WORKPLACE

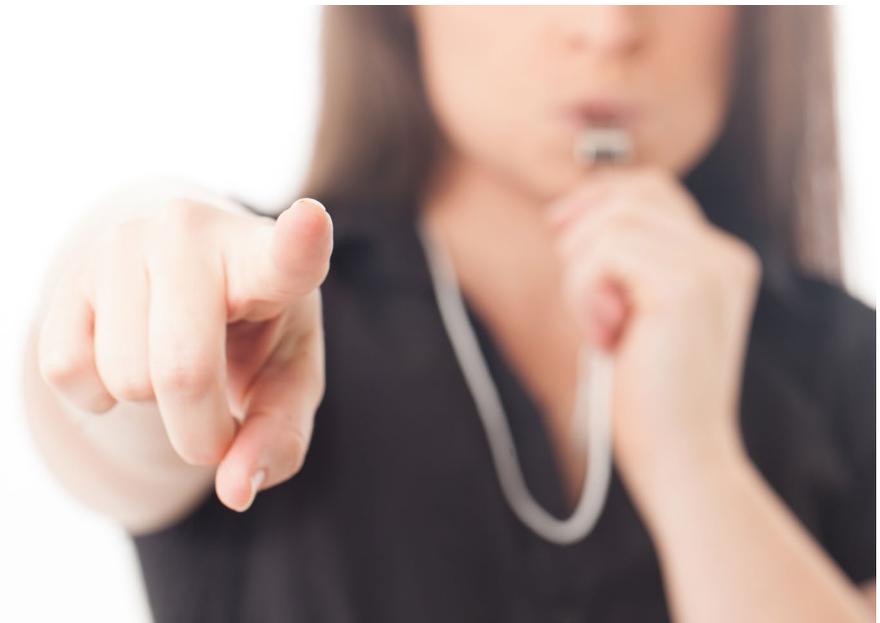
# Key Performance Indicators: Labor and Human Rights

Indicators		2019	2020	2021	2022 Target	
<b>Health &amp; Safety</b>	Injury Rate	11.05	2	2.65	0	
	Number of training hours eligible employees received on Health & Safety Procedures		N/A	453	543 (+20%)	
<b>Women</b>	Women as percentage of total employees	6.56 (242/662)	36.02% (246/683)	37.94% (283/746)	40% (+5%)	
	% Women in executive positions (excluding board members)	12% (1/8)	22% (2/9)	22% (2/9)	N/A *	*We are not anticipating any changes to the senior leadership team
	% Women within the organization's board		25%	36% (2/6)	40%	
<b>Ethnic Minorities</b>	Ethnic minorities as percentage of total employees	22% (133)	20% (137)	22% (165)	23.1% (+5%)	
	Ethnic minorities in executive positions	0	0	0	N/A *	*We are not anticipating any changes to the senior leadership team
<b>Child Labor, Forced Labor &amp; Human Trafficking</b>	Number of Cases	0	0	0	0	
<b>Diversity, Discrimination &amp; Harassment</b>	% of employees trained on Discrimination & Harassment	N/A	0	77%	100%	
	% of employees trained on Inclusion & Diversity	N/A	0	77%	100%	
<b>Social Dialog</b>	Collective Bargaining Cases	0	0	0	0	

