



**savers® | value village™**

## **2022 ESG Report**



**savers®**

**value village™**

**village des valeurs™**

**unique®**



**Thrift  
SUPERSTORE**

**thrift  
proud.®**





**The most sustainable piece of clothing is one that already exists.**

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# Introduction





# A message from our Chief Executive Officer

From the beginning, our business model has prioritized sustainability and community impact while providing shoppers with stylish secondhand finds at unbelievable savings.

Together, with our customers and nonprofit partners, we are championing reuse and using pre-loved stuff to change the world. As you'll also see in these pages, we remain dedicated to our team members, good corporate governance, a strong compliance culture, and making a positive contribution to the communities where we do business.

Thank you for taking the time to learn more about our company and commitment to ESG principles. Our model is powerful.



Mark Walsh, CEO

Savers® helps thrifters express their unique personalities by providing **one-of-a-kind, value-priced options** for quality clothing and home goods.

thrift proud.™



# About us



**For nearly 70 years, we've focused on positively impacting the environment, communities, and local nonprofits.**

Our commitment to standing up for what's right naturally aligns with the **ESG (Environmental, Social, and Governance)** framework. With an emphasis on long-term societal and environmental value in addition to positive business performance, ESG is inextricably linked with all the ways we do business. By aligning our sustainability efforts within areas that have strategic relevance to our business, we can increase our impact, resilience, performance, and success.

While we are proud of our ESG-driven business model, we recognize that a focused and organized dedication to these principals is more critical than ever before.



**We are committed to consistent and continuous ESG performance**, and holding ourselves to a higher standard to ensure that we are doing the right thing, every day.



# Fundamentally ESG

## ENVIRONMENTAL

Each year,\* on average, our **thrifters purchase:**



**82 million**  
TOPS & PANTS



**6 million**  
DRESSES



**13 million**  
KITCHEN ITEMS



**13 million**  
ACCESSORIES



**25 million**  
BOOKS



**12 million**  
PAIRS OF SHOES

**3.4+**  
**billion**

POUNDS  
DIVERTED

from landfills in the  
United States and  
Canada between  
2016-2020.

\* 2015-2019

## SOCIAL

**\$670+**  
**million**

IN SECONDHAND

clothing and household goods  
purchased from **our nonprofit  
partners** between 2016-2020.



