



Connections for Good

our planet, our people, our policies

2024

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We are...

CURIOUS ABOUT THE world.

Creative IN EVERYTHING WE DO.

Conscious OF THE PLANET.

CONNECTED BY celebrations

FOR everyone AND everything.

WE ARE American Greetings.

As a global leader in the Celebrations marketplace, connections are at the heart of who we are and what we do at American Greetings — and that begins with treating our people and our planet with kindness and respect. Our Connections for Good initiative is a commitment to accountability surrounding our social and environmental efforts, because we believe that's what our associates, our stakeholders, and the communities in which we live and work deserve.

As a company that relies on the paper industry for many of our products, we embrace our responsibility to carefully consider our environmental impact, and we are determined to keep making strides in increasing the recyclability of our products, reducing waste, and being a force for good.

Of course, it's not just our planet that depends on our positive strides. Our people depend on that, too.

Diversity and inclusion are vital in ensuring that our consumers can express themselves and celebrate each other in an authentic voice that is true to who they are. This means fostering a diverse organization of talented and engaged individuals of different backgrounds, perspectives, skills, and experiences who learn, create, and celebrate together. We will continue to cultivate an inclusive culture with policies that enable all associates to feel respected, supported, and valued — not just for the good of the business, but for the good of everyone.

Connections are at the core of our mission, vision, and values. Because connections don't just fuel or inform the work we do — they are the work we do. I am proud to share our continued progress and achievements so far, as well as our ambitious new goals in the pages that follow as we continue to strive to make the world a more thoughtful and caring place.

JOE ARCURI
CHIEF EXECUTIVE OFFICER



Connections for Good



Our Planet

Making the world a more thoughtful and caring place starts with respecting our planet's limited resources and our role in sustaining them. We're dedicated to incorporating sustainable practices in both our day-to-day operations and our long-term planning.



Our People

We believe in a holistic approach to embracing diversity, equity, and inclusion that encompasses every area of our organization. Enriching the lives, passions, and careers of our associates is what empowers all of us to feel good and do good. Through our Employee Resource Networks, wellness programming, training opportunities, and more, we put care into cultivating a vibrant corporate culture and sense of community.



Our Policies

We know that an ethical and honest approach to business starts with the tone at the top. Our Board of Directors and CEO set the highest standards for how we operate through all facets of the organization. Our policies and practices are designed to affirm and reinforce every associate acting with a high degree of integrity every single day.



Leading by Example

Documenting environmental, social, and governance matters is no small task. It is a truly collaborative effort that requires curiosity, thoughtfulness, and a passion for the greater good. Kristina Beifus, Lavone Lee, and Chrissy Walters all have this in common. They are not only experts in their respective fields – they use their expertise to make Our Planet, Our People, and Our Policies the best they can be.

KRISTINA BEIFUS
*Director of Compliance
& Sustainability*



In what ways does your role in the organization support this statement about Our Planet?

Through her role as Director of Compliance & Sustainability, Kristina has been instrumental in establishing the strategy that informs our company's holistic approach to the Actively Green program. In partnership with Kelly Ricker and other various groups, she ensures AG follows through and tracks our progress on sustainability commitments. "It's important to keep moving our program forward, based on industry pressures and our own desire to do better," says Kristina. "In my role, I'm able to remind everyone at AG that any step in the right direction is the right next step, because it's the aggregate of all the small things that make the big things possible."

What parts of your job do you find most rewarding?

"It's never boring," says Kristina. "I feel like I'm constantly being introduced to new people and new aspects of the business, across all of our locations." As a self-proclaimed "problem solver," the realm of sustainability keeps Kristina excited and engaged. She values seeing ideas progress "into real projects and goals" that end up influencing all areas of our business.

From your perspective, what are the biggest strides AG has made regarding Our Planet in the past year?

"Our forward motion," says Kristina. "We set some goals, met most goals, then asked ourselves, 'What more can we do?' That approach has had a tremendous impact on cross-organizational involvement in the Actively Green program." Kristina reiterates, "This forward momentum and widespread support illustrates that any next step is a right step; it makes bigger challenges feel far more possible."

Leading by Example

LAVONE LEE

Director of Diversity &
Inclusion



In what ways does your role in the organization support this statement about Our People?

Director of Diversity & Inclusion Lavone Lee is passionate about the journey AG associates take together. "When we work together, we have the opportunity to develop connections in the spirit of mutual support and genuine caring. That is why I lead with compassion, empathy, and love. I meet people where they are on this journey and I walk alongside them," shared Lavone. In her role, Lavone collaborates across teams, amplifying voices, bringing new voices into conversations, and leading in ways that elevate diversity and inclusion holistically.

What parts of your job do you find most rewarding?

Prioritizing the people, who are at the heart of everything she does, Lavone brings the spirit of the African philosophy Ubuntu, meaning "I am because you are," to all she does. Whether she is coaching and developing, supporting Employee Resource Networks (ERNs) in making their vision a reality, enhancing our work culture, or inspiring leaders in continuous education and growth, Lavone finds joy in encouraging others along their journey of professional development.

From your perspective, what are the biggest strides AG has made regarding Our People in the past year?

Over the last year, Lavone has been instrumental in prioritizing growth and development association-wide, leading associate Implicit Bias Training, increasing ERN support, hosting listening tours and diversity and inclusion focus groups, and advocating for more community outreach and visibility.



Leading by Example

CHRISSY WALTERS

Director of Internal Audit



In what ways does your role in the organization support this statement about Our Policies?

As Director of Internal Audit, Chrissy and her team play a crucial role in the organization. "The internal audit team provides an independent assessment of policy compliance," she explains. "We help other departments by determining if they have appropriate controls established to meet those policy objectives."

What parts of your job do you find most rewarding?

Chrissy values collaborating with proactive coworkers. "I love when others reach out to the Internal Audit team to help brainstorm solutions before a problem arises. We can help mitigate risks by working together to develop controls."