WORKPLACE

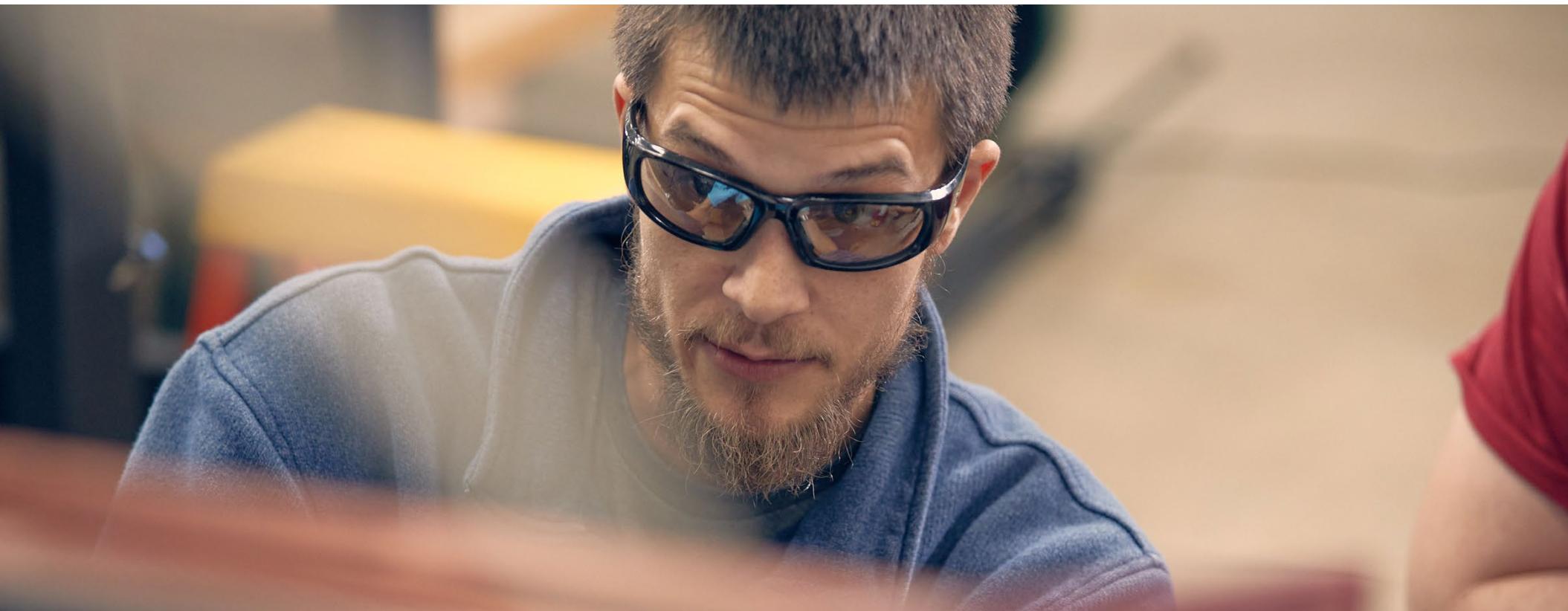
# Key Performance Indicators: Business Ethics

Indicators		2019	2020	2021	2022 Target
<b>Anti-Corruption / Anti-Bribery</b>	Percentage of eligible employees trained on corruption and bribery	0	0	91%	100%
	Number of reported cases of business ethics related violations through whistleblower procedure	0	0	0	0
	Number of lawsuits against the company on business ethics related violations	0	0	0	0





# STAKEHOLDERS



## STAKEHOLDERS

# Responsibility Through Leadership

**We respect the interests of our external stakeholders—our customers, prospects, suppliers, partners, and the wider community—and we demonstrate our marketplace responsibility through leadership in quality, ethics, and transparency.**

### **ETHICS AND INTEGRITY**

We are committed to acting ethically, and with integrity, in everything we do. Our dedication to integrity and to ethical business practices permeates all levels of our company.

### **OUR CUSTOMERS**

We strive to provide our clients with a world class product and more importantly - world class service. We aim to provide the most innovative customer solutions including sustainable production processes, materials and an ethical supply chain.

One of our partners, EcoVadis, is a CSR evaluation company. Partnering with them helps to improve the way we integrate the principles of CSR into our daily business initiatives to positively affect our communities and supply chain. We currently have a "Gold" score and will reassess in January. Our goal is to achieve a score of Platinum.



## STAKEHOLDERS

# Responsibility Through Leadership

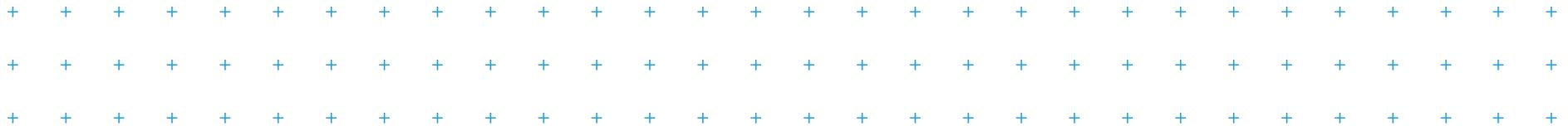
### SUSTAINABLE PROCUREMENT

TBG sources its products from businesses that reflect our moral and ethical values. As stated in our environmental policy, we are committed to leading the industry in minimizing the impact of our activities on the environment.

We aim to continually improve the sustainability level of our supply chain by incorporating environmental and social principles into our purchasing program.

We utilize the EcoVadis platform to track and monitor our supply's activities and progress towards environmental and social programs with the goal of demonstrating continuous year-over-year improvement.

This program provides our suppliers with a sustainability Scorecard and tools for benchmarking to improve their sustainability practices. We believe that this methodology increases transparency, encourages collaboration and facilitates ongoing improvement.



