

SANMAR

A Canvas for Good

2025 Sustainability Report



Table of Contents

3 Introduction

Leadership Message

About Us

What We Do

Materiality

6 People

Health and Safety

Benefits

Belonging

Development

Internships

Engagement

Community

12 Planet

Environmental Policy

Climate

Water

Waste

17 Product

Responsible Sourcing

Product Impacts

Material Choices

Product Safety

23 Standards

Memberships

IT Security

25 About This Report

Introduction

Progress You Can See

A message from our CEO

At SanMar, sustainability is part of how we operate every day—for our people, our customers, and the communities connected to our business.

In 2025, we made steady, meaningful progress thanks to the hard work of many teams across the company.

That starts with our people. This year, we launched our first company-wide employee engagement survey, with 83% participation. We also continued to invest in learning and development programs to support employees as they grow in their careers.

We made progress in how we run our operations. We reduced our emissions intensity and improved how we use energy and water. We began installing solar panels at our distribution centers in Texas and Ohio—an important step toward using more clean energy.

Our product assortment continued to evolve as well. We now offer more than 300 styles made with recycled fabrics, developed in partnership with suppliers we've worked with over many years.

These are just some of the highlights of the work we've done this year to make SanMar more sustainable. This report shares more detail and transparency on what we accomplished in 2025 and what we plan to do in the years ahead.

Thank you to our employees, partners, and customers. Your work and your partnership are what make this progress possible.



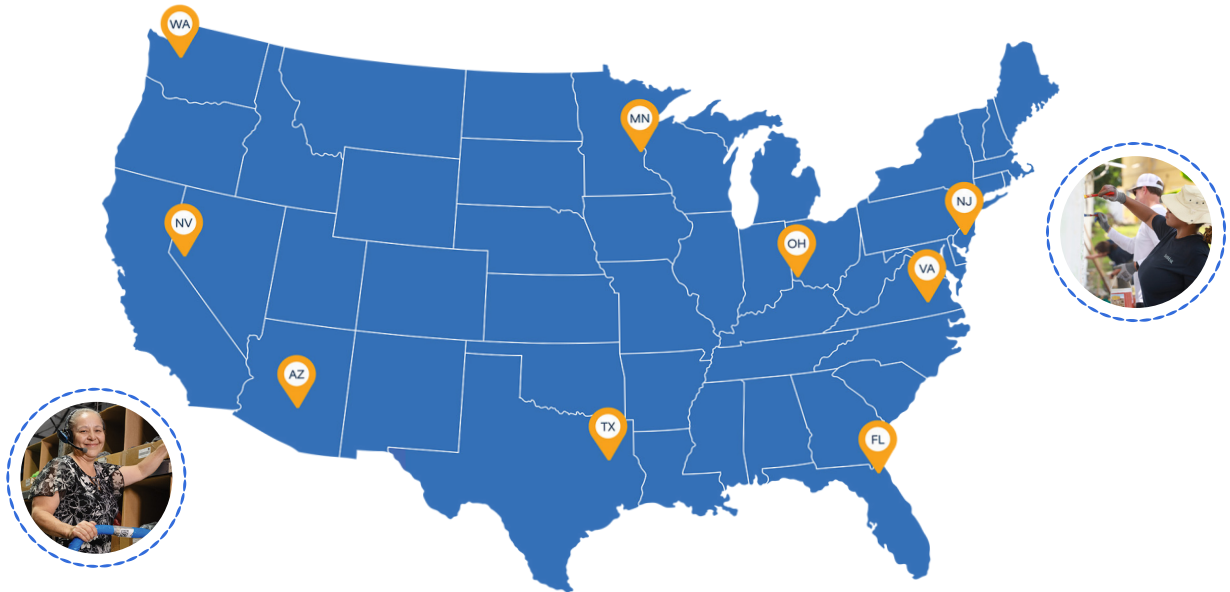
Jeremy Lott
SanMar President & CEO



About Us

SanMar is a family-owned and -operated company based in Issaquah, Wash., operating in the US across our nine distribution hubs. At over 5,000 employees, we're proud to be the most trusted, customer-focused supplier in the apparel industry.

Since our founding in 1971, we've been committed to strong relationships, ethical practices, and reliable support. At SanMar, we always put our customers, employees and communities first.



What We Do

SanMar sells apparel products that people use and wear every day.

This includes t-shirts, polos, hats, jackets, bags, blankets, and more. We're proud to serve over 70,000 American businesses in the promotional industry by providing quality blank apparel and accessories to meet their needs.

We source from long-term manufacturing partners in over 20 countries under our proprietary brands, and distribute apparel and accessories from popular retail brands.

The blank products we provide are customized by our customers for their customers—a wide range of uses representing every industry. They're used for corporate branding, events, teams, nonprofits, and community organizations to help brands shine.

Our national network of distribution centers is built to nurture growing businesses of all sizes, fulfilling orders with inventory crafted to SanMar's high standards and specifications.

While SanMar does not control the final use of the products we provide, we support responsible use through high quality standards, product safety compliance, responsible sourcing, and sustainable materials.

Everything we sell has the power to connect people, lift up communities, and bring teams together. In this way, we're not just selling t-shirts.

We're creating meaningful connections that elevate lives.

Materiality

In this report, SanMar evaluated actual and potential impacts considered most relevant to our business, stakeholders, and long-term strategy. Our material topics are informed by a materiality assessment conducted in 2022, which continues to provide a strong foundation for identifying and prioritizing key sustainability issues.

For this reporting cycle, SanMar reviewed and refined the material topic list to reflect the evolution of our business, programs, and external context. This included the addition of **Health and Safety** as a standalone topic, as well as refinements to topic names to better align with how these issues are managed internally. These include:

- **Human Rights** was renamed **Responsible Sourcing**
- **Circularity** was updated to **Material Choices**
- **Sustainably Sourced Products** was reframed as **Product Impacts**

We also updated certain topic names for clarity or consistency.