Through **our locally  
focused supply chain.**

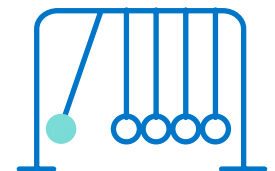
**25+ year**

AVERAGE  
RELATIONSHIP

with our top  
**10 nonprofit partners.**

## GOVERNANCE

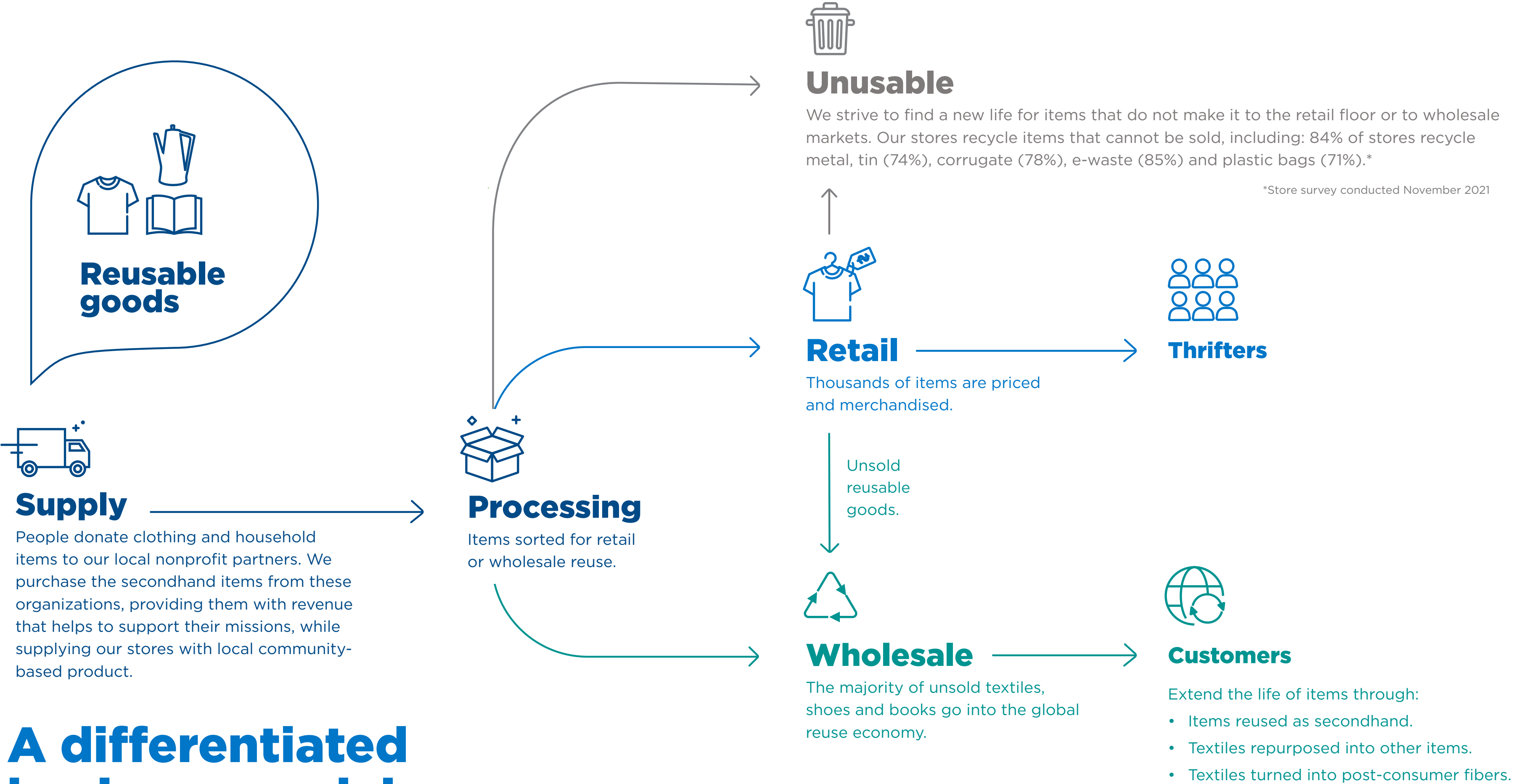
We are committed to  
**ethical business practices,**  
including robust compliance  
programs, a safe work  
environment, and more.



We are proud to be  
building an increasingly  
**inclusive and diverse  
Board** to govern our  
company.

**3:8**  
SERVING  
ON OUR  
BOARD OF  
DIRECTORS  
are women.





# A differentiated business model



# Governance



# Ethics & culture

We are committed to ethical practices in every aspect of our business and are **guided by people who fundamentally want to do the right thing.**

The Savers® Code of Conduct outlines our expectations for internal interactions and helps us maintain compliance with local laws and regulations. We have adopted an open-door policy for reporting workplace issues such as safety concerns or interpersonal conflicts. We integrate ethical business practices into our five core values, which guide our strategic direction and how we interact with each other, our communities and our customers.

## Our core values



**Make service count**



**Celebrate uniqueness**



**Do the right thing**



**Find a better way**



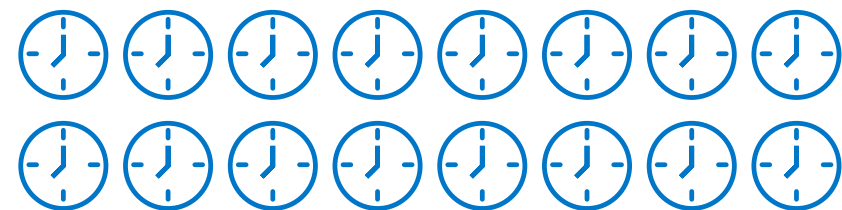
**Make an impact**



# Training

## Savers University develops and delivers training to every team member across our operations —

from new hires to senior executives. We develop around 90% of our training internally, and partner with a variety of renowned providers to supplement our offerings.