From your perspective, what are the biggest strides AG has made regarding Our Policies in the past year?

American Greetings commitment to cultivating a diverse and inclusive culture stands out to Chrissy. "I think it is great that the company has developed D&I initiatives."



Our Planet

As a company dedicated to making the world a more thoughtful and caring place, we recognize the importance of our planet's limited resources and our role in sustaining them. With that in mind, American Greetings launched Actively Green in fiscal year 2020, a corporate-wide program to advance our sustainability efforts. The first phase of Actively Green had five company-level goals to be achieved by 2025.

The goals were formed around five "R's": **Responsible Sourcing**, **Recycled Paper Use**, **Reducing Throwaway**, **Recyclability**, and **Corporate Responsibility**. These goals involved updating our products, processes, and personal practices to become a more environmentally conscious organization.

We are excited and proud to share that we've already met four of our five 2025 Actively Green sustainability goals. As a result, we extended our goals to fiscal year 2030.

Extensive planning, research, and collaboration went into creating sustainability goals that both align with our business strategy and make a meaningful impact. Some examples of AG going actively green include making eco-conscious product decisions,

reducing corrugated shipping and display waste, increasing the use of sustainably sourced paper, and planting trees to offset paper usage at our corporate offices.

Our global team continues to make big strides in their efforts to combat climate change and conserve natural resources. Through offsetting carbon emissions, transitioning to a fleet of electric vehicles, introducing paper made from recycled fibers, and much more, the global team is aligning practices and corporate culture with the United Nations Sustainable Development Goals.

"In today's world and beyond, sustainability has to be part of any long-term business strategy," said CEO Joe Arcuri. "At AG, we are accelerating our sustainability efforts and all associates are encouraged to get involved and contribute to this critical initiative for our company and the communities in which we live and work."

As consumers, retailers, and supply chains prioritize making sustainable choices, AG will continuously work to get better through the Actively Green program. We know that our future depends on every organization and every person doing their part to help protect the planet.

"In today's world and beyond, sustainability has to be part of any long-term business strategy."

- JOE ARCURI, CEO

Corporate Sustainability Goals for FY30



R1

in progress

RESPONSIBLE SOURCING

Source **98%** of the paper we use from sustainable sources



R2

in progress

RECYCLED PAPER USE

Ensure at least **10%** of all paper we use is made with post-consumer waste content



R3

in progress

REDUCE THROW-AWAY

Reduce waste by **60%**



R4

in progress

RECYCLABILITY

Ensure **75%** of all products are fully recyclable or compostable



R5

in progress

CORPORATE RESPONSIBILITY

Offset **100%** of Scope 1 and 2 carbon footprint from our global office locations annually



R6

in progress

CARBON EMISSIONS

Reduce Scope 1 and 2 global carbon emissions by **42%** by 2030.

R1 — Data includes paper purchased through North America, Asia, and the UK related to all product categories. Base year: FY17 (March 2016 – February 2017).

R2 — Base year: FY17 (March 2016 – February 2017).

R3 — Data includes US distribution and North American retail (excluding Plus Mark), all product categories. Base year: FY17 (March 2016 – February 2017).

R4 — Based on the number of pieces produced and sourced in North America. Base year: FY18 (March 2017 – February 2018).

R5 — Based on global office locations. Base year: FY18 (March 2017 – February 2018).

R6 — Base year: FY22 (March 2021 – February 2022).

Sustainable Solutions

Papyrus Transitions to Palm-Oil Free Candles



As we continuously expand and grow our sustainability efforts, we are always researching and considering the effect our products and processes have on the environment.

The decision to reformulate Papyrus candles is a great example of this research leading to action. Previously, Papyrus Eco Candles were made from 60% beeswax and 40% RSPO (Roundtable on Sustainable Palm Oil) certified palm oil wax. Palm oil is the world's most used vegetable oil, and the increase in demand is threatening rainforests, as well as indigenous people and animals in producing countries — especially Indonesia and Malaysia where most palm oil is grown.

Although we source our palm oil from RSPO-approved suppliers, we decided to take an additional step and remove palm oil from Papyrus candles entirely. We tested 100% beeswax and found a formula that allows us to create the same bright colors as our previous palm oil/beeswax blend. This new formulation is also able to withstand the same temperature as our previous candles.

In December 2023, this new formula was ready for production, and we stopped making new candles using the palm oil blend. Wicks are 100% cotton and lead free, and all packaging continues to use at least 70% recycled content paper. We believe it's decisions like this that make the future even brighter.

American Greetings Path to Going Glitter-Free



American Greetings is committed to removing glitter and crystalline, which will improve the sustainability of thousands of our products across many different categories.

As with other high-fashion consumer products, buyers, customers, and shoppers love the texture and sparkle glitter offers. For decades, they've relied on it to add surprise, magic, and excitement when celebrating.

But because glitter is not an eco-friendly material, it can pollute waterways, rivers, and oceans. Due to this potential negative environmental impact, in 2022, we stopped designing new products with glitter. Since that decision, we've also made significant investments in research and development to discover, test, and implement suitable environmentally responsible and recyclable design and manufacturing substitutes.

We are currently in the process of updating all our existing products that use glitter by replacing the glitter with the substitutes we've tested. We expect to be entirely glitter-free in just a few years.

Sustainable September

In September 2023, our Corporate Responsibility (R5) Team coordinated a variety of sustainability-focused events for Creative Studios. Associates came together to make a difference and reduce our waste in some amazing and creative ways.

Zero Waste Creative Studios Associate Picnic

With the help of the Green Team and other volunteers, AG was able to host a Zero Waste picnic. Nothing went to the landfill during the picnic, thanks to efforts in recycling, composting, and the newly implemented TerraCycle bins.

