



creative werks

the creative werks sustainability report 2021



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FROM OUR FOUNDER

Since our inception, creative werks has aimed to be a packaging company and solutions provider with a mission to improve the lives of our associates and their families and make our communities stronger. Even though we are a small company we understand our responsibility to the environment and our planet. How we do business is just as important as what we do and the value we provide. With this aim in mind, practicing sustainable business is inherent in how we work and how we collaborate with our clients. It has become a competitive advantage and will be vital to our corporate growth and crucial to our longevity.

For more than 10 years, we have been investing in renewable energy through the purchase of Renewable Energy Credits (RECs) to power our facilities. The Environmental Protection Agency (EPA) has recognized creative werks once again as an EPA Green Power Leader for this commitment and our focus on reducing our carbon footprint. This is just one example of how our business has made a strategic decision to invest in sustainable energy markets to help progress the industry forward.

With the guidance from our brand partners and clients, we are also working with a renewed focus on sustainable design. As designers and manufacturers of packaging, we are exploring the latest technologies in materials to partner with our clients on recyclable packaging and eliminating packaging waste where possible. Remaining at the forefront of a renewable plastic economy will be key to our growth, and our clients' growth. Also crucial in this endeavor is consumer education and providing helpful tools so the consumer can recycle and dispose of packaging responsibly.

In February of 2020, EcoVadis scored creative werks in the top 5% of companies for our social and environmental practices, resulting in the Gold Designation. This designation serves as a reminder that small changes matter and we are making important progress on this journey. Despite our efforts and commitments, there is still more work to be done and more progress to be made. With the bar set high, we must reach new heights and continue to challenge the status quo. This is a challenge we embrace and will work toward with rigor and enthusiasm.

Despite the strain on the global supply chain, we as a business continue to be in a position of great strength and vitality. Our team of professionals is committed to helping us grow and continue to practice business responsibly. We are united in this front and only together will we move the needle toward a more sustainable and humane world. I'm encouraged by the optimism and curiosity that our team demonstrates toward environmental challenges and how this will shape our future. As we grow and adapt to change, we will need this mindset of optimism and curiosity to confront urgent challenges and build a stronger future for decades to come.



Steve Schroeder
President & CEO

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RECOGNITION & PARTNERSHIPS



creative werks is proud to be awarded the EcoVadis Gold ranking, which indicates the company scored in the top 5% of all companies who completed the EcoVadis Corporate Social Responsibility assessment. The company has retained its EPA Green Power Partnership for five years, along with an SQF Food Safety Code of Manufacturing and SQF Food Quality Code (formerly named SQF Level 3). Additionally, the company is proud to be members of F4SS, Sedex, and AIM Progress, where the latter of which it holds a seat on the Leadership team.



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A person wearing a white lab coat, a hairnet, and a face mask is working in a laboratory or factory setting. They are holding a small object in their right hand. The background shows industrial equipment and a clean, well-lit environment. The text "OUR BUSINESS" is overlaid in large, white, sans-serif capital letters.

OUR BUSINESS

ABOUT CREATIVE WERKS

As a strategic partner to our clients, all top 100 food brands, creative werks brings ideas to market through its design, manufacturing, and co-packing services. True to its name, CW is focused on innovation and how it can use its creative energy to unlock new technologies in manufacturing and materials. Together with its fortune 100 clients, CW is committed to reducing material usage and waste, investing in sustainable energy like LED lighting and RECs, and educating associates and consumers on the importance of recycling, food waste, and sustainable materials. Beyond the company's ability to innovate and manufacture, it also shares the collective challenge to improve the sustainability of the supply chain and reduce our carbon footprint where we can.

OUR PURPOSE AS A BUSINESS IS TO POSITIVELY IMPACT THE LIVES OF OUR ASSOCIATES, THEIR FAMILIES, AND OUR COMMUNITY WHILE HELPING OUR CLIENTS GROW, INNOVATE, AND PROSPER.

In addition to a focus on manufacturing responsibly, CW is also deeply concerned about its social impact and how it can improve the livelihood of its associates and communities.

As a key partner to global brand companies, creative werks has the unique opportunity to impact the sustainability challenges affecting the globe. To be the ultimate packaging partner, CW must embrace sustainability challenges and work fervently with its clients to find solutions and minimize impact where it can

creative werks by the numbers

Year Founded:	1999
Founder and CEO :	Steve Schroeder
Associates:	220
Avg Temp Labor Associates:	1,000
KwH of Energy as a Percent of CUs produced:	29.88 kWh per pallet
Change over 2020:	16.4% increase
Tons of Waste to Landfill 2021:	868
Change over 2020:	15.6% increase
2021 Food & Recycling Materials Recovery:	4,814 tons diverted
Change over 2020:	2.3% increase

STRATEGY FOR SUSTAINABILITY & STAKEHOLDER ENGAGEMENT

creative works is in a period of setting baselines and gathering more data to inform our annual goals, operations, and sustainability program investments. These calculated actions are already seeing results, improving the company and impacting the overall packaging industry.