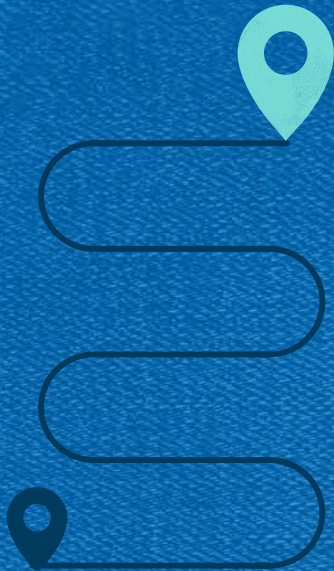


**160K+**  
**HOURS OF TRAINING**  
**are logged**

in our learning management system in an average year.

## ASCEND Program

We have comprehensive career-path curriculum for advancing hourly team members to various supervisor and manager roles. Our proprietary program, ASCEND, enhances the interpersonal and strategic capabilities of managers across our organization, and we offer subscriptions to Harvard ManageMentor to all senior managers in the field and all corporate managers.





# Compliance

Our stores are operated with a commitment to compliance with all applicable laws and regulations.

Our Board-level Audit Committee and internal compliance teams promptly investigate all reports of alleged improprieties and determine an appropriate course of action. Data informs our decisions, helping us conduct business with integrity and transparency throughout our operations and supply chain and enables us to provide a consistent, high-quality shopping experience to customers.

Above all, we lead with a culture of compliance and remain committed to our core values:

**Do the right thing. Stand up for what's right and do what we say we're going to do.**

# Cybersecurity

**Cybersecurity is a pillar of our company's technology strategy and fundamental to protecting our enterprise, customers and partners.**

In addition to our regular review and assessment of the cybersecurity program, Savers team members are required to take mandatory training and testing on information and cybersecurity policies.

Savers is committed to all aspects of cybersecurity, from incident management to business continuity and disaster recovery. For example, we conduct tests and audits, tabletop exercises and incident response testing to ensure compliance against industry standards ensuring protection of PCI, CCPA, HIPAA and SOX.





An underwater photograph showing a sandy ocean floor at the bottom, with blue water and light rays filtering down from above. The word "Environmental" is centered in white text.

# Environmental



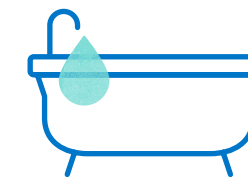
## Saving water

**The most sustainable piece of clothing is one that already exists. Shopping thrift helps to preserve natural resources, including water.**



**700 gallons**

of water to make a new cotton t-shirt, more water than you'll drink in 2.5 years.<sup>1</sup>



**1,800 gallons**

of water for each new pair of jeans,<sup>2</sup> enough water to fill 60 bathtubs.<sup>3</sup>



**2,257 gallons**

of water for each new pair of shoes,<sup>4</sup> more water than you would use if you **showered for 15 hours straight.**<sup>5</sup>

<sup>1</sup> Yehounme, D. D. (2017, 07 05). The Apparel Industry's Environmental Impact in 6 Graphics. Retrieved from World Resources Institute [Link](#)

<sup>2</sup> Merchant, B. (2018, 10 11). How Many Gallons of Water Does It Take to Make . . . Retrieved from Treehugger [Link](#)

<sup>3</sup> Assuming 30 gallons of water use per bath. The average bath may use between 30-50 gallons. City of Portland, Oregon. (2022, 07 01). Saving Water in your Home. Retrieved from City of Portland Water Efficiency Program [Link](#)

<sup>4</sup> Indiana American Water. (2017). Industrial Water Usage - What Does It Take to Make These Items. Retrieved from The 71 Percent [Link](#)

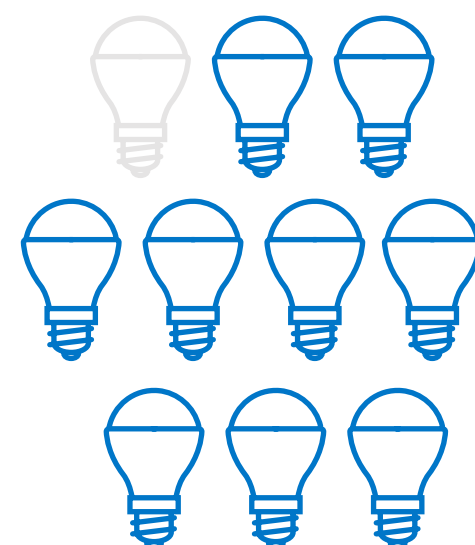
<sup>5</sup> U.S. Environmental Protection Agency. (2021, 07 12). Water Sense - Showerheads. Retrieved from United States Environmental Protection Agency [Link](#)



## Reducing emissions

Over 90% of our supply is locally sourced; each store accepts donations on behalf of a nonprofit partner in the local community, delivers a broad selection for our customers, and at the same time reduces transportation costs and emissions typically associated with the production and distribution of new merchandise.