STAKEHOLDERS

# Key Performance Indicators: Sustainable Procurement

Indicators		2019	2020	2021	2022 Target
<b>Suppliers</b>	Percentage of targeted suppliers who have signed the supplier code of conduct	0%	0%	0%	100%
	Percentage of targeted suppliers with contracts that include clauses on environmental , labor, and human rights requirements	0%	0%	40%	100%
	Percentage or number of targeted suppliers covered by a CSR assessment	0%	0%	100%	100%
	Percentage of suppliers covered by a CSR on-site audit	0%	0%	0%	25%
	Percentage or number of all buyers who received training on sustainable procurement	0%	100%	100%	100%
	Percentage of audited/assessed suppliers engaged in corrective actions or capacity building	0%	0%	25%	50%

## STAKEHOLDERS

# Responsibility Through Leadership

### SUSTAINABLE DEVELOPMENT GOALS (SDG's)

We have aligned our operations and strategies with United Nations Global Compact's ten principles and Sustainable Development Goals on the environment, business ethics, and labor and human rights. This partnership not only benefits our company internally, but contributes to achieving internationally recognized goals as well.

#### Our Goals and How We're Contributing:



End Poverty in all its forms everywhere (See pages 14,16,23,34-37)



End hunger, achieve food security and improved nutrition and promote sustainable agriculture (See pages 14,16,23,34-372)



Ensure healthy lives and promote well-being for all at all ages (See pages 12,14,16,18-24)



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all (See pages 12,14,16,19,20,24,25,37)



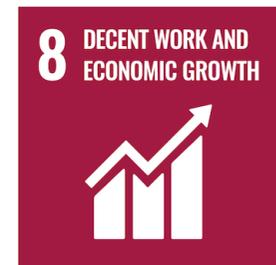
Achieve gender equality and empower all women and girls (See pages 8,12,14,16,18-20,23-25)



Ensure availability and sustainable management of water and sanitation for all (See pages 10,13,15,16, 39-43,46,48-50)



Ensure access to affordable, reliable, sustainable and modern energy for all (See pages 13,15,16, 39-41,45-47)



Promote sustained, inclusive and sustainable economic growth, full of productive employment and decent work for all (See pages 12,14,16,19,20,24,25,37)

STAKEHOLDERS

# Responsibility Through Leadership

## Our Goals and How We're Contributing (Continued):



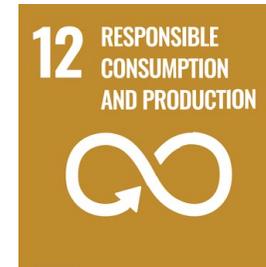
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation (See pages 4-10,13,16,39,40,43-50)



Reduce inequality within and among countries (See pages 8,10,12-14,16, 18-20,23-,25,28,29,34-37)



Make cities and human settlements inclusive, safe, resilient and sustainable (See pages 8,10, 12-16,22,23,28,34-37,39-50)



Ensure sustainable consumption and production patterns (See pages 10,15,16, 28-30,39-50)



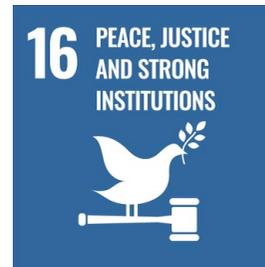
Take urgent action to combat climate change and its impacts (See pages 15,16,39-50)



Conserve and sustainable use of the oceans, seas and marine resources for sustainable development (See pages 15,16,39-50)



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss (See pages 15,16,39-50)



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels (See pages 8-10,16,18,24-26,28)



Strengthen the means of implementation and revitalize the global partnership for sustainable development (See pages 10,13,16,31,32)



COMMUNITY

# TBG Gives Back

Charitable contributions, in-kind donations, and volunteerism directly correlate with improving quality of life and making the world a better place. As part of our charitable giving initiative, we support multiple non-profit organizations that mirror our core values. Following are some of the contributions we make to the communities in which we operate as well as the contributions of our employees and their families:

### 3rd ANNUAL TBG GOLF OPEN

TBG hosted it's 3rd annual charity golf tournament benefiting three local charities:



Employee participating in charity golf tournament

## COMMUNITY

# TBG Gives Back

### **DRESS FOR SUCCESS**

TBG hosted a clothing drive for "Dress for Success", a non-profit charity. Employees donated over 35 bags of clothing, shoes, handbags and accessories to disadvantaged women to help them achieve career advancement, career stability and economic sustainability

### **HATS&MITTENS**

TBG hosted a drive to collect gently used hats and mittens to donate to children in need in the winter months through the organization Hats&Mittens.

### **HAVEN HOUSING**

TBG donated funds to this women's Homeless Shelter that offers a safe environment where women can stabilize, heal and work to overcome histories of abuse, chemical dependency, homelessness, incarceration, etc...

### **LAUNCH MINISTRY**

TBG donated funds to this youth crisis center that provides a safe space, tools and resources for youth ages 18-29 years old in crisis to transform successfully towards adulthood.

### **LOVE INC.**

TBG was the title sponsor for their annual charity golf tournament. Love Inc. works with local churches, school districts and other service organizations to identify unmet needs of youth and families in need in the community.