Our current sustainability strategy extends through 2025, with a focus on environmental topics as well as social initiatives like Community Support and Human Rights programs. We created our sustainability initiatives to align with the United Nations Sustainable Development Goals (UNSDGs) and each section of the Report corresponds to a relevant UNSDG.

We previously engaged our stakeholders by completing a materiality assessment. The aim was to gather insights on the environmental, social, and business-critical issues of our company. The areas which stood out as highest priorities to the stakeholders are:

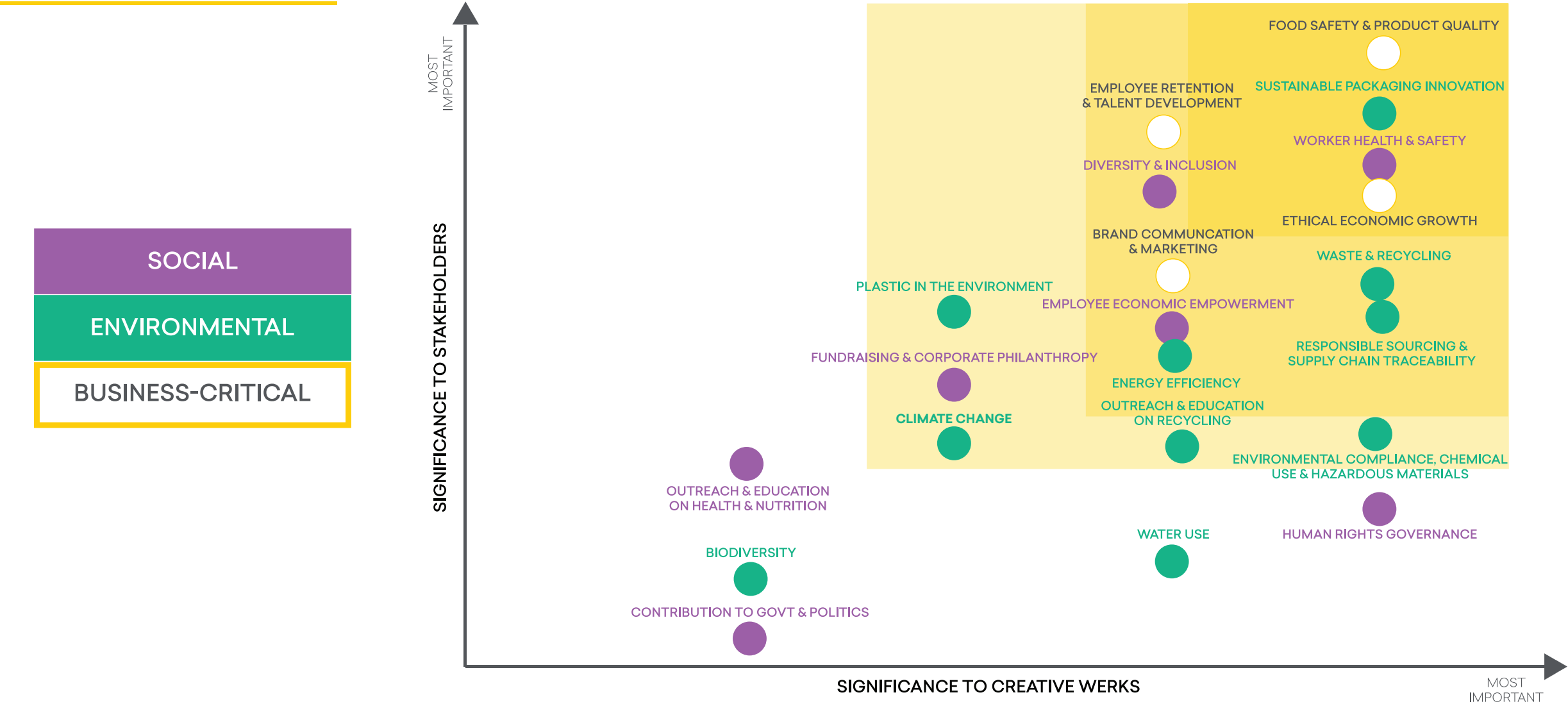
- 1. Food Safety & Product Quality**
- 2. Sustainable Packaging Innovation**
- 3. Worker Health & Safety**
- 4. Ethical Economic Growth**

Additional charts, which expand on the three categories of Social, Environmental, and Business-Critical focus areas, can be found in the [appendix](#).