We are also committed to further reducing our emissions and energy consumption wherever feasible. We recently completed LED lighting retrofits for more than 90% of our U.S. and Canadian stores and warehouses. In upcoming phases of our new ESG program, we will examine other areas of emissions.



**90%**  
OF STORES  
**completed LED  
lighting retrofits.**

### Renewable Energy Certificates

As part of the launch of our ESG Program, we are excited to announce the purchase of enough Renewable Energy Certificates (RECs), to match our electricity usage with **green, renewable energy** at three corporate offices, our largest Canadian Wholesale Distribution Centre in Etobicoke, Ontario, and our largest U.S. Wholesale Distribution Center in Fife, Washington.

In doing so, we are making a down payment on our commitment to further reduce our emissions and energy use.





# Landfill diversion

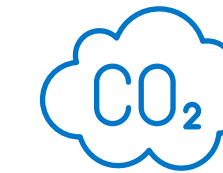
Our business model is built around reusing goods, resulting in significant landfill diversion. We have expanded our categories of reuse over the last two decades and strive to **maximize the life of materials**.

# 3.4+ billion

**POUNDS**

**of reusable goods  
diverted from landfills**

between  
2016-2020.



## 1.2 billion

**TONS OF CARBON**

emitted from textile production in 2015.

Between 2002 and 2017, the Ellen MacArthur Foundation (EMF) found that clothing production approximately doubled while utilization decreased by 36%. In addition, textile production is both energy-intensive and water-intensive. EMF estimates that the production of textiles resulted in 1.2 billion tons of carbon dioxide equivalent in 2015, which outpaced the year's carbon dioxide emissions from all international flights and marine shipping, with additional impacts on local environments.<sup>1</sup>

<sup>1</sup> Ellen MacArthur Foundation. (2017, 01 12) A New Textiles Economy: Redesigning Fashion's Future [Link](#)

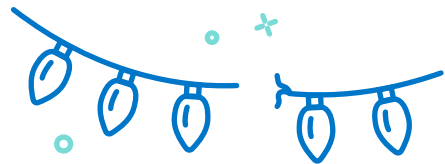


While we prioritize reuse, some items come to us broken, too worn, or do not meet our quality standards. To process these items, **we have developed an extensive recycling and reuse system.**



### **Bags and boxes**

We bale and recycle plastic bags and cardboard boxes in which used goods are donated to our nonprofit partners.

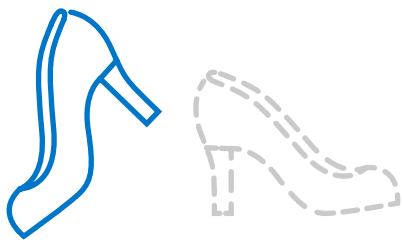


### **Damaged items**

Items such as metal wires and holiday lights are broken down into their component pieces to maximize recycling.

### **We've found a home for single shoes.**

Until recently, single shoes that made their way to our Wholesale Distribution Centers were deemed unusable. Our Wholesale team found a business that is able to match a single shoe with its missing pair.



Approximately  
**50,000**  
**SINGLE SHOES**  
**reused in 2020.**



A close-up photograph of various fabric swatches, likely from a textile collection. The swatches are arranged vertically, showing different colors and textures. The colors include deep navy blue, light blue, white, and beige. The textures vary, with some appearing smooth and others more textured or knitted. The word "Social" is overlaid in the center in a large, white, sans-serif font.

**Social**



## Socially responsible procurement

The majority of the secondhand items we sell are purchased from our local nonprofit partners, which provides them with unrestricted revenue to help them fulfill their missions. We're proud of these relationships, many of which span several decades.



**90%+**  
OF OUR SUPPLY  
BETWEEN 2015-2020  
was locally sourced.



**80+**  
nonprofit partners  
ACROSS THE  
U.S. AND CANADA.



**\$670+ million**  
paid to nonprofits

for secondhand donated goods  
between 2016-2020.