Clothing Swap

AG's first clothing swap was a massive success, adding another Zero Waste event to our list of accomplishments. More than 60 participants shopped and exchanged clothing in support of sustainable fashion. This event was made possible by the YPRN, WLC, and Green Team, with additional support from the Corporate Responsibility (R5) Team. Associates donated more than 900 items of clothing to be swapped with fellow colleagues, allowing us to donate more than 800 items to Dress for Success Cleveland!



Lend a Hand Event

The Corporate Responsibility (R5) Team worked with the Facilities Team to sort 4,000 pounds of cards with 26 amazing volunteers. This resulted in 3,000 pounds of landfill diversion.

Electronic Waste Drive

The eWaste Drive at Creative Studios was another successful Zero Waste event hosted by the Sustainability Team. Using the local nonprofit RET3, 564 pounds of electronic waste was diverted from our local landfills! RET3 has a Zero Landfill policy, meaning everything is either donated to local schools, recycled, or reused in some fashion.

Global Cleanup Effort

Small changes can make a big difference! In an effort to engage AG associates all over the world, the Green Team supported a Global Community Cleanup in tandem with the annual Cleveland Beach Cleanup. AG associates as far away as Guam and Japan participated in collecting more than 1,500 pieces of trash from local beaches and neighborhoods.



As part of our efforts to reduce throwaway (R3) and increase recyclability, we partnered with a major national retailer last summer as part of our Celebrations Strategy to set up a recycling program for displaced product. Eighty-five percent of our card product is recyclable, so this effort offers us the opportunity to divert approximately **600 tons** of card product from landfills annually.

Through the implementation of our Mixed Recycle Bale (MRB) program, we were able to set up a process in stores to recycle displaced cards, envelopes, and even caption locators.



United Kingdom, Australia & New Zealand

As a leading celebrations company, UK Greetings (UKG) is committed to doing everything we can to support the United Nations-led push for a fairer, more sustainable future for all. This means integrating sustainability into the fabric of our company and our strategic imperatives, starting from our day-to-day operations all the way through our products. Through our sustainability strategy, we're poised to make a positive impact on 11 out of 17 of the United Nations 2030 Sustainable Development Goals. Guiding us on this mission are our core values of creativity, collaboration, innovation, people, and success.

Creating celebrations products that help build connections while also respecting the planet is vital to who we are. Ultimately, our goal is for all of our products to be sustainable and fully recyclable, helping to conserve natural resources. We've incorporated this goal into our product innovation, which includes ending the use of glitter on all brand lines, removing 275 tons of non-recyclable plastic cello overwrap on our single cards, using only fully recyclable ink, varnishes, and envelopes, and exclusively sourcing Forest Stewardship Council® (FSC®)*-certified envelopes.

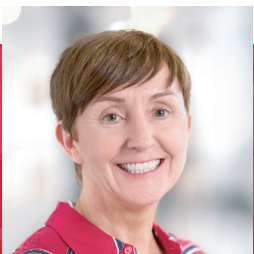
Additionally, UKG strives to ensure that every single greeting card and envelope it sells is offset through the global conservation charity World Land Trust's Carbon Balanced Paper program. This is one of the largest

commitments to date under the Carbon Balanced Paper program. With sustainably sourced paper being our primary raw material, choosing Carbon Balanced Paper was the next step in our sustainability journey, supporting World Land Trust in their efforts to protect the world's most biologically significant and threatened habitats.

UKG continues to reduce our carbon footprint for sourcing and transportation by working with partners who share our mission. For example, we work with a sea freight company that shares our sustainability ambitions and offers climate-neutral transport solutions. Key to our carbon reduction strategy is the heavy investment in UK manufacturing, in order to increase production using our modern facilities, powered by energy derived from renewable sources. Once our products are on the road, we want our customers to know that they have been designed, manufactured, and transported with a strong commitment to sustainability.

UKG is passionate about making a positive impact, and we aim to lead our industry in rethinking the way we produce and distribute our products — because we are committed to serving our community and the planet for the long term. We will continue to set impactful goals in every aspect of our business to reduce climate change and conserve our planet's precious natural resources.

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“Our product brings happiness, laughter, and love by celebrating life’s most important moments, every single day. We do this by working collaboratively to ensure that our product is created sustainably, where future generations are able to then celebrate life’s events.”

CERI STIRLAND
CEO - INTERNATIONAL

United Kingdom, Australia & New Zealand

UK Greetings Reshoring Efforts

Prior to fiscal year 2020, every UK Greetings card was produced in Asia (manufactured using fossil fuel electricity and shipped across the globe). Over the last few years, UKG has been working on a multi-year business strategy to produce the majority of single card product within internal manufacturing facilities.

While the business continues to grow, UKG's reshoring strategy has enabled reduced lead times, more flexibility, increased efficiency, and an increased focus on environmental responsibility. Moving to UK manufacturing has reduced the carbon emissions associated with shipping product from Asia to the UK.

For fiscal year 2024, UKG set a challenging target of 150 million card pieces to be printed in-house. UKG exceeded that target and as a result, 72% of everyday single card volume is now produced internally. UKG plans to continue to increase this number over the next three years.

The project has been a huge effort, involving every single area of the organization. It also encompasses each of the company's values — innovation, collaboration, people, creativity, inclusion, and success.

UKG continues to invest in and grow their distribution and manufacturing facilities by developing additional space to provide more support to AG's global celebrations strategy.



Our People

If you were to ask anyone at American Greetings what they liked most about their job, chances are they would respond, “the people.” That’s a point of pride for us. As a company, we work to cultivate a dynamic workplace that welcomes a diversity of talents, backgrounds, and perspectives. We believe that having a vibrant, varied culture and a positive presence in the community empowers all of us to make a difference in the marketplace and demonstrates how much we care about consumers and connections.

In the words of Kelly Ricker, Chief Product Officer and Chief Inclusion Sponsor:

“In my experience, the best part of American Greetings is our people. That’s what’s kept me here for more than 21 years. We’re a blend of people from different backgrounds and areas of expertise, and we’re at our best when we work together. Having an inclusive culture is a big part of what makes us successful.”