KEY CORPORATE RESPONSIBILITY CHALLENGES AND OPPORTUNITIES

- **Materials recyclability**
- **Label packaging for proper disposal**
- **Educating the consumer**
- **End of life and circular economy**
- **Cross industry collaboration for change**
- **Climate change – carbon footprint & overall environmental impact of (1) business and (2) packaging**
- **Recycled content**

2020 - 2025 CREATIVE WERKS' MATERIALITY ASSESSMENT



ENVIRONMENTAL GOALS & METRICS

2025 GOAL	METRIC	UNSDG GOAL ALIGNMENT
Packaging & Materials	<ul style="list-style-type: none">Utilize Diverse Supplier Network to Identify and ilvestigate Sustainable Alternatives for High-Volume Packaging MaterialsCollaborate with Client Corporate Responsibility / Sustainability Teams to Support Their 2025+ Packaging Sustainability GoalsInvest in Five Research & Development Trials, Both Internally- & Externally-Led, to Confirm Manufacturing Feasibility of Innovative, Sustainable Packaging Solutions	<div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div>
Responsible Sourcing	<ul style="list-style-type: none">Gather Feedback from creative werks Suppliers Through Circulation of Annual Supplier Partnership SurveyCommunicate Sourcing Strategy, Supplier Code of Conduct, and Ways of Working to All creative werks Suppliers	<div><div>8 DECENT WORK AND ECONOMIC GROWTH</div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div></div>
Footprint Reduction	<ul style="list-style-type: none">Reduce Carbon Footprint by 1% YoY while Maintaining Corporate Growth TargetsExplore Waste to Energy Capability to Support Zero Waste GoalsReduce Water Consumption by 1% YoY While Maintaining Corporate Growth Targets	<div><div>7 AFFORDABLE AND CLEAN ENERGY</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>15 LIFE ON LAND</div><div>14 LIFE BELOW WATER</div></div>
Community Outreach	<ul style="list-style-type: none">Increase Corporate Volunteerism by 5%Establish Company-Wide "Days of Service"Increase Dollars Donated to Causes We Love by 5%	<div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div>10 REDUCED INEQUALITIES</div><div>1 NO POVERTY</div></div>



SUPPLY CHAIN RESPONSIBILITY

SUPPLY CHAIN RESPONSIBILITY

As a key partner to global brands, we recognize that building a supply chain grounded in trust and transparency is fundamental for growth and longevity. As our clients have high expectations of us, we too have high expectations of our suppliers.

Our Code of Conduct outlines the ethical, social, and environmental expectations we have of our suppliers in every facet of our business. We have a responsibility to our clients and consumers to ensure all practices within our supply chain were made ethically and responsibly – our Code of Conduct is one measure to ensure these practices are followed.

Code of Conduct

As a company committed to high ethical standards, creative werks practices corporate stewardship and responsible sourcing, and believes in the equal and fair treatment of our suppliers and all partners throughout our supply chain. Likewise, we expect our suppliers to adhere and insist upon safety, fairness, and the equal rights of all people. Our Supplier Code of Conduct (SCoC) follows industry-recognized standards, including the Universal Declaration on Human Rights, the United Nation’s Global Compact, and the conventions outlined in the International Labour Organization. In this document, the term “supplier” refers to any vendor or company from which creative werks procures goods or services.

Compliance with the Law

At creative werks, we insist that all our employees and suppliers comply with local, state, and federal laws in the country where they operate.

Health & Safety

Keeping a safe workplace and ensuring the safety of our food products are two of creative werks’ highest priorities. We expect our employees and suppliers to comply with Good Manufacturing Practices (GMPs) and all food safety regulations.

Forced Labor & Child Labor

Suppliers are prohibited from using forced labor of any kind including indentured servitude, imprisonment or debt servitude. In addition, supplier will not employ child labor of any kind as outlined by the International Labor Organization’s 1998 Declaration on Fundamental Principles and Rights at Work.

Conflicts of Interest

Suppliers of creative werks should act in the best interest of creative werks. Therefore, suppliers and employees must avoid situations where their personal interests may conflict.

Environmental Responsibility

creative werks expects our suppliers to act in environmentally responsible ways and respect creative werks’ Environmental Policy, attached in Appendix A. creative werks strives to minimize its environmental impact and is required to submit environmental metrics to their clients. creative werks may request environmental emission information from vendors for reporting purposes.

Business & Financial Records

Both the supplier and creative werks must keep accurate financial records of all transactions involving creative werks and the supplier. This includes invoices and expense reports. Suppliers should send invoices in a timely manner.

SUPPLY CHAIN RESPONSIBILITY

Working Hours & Overtime

Suppliers must obey local and federal laws in accordance to overtime and overtime pay, including the allotment of 24 hours of consecutive rest during every 7-day working period. Furthermore, supplier must not force any associate to work overtime, and associates may not be punished for refusing to work overtime.

Bribery

Employees and suppliers acting on behalf of creative werks are forbidden from offering or accepting bribery of any kind to any government official or stakeholder. This includes gifts, contracts, or favors.

Confidentiality

Suppliers and vendors are required to sign a Non-Disclosure Agreement upon entering a contract with creative werks. In addition to suppliers, employees are prohibited from sharing confidential information, trade secrets and knowledge with anyone, unless instructed to do so by creative werks. If information was sent to or received by an employee in error, the employee should notify creative werks' Human Resources immediately.

Gifts, Meals & Entertainment

Employees of creative werks are prohibited from accepting gifts from suppliers, stakeholders, or clients. All gifts (i.e.: tickets, merchandise, food, gift certificates or cash equivalents) must be turned over to creative werks' Human Resources or Executive Management.