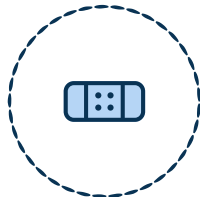
The sustainability team oversaw the review of material topics and evaluated them against the SanMar business strategy, risk profile, and sustainability priorities to confirm continued relevance. Stakeholder perspectives were incorporated through virtual conversations and an online survey, alongside input from internal teams across the organization. The final list of material topics reflects both stakeholder priorities and internal strategic considerations, and received executive sign off.

Throughout this report, we describe how each material topic is managed at SanMar, including relevant policies or commitments, actions taken or planned, and how progress is measured where applicable.

Material Topics



Responsible Sourcing



Health & Safety



Belonging



Community



Product Safety



Climate



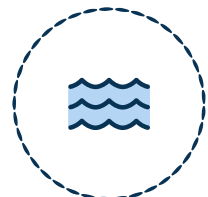
Material Choices



Product Impacts



Waste



Water

People

Our people are at the heart of everything we do. They bring their passion and dedication to work with them every day, inspiring us and giving us purpose.

From the warehouse shelves to the showroom floor, everyone at SanMar brings their own unique talents to the table. While we come from different backgrounds, we're all here to contribute to the shared goals of doing business well and fostering deeper connections with customers and partners.

Health and Safety

Every employee at SanMar is important to us. Keeping them healthy and safe is always at the top of our list.

SanMar takes steps to protect the health and safety of employees by performing hazard and risk assessments, providing them with the knowledge and training required to perform their job safely, and ensuring we're operating in compliance with relevant laws and regulations.

Each task at our facilities undergoes a job hazard analysis. In addition, local site inspections are conducted semi-annually by a SanMar safety officer, working closely with the safety coordinators at each facility to provide data and recommendations.

Should a work-related accident occur, injuries and illnesses are reported immediately or as soon as safely possible to the appropriate supervisor. Internal accident/incident reports are completed by the employee, supervisor, and any witnesses. Local managers and safety coordinators will also conduct an investigation and report on the outcome.

We use several occupational health services and procedures to safeguard the health and safety of our employees:

- Ergonomic assessments and noise-level testing are performed regularly.
- Third parties are consulted to identify potential hazards and seek solutions.
- Local authorities, where available, provide additional consultation on safety practices.
- Any hazards are communicated regularly and clearly to employees.
- Safety data sheets are available to all employees.

Employees at each warehouse have the opportunity to participate in safety committees, which conduct monthly walkthroughs to identify potential issues and recommend solutions.

Within our warehouses, employee training is completed during new hire orientation. All potential hazards are reviewed with the trainer; supervisors provide job-specific training. Refreshers are also conducted periodically and as needed.

All employees, including temporary employees, are required to adhere to SanMar policies and procedures detailed in our safety manual. Our workplace code of conduct and safety measures apply at all of our locations.

Through consistent policies and processes, regular training from day one, and open communication, our dedicated safety teams ensure that we continuously improve safety in the workplace, with measurable results.

Benefits

Our comprehensive benefits are designed to support employees' well-being, safety, and career growth. We aim to provide a positive work environment that enables SanMar employees to be at their best, through work-life harmony and healthy choices. The benefits we offer include:

- Medical, dental, vision, life and disability coverage
- Paid maternity and paternity benefits
- 401(k) retirement plan with company match

SanMar employees also have access to myStrength for emotional and behavioral health support as well as Livongo for diabetes and hypertension management. Both programs are voluntary, and SanMar does not receive confidential health information from either.

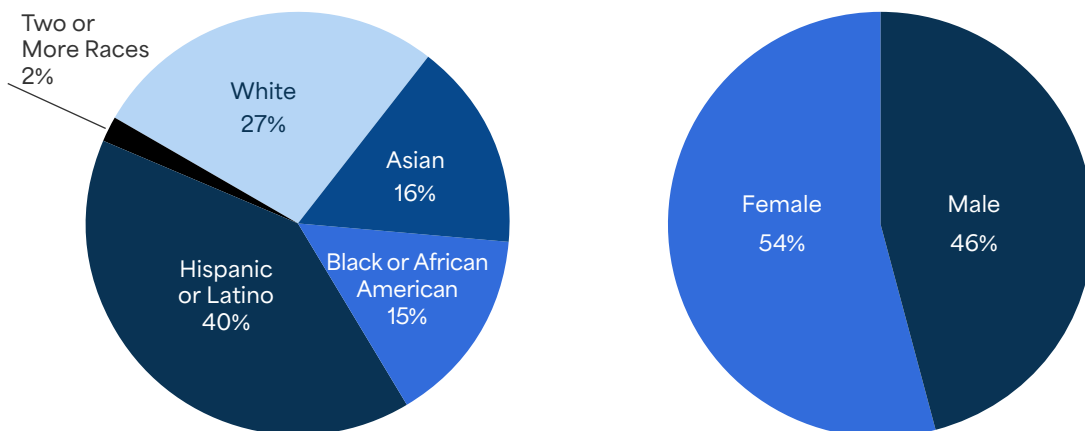
Remuneration policies are based on the company's compensation philosophy. The base pay ranges are evaluated at least once annually by the compensation team, which reviews data against minimum wages, living wages, market conditions, survey data, and internal equity. Final determinations are based upon senior leadership review and approval. Remuneration is currently split between base pay and bonus programs. There are several bonus programs depending on the position within the organization to most closely relate to the type of work performed.

The end result is a benefits and compensation program tailored to the needs of employees. Whether they're working in our corporate offices, our distribution centers, or from an office in their home, these programs are curated to support the health and wellness of everyone at SanMar.