Employees volunteering

COMMUNITY

# TBG Gives Back



Employees purchased and wrapped gifts for families in need

### NEIGHBORS INC.

TBG employees formed teams to adopt-a-family where they purchased and wrapped gifts for several less fortunate families so they could provide Christmas gifts for their children. Neighbor Inc. supports low income households by providing food, clothes and toiletry items.

### OPEN HANDS FOUNDATION/HOPE HOUSE

TBG donated funds to this local shelter that supports local transients. Hope House is a six-bed emergency shelter for youth ages 14-19 who are homeless or at risk of homelessness in the Southwest Twin Cities metro area. Hope House turns young people's lives around by nurturing self-sufficiency and independence, with a goal of reconciliation and family unification.

### LIZ LOGELIN FOUNDATION

Donated funds to this foundation through our 3rd annual TBG Open. This charity assists widows and widowers with young families who find themselves in the heartbreaking, catastrophic situation of having lost a spouse or life-partner and parent. The foundation's goal is to financially assist three families as they deal with the loss of their loved ones and struggle to move forward. The foundation was established in 2009 by Matthew Logelin, who lost his wife Elizabeth in 2008.



## COMMUNITY

# TBG Gives Back

### **OPERATION CHRISTMAS CHILD/SAMARITAN'S PURSE**

TBG employees participated in this holiday event by packing dozens of shoe boxes of needed item for children in impoverished countries. Samaritan's Purse is a non-denominational evangelical Christian organization providing spiritual and physical aid to hurting people around the world. Since 1970, Samaritan's Purse has helped meet needs of people who are victims of war, poverty, natural disasters, disease, and famine.

### **PEOPLE REACHING OUT TO PEOPLE (PROP)**

Employees donated food items to this local food shelf. Their mission is: "To compassionately provide food and comprehensive support to our neighbors in need that creates a path towards self-sufficiency."

### **SAIL TRANSITION WORK PROGRAM**

The Bernard Group has partnered with a local school in our community to provide work to people with disabilities. The SAIL (Students Achieving Independent Life) Transition Program provides young people with special needs, ages 18-21, with skill building, career training and guidance. The Bernard Group employs graduated students who have participated in the program. The school provides job coaches to work alongside the employees to ensure they are building skills and receiving the training they need to perform their job duties.

This beneficial partnership provides TBG with much-needed workers in a competitive labor market, and provides the employees with opportunities for growth in independence in living, working and acquiring new skills.



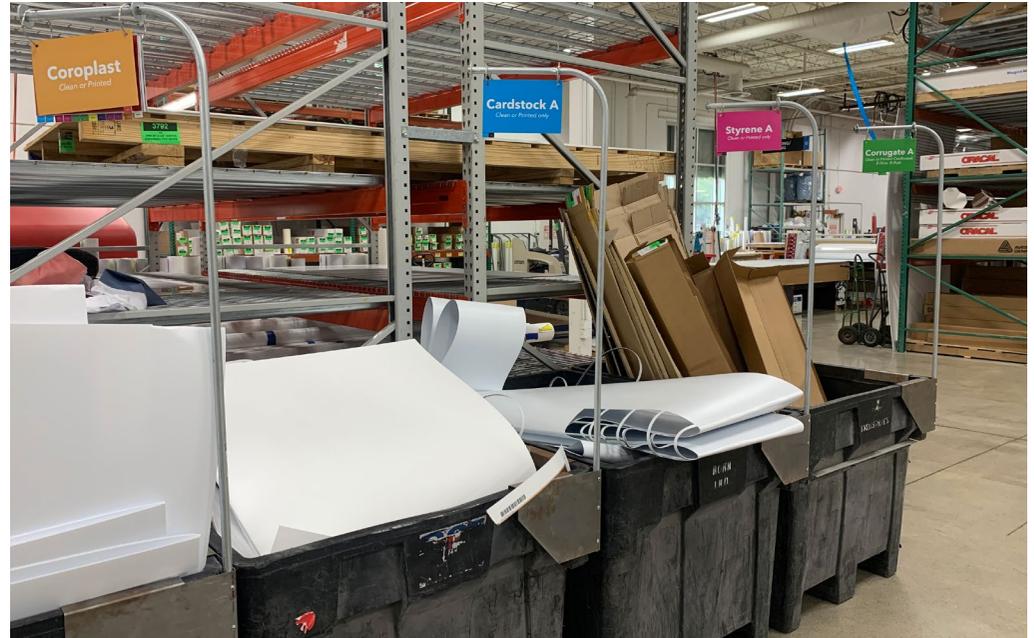
# ENVIRONMENT



ENVIRONMENT

# TBG's Environmental Policy

TBG is committed to leading the industry in minimizing the impact of its activities on the environment.