Reporting Misconduct

Associates who suspect any creative werks employee has engaged in illegal or unethical activity should notify creative werks' Executive Management immediately. The employee's disclosure will not negatively affect their relationship with creative werks in any way.

FOOD SAFETY & SECURITY

As a Tier 1 supplier to the world's largest food manufacturing companies, we place the safety and integrity of our clients' products as our top priority. With the advent of the Food Safety Modernization Act (FSMA), creative werks requires all suppliers be in compliance with the three primary FDA rules pertaining to supplier verification:

1. Foreign Supplier Verification Program for Importers of Food for Humans & Animals
2. Current Good Manufacturing Practice, Hazard Analysis, and Risk-Based Preventive Controls for Human Food
3. Current Good Manufacturing Practice, Hazard Analysis, and Risk-Based Preventive Controls for Food for Animals

By enforcing the rules outlined within FSMA's Supplier Verification Program, creative werks is able to identify vulnerabilities within the supply chain and prioritize suppliers based on risk level and compliance with the rules and regulations outlined by FSMA.

At creative werks, we recognize that compliance is a bare minimum. Every day we strive to improve the quality and safety of our products, and our clients', by fostering a mindset of continuous improvement and safety. As regulation becomes more important, we are committed to setting a high bar and ensuring that our practices, and our suppliers, are a model of quality and safety.



ENVIRONNEMENT

ENVIRONMENT

In addition to our efforts to mitigate end-of-life packaging and product waste, we also are keenly focused on energy and water reduction and improving product design - especially related to packaging. We actively engage our clients and suppliers to start more conversation around sustainable packaging options. Additionally, we remain focused on improving water and energy efficiencies. Below, read about how we have made improvements in Climate & Energy, Water, and Waste.

Climate & Energy

creative werks has been proactive in limiting the impacts of its Greenhouse Gas (GHG) emissions through a variety of programs and business practices. Renewable Energy Certificates (RECs) are purchased for 100% of our electricity usage across creative werks’ one million square feet of operations and office space. This ensures our Scope 2 GHG emissions are at zero through the wind RECs. We are proud to support the market development of alternative and renewable energy.

Water Stewardship & Water Inventory by Location

Most of creative werks’ operations are dry processes and thus we utilize relatively little water in our production facilities. However, we have invested in water-efficient infrastructure and sensors at hand-washing stations and within bathrooms to conserve as much water as possible.

Waste Management

Waste streams at creative werks continue to evolve as the management of recycling has improved. The number of recycling streams has increased since creative werks first started its recycling program in 2016. While we did see a 16% increase in waste to landfill in 2021 at 868 tons, we also saw a 2% increase in recycling at 4,814 tons. In total, we recycled 85% of our waste.

TARGETED UN SUSTAINABLE DEVELOPMENT GOALS



7 AFFORDABLE AND CLEAN ENERGY

Goal 7: Affordable & Clean Energy



12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Goal 12: Responsible Consumption & Production



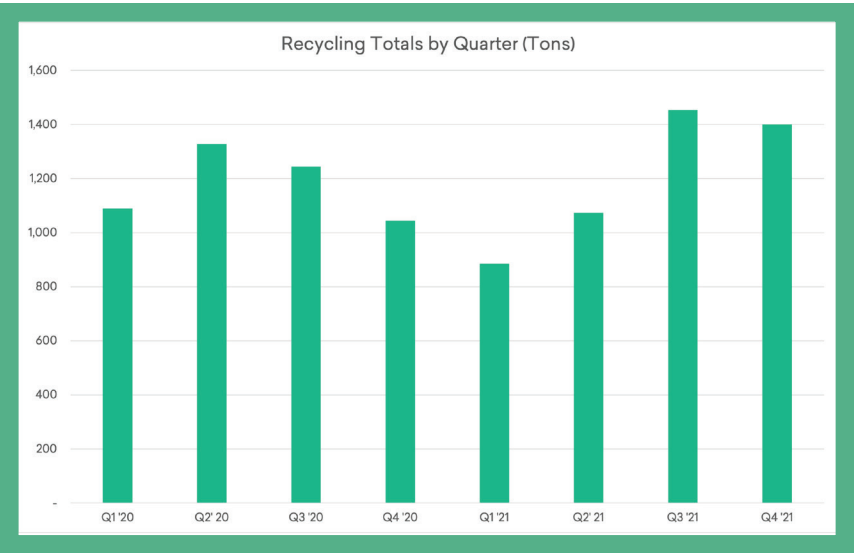
14 LIFE BELOW WATER

Goal 14: Life Below Water



15 LIFE ON LAND

Goal 15: Life on Land





HUMAN RIGHTS & SOCIAL IMPACT

HUMAN RIGHTS & SOCIAL IMPACT

Diversity & Inclusion

Diversity & Inclusion (D&I) is especially important to creative werks, as we proudly employ people from an array of backgrounds and cultures. In 2021, we partnered with [Safer Foundation](#), one of the nation’s largest not-for-profits designed to create equal employment opportunities for people after incarceration or other hardships, such as those who have immigrated to America with limited resources. This initiative is guided by the UN Sustainability Development Goals, specifically centering on: Goal 1 - No Poverty and Goal 8 - Decent Work and Economic Growth.