Diversity, Equity & Inclusion

We're proud that our products help hundreds of millions of people celebrate and connect with the ones they love. To reach such a large and diverse audience, AG aims to have a diverse workforce. Our goal is to recruit, develop, and grow associates from different backgrounds and perspectives, then bring them together to work toward making the world a more thoughtful and caring place.

Recent examples of how we have fostered a diverse and inclusive culture for our associates include:

- Earning a spot on Forbes' 2024 list of America's Best Employers
- Receiving a score of 100 on the Human Rights Campaign Foundation's 2023-2024 Corporate Equality Index
- Engaging associates through the Employee Engagement Group, "Happy Vibe" – with events such as Cleveland Guardians Day, Cleveland Browns Day, and more
- Introducing the micro-learning platform Blue Ocean Brain (DEI and Professional Development)
- Sponsoring eight Employee Resource Networks (ERNs) to give associates a space to find and foster connections, support, and community
- Fostering partnerships with nonprofits and Historically Black Colleges and Universities (HBCUs) in Northeast Ohio to enrich our applicant pool for the AG summer intern program
- Launching the Military & Veteran Resource Network
- Creating a Gratitude Wall (visual representation of employee appreciation)



Our Engaged Associates

Last fall, after a national retailer's successful visit to Creative Studios, American Greetings was pleased to be awarded additional doors across the country. This national retailer allocated a large number of stores to the AG portfolio across the United States, which was a result of our winning Celebrations strategy, commitment to creativity and innovation, and excellence in execution. From the originators and presenters behind the ideas, to those who developed and set displays in the showroom, to those proving our abilities at field level, and those that supported day of Partner Development Meetings (PDM) through their presence and energy in the building – everyone played an impactful part in this achievement.

Following the win, associates swiftly got to work on bringing our world-class product to these hundreds of locations. To ensure the project was a success, AG hired new merchandisers and new field managers for the massive field effort — and relied on the wonderful support and engagement of all associates. The success of these store conversions could not have been possible without the intensive focus of everyone, and all associates played a pivotal role. In fact, 100 associates across departments and levels volunteered to go into stores and help set up the displays. It also took a heroic effort from the field team, as they still had to keep things running smoothly for their day-to-day operations.

The rollout began last November and took place in three different stages for the Everyday, Gift Packaging, and Stationery offering. It was finalized this past March and has already been a successful and rewarding initiative for the company.

Adding these stores was not only a big client win for AG, but it was also extremely beneficial for our field associates. With these new doors, we were able to redistribute territories in a way that allowed for more efficient and equitable routes for field managers and merchandisers.

“The best thing about this is that all our associates rallied to make this a successful conversion. Associates from all different departments pitched in – whether it was packing, shipping, or other necessary tasks,” said Gary Kopechek, Group Vice President of Field Management. “We’re grateful to have employees who are engaged and invested, and appreciate the all-hands-on-deck mentality that our company thrives on.”

With this accomplishment, we are continuing to prove that our shopper-centric approach is driving growth and renewing retailers’ excitement about our department.



Talent Development



For over 100 years, American Greetings has embraced a culture of growth. As a company, we believe that everyone, regardless of department or role, can bring creativity and innovation to their jobs. We aim to help our associates build upon their skills while also seeking and identifying new opportunities to propel their careers forward. That is why we invest in the personal and professional development of our associates through activities like:

- *Coaching & Feedback Training*
- *Compliance Training*
- *Creative Skills Workshops*
- *Effective Brainstorming Training*
- *Events & Exhibitions*
- *Guest Speakers*
- *imAGine University Classes and Training Sessions*
- *“Lunch & Learn” Programming*
- *Merchandiser Job Training*
- *OSHA Training*
- *Performance Management Training*
- *Unconscious Bias Training*

Additionally, in 2023, the Corporate Training & Development Team launched Blue Ocean Brain to all American Greetings associates. Blue Ocean Brain is our newest training and development resource and online microlearning platform. With hundreds of topics available to explore, Blue Ocean Brain provides associates with the opportunity to embrace continuous professional development through a variety of microlearning offerings.

Microlearning courses are short, interactive, and offer high-impact learning, which associates can complete in under 15 minutes. The bite-sized content is designed to fit into busy schedules, and on-demand lessons can increase awareness and skill across topics like leadership; critical thinking; communication; diversity, equity, and inclusion; performance management; and many more.

Career Paths

Every day American Greetings sells thousands of products that help consumers celebrate and stay connected with the ones they love. This requires an associate base that is highly creative, exceedingly analytical, and operationally strong. Writers, designers, photographers, data scientists, business managers, technologists, merchandisers, marketers, sales leaders, and more all have compelling and fulfilling career paths at AG. Here are just a few examples of those building their careers at American Greetings.

CAROL EDSON

*Director – Environmental,
Health, and Safety (EHS)*



Carol came to American Greetings in 2017 with over 25 years of experience in EHS in manufacturing, distribution, and transportation. She is passionate about promoting a safe workplace and ensuring AG operates as a good corporate citizen, minimizing the impact of our business on the environment. She took on her role as Director of Environmental Health Safety (EHS) in 2022 and provides leadership to the plants, Field Management, Creative Studios, and Canada.

"I wanted to work for a company that helped people celebrate, putting smiles on people's faces and creating good memories. I was looking for an employer who valued their employees and strived to do the 'right things' for them, including through EHS."

"I love the fact that since I work with so many people, doing very different jobs, my days are never the same. There's a lot of problem solving and collaboration, resulting in actions that I feel create a safer work environment. I'm constantly learning from the associates I work with and appreciate that they reach out to me with their concerns or ideas. American Greetings truly fosters this spirit of working together, and I'm grateful for the relationships and support I have on the EHS journey."