Belonging

We love that SanMar employees come from all over the world. Our different backgrounds give us the chance to learn from one another while sharing the experiences that make us human. We believe that everyone at SanMar is at their best when they're free to be themselves. Listening to what they have to say puts us on the path to employee well-being and business success. Through guest speakers, community gatherings, and everyday events, SanMar enables employees to come together for conversations about shared interests and different cultures, through activities that enrich everyone involved.

Employee Representation Across the Company



SanMar recognizes that not all employees identify as male or female. Limitations on our methods of collecting this data does not allow for non-binary gender identification.

Military Hiring Initiative

SanMar is committed to supporting veterans and military members in their transition to joining the civilian workforce.

Those who serve often have unique training and skills that speak to leadership, team building, organizational commitment, and working in diverse cross-cultural settings.

Our Military Hiring Initiative celebrates these qualities and seeks them out. We partner with US Military Pipeline and Hire Heroes USA, participate in military recruitment events, and educate our recruiting teams about the value that military experience brings to the workplace.

Development

SanMar supports employees by helping them grow their careers and professional skills.

People learning a new skill or just getting started in their career path have the opportunity to work directly with experienced SanMar team members through mentorships and job shadowing.

Employees in our distribution centers are empowered to grow both their careers and their skillsets through curated role-specific development tracks.

Our goal is for all employees to be engaged in performance conversations throughout the year, including an annual performance review.

SanMar provides a variety of learning opportunities in-person and online. In 2025, our training and development team delivered 900 cumulative participant hours of in-person training and/or facilitation. Topic-specific courses are also delivered to employees through our learning management system on issues related to IT security, HR, and compliance.

Our on-demand library of guided sessions and recorded webinars are available to all employees for individual or group learning. In 2025, employees viewed 3,369 hours of training content.

SanMar is committed to investing in educational opportunities and professional growth for employees through the Education Assistance Program (EAP), which offers up to \$2,000 per calendar year. Eligible employees may receive educational assistance for coursework from a professional program or an accredited academic institution directly related to their career at SanMar. In 2025, over 100 employees were awarded assistance through this program.

900

cumulative participant hours of in-person training

3,369

hours of employee training content

100+

employees awarded education assistance

I've been lucky to grow my career at SanMar, thanks to the people who taught, encouraged, and believed in me. That's why I'm committed to helping others build their own path here—creating opportunities, opening doors, and making sure every employee has the support to grow into the leader they want to be.



Brian Thompson
Vice President, Distribution

Internships

We partner with local schools for our internship program to provide a supportive environment where students can gain job skills. They get real-world experience at our distribution centers and corporate headquarters.

Our Dallas distribution center began hosting Project SEARCH in 2014. This groundbreaking program challenges traditional expectations, empowering young adults with intellectual and developmental disabilities to achieve competitive employment. Several program participants have gone on to work at the distribution center where they trained.

Our Ohio warehouse works with the local Butler Tech program to provide hands-on experience for local students and empower them with a transformative education, fueled by their motivation to live authentic and fruitful lives.

We're always on the lookout for new ways to lift up students with skills that help them build future careers.

Engagement

The job of making SanMar a great place to work is never done.

We conducted our first employee engagement survey in 2025 to determine our Employee Net Promoter Score (eNPS). 83% of employees responded, reflecting their investment in helping make SanMar an even better place to work.

eNPS is an industry benchmark that we'll measure annually to gather employee feedback and make improvements.

Additionally, we gather informal feedback throughout the year in town hall meetings, Q&A sessions, and feedback surveys. We also provide a hotline where employees can anonymously report incidents such as ethical violations, fraud, improper conduct, and violations of company policy.

Our HR team is always here to make SanMar a place that works for everyone.

Community

SanMar is committed to engaging with local stakeholders and making a positive impact everywhere we do business.

Global Connections

Our sourcing, product development, quality, and compliance teams regularly travel to sourcing locations to grow our supplier relationships and ensure our products are made responsibly.

In 2024, we opened up the opportunity for other SanMar employees to visit our sourcing partners through our Global Connections program. During these visits, employees tour the factories where our products are made and meet the people who make them. Participants immerse themselves in local culture and customs while contributing to service projects.

In 2025, the Global Connections team went to Accra, the capital city of Ghana. While there they visited Dignity DTRT, a vendor partner whose name stands for "Do the Right Thing." Their mission is to supply global brands with high quality, cost-competitive, and socially responsible apparel from West Africa.

The team saw SanMar products created at DTRT locations, helped to renovate a girls' school, and helped collect more than 500 bags of trash at a local beach.

Global Connections trips empower visiting employees to form a direct connection with the places our products come from, and learn how they play an important part in the work SanMar does, both at home and around the world.

Giving Back

At the national level and in local communities, we contribute time and resources to organizations that make a difference and encourage employees to do the same.

185
hours SanMar employees
donated to nonprofits in 2025

Ending type 1 diabetes with Breakthrough T1D

SanMar is proud to support Breakthrough T1D, the world's leading type 1 diabetes research and advocacy organization. Many employees at SanMar have experienced the struggles type 1 presents through friends or family members. Our support makes a tangible difference in the lives of anyone with this chronic autoimmune disease.

Our partnership began in 2024, when we sponsored fundraising events near many of our distribution hubs across the United States.

As a part of our national support of Breakthrough T1D, SanMar became the presenting sponsor for the annual Beat the Bridge event in Seattle, starting with the 43rd annual race in 2025.

Beat the Bridge is a unique fundraising event, consisting of an 8K run, a 3-mile walk, a 1-mile fun run, and a diaper derby for toddlers. The event's name refers to Seattle's University Bridge, which runners try to cross before it is raised during the race. 147 SanMar employees volunteered to support the 2025 event.

Because in the race to beat type 1 diabetes, the only way we know to win is together.

6500
participants

\$965K+
raised

Local Giving

Our employees help us identify local organizations that have a strong reputation for community impact, and that resonate most with them personally.