## Keeping it local

Our community-based stores hire locally. At each store we operate a **Community Donation Center**® and in other areas have **GreenDrop**® donation locations, where we accept donations on behalf of a local nonprofit organization.

**We purchase these donated items from our nonprofit partners,** providing them with unrestricted revenue to help them fund their missions in our communities. See more at [www.savers.com/disclosures](http://www.savers.com/disclosures).

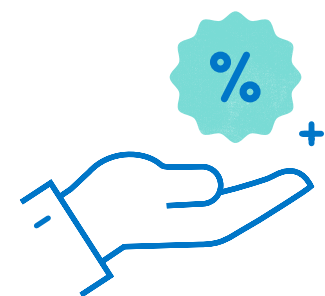


### FUNDrive®

Our **FUNDrive**® program offers a fundraising platform for local groups to raise money for their schools, sports teams, animal shelters, and more by holding clothing drives. We purchase collected product from these local groups, allowing them to earn funds for their community programs.



## Charitable giving



### Donor Advised Funds

In 2021, we increased our commitment to corporate charitable giving by establishing a \$1.5 million (USD) Donor Advised Fund in the United States and a \$1.5 million (CAD) Donor Advised Account in Canada. We have established a reconfigured Charitable Giving Committee that will establish our corporate giving philosophy, policies, and grant making from our Donor Advised Funds.

**We run a number of philanthropic programs designed to make a positive impact on our communities.**



### Store Community Outreach

Our stores are empowered to support local relief efforts and community nonprofits by donating certain items to community groups in need. For example, our stores have worked with local charitable organizations to provide items or discounts to individuals impacted by natural disasters such as fires and floods, teachers for their classrooms, victims of house fires, and other community requests.

**84%**  
OF STORES PARTICIPATE  
in our giving programs.\*



### VETS Canada Partnership

In partnership with Veterans Emergency Transition Service (VETS) Canada, our stores provide move-in kits to help homeless veterans settle into new homes. Kits typically include kitchenware, bed and bath accessories, and other essential items.

\* Store survey conducted November 2021



## We also encourage team member involvement and volunteering to support local causes.

Outside of the pandemic, we typically engage in community involvement activities and organize large volunteering events to provide hands-on support where it's needed. We sponsor and engage our corporate workforce in local charitable walkathons, nonprofit lunch and dinner galas, and other community events.

### Donating time

During our annual Retail Leadership Conference, our team members donate time to volunteer at local nonprofit organizations. In early 2020, approximately 400 of our team members donated about 800 hours to a local nonprofit in Las Vegas that brings art to hospitals to brighten the experience for patients and their families. In previous years, we helped paint, clean up, and plant trees at a school in New Orleans and sent volunteers to a few different community sites in Orlando to perform community service.



# 800

HOURS

**donated**

by 400 team members  
to a local nonprofit.



# Inclusion & diversity

We believe that kindness, inclusion, and compassion are important aspects of doing business. We celebrate Pride Month as one way of recognizing the value and strength that lies in inclusion.

50% of our U.S. workforce is represented by diverse backgrounds and ethnicities, as of August 2021. In recent years, we accelerated our efforts around fostering an environment in which all team members feel heard and valued.

**Through several listening sessions, we heard powerful stories and voices that directly influence our actions.**

For example, despite the significant number of Spanish-speaking staff employed across the U.S., company communications were provided solely in English thus driving our Spanish speaking colleagues to rely on word of mouth and other grassroots methods to participate in company communications. This was immediately rectified and served as a valuable reminder that we have the ability to promote change from within.

We are currently developing goals around diversity and inclusion, with the aim of increasing diversity in leadership and corporate positions to better reflect the celebration of diversity that is seen at the retail level.

**Valuing diversity is deeply ingrained in our company's culture.**



# 70%

**OF OUR MANAGEMENT ROLES**  
in stores and corporate operations are held by **team members identifying as female.\***

\*As of August 2021



## Engagement & opportunity

People choose to work for us because we're purpose-driven and community-based, with a business model that creates good in the world.

**They stay because they love what we do and the impacts we have on both the environment and society.**

We are exceptionally proud of our culture, and continually re-invest in our

team members through training, professional growth opportunities, and a **quality benefits package**.

We are committed to an engaged workforce that sees a path to promotion. In the U.S. and Canada, since January 2021, about three-quarters of open salaried management positions have been filled by internal promotions.