KEN MOYE

*Senior Manager –
Network & Storage,
Infrastructure & Security*



Believe it or not, Ken started out at American Greetings 24 years ago as an intern! He began his career at AG working on the Help Desk but has since become a Senior Manager, thanks in part to his drive to seek out mentorship and new opportunities. A big part of why Ken has spent his whole career at AG is the people – those he's met along the way, worked for, worked with, and now those working for him.

"I've always been a big proponent of the idea that who you know absolutely weighs as much as what you know," Ken said during a recent AG Talks event. "That holds true in most scenarios and sometimes it even outweighs what you know."

"We all have people along the way who are instrumental in helping us, speaking on behalf of us, and helping to advocate for opportunities – that's huge, and now I try to do that for the people working for me when I can. Having an advocate is huge."

Career Paths

JOEL LEE

*Chief Information Officer
(CIO)*



Without sound computer and information technology systems, American Greetings couldn't bring happiness, laughter, and love to consumers across the globe. Joel has played a big part in ensuring the success of those systems – and our business – since joining the company in 2012. His current role as Chief Information Officer (CIO) allows him to have a huge impact on the company, our associates, and day-to-day operations.

Joel wears many hats at AG, even outside of his work responsibilities – he serves as the executive sponsor for the Military & Veteran Resource Network and leads the AG AI Governance Committee.

“Being part of the AG team has been an absolute joy. The people and their dedication and passion for what they do creates an environment that fuels productivity and fosters a sense of inclusiveness. The creativity and positivity foster a workplace where free-flowing ideas are encouraged by a culture that values innovation and collaboration. I am grateful to be part of a company that offers a great deal of opportunity for career exploration and professional growth, helping associates in preparing for future roles.”

NOMAR PEREZ

Photo Art Director



Creativity is at the core of everything we do at American Greetings, and it is essential to fostering an environment that encourages innovation, growth, and the exploration of new ideas. Nomar's career in Creative at AG has allowed him to pursue his passions while also venturing into other areas of the business, ultimately leading him to his role as Photo Art Director.

“When I started as an illustrator, I was always trying to branch out and learn about other departments as well,” Nomar said during a recent AG Talks event. “I was able to meet other people throughout the company – people who worked with AG.com, licensing, party goods – it was amazing to be able to connect with others. It's good to be able to make those connections and get to know people in other areas.”

“Taking opportunities to work on different projects opened doors to different things for me. I didn't let the position that I was in dictate what I was going to do. I did my work well – but I wanted to go out and influence other departments too.”

“It's been challenging to learn new things in a new role, but I get to work with an amazing team, they learn from me, and I learn so much from them too. I am so happy and I'm blessed for that.”

Employee Resource Networks

We understand how important it is for all individuals to feel valued, supported, and connected in the workplace. AG sponsors eight ERNs to give associates a space to find and foster connections, support, and community. We believe that when people come together to bond over shared experiences or interests, it sparks a belonging that invigorates our entire organization. Our ERNs are extremely active in hosting events, sponsoring cultural celebrations, influencing product and company policy, and leading philanthropic activities.

Each ERN has at least one associate lead as well as an executive sponsor. These leaders take great care in highlighting the importance of their respective groups and celebrating the ways that ERNs inspire creativity, fuel productivity, and help unlock our fullest potential.



Employee Resource Networks



The Green Team's mission is to work together to minimize our carbon footprint. We identify opportunities to increase sustainability, and inspire our coworkers, families, friends, and neighbors to live a more sustainable lifestyle. The Green Team shares our successes, our failures, and our ideas, and we build on them to create positive change. Our efforts make the difference.



The PRN's goal is to be the space where you can meet others like yourself, make new connections and add tools to your parenting toolbox. We want to create a sense of success at both work and home by helping to alleviate some of the stresses among working parents.



The HRN is a network of diverse professionals striving to empower, support, and promote leadership among Hispanic associates in a meaningful way. We collaborate to bring our best ideas to life and have a little bit of Latin-flavored fun along the way. The HRN brings a deeper understanding of Hispanic culture to American Greetings, and helps convey the company's diversity and inclusion efforts. We also offer the opportunity to connect with associates throughout the organization, our consumer, and the community – through activities and experiences that embrace Hispanic life and culture, and that foster positive relationships.



The AARN aims to create spaces that generate a direct impact on company goals through cultural awareness and consumer insights. We also play a vital role in providing guidance, and influencing African American-specific content, through extensive collaboration with our Creative department. Additionally, the resource network promotes and supports company-wide diversity initiatives that foster a more inclusive work environment through career development, associate retention, and greater representation in leadership positions.



We are a network of American Greetings associates dedicated to the comfort, well-being, and productivity of colleagues and customers who are members or allies of the LGBTQIA+ community. We are committed to raising awareness of issues affecting the LGBTQIA+ community, working with American Greetings to address the needs and concerns of LGBTQIA+ associates, and building American Greetings reputation as an LGBTQIA+ supportive company.



Our Mission is to harness our strengths as a unique group to better serve our company, community, and consumers by promoting a culture of diversity and inclusion through continual learning, associate development, and associate engagement. We foster a military-friendly environment by supporting military-affiliated associates and enhancing the recruitment of candidates with military experience.



The WLC empowers women to grow as leaders and influence corporate growth through professional development, connections and community relations.



Align with American Greetings corporate strategies by engaging, supporting, attracting, and inspiring young professionals at American Greetings through professional development, community service and networking opportunities.

Supporting the LGBTQIA+ and Hispanic Communities

American Greetings believes all associates and customers should feel a sense of well-being and pride in who they are. The Pride@AG Employee Resource Network helps ensure LGBTQIA+ individuals as well as those whose family, friends, or colleagues identify as LGBTQIA+ feel uplifted and encouraged.

Pride@AG raises awareness of issues affecting the LGBTQIA+ community, works with American Greetings to address the needs and concerns of LGBTQIA+ associates, and generally aims to strengthen the inclusive culture at AG.