All SanMar locations participate in charitable giving events, where we partner with local organizations to provide financial and in-kind donations. In some cases, local teams vote on which organizations to support. In others, organizations are chosen to align with timely causes and broader community efforts.

\$235K+
raised in 2025 toward
charitable efforts

Warehouse events

Most of our distribution centers contribute to at least three organizations every year. Local events are hosted regularly to engage team members in giving back to these local causes.

Employee Match program

SanMar matches employee charitable contributions up to \$250 per employee, per year to any recognized tax-exempt nonprofit charitable organization, as defined under section 501c(3) of the Internal Revenue Code.

Products with purpose

Some SanMar products empower customers to showcase the organizations they support, like the Charity Tech Pack. Each pack purchased results in a \$5 donation to either the American Red Cross or the American Cancer Society, while labels built into the bags themselves promote the organizations.

Product donations

We donate unused products to local organizations in need and empower our customers to do the same with local resources. In 2025, SanMar donated more than \$45,000 worth of products to nonprofit organizations across the United States.

\$45K+
products to nonprofits

Merchandise donation fund

SanMar salespeople are encouraged to work with their customers to donate products to local organizations in need. Through the SanMar Customer Merchandise Donation Fund, customers are empowered to support tax-exempt, nonprofit organizations in their communities with the donation of apparel and accessories.

Planet

When we manage our resources well, we make our business more resilient and do our part to preserve the home we share.

How we operate, the suppliers we work with, the materials we choose, and how we transport our products all contribute to our environmental footprint. Our job is to understand that impact and do our best to reduce it.

No single decision makes all the difference. We make choices every day that help us change our world for the better.

Environmental Policy

To us, being a good steward of the environment means setting clear guidelines and doing our best to adhere to them. Our environmental policy is guided by the following principles:

Compliance

SanMar is committed to compliance with all relevant laws and regulations relating to environmental matters. At our best, we seek out ways to fulfill our mission to elevate lives by actively reducing our impact on the environment and leaving things better than we found them.

Impact

We create a lasting impact by tracking and reporting on all resource use, including but not limited to energy, water, and waste. We continue to explore ways to reduce these resources. We track our scope 1, 2, and 3 emissions and take steps to reduce emissions in our facilities and supply chain, setting measurable targets for reducing our greenhouse gas emissions. Actions include implementing energy efficient fixtures and renewable energy at our locations, and collaborating with suppliers to improve environmental performance.

Materials

SanMar seeks to understand what happens with materials at the end of their useful life, as well as reduce our resource usage when they're created. We strive to do our part to reduce waste and create circular systems through education, collaboration, and supply chain leadership. Our product teams will continue to develop new offerings made from reclaimed waste.

Innovation

Innovations in apparel development, sourcing, and manufacturing can create meaningful change.

Transparency

We engage with customers, employees, suppliers, and communities to promote environmental awareness and sustainability. We are transparent in our environmental performance and report our progress publicly.

This policy is reviewed annually by our sustainability team and updated to reflect new regulations, technologies, and stakeholder expectations. We provide relevant training for employees, require suppliers to adhere to our Supplier Code of Conduct, and invite customer feedback.

By adhering to these principles, SanMar aims to lead by example and contribute to a sustainable and energy-efficient future.

Climate

Emissions

When you’re planning a journey, there are two things you need to know: where you are, and where you want to go. SanMar signed on to the Science Based Targets initiative (SBTi) to accomplish both.

Science-based targets provide companies with a clearly defined pathway to reduce greenhouse gases (GHG) in line with climate science by specifying how much and how quickly a company must reduce their emissions. SBTi also independently assesses and approves targets and provides a mechanism for transparency and accountability through their reporting requirements.

Our target meets SBTi’s most ambitious temperature pathway to limit warming to 1.5° C and prevent the worst impacts of climate change. SanMar has committed to reduce scope 1 and 2 emissions by 50% per pound of product by 2030 and to reduce scope 3 emissions from purchased goods and services by 50% per pound of product over the same timeframe, from a 2019 baseline.

To meet our goals, we’ve focused on implementing energy efficient lighting and solar power at our warehouses as well as reducing the impact of our products with lower impact materials.

Our sustainability team manages the annual GHG emissions accounting process, meets regularly with leadership to plan future reduction initiatives, and coordinates with internal teams to implement projects.

Our scope 1 and 2 emissions inventory is calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Our methodology has remained unchanged since we began tracking and reporting on emissions.

Our scope 3 emissions inventory is calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (scope 3) Accounting and Reporting Standard. Our methodology was updated for this report, as a result of using a new tool to calculate emissions. The methodology change resulted in a material change to our inventory and as a result we have recalculated our baseline.

In 2025 we reduced our scope 1 and 2 emissions intensity by 24% from our 2019 baseline.

EMISSIONS	2019	2020	2021	2022	2023	2024	2025
Scope 1 (tCO ₂ e)	2,051	2,049	2,743	3,183	5,021	4,518	4,188
Scope 2 (tCO ₂ e)	9,828	9,176	8,740	8,213	8,979	8,620	8,594
Scopes 1-2 Intensity (kg CO ₂ e/lb)	0.052	0.075	0.049	0.031	0.042	0.049	0.040
% Change from Intensity Baseline		44%	-6%	-40%	-19%	-5%	-24%
Scope 3, Category 1 - Textiles (tCO ₂ e)	1,613,344	1,044,701	1,607,393	2,536,227	2,315,323	1,778,627	2,111,315
Scope 3 Intensity (kg CO ₂ e/lb)	7.04	6.94	6.81	6.94	6.96	6.68	6.53
% Change from Intensity Baseline		-1%	-3%	1%	1%	-5%	-7%

In 2025, we saw absolute reductions in both our scope 1 and 2 emissions from the previous year. We have also seen a 24% reduction in our combined scope 1 and 2 emissions intensity as measured kg of CO₂e per pound of product from our 2019 baseline. Our scope 3 progress is slower with only a 7% reduction from our 2019 baseline.