Recycling system/bin labeling program on production floor at The Bernard Group

## THE KEY POINTS OF OUR STRATEGY TO ACHIEVE THIS ARE:

- Maintain a commitment to the protection of the environment, including prevention of pollution
- Minimize our waste and then reuse or recycle as much of it as is possible to prevent pollution
- Minimize energy and water use in order to minimize the consumption of natural resources
- As far as possible, purchase products and services that do the least damage to the environment
- Promote environmental awareness among our employees and encourage them to work in an environmentally responsible manner
- Ensure compliance with all applicable environmental laws and regulations
- Continuously improve the performance of our Environmental Management System (EMS)

ENVIRONMENT

## 2021 Environmental Management System (EMS) Objectives



### **GREENHOUSE GAS PROJECT:**

The goal of this project is to begin measuring scope 3 emissions (we currently measure scope 1 and 2 emissions), develop initiatives to decrease our emissions and to develop a Carbon Offset Program.

### **IMPROVE ECOVADIS RATING:**

We currently hold "Gold" rating from EcoVadis, a CSR evaluation company, which helps to improve the way TBG integrates the principles of CSR into our daily business initiatives to positively affect our communities and supply chain. We strive to increase our score to ultimately achieve "Platinum" status.

### **MASS BALANCE PROJECT (CONTINUED):**

The goal of this project is to obtain accurate weight (mass) data for all products, materials and waste that pass through TBG's hands. This data will be instrumental in understanding and managing environmental performance for both TBG and our customers.

### **SUSTAINABLE PROCUREMENT PROGRAM (CONTINUED):**

The goal of this program is to evaluate the social responsibility practices of our top vendors to ensure that their policies and procedures align with those that TBG has put in place. This process will include Social Responsibility assessments and on-site visits (when permitted with COVID-19 restrictions) of our top vendors.

ENVIRONMENT

# TBG's Environmental Partners

---



### British Standards Institution (BSI): ISO 14001 Certification

The British Standards Institute (or BSI), authors and certifying body for the internationally recognized ISO14001 environmental standard that TBG performs to.



### 3Degrees

In an effort to further reduce our environmental impact we have partnered with 3Degrees to purchase Green-e Certified Renewable Energy Certificates and U.S. Landfill Gas Capture Carbon Offsets.



### Carbon Disclosure Project

We partner with CDP for our environmental reporting to promote transparency and accountability with our stakeholders.



### Environmental Protection Agency Green Power Partner

By partnering with the EPA, we are joining other organizations who are leading the way towards a more sustainable energy future.



TREES, WATER & PEOPLE  
*Helping people and the planet.*

### Trees, Water & People

TBG planted over 7,500 trees on a Native American Reservation located in South Dakota. The Pine Ridge Indian Reservation is experiencing a wide range of environmental challenges due to the rapidly changing climate, land rights issues and poverty. Reforesting this land combats climate change through carbon sequestration and develops income opportunities for the local natives.

ENVIRONMENT

# Business Operations

As our business continues to grow, we continually strive to improve the environmental performance of our business operations. The environmental metrics that we track fall into the following categories:



## Waste Program

Waste of all types is sorted meticulously so that all **35** different wastes reach their intended destination.



## Water Conservation

At TBG we minimize water consumption daily and have a No Exposure policy.



## Energy Conservation

Energy Audits - Comprehensive annual audit identifies potential energy saving projects.



## Performance Monitoring

We continuously monitor these and all our activities through our Environmental Management System.



## ENVIRONMENT

# Business Operations

### WASTE PROGRAM

Managing the waste we generate on a daily basis is our biggest investment of environmental effort as an organization.

We handle over 35 different wastes that must be sorted not just for compliant disposal but with the most positive and least negative impacts.

- As much waste as possible is recycled in all areas AND
- Recycling is required even when it isn't profitable
- Materials that can't be recycled are often used for energy recovery