Employee Philanthropy

Philanthropic work at creative werks is also steered by the UNSDGs, with specific focus on: Goal 2 - Zero Hunger; Goal 3 - Good Health and Well-Being; Goal 10 - Reduced Inequalities; Goal 11 - Sustainable Cities and Communities; and Goal 16 Peace, Justice, and Strong Institutions. We proudly support these initiatives, with 894 hours of volunteer time given by the team in 2021 (a 73.6% increase over 2020).

Community Support

Guided by UNSDG Goal 11 - Sustainable Cities and Communities, creative werks made it a priority to support the Elk Grove Village community through the pandemic. Some of the efforts included: providing care packages to our essential workers; donating school supply kits to local families in need; food pantry donations; meal donations to front line health care workers at local hospitals; stipends for mental wellness apps for our associates; paying funeral costs for the associates and associate family members who were lost due to COVID-19. In October, creative werks was awarded the [Elk Grove Village Business Excellence Award for Community Support](#) for this work.



TARGETED UN SUSTAINABLE DEVELOPMENT GOALS



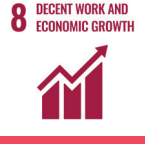
Goal 1: No Poverty



Goal 2: No Hunger



Goal 3: Good Health and Well-Being



Goal 8: Decent Work and Economic Growth



Goal 10: Reduced Inequalities



Goal 11: Sustainable Cities and Communities



Goal 16: Peace, Justice, & Strong Institutions

APPENDIX

A photograph of a warehouse interior with high ceilings and long aisles. On the left, a worker wearing a white lab coat, a hairnet, and safety glasses is operating a red and black forklift. The worker is holding a handheld device, possibly a scanner or a radio. The forklift's mast is raised, and a bright light is visible at the top of the mast. To the right of the worker are tall metal shelving units filled with numerous cardboard boxes. The boxes are stacked high, reaching up towards the ceiling. The entire image has a warm, orange-toned filter. Overlaid in the center of the image is the word "APPENDIX" in large, white, sans-serif capital letters.

APPENDIX

About Our Report

Our report reflects accurate data to the best of our knowledge and we plan to improve overall reporting transparency in future years through investment in Report Assurance and deeper data development. We utilized the United Nations Sustainable Development Goals (UNSDGs) as guidance and framework.

Environmental programs driven by :

- Goal 7: Affordable and Clean Energy
- Goal 12: Responsible Consumption and Production
- Goal 14: Life Below Water
- Goal 15: Life on Land

Social programs are driven by:

- Goal 1: No Poverty
- Goal 2: Zero Hunger
- Goal 3: Good Health and Well-Being
- Goal 4: Quality Education
- Goal 8: Decent Work and Economic Growth
- Goal 10: Reduced Inequalities
- Goal 11: Sustainable Cities and Communities
- Goal 16: Peace, Justice, and Strong Institutions

Sources / Citations:

[UN Sustainable Development Goals](#)

[UN Environment's Legal Limits on Single-Use](#)