As we look toward 2030, we plan to continue expanding the number of products made with materials that have a lower environmental impact and engage with our manufacturing partners to encourage target-setting and reductions in our supply chain. We will also consider additional solar installations and renewable energy sources.

Solar

In 2025, we began installing solar panels at our distribution centers in Texas and Ohio, which will generate enough electricity to power the equivalent annual usage of 270 homes. It will help power lighting, forklift charging, and all electrical equipment. The panels will also sometimes generate surplus energy for the local grid.

This renewable resource is a critical part of our strategy to reduce emissions and resource use across our operations. We constantly evaluate our operations to determine the best use for solar power and other energy efficiency options.

Energy

SanMar has been measuring energy usage at our operations since 2016 and reporting on it since 2018.

We’re taking steps to reduce energy usage at our offices and warehouses, including installing LED lighting in our warehouses that is more energy efficient. We further conserve energy use through the use of timers and motion sensors to reduce usage in low traffic areas, and implementing HVAC efficiency improvements at our office. In 2025, we reduced our energy intensity by 10% compared to 2024, measured by megajoules per square foot. We’ll continue to look for ways to reduce our energy use.

SanMar measures energy use from outside our organization through the calculation of our scope 3 emissions, which includes evaluating energy use from our suppliers and in the textile creation process.

In 2025 we reduced our energy intensity by 10% compared to 2024.

ENERGY USAGE	2019	2020	2021	2022	2023	2024	2025
Energy Usage (Absolute in MJ)	124,614,289	120,267,036	129,023,008	140,282,617	193,974,550	181,068,901	175,973,773
Energy Intensity (MJ/Sq Ft)	18.51	17.86	19.16	19.62	22.73	21.25	19.06
% Change from Intensity Baseline		-3%	4%	6%	23%	15%	3%

Logistics

The carriers we work with are leaders in sustainable freight transportation, investing in carbon offset programs, efficient and alternative fuel fleets, and intermodal options using multiple modes of transportation. The SanMar logistics team works closely with our transportation providers to reduce our impact through efficient shipping practices.

We reduce emissions by servicing eight of our nationwide distribution centers via intermodal versus servicing over the road. We also unload every container arriving via NW Seaport Alliance and provide that to the Northwest shipping community, reducing the repositioning of equipment for export.

We ship domestically with carriers who have green initiatives and/or are SmartWay Partners. The US Environmental Protection Agency’s (EPA) SmartWay® program helps companies advance supply chain sustainability by measuring, benchmarking and improving freight transportation efficiency.

In addition to working with responsible transportation partners, we know our own actions also make a difference. We work closely with our suppliers to consistently improve container utilization, reducing the number of air and nautical miles required for shipping.

From our distribution centers, we support our customers and reduce our impact through our Pack Separately, Ship Together (PSST) program, which combines individual shipments bound for the same destination and reduces the number of trucks picking up from our distribution centers each day.

Water

SanMar has been measuring water usage since 2016 and reporting on it since 2018. Water is sourced from public-supply systems in all SanMar operations, and limited to domestic use in our office and distribution centers. It is also used for cooling at our Arizona distribution center. We have reduced these uses by installing water-efficient fixtures, monitoring devices for early leak detection and water-efficient landscaping. In 2025, we reduced our water intensity by 21% compared to 2024.

Water discharge at SanMar is limited to domestic use that is managed through our local municipalities. We act to ensure we are operating in compliance with all local laws and regulations.

In 2025 we reduced our water intensity by 21% compared to 2024.

WATER USAGE	2019	2020	2021	2022	2023	2024	2025
Water Usage (Absolute in Gallons)	29,398,593	25,064,549	32,020,163	40,152,292	36,473,656	39,822,096	34,053,785
Water Intensity (Gallons/Sq Ft)	4.37	3.72	4.76	5.62	4.27	4.67	3.69
% Change from Intensity Baseline		-15%	9%	29%	-2%	7%	-16%

Waste

As a part of our commitment to sustainability, SanMar has implemented a range of initiatives designed to keep materials out of landfill. From providing recycling and compost options at our home office to packaging reduction efforts at our distribution centers, we aim to reduce, reuse, and recycle as much as possible.

Cardboard boxes are used to their fullest potential, then bundled and recycled when they can no longer be reused. Our product development teams work closely with suppliers to eliminate excess packaging, including polybags, wherever possible, and have transitioned remaining materials to recycled content.

Our IT department regularly hosts electronics recycling events that support both SanMar and our employees in responsibly recycling old electronics. This program has expanded electronic recycling to an additional distribution facility this year. We collected 6.74 metric tons of electronic waste for recycling in 2025.

In addition, our product creation team keeps textiles out of landfill by recycling unusable samples, fabric swatches, and other textile scraps. We strive to donate or recycle products that are no longer usable with nonprofit organizations and textile recyclers. In 2025, we donated 36,287 pounds of apparel products and fabric to World Vision.

36,287
pounds of apparel and fabric
donated in 2025

We also created a Textile Waste Decision Tree resource to help customers and end-users to recycle or dispose of products in a responsible way. We have clearly labeled waste bins so employees can sort trash, compost, and recycling. These practices, combined with our broader waste reduction initiatives, help minimize our environmental footprint.

SanMar is identified as a Very Small Quantity Generator of hazardous waste, which are businesses that generate no more than 220 lbs of hazardous waste per month. Any hazardous materials are recorded and disposed of in accordance with all applicable rules and regulations.