**75%**

**OF OPEN SALARIED  
MANAGEMENT  
POSITIONS**

are filled

**by internal  
promotions.**

U.S. and Canada since January 2021



## Safety

Strong safety practices and training are integrated throughout our company. Following the introduction of new measures to heighten awareness of the importance of safety, we have seen a 19% reduction in workplace injury claims over the past four years.



# 19%

**REDUCTION**

in workplace injury claims  
over the past four years.

**We take team  
member engagement  
very seriously.**

Our leading “people” metric across our organization is team member engagement, which is scored across various areas, including overall job satisfaction, whether the team member would recommend us as a place to work, personal commitment, being energized at work and intent to remain employed. Our team member engagement is considered best-in-class, as measured by an external consultant, comparing our results to other companies in the retail sector. Team member engagement is crucial to customer satisfaction and the satisfaction of our NPPs and their donors.



An aerial photograph of a dense evergreen forest. The trees are tightly packed, creating a textured green surface. A narrow, light-colored path or clearing winds through the forest, visible in the lower half of the image. The lighting is soft, suggesting a slightly overcast day or early morning/late afternoon.

**Looking ahead**



**While ESG principles have stood at the core of our company since its founding in the 1950s, this report marks the launch of our official ESG Program.**

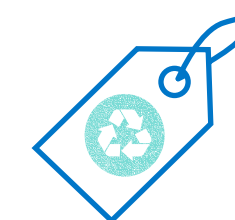
We are excited to take the next step toward integrating a formalized, strategic ESG framework. In the coming months, we will be establishing an Executive-led ESG Task Force that will conduct a materiality assessment to identify, prioritize and strategically address relevant ESG topics to inform and shape our sustainability strategy, governance and reporting – and make sure that the Savers® Family of Thrift Stores stays true to its mission to champion reuse.

**NEXT STEPS:**

1. Further define materiality-based areas of focus
2. Create and publicize specific measurable objectives and goals
3. Enhance our public disclosure with metrics and data

**We are currently working on two exciting initiatives as we look ahead:**

INITIATIVE 1

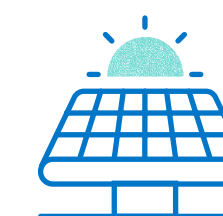


## Promoting

### REUSE

by reducing our sales of new, seasonal holiday goods.

INITIATIVE 2



## Emissions

### REDUCTION

through renewable energy and carbon reduction initiatives.

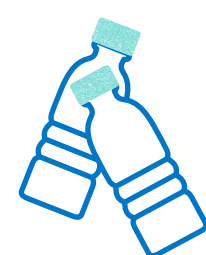


# New initiatives

## 1. PROMOTING REUSE

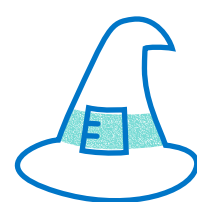
### Reduce sales of new holiday goods

To exemplify the direction we are headed, and in alignment with the spirit and ethos of our company, we will be dramatically reducing the amount of new Halloween and seasonal holiday goods sold every year. For example, although Halloween product has historically represented a small fraction of our overall business, going forward we plan to increasingly leverage secondhand goods and encourage shoppers to embrace the creativity that comes from piecing together homemade Halloween costumes.



**83%**

**OF THE MATERIAL**  
in fast-fashion  
costumes is plastic.<sup>1</sup>



**4 in 10**

**HALLOWEEN  
COSTUMES**  
are only worn  
once.<sup>1</sup>

<sup>1</sup> Rose, C. (2019, 10) Halloween Clothing & Costumes Survey 2019 [Link](#)

## 2. EMISSIONS REDUCTION

### Reduce emissions and increase renewable energy use

The Renewable Energy Certificates purchased (see page 14) will offset our electricity usage with green, renewable energy at three corporate offices, our largest Canadian Wholesale Distribution Centre in Etobicoke, Ontario, and our largest U.S. Wholesale Distribution Center in Fife, Washington. As the next phases of our ESG Program unfold, we remain committed to finding additional ways to further our impact through renewable energy, carbon reduction initiatives, and other environmental solutions.





# Thank you.

[savers.com](https://www.savers.com)



**savers**

**value village**

**village des valeurs**

**unique**



**thrift  
proud.**