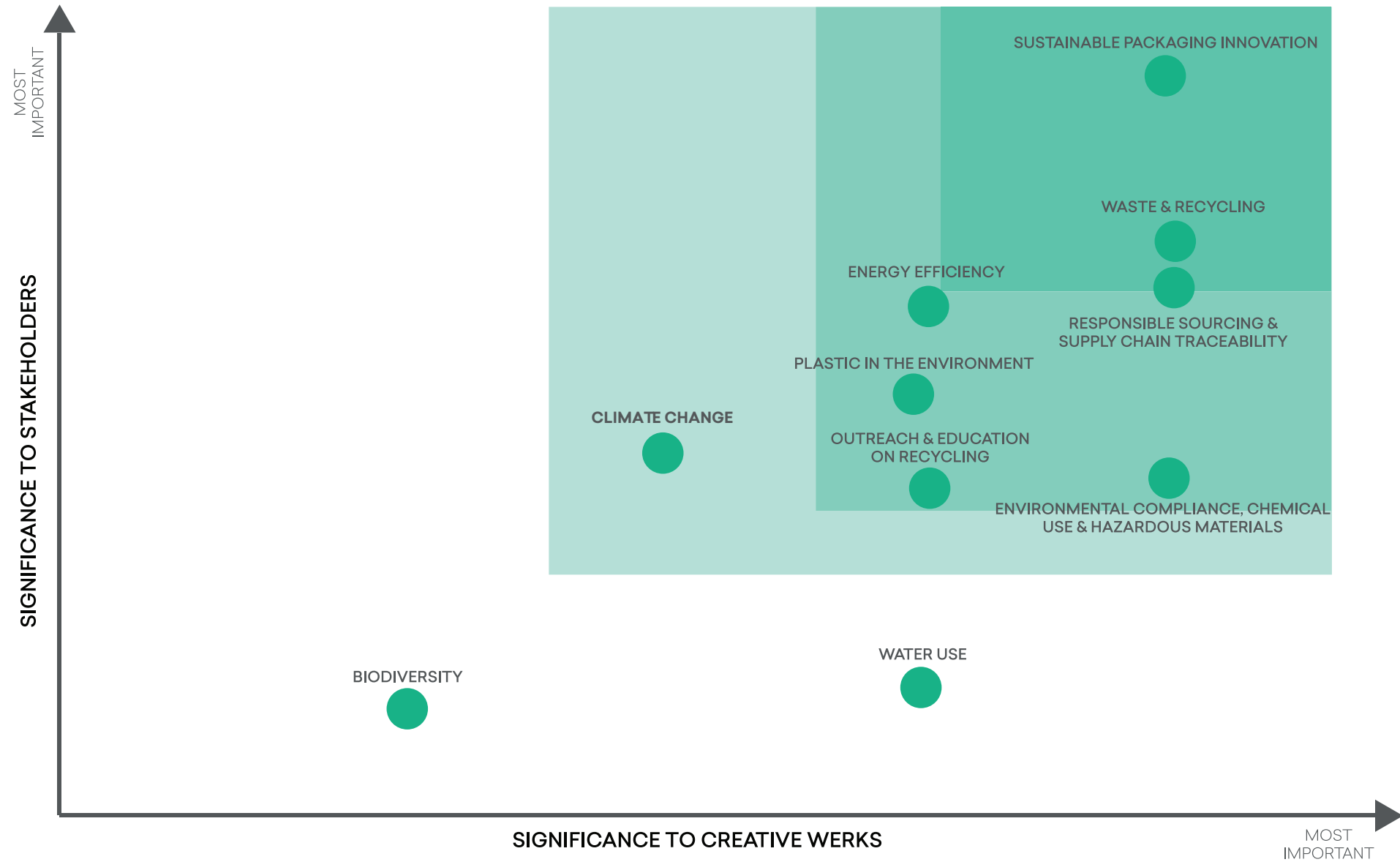
[Plastics and Microplastics: A Global Review of National Laws and Regulations](#)



APPENDIX

Chart 2. The focus areas which stood out in the Environmental category as highest priority are:

- (1) Sustainable Packaging Innovation, Design, & Testing
- (2) Waste & Recycling within creative works
- (3) Responsible Sourcing & Materials Traceability in the Supply Chain



APPENDIX

Chart 3. The focus areas which stood out in the Social category as highest priority are:

- (1) Worker Health & Safety
- (2) Diversity & Inclusion
- (3) Employee Economic Empowerment