Across our operations, we estimate the total weight of waste generated, including recycling, compost, and landfill, to be 6,861 metric tons. Due to the data available from our waste haulers, this estimate is based on container size, pickup frequency, and EPA conversion factors. The estimated total weight of waste diverted from disposal through recycling and composting is 5,106 metric tons, representing a diversion rate of 74%. The estimated total weight of waste directed to landfill, excluding hazardous waste, is 1,756 metric tons.

WASTE GENERATION AND DIVERSION

	Metric Tons
Waste Landfilled or Incinerated	1,756
Organics Composted	25
Materials Recycled	5,081
Plastic Film Recycled	4
Textile Waste Recycled	1
Corrugated Cardboard Recycled	3,047
Mixed Paper Recycled	2
Catalog Material Recycled	10
Mixed Recycling	2,017
Total Waste Stream	6,861
Total Waste Diverted	5,106
Waste Diversion Rate	74%

74%
waste diverted
from landfill

Product

Bringing meaningful products to life takes purpose, attention, and a commitment to continual learning. At the heart of our work is a belief that thoughtful design comes from listening—to our customers, to how our products show up in everyday life, and to one another across teams and regions. By asking hard questions and approaching innovation with curiosity, we strengthen our product line while advancing more responsible practices.

Our goal is to provide apparel people choose again and again, whether from our proprietary brands or the retail and industry brands we carry. We purchase products from long-term reliable and responsible partners who are equally committed to sustainability. SanMar places international offices near our trusted suppliers, so we're best positioned to deliver quality products and respond to the dynamic demands of the apparel and accessories industry.

Sourcing Around the World



Responsible Sourcing

In the manufacture of our private label and licensed brands, we take great care to ensure our suppliers share our standards and operate in an ethical and responsible manner. We are committed to managing the risks of adverse social impacts in our supply chain and select suppliers that implement positive social practices. We work with respected independent third parties who help us establish best practices and continuously improve our programs. By making social compliance fundamental to our sourcing decisions, we ensure our suppliers take our Global Operating Principles as seriously as we do.

Our responsible sourcing program aims to address potential negative social impacts in the supply chain and is built on a risk-based due diligence approach, guided by the OECD Due Diligence Guidance for Responsible Supply Chains. This includes third-party audits, active collaboration with multi-stakeholder initiatives, and a strong focus on capacity building and continuous improvement.

100%
of new suppliers are
screened using social and
environmental criteria

We also work with Amader Kotha Helpline and Ulula, which help workers raise concerns and receive effective case management. Both organizations promote worker voices by providing a necessary feedback loop, enabling SanMar to go beyond compliance in our factory monitoring efforts.

We work only with factories that meet our Social Compliance Standards and Global Operating Principles, which are rooted in International Labor Organization conventions and aligned with the Fair Labor Association (FLA) Workplace Code of Conduct. Every facility is carefully evaluated before entering our supply chain, continuously monitored, and engaged in the following responsible sourcing practices for the duration of the sourcing relationship.

Factory Monitoring

Our factory monitoring program forms the core of our due-diligence system. It includes a combination of internal assessments, independent third-party on-site audits of supplier facilities, and FLA monitoring visits. Audits cover all elements of our Global Operating Principles, which include but are not limited to working hours, wages and benefits, health and safety, nondiscrimination, as well as assessing the facility's grievance channels, management systems and adherence to US customs requirements. We supplement audits with worker interviews, document reviews, follow-up checks, and ongoing communication with factory leadership. Higher-risk regions or product categories receive more frequent monitoring and enhanced screening.

100%

of private label suppliers
monitored for adherence to
Global Operating Principles

We also recognize the importance of local insight. In several regions where we source, we work with civil society organizations and similar groups who have direct visibility into local conditions. Their insights help us better understand and assess regional risks, strengthen remediation plans, and support worker-focused improvements. These partnerships allow us to respond more effectively to emerging concerns and ensure our approach is grounded in realities on the ground.

When issues are identified, our compliance team works directly with the supplier and the factory to understand root causes, develop corrective-action plans, and verify improvements through sustainable remediation plans developed cooperatively by factory leadership. We require factories to work with in-house worker committees and union representatives on sustainable remediation plans. Additionally, we provide various channels for workers to safely and confidentially share concerns, strengthening worker voices and ensuring that potential issues surface quickly.

Fair Compensation

We believe that fair compensation is a fundamental part of responsible sourcing. We expect all factories to meet or exceed legal wage requirements and ensure workers are paid correctly and on time. During audits, we review payroll records, timekeeping systems, overtime practices, and social-insurance participation. When compensation issues arise, we work with factories to address them promptly, confirm repayment where needed, and strengthen their systems to prevent recurring problems.

By 2030, we aim to demonstrate measurable, year-over-year improvements against applicable fair compensation benchmarks across our core Tier 1 factory base, using 2022 as the baseline.

Responsible Purchasing Practices

We recognize that our own purchasing decisions influence working conditions. That's why SanMar participates in the Better Buying program, which gives suppliers the opportunity to anonymously evaluate our purchasing behaviors. We use this feedback to improve forecasting, communication, order planning, and lead-time management. Our goal is to reduce unnecessary pressure on factories and support predictable, stable production environments that protect workers and promote long-term business health.

Training and Capacity Building

Supporting continuous improvement is central to our approach. We offer training and capacity-building for our supplier factories on topics such as responsible labor practices, health and safety, effective management systems, and remediation planning. These sessions help factories strengthen internal processes and build the skills needed to meet our standards over the long term.

We also invest in internal training for SanMar teams. Our sourcing, compliance, and product teams receive regular guidance on responsible purchasing, labor rights, emerging global risks, and updates to legal requirements. In the future, we aim to extend this training to environmental issues as well with a goal to provide training to 100% of the global product team by 2030. This shared foundation ensures alignment across departments and reinforces responsible sourcing at every step in every department of our business.