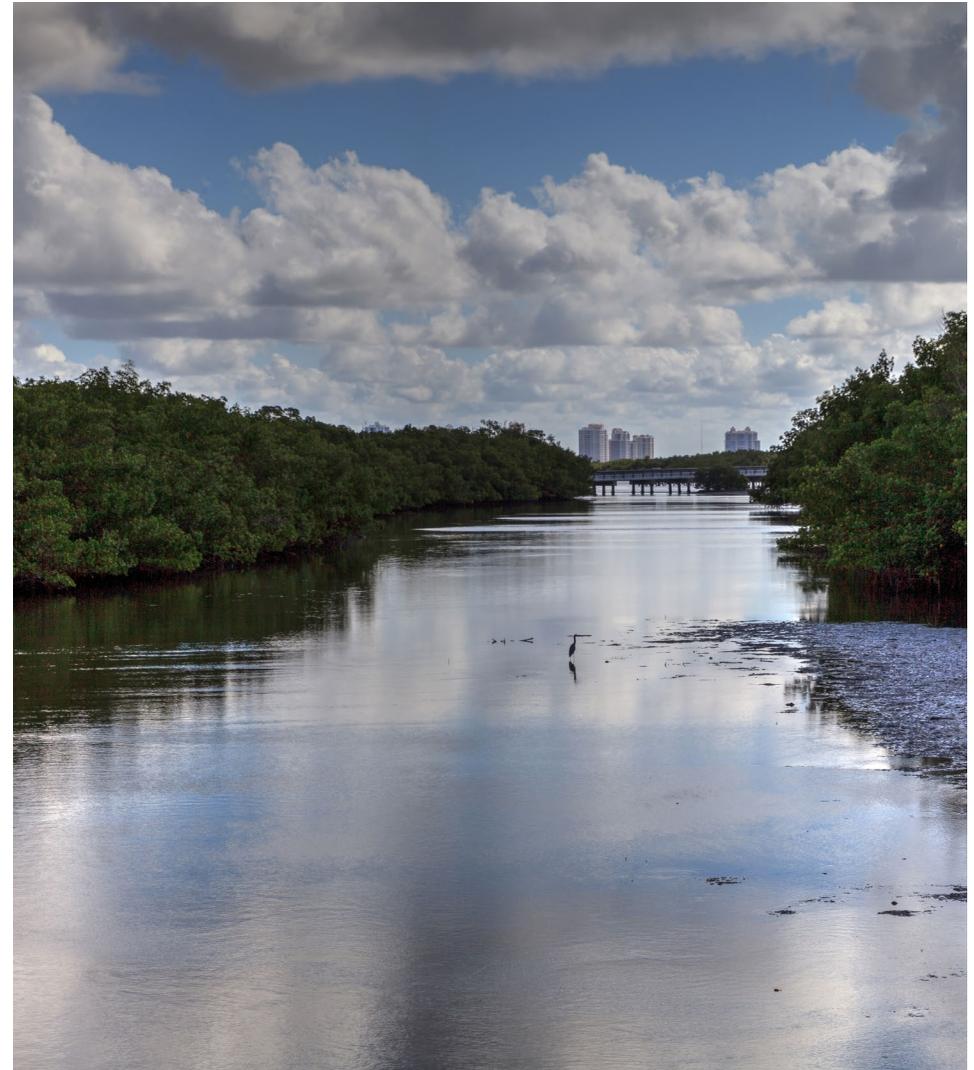
### WATER CONSERVATION PROGRAM

TBG is a Minnesota based company and we're especially conscious of protecting our waterways.

Our printing processes are waterless, neither consuming freshwater or producing waste water.

- In fact ALL of our liquid waste is disposed of properly, shipped compliantly to be incinerated
- We do not discharge chemical waste or effluent into the environment or public water system

We also perform all of our major activities and storage indoors; meaning all of our print and warehousing locations qualify for no exposure storm water permits.



## ENVIRONMENT

# Business Operations

### ENERGY CONSERVATION PROGRAM

As an industrial manufacturer, managing energy usage is a critical aspect of achieving our environmental goals. Comprehensive energy audits are conducted annually to look for energy savings project opportunities. Many projects have been implemented as a result of these audits and the methodology and technology used have been applied on a continuing basis.

- Energy Efficient Print Equipment - High transmission efficiency 480V power is specified for all new production equipment wherever possible. LED curing is used on a wide variety of current generation print assets in large format.
- Programmable Thermostats - Programmable thermostats continue to be specified for all new HVAC equipment installs as well as on any remedial projects for current installations. TBG continues the practice of installing locking covers on thermostats in controlled areas to prevent tampering.
- High-Efficiency RTU's - When rooftop HVAC equipment is added or replaced; TBG always specifies an AHRA certified high-efficiency unit as this provides numerous benefits. Lower emissions, less fossil fuel consumption, and a rebate incentive are all positive impacts and come at a very small increase to the project cost.
- Occupancy Sensors - Occupancy sensors continue to be specified for new breakroom, office, and conference room build-outs as well as added wherever feasible as a remedial project for our contract electrician.
- LED Lamps Installation- LED lamps are more energy-efficient and have a longer life than alternatives, and are a critical component of our energy-saving efforts.

TBG continues to make energy improvements and holds new installation and construction projects to a high standard of energy efficiency.

### PERFORMANCE MONITORING

Data drives all of our environmental action at TBG; so performance monitoring is a major component of our programs.

Performance is continually monitored for waste, recycling, emissions, and numerous other categories.

Using this data; we have set a goal for ourselves of working towards being 100% carbon neutral.



ENVIRONMENT

# Business Operations



## GREENHOUSE GAS EMISSIONS - CARBON NEUTRAL PROGRAM

TBG has significantly reduced our carbon footprint by purchasing Renewable Energy Certificates (RECs) and Carbon Offsets.