For the second year in a row, AG was awarded a perfect 100-point score on HRC's Corporate Equality Index (CEI). This achievement was made possible by meeting the following criteria:

- Having workforce protections that cover all sexual orientations and gender identities.
- Providing inclusive benefits for transgender individuals and those in same-sex partnerships.
- Supporting an inclusive culture and corporate social responsibility by demonstrating at least three LGBTQIA+ internal best practices across the workforce, having LGBTQIA+ employee resource group, and making at least three distinct efforts of outreach or external engagement with the LGBTQIA+ community.

Additionally, AG continues to advocate for the Hispanic community. This past year, American Greetings, along with its Hispanic Resource Network (HRN), was a proud key sponsor of the "100+ Latinos™ Cleveland Must Know" Annual Reception and Celebration. This initiative was established by AmMore Consulting in 2020, with the goal of providing a platform for greater visibility, exposure, and professional development for those who self-identify as Hispanic, Latino/a/x/e in the Greater Cleveland community and other metropolitan areas.



photo: Mariana Edelman



Military & Veteran Resource Network

In 2023, American Greetings was pleased to welcome the Military & Veteran Resource Network (MVRN). The MVRN is open to all associates, regardless of their military affiliation or country of residence.

Joel Lee, Chief Information Officer, is the executive sponsor of the MVRN, having served in the United States Marine Corps for seven years prior to joining American Greetings. "I am thrilled at the opportunity to engage our military service members, veterans, and those with an interest in the military. Our community is always willing to step in to help others, leading with integrity and honor. We look forward to working together to make a difference across our company and in the community."

The mission of the MVRN is to harness their strengths as a unique group to better serve American Greetings, its community, and its consumers – by promoting a culture of diversity and inclusion through continual learning, associate development, and associate engagement.

The MVRN also fosters a military-friendly environment by supporting military-affiliated associates and enhancing the recruitment of candidates with military experience. The MVRN has already been busy in its inaugural year.

"The MVRN is currently partnering with American Greetings Human Resources department, and multiple government and veteran organizations on a job placement program. This program will give military, military spouses, and veterans an upfront opportunity to be considered for jobs at American Greetings," said Sheri Jones, Strategic Buyer.



Parental Leave

Welcoming a new child into the family is a precious time in one's life. It brings strong connections, big emotions, and even bigger changes. It speaks to the heart of AG's mission — to help people celebrate the moments and relationships that matter most.

For AG to authentically share that mission with the world, we know it must be reflected in our Company culture. The passion of our associates is vital in ensuring we're not only talking the talk but walking the walk. Individuals from the Women's Leadership Council and Parents Resource Network illustrated this when they came together to research and pitch updated short-term disability and parental leave policies for birthing, non-birthing, adoptive, and foster parents.

With the full support of Women's Leadership Council Executive Sponsor and Chief Financial Officer Lorna Street, these passionate associates worked with HR to develop a solution that would enhance existing policies and make all aspiring parents at AG feel supported. Since the updated parental leave policies took effect in 2023, more than 30 families, including birthing and non-birthing parents, have benefited from the new policy.

As a company, we also recognize that the journey to parenthood can be complex and full of emotion. To support associates at all stages of their parenthood journey, in January 2022, family building benefits were added to the company's health insurance plan through United Healthcare, offering generous coverage of a wide range of services. Both the updated parental leave and coverage for family building services are important steps in AG's prioritization of diversity and inclusion.

"I have recently returned to work from parental leave after having my daughter in November 2023. I had complications after her birth and was in the hospital longer than anticipated. AG's updated parental leave policy allowed me to focus fully on my recovery, in the hospital and then at home, without worrying about my financial situation or missing out on valuable time with my newborn. The time I had off to bond with my daughter was invaluable and I can't imagine her first weeks of life any other way!"

CHELSEA PATTON
Senior Editor, Creative

"Utilizing the updated parental leave was a wonderful opportunity for me as a new father. I was able to spend valuable time supporting my wife as well as getting to form a special bond with our baby girl. The new parental leave provided our family with lasting memories that we will always cherish. My wife and I are very grateful that AG was able to provide us this opportunity."

PHIL LESIAK
Manager Supply Chain, Product Execution

UKG Supports Mental Health

UKG's Mental Health First Aiders & Wellbeing Support

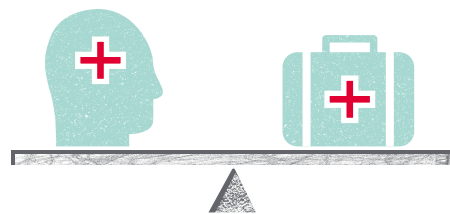
One in four people in the UK will experience mental illness in their lifetime, with many more having a friend, partner, or family member experience it as well. As such, UK Greetings is committed to providing initial and ongoing mental health support and help to our Associates.

One of the ways UKG offers support is through a team of Mental Health First Aiders (MHFA). These associate volunteers are a point of contact if a fellow associate is experiencing a mental health issue or emotional distress. While the MHFA team does not replace professional help, they are available to all associates to offer a friendly, non-judgmental listening ear.

Each associate volunteer undergoes training with Mental Health First Aid England, where they learn tools to support their own and others' wellbeing. They receive training on how to recognize signs of ill mental health, listen in a non-judgmental way, and signpost to support for help and recovery.

UKG continues to support associate mental health and wellbeing in other ways, as well. Zena Von-Rollock, a health and wellbeing facilitator, was welcomed back in 2023 for a discussion around anxiety. The sessions included strategies for identifying anxiety and managing it. Andy's Man Club was another guest, visiting UKG locations to talk about peer-to-peer support for men and the idea that it's okay for men to talk about their feelings.

In the fall, UKG launched a series of personal development workshops called "Wellbeing Wednesdays." Topics included a focus on work/life balance, the importance of optimistic thinking, learning to be present in the moment, and intentional gratitude. Through events like these and prioritizing mental health in the workplace, UKG hopes that all colleagues who seek help will be able to find it for themselves or someone they know who needs it.