Supply Chain Mapping and Tracing

Sourcing responsibly requires looking beyond the finished goods manufacturer and evaluating the complete supply chain. This includes identifying, preventing, and addressing the risks associated with illegal labor like child labor and forced labor.

Using guidance from US Department of Labor's (DOL) Bureau of International Labor Affairs (ILAB), US Customs and Border Protection (CBP), the Fair Labor Association (FLA), and other industry organizations, SanMar has implemented a set of traceability practices to ensure no materials used in SanMar products come from banned entities or regions.

We require our suppliers to map all facility locations at all levels of the supply chain. We conduct tracing exercises to gain visibility into the origin of the materials and inputs that go into our products and verify supply chain information through periodic testing and document reviews.

We believe that this comprehensive approach—strong monitoring, fair compensation, responsible purchasing, ongoing training, and traceability—creates meaningful accountability and supports the workers who make our private label and licensed brands.

Fair Labor Association

The Fair Labor Association (FLA) is a collaborative effort of socially responsible companies, colleges, and civil society organizations to improve working conditions in factories around the world.

The social compliance program at SanMar received FLA accreditation in 2012. In March 2023, SanMar's factory monitoring program received re-accreditation from the FLA, recognizing our commitment to advancing better labor conditions. We're proud to be one of only a small number of companies to hold this level of distinction.

We continue to be an active participant of the FLA today, demonstrating our commitment by:

- Upholding the FLA's Code of Conduct and established systems to identify and remedy ethical violations.
- Working with the FLA to develop and improve social compliance systems that flag issues and lead to sustainable solutions when workers are at risk.
- Monitoring our supply chain partners to ensure they meet strict labor standards.
- Engaging with local CSOs and NGOs to address regional challenges.

Product Impacts

Facility Environmental Performance

SanMar is committed to managing the environmental impacts in our supply chain and selects suppliers who implement best practices in environmental management. To measure our progress, suppliers complete the Higg Facility Environmental Module (FEM), which is a tool that measures a facility's impact in areas such as management systems, chemicals, energy, emissions, water, and waste. It is designed to prioritize issues within facilities and shape goals for year-over-year improvements.

SanMar has used the tool since 2017 to measure facility impacts and identify opportunities to engage on improvements and inform sourcing decisions. In the past year, we have also been able to incorporate primary facility data from Higg FEM into our scope 3 greenhouse gas inventory to improve accuracy of product impacts. We also use the Higg FEM data in aggregate to understand the strengths and opportunities within our supply chain.

+18%

increase of FEM score
from previous year

85%

of assessments
verified

99%

of facilities track
energy use

52%

have set targets for reducing
overall scope 1 and 2 emissions

Product Assessments

When we understand the full lifecycle of a product, we're in a better position to make intentional choices that have the biggest impact. That's why we look closely at the whole process, following the inputs and outputs from raw material to end-of-life and seeing how they impact the environment.

We use two methods to assess our products:

- An ISO 14044-aligned methodology that calculates the greenhouse gas emissions of our products for our scope 3, category 1 emissions inventory.
- ISO 14067-aligned lifecycle assessments that measure impact areas such as carbon equivalent emissions, water consumption and aquatic toxicity resulting from the production and transportation of raw materials, textile and garment manufacturing, transport from manufacturer to customer, use of garments, transport to disposal and disposal at end-of-life.

Both methods inform our decision-making on which materials to use and how manufacturing practices play a role.

Our lifecycle assessments support our ClimeCo Certified Product program. This certificate signifies that products in the program have had their carbon footprint reduced and assessed, and that an equivalent investment in emission reduction projects has been made.

Products in the program have their carbon footprint reduced through selection of materials that have a proven reduction in global warming potential. These products are also made at factories that have their carbon footprint assessed on an annual basis. There are 96 styles in the program, which in 2025 offset over 32,000 metric tons of CO²e emissions.

Material Choices

In our products and our packaging, SanMar is taking steps to reduce our environmental impact through the materials we select. We focus on efficient manufacturing processes, responsibly grown cotton, and incorporating recycled content. In sourcing lower impact materials, we use standards and tools to validate sustainability claims.

bluesign System Partnership

SanMar became a bluesign system partner in 2024. By integrating bluesign standards into our supply chain, we ensure that we continue to meet the highest environmental and safety criteria in alignment with our long-term sustainability goals. Since its founding in 2000, bluesign has partnered with over 850 manufacturers, brands and chemical suppliers worldwide to eliminate harmful substances from manufacturing processes and drive transformative change in the textile industry.

Responsibly Sourced Cotton

The US Cotton Trust Protocol is the first cotton fiber program to offer article-level traceability and data across six key sustainability metrics, promoting growers that adopt regenerative cotton growth principles. We are tracking US Cotton consumption of some of our most popular styles through the Trust Protocol program as part of our commitment to improving our environmental footprint and the transparency of our supply chain. In 2025, we tracked 10,000 tons of US Cotton through our supply chain by the Trust Protocol. In addition to sourcing cotton via this program, we continue to grow our selection of styles made with organic cotton.

Recycled Content and Circularity

Consumer products often have a linear existence—“take-make-waste.” Circularity means turning that line into a circle, diverting waste into new uses like repair, reuse, recycling, or composting.

We’re working to incorporate circularity in how we develop products by using recycled materials, designing apparel and accessories to last as long as possible, and exploring solutions to keep textiles out of landfill.

The RE Collection represents one example of this. Made through our District private label brand, each piece uses 100% post-industrial textile waste in developing new apparel products.

300+
styles made with
recycled content

Quality

SanMar is committed to delivering quality products to our customers by providing consistent manufacturing, workmanship, and performance.

We partner with our suppliers to enforce and enhance continuous improvement of their quality assurance processes and practices. We have also focused on refining and updating our own internal quality processes aligned with new product developments and initiatives such as sustainability. As such, SanMar is working closely with our suppliers to impact the durability and lifespan of our products and to avoid unnecessary waste of material and resources.