Our Carbon Neutral Program is comprised of:

- Green-e® Certified U.S. Wind and Solar Renewable Energy Certificates (RECs) which account for and encourage the use, expansion, and maintenance of renewable energy sources
- U.S. Landfill Gas Capture Carbon Offsets at the Flathead Cooperative Landfill in Montana are quantified and offset each year

## RENEWABLE ENERGY CERTIFICATES (RECs)

REC's account for and encourage the use, expansion, and maintenance of renewable energy sources. They also channel funds directly to renewable energy and greenhouse gas reduction projects.

We use these Certificates to match all of the electricity used in our offices and facilities, thus reducing our electricity-based carbon footprint by 3,536 tons of CO<sub>2</sub>.

The renewable energy generation we support has a positive environmental impact similar to growing over 80,000 trees or taking 1,029 cars off the road. Green-e Certified renewable energy meets the highest standards in North America. To qualify they must be generated from new facilities that meet rigorous standards for environmental quality, transparency, and accuracy.

ENVIRONMENT

# Key Performance Indicators: Environmental Management

\*We do not set a target as we are in a rapid growth pattern. Our usage is increasing as we grow, but we do offset 100% of our Scope 1 and 2 emissions.

Indicators		2020	2021	2022 Target
<b>ISO</b>	Number of sites with ISO 14001 EMS certification	4/4	4/6	N/A *
<b>GHG Emissions</b>	Total gross GHG emissions: Scope 1 (Tonnes CO2)	788	1,134	N/A *
	Total gross GHG emissions: Scope 1 (Tonnes CO2)	3,215	3,882	N/A *
	Total air travel GHG emissions: Scope 3 (Tonnes CO2)	N/A	85	N/A *
<b>Energy and Electrical Usage</b>	Gas usage (THM)	143,236	208,475	N/A *
	Electricity usage (KWH)	6,849,446	8,270,089	N/A *
<b>Materials, Chemicals, Waste and Recycling</b>	Total Landfill (Tons)	594	666.35	N/A *
	Total Recycled (Tons)	1452.17	1618.31	N/A *
	Total Waste (Tons)	2,047	2284.67	N/A *
	% Recycled	70.96%	70.83%	N/A *
	Average Disposal Costs	\$40.59	\$43.51	N/A *
	Waste Lamps (Bulbs)	1,108	937	N/A *
	Batteries	0	0	N/A *
	Hazardous Waste Liquid (Gallons)	1,485	1,630	N/A *
	Hazardous Waste Solid (Pounds)	0	0	N/A *
	Non-Hazardous Waste Liquid (Gallons)	7,535	8,080	N/A *
Non-Hazardous Waste Solid (Pounds)	10,640	20,391	N/A *	
<b>Water Consumption</b>	Total Water Consumption (Gallons)	5,953,000	6,284,000	N/A *
<b>Fleet Miles</b>	Fleet - Gas Miles	27,716	22,854	N/A *
	Fleet - Diesel Miles	40,075	42,363	N/A *

ENVIRONMENT

# Business Operations

## CARBON OFFSETS

TBG purchased U.S. Landfill Gas Capture Carbon Offsets at the Flathead Cooperative Landfill in Montana. Offsetting greenhouse gas (GHG) emissions enable organizations like ours to reduce our environmental impact by supporting projects that are actively working to reduce, absorb or prevent carbon and other emissions from entering the atmosphere.

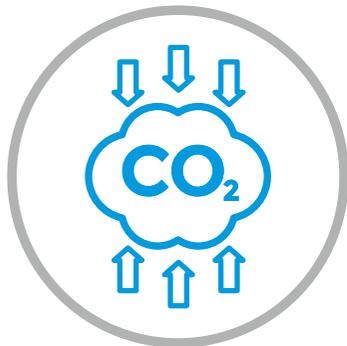
We've purchased 788 metric tons of U.S. Landfill Gas Capture Carbon Offsets to cover our direct carbon emissions by 100%.

This lowers our carbon footprint with an environmental impact similar to that of growing over 13,000 trees or taking 168 cars off the road.

Carbon dioxide emissions are broken down into three Scopes:

- Scope 1: Emissions are made directly by our five primary facilities and company vehicles in Minnesota.
- Scope 2: Emissions consist of those generated by the electricity we purchase from local energy partners.
- Scope 3: Emissions include those made by our supply and distribution chain, employees commuting, business travel, purchased goods and waste disposal.

As of January 2020, TBG has offset 100% of greenhouse gas emissions generated from our facilities (Scope 1) and 100% of the emissions made by our energy partners to power our facilities (Scope 2). We've also begun mapping out how to measure Scope 3, with the end goal to offset all of our carbon.