"We all have moments in our lives when stresses and strains impact how we're feeling. There's no shame in recognizing you need help — all it takes is to overcome that first hurdle of contacting one of the UKG Mental Health First Aiders. When you receive the reassurance it's all confidential and at your pace, you'll realize there's a positive network to support you, and that you're not alone!"

Product Development

American Greetings leads the celebrations industry with product and marketing that represents all consumers. We publish an array of products and social media assets that celebrate the holidays and relationships that are uniquely meaningful to diverse communities. Many of these products are created by our Inclusivity Creative Team, an interdisciplinary group of experts that specialize in creating this content.

The Inclusivity team's role is to ensure authentic representation of diverse consumers and their content preferences. This means constantly researching and learning about different consumers and cultures. The Inclusivity team often works with AG's Employee Resource Networks, external consultants, and other community members outside of AG to develop just the right content.

According to Inclusivity Editorial Lead Maria MacNamara, the only way to make products that feel truly inclusive is to see them "as part of who we are, and not just what we're creating." This means continually building knowledge, challenging our thinking, and expanding our network of contributing voices. According to Maria, "the world is constantly changing and a big part of our role is to make sure we're changing with it."



"I love having the opportunity to advocate for marginalized communities through our work. Our products help people connect and celebrate friends and loved ones, for all moments and milestones in their lives. We strive to be as inclusive as we can be to ALL communities, and doing so in the most intentional and authentic way possible."

LORI JOHNSON
Program Director
D+I and Target Features

Product Development

Diversity & Inclusion By the Numbers

1

Dedicated D&I Team

100%

Corporate Equality Index Score

6

External Cultural Consultants

1,207

D&I Cards Created Since 2020

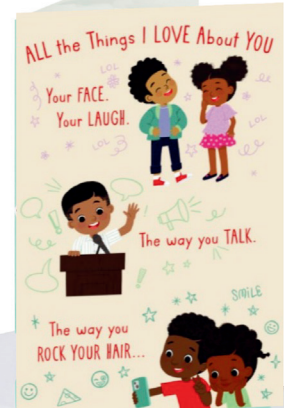
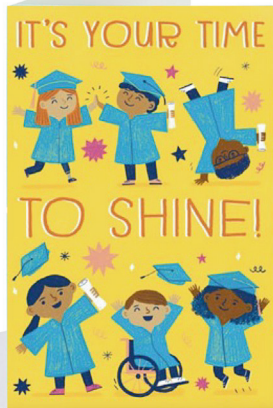
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ERNs Representing Diverse & Inclusive Work Culture

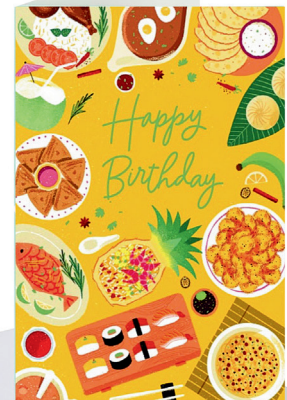
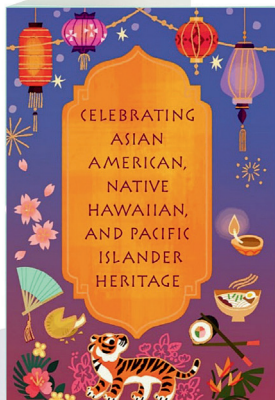


Product Development

Celebrating ALL Our Children



Celebrating Asian Communities



Product Development

Celebrating the Black Community

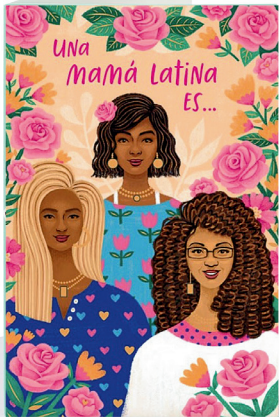


Celebrating the Disabled Community

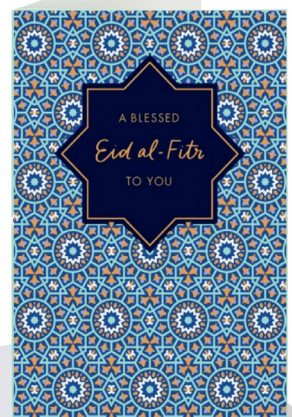
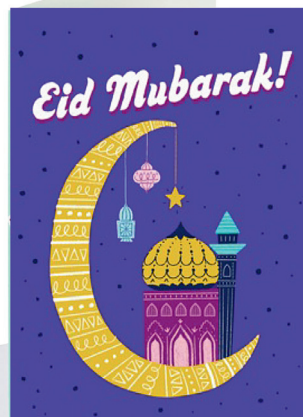
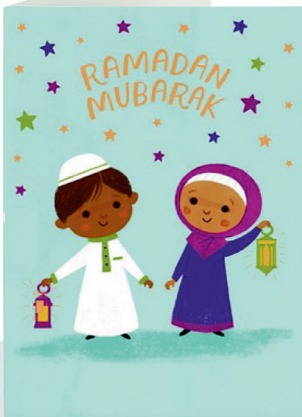


Product Development

Celebrating the Hispanic Community



Celebrating the Islamic Community



Product Development

Celebrating the Jewish Community



Celebrating the LGBTQIA+ Community



Product Development

Habitat x New Designers Collection Launched in Sainsbury's

UK Greetings premiered a new and exclusive collaboration with Sainsbury's home décor line, Habitat, and New Designers, an annual exhibition of the best graduate design talent across the UK.

UKG worked in partnership with eight of the award-winning New Designers, who created trend-led greeting card designs housed within a 'Habitat x New Designers' co-branded shipper.

All designs were exclusive to the Sainsbury's Habitat brand and offered something truly special, with a co-branded logo and artist story featured on the back of the cards.