Product Safety

SanMar is committed to verifying that all private label and licensed brand products that SanMar manufactures are safe and meet or exceed all applicable US product safety laws. We work with a third-party product testing provider to institute a rigorous product testing program across our private label and licensed product supply chain, to verify that manufacturers produce goods that meet our standards as well as those of applicable federal and state laws.

Our product safety program is integrated with our product creation and life cycle processes. It includes a comprehensive product review for styles in development and prior to placing orders to ensure that all product categories are assessed for safety impacts and labeling prior to adoption and order placement. Through this process, 100% of product categories are assessed for safety impacts.

Product Safety Testing

We take a collaborative approach to testing with our suppliers. We closely monitor production under our private labels and licensed products against the benchmarks we've set through our product safety testing program.

This allows us to verify that products meet our high standards and applicable regulatory requirements in the United States. During production, we require our suppliers to provide new testing every six months and ensure the test reports meet the baseline requirements set by the CPSC, such as CPSC-approved third-party testing facilities and new testing upon changes to the material or supplier.

We regularly review and update our processes in our commitment to continuous improvement, and we communicate improvements and expectations to our supply chain diligently.

SanMar provides country of origin and fiber content for all products in accordance with US Federal Trade Commission requirements. All product categories are covered by our labeling requirements.

Restricted Substances

SanMar has adopted the Restricted Substance List developed by the American Apparel and Footwear Association (AAFA). Suppliers are required to adhere to the restrictions and bans listed in the AAFA Restricted Substance List for private label and licensed products manufactured for SanMar.

We closely monitor regulatory and industry developments in product safety and regularly participate in industry-specific trainings to stay informed of requirements and best practices. Visit sanmar.com to access General Certificates of Conformity, Children Product Certificates and additional information about our product safety testing program.

Standards

SanMar is guided by a clear set of standards and policy commitments that reflect our long-standing belief that business should be conducted ethically, transparently, and with respect for people. Rooted in our founding principles—Be Nice and Tell the Truth—these commitments define how we operate across our business and how we work with partners around the world.

Our approach to responsible business conduct is grounded in internationally recognized frameworks and informed by collaboration with trusted third-party organizations. Together, these commitments establish expectations for ethical conduct, respect for human rights, and responsible decision-making across our operations and supply chain.

SanMar actively seeks the input from stakeholders such as employees, customers, suppliers, and multi-stakeholder organizations. We conduct virtual and in-person meetings and engage directly to stay abreast of current issues, assess our impacts and share best practices to mitigate actual and potential negative impacts.

We conduct surveys regularly and make improvements based on employee feedback. We also gather informal feedback throughout the year.

Memberships

We're proud to be a part of organizations who set the standards for responsible business. We look to these partners to advise on best practices, support our progress, and hold us accountable.



An international network of organizations promoting human rights at work.



A global nonprofit alliance driving equitable, restorative business practices.



A partnership enabling climate action in the private sector.



A global partnership empowering transformative change in the textile industry.



Advancing knowledge to improve workers' living standards globally.



Providing reliable business sustainability ratings and insights.



A voluntary US Customs partnership to strengthen supply chain security.



Offering article-level traceability and data across six key sustainability metrics.



The trusted public policy and political voice of the apparel and footwear industry.



Representing fashion businesses based in the U.S. doing business globally.

IT Security

Customer relationships are the lifeblood of our business. We take steps to ensure our customer data is protected with industry-standard controls and countermeasures.

SanMar has established information security policies and procedures to govern our daily operations, which include maintaining adequate backup and recovery processes. In addition, we implement suitable security controls to reasonably protect the confidentiality, integrity, availability, and privacy of customer data, in alignment with regulatory requirements.

We attest annually to several compliance frameworks, including PCI DSS, that allow independent third parties to evaluate various information, applications, networks, and physical security controls to ensure the safety of the SanMar e-commerce platform, business networks, supply chain, and customer information.

All SanMar employees participate in ongoing security awareness training activities. Third parties that may have access to SanMar production systems and/or data are reviewed at least annually to ensure that vendors meet all customer confidentiality requirements. Information provided by SanMar to our third-party vendors is strictly on an as-needed basis to service SanMar's customers or as directed by our customers. SanMar does not sell, rent, lease or share customer information for any other purposes.

SanMar uses various tools to secure and continuously monitor network activity for the e-commerce platform and the internal systems and resources that support it. Events, including security incidents, are reported through these mechanisms for review and potential escalation. SanMar, in accordance with local laws, will take necessary steps to notify affected customers in the event of a data breach.

Supply Chain Security

The Customs Trade Partnership Against Terrorism (CTPAT) is a voluntary program in which importers partner with US Customs and Border Protection to strengthen supply chain security. SanMar is a CTPAT Partner with a Tier III status. This status is reserved for CTPAT Partners that exceed the minimum-security criteria, have successfully completed a validation, and operate using a pre-defined series of best practices that have overlapping, interlocking layers of defense that are actively monitored by management personnel.

SanMar performs periodic supply chain security audits at all factories. We address non-compliances identified through security audits by requiring time-bound corrective action plans with defined ownership and follow-up verification. Remediation progress is monitored by SanMar's compliance team to confirm effective closure, with additional engagement or enhanced monitoring applied where risks persist. This approach supports continuous improvement in supply chain security and compliance.

About this Report

This report was prepared with reference to Global Reporting Initiative (GRI) Standards. Our GRI content index can be accessed [here](#). The scope of the report includes information on SanMar's wholly-owned and operated entity in the US, which includes our home office and distribution centers. This report does not include information on entities for which we may have financial interest but no operational control.

Data contained in this report is for the 2025 calendar year unless otherwise noted. SanMar reports on its sustainability progress annually. This report was published in June 2026. For questions, please contact supplierinquiries@sanmar.com.