TBG Scope 1	TBG Scope 2
2021 - 1134 Tons CO2	2021 - 3882 Tons CO2
2020 - 788 Tons CO2	2020 - 3215 Tons CO2
2019 - 957 Tons CO2	2019 - 3830 Tons CO2
2018 - 750 Tons CO2	2018 - 3490 Tons CO2

ENVIRONMENT

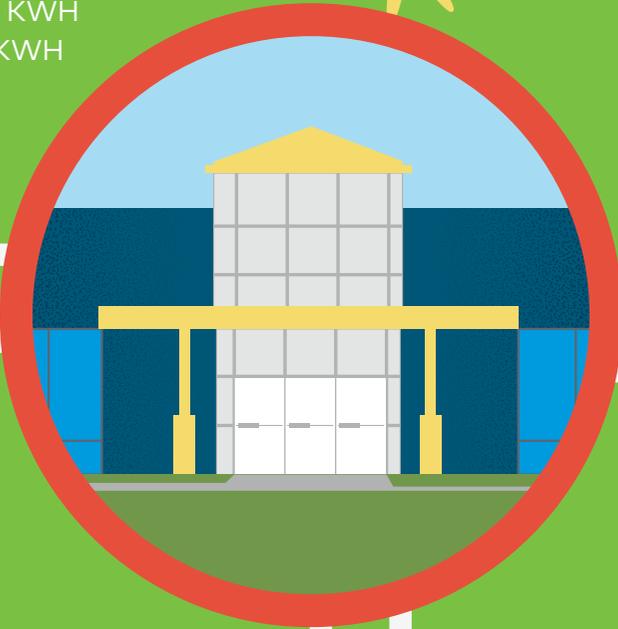
# Business Operations

TBG measures all of our utilities. As we continue to grow and add facilities, we are careful to monitor and limit the use of our utility resources as shown below.



**Electricity usage in kWh**

2021 - 8,270,089 KWH  
 2020 - 6,849,446 KWH  
 2019 - 7,418,524 KWH



**Employee Business Travel**

2020:  
 Round Trip Airfares – 43  
 Hotels Nights – 26  
 Rental Cars – 20



2019:  
 Round Trip Airfares – 344  
 Hotels Nights – 809  
 Rental Cars – 129



**Natural Gas usage**

2021 - 208,475 THM  
 2020 - 143,236 THM  
 2019 - 163,524 THM

**Waste Management**

2021:  
 Solid Waste to Landfill = 666 Tons  
 Solid Waste to Recycler = 1,618 Tons  
 2020:  
 Solid Waste to Landfill = 594 Tons  
 Solid Waste to Recycler = 1,452 Tons



**Fleet Mileage**

2021 - 65,217  
 2020 - 67,791  
 2019 - 48,807



**Water usage**

2021 - 6,284,000 Gallons  
 2020 - 5,953,000 Gallons  
 2019 - 3,216,600 Gallons

ENVIRONMENT

# Business Operations

## MATERIALS AND RESOURCES

TBG remains committed to providing our clients with eco-friendly options.

We have created a sustainability materials book that allows clients to touch and feel sustainable alternatives to conventional non-sustainable options.

TBG partnered with a local plastics company to develop styGreen™, a proprietary plant based styrene that is made from renewable resources, thus greatly reducing its impact on the environment.

- Reduced greenhouse gases and carbon footprint
- Ocean safe – it is designed to dissolve in water
- Compostable
- Recyclable
- Degradable – will break down in landfills
- Renders colors well, including pastels

+ + + + + + + + + + + +

+ + + + + + + + + + + +

+ + + + + + + + + + + +


SUSTAINABLE  
ALTERNATIVE

STYGREEN™ .020

Plant-based sustainable alternative to Polystyrene

#10669, #10677

Thicknesses available:  
.020  
.030

Colors available:  
WHITE

- + Produces up to 80% less greenhouse gases
- + Ocean Safe - dissolves in water
- + Degradable - will break down in landfills
- + Recyclable



Our Sustainable Materials sample book

ENVIRONMENT

# Business Operations

## SUSTAINABLE PROJECTS

Many clients come to us for EcoDesigned solutions. We have been able to offer them a wide range of options and tools to assist them in producing sustainable projects. One way we do this is by using an EcoDesign checklist.

**Must haves:**

- Optimize the weight of materials used
- Use only certified materials
- Minimum of 30% recycled or renewable materials used
- No batteries, electrical, magnets, or lights other than LED
- Maximum of 3 plastic resins

**Suggested:**

- 100% Renewable, recycled or certified packaging and protections
- Design reusable elements whenever possible
- Favor mono or single type material whenever possible
- No lamination or other decorative finishings that limit the recycling processes
- Favor sustainable printing processes (label or digital)
- Optimize palletization at conception stage
- Optimize shipment with flat delivery
- Promote recycling with disassembly instructions
- Identify plastics with their international packaging codes for easy recycling





**The Bernard Group<sup>®</sup>**

EXPERIENCE RETAIL DIFFERENTLY



**SMARTPRESS**

**THANK YOU**

19011 Lake Drive E  
Chanhassen, MN 55317  
952.934.1900