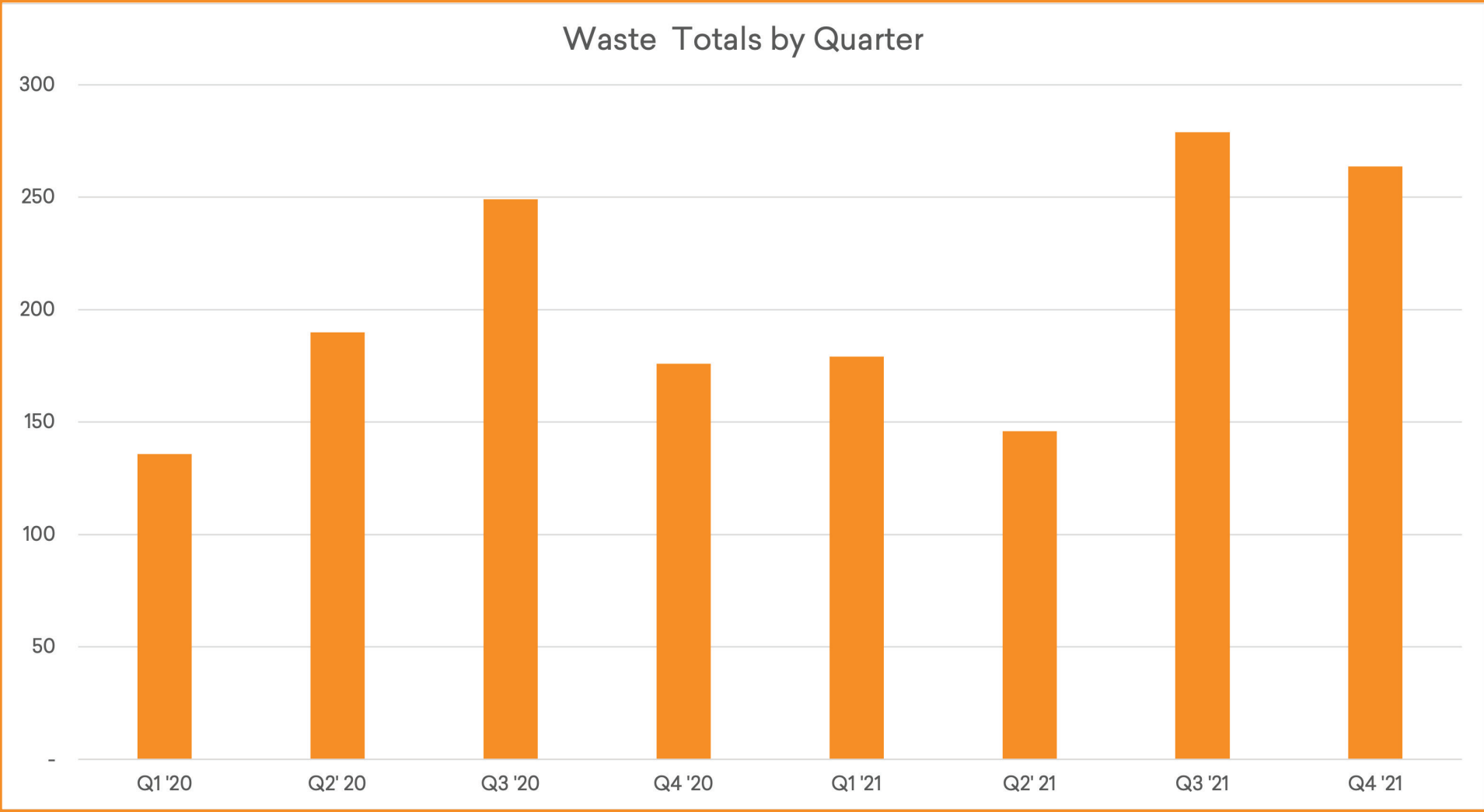


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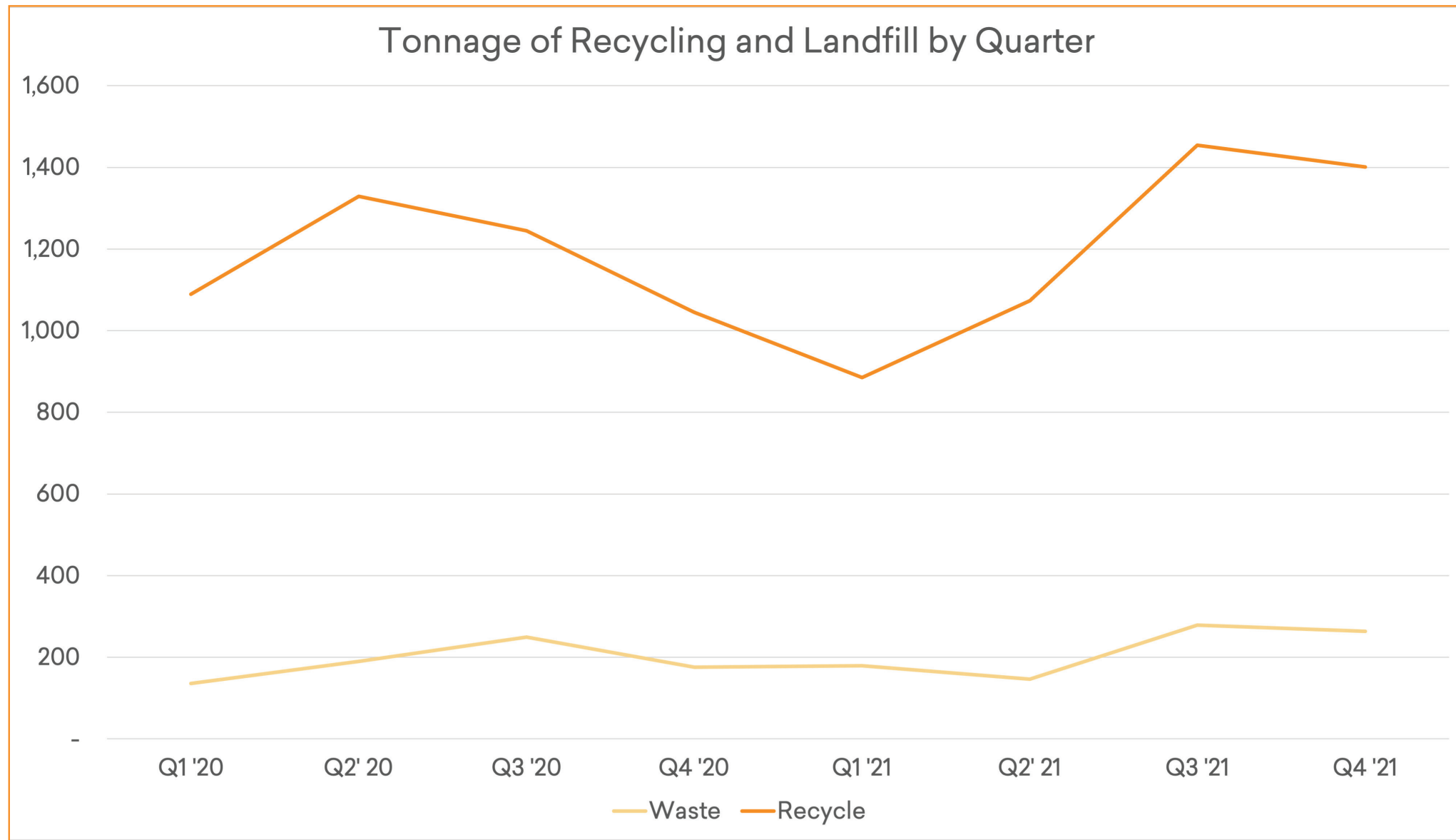
Chart 4. The focus areas which stood out in the Business-Critical category as highest priority are:
(1) Food Safety & Product Quality
(2) Financial & Economic Health of the Company



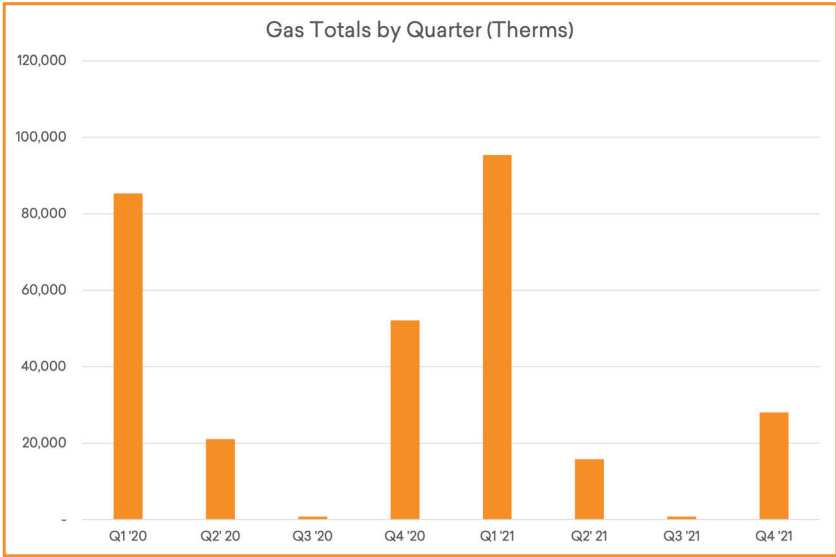
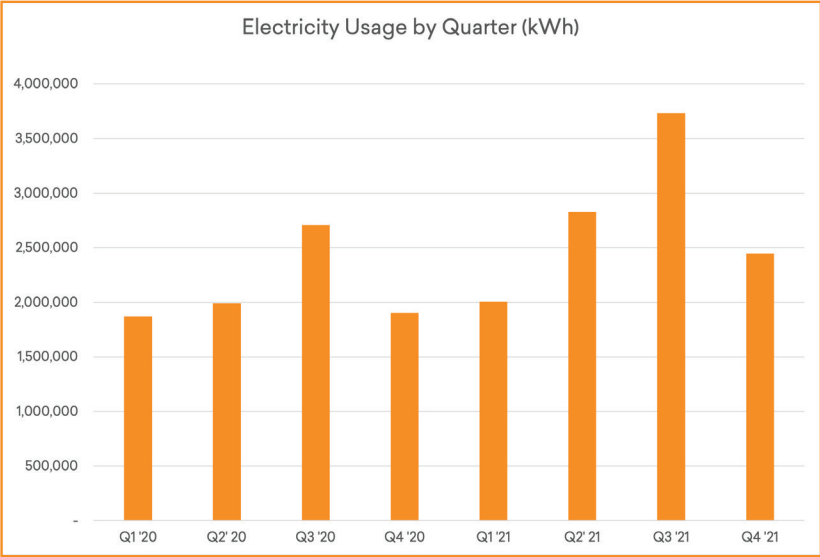
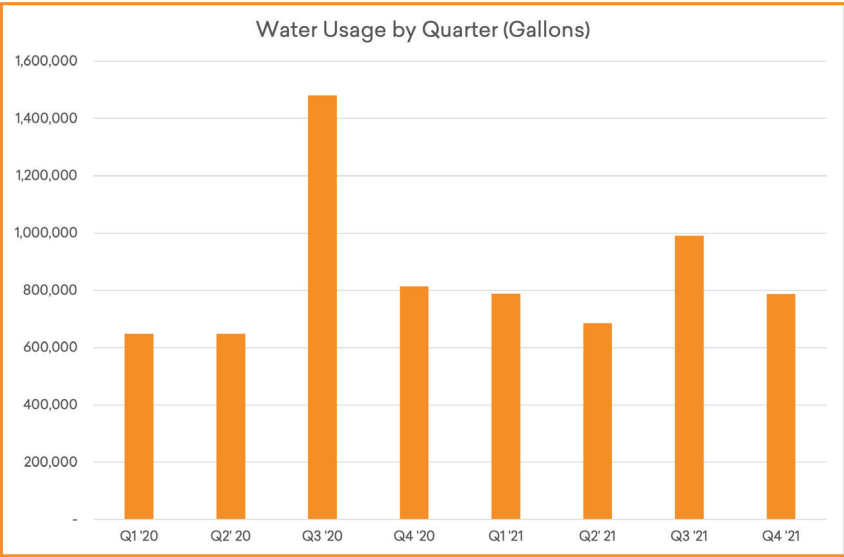
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APPENDIX



APPENDIX



creative werks, LLC

Sustainability Report published in 2022

This Sustainability Report reviews fiscal
year January – December 2021

Going green werks!