The program launched in 200 Sainsbury's stores. All of the cards were designed in the UK, printed at our UK manufacturing site, and were 100% recyclable.



Community Outreach & Engagement

Our Mission in Action

American Greetings has a long and proud tradition of serving the communities in which we work and live. We care about our people, our communities, and our planet and treat each with kindness and respect. Whether it's through fundraising and donation drives, educational scholarships and public event sponsorships, or acts of service and volunteerism, the people of AG truly live out our mission of making the world a more thoughtful and caring place.

Here are just a few examples of community outreach and engagement activities planned and coordinated by our great Employee Resource Networks:

- Associate Zero Waste Picnic
- Black Professionals Association Charitable Foundation Scholarship & Awards Gala Corporate Sponsor
- Clothing Swap to Support Dress for Success
- Corporate Sponsor of Cleveland's Rainey Institute Glissando Benefit
- Corporate Sponsor of Dress for Success Women Wine & Wardrobe Event
- Edgewater Beach Clean-up Day
- Fundraising for American Lung Association through Fight for Air Climb
- Holiday Light Recycling Drive
- Hosted Post-Pride Mixer at Creative Studios
- Hosted the Village of Highland Hills Older Adult community at Creative Studios
- Osceola "Cards for Kids" donation to Arkansas Foster Child Birthday Card Program
- Toys for Tots Donation Drive
- 100 Black Men Scholarship & Awards Gala Corporate Sponsor
- 100+ Latinos Cleveland Must Know Meet, Greet, & Celebration Corporate Sponsor
- 2023 "Pride in the CLE" Corporate sponsor
- 2023 Cleveland's "Juneteenth Freedom Fest" Corporate Sponsor



Community Outreach & Engagement

Sharing Celebrations

Birthday celebrations belong to everyone. No matter who someone is or what they're experiencing, every person deserves to be reminded that they're special – especially if they're a child. Partnering with The Birthday Party Project (BPP) has allowed American Greetings to put this core belief into practice.

The Birthday Party Project has made it their mission to bring joy to children who are experiencing homelessness through the magic of birthday celebrations. The Birthday Party Project makes this possible via thoughtful, all-in-one celebration “kits.” These kits include all the elements for a happy birthday, such as decorations, goodies, a beautifully wrapped gift, and — naturally — a card!

For four years and counting, American Greetings has provided the custom card that's included in The Birthday Party Project's celebration kits, and the AG shopper marketing team has facilitated a giveback campaign at retail benefiting the BPP. To date, AG has donated \$1 million in dollars, advertising, and celebrations product. AG has also run multiple offers and social campaigns with the message “You give. We give.” These campaigns have boosted awareness for American Greetings and The Birthday Party Project alike, as well as garnered a wealth of positive engagement.

Associates at AG have taken notice of this feel-good partnership, too. Claudia Chumbley, Shipping, Mail Center, & Samples Supervisor, and her team have spearheaded their own gifting project for the past year – sending birthday treats to children in need. “It is very gratifying to be part of the Birthday project team to provide birthday presents and party favors to children in our community who otherwise may not have received anything,” said Claudia. “It makes me smile, warms my heart, and makes me feel like I am providing my own version of Happiness, Laughter, and Love in the world.” Since May 2023, Claudia and her team have wrapped and sent gifts to 85 children throughout Northeast Ohio – bringing their own joy and cheer to the local community.



Papyrus Gives Back

As part of the company's commitment to making products that are better for people and the planet, we are proud to share our goal to increase the use of Forest Stewardship Council (FSC)-certified paper stocks for our Papyrus products.

FSC-certified paper promotes environmentally, socially, and economically responsible management of the world's forests. Since the majority of our business is in cards, our goal was to increase our use of FSC-certified paper and make a bigger impact.

We also wanted to add packaging statements to our products, so consumers could see the efforts being made toward sustainability.

In June 2022, Papyrus began adding FSC claims to new products, and by August 2023, FSC claims were added to all applicable cards, creative products, and stationery. Currently, 70% of cards are printed on FSC-certified paper, with a goal to have 95% in the next year. 100% of Papyrus stationery, and 99% of Creative Products are also FSC-certified.



Green Team

American Greetings Green Team Employee Resource Network (ERN) is continuously sponsoring events, drives, and volunteer opportunities to work towards their mission to:

- **Work together to minimize AG's carbon footprint.**
- **Identify opportunities to increase sustainability.**
- **Inspire coworkers, families, friends, and neighbors to live a sustainable lifestyle.**
- **Share successes, failures, and ideas, and build on them to create positive change.**

Here are just a few of the ways the Green Team has made a difference.

Beach Clean-Up

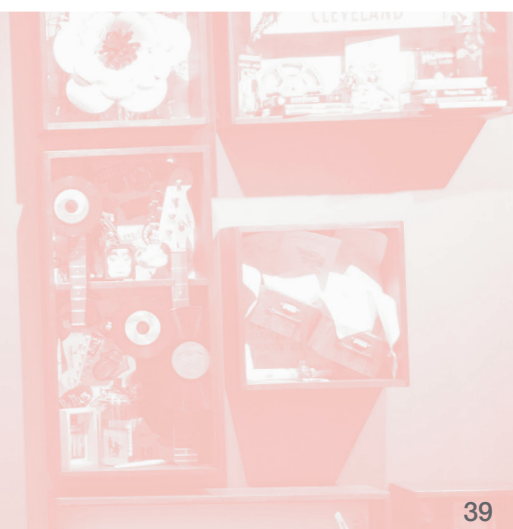
The Green Team ERN sponsored AG's second beach clean-up in partnership with Cleveland nonprofit Drink Local. Drink Tap. In July of 2023, over 40 Cleveland-based associates gathered at Edgewater Park to collect trash and microplastics from the beach. During the cleanup, associates removed 4,657 pieces of trash – that's 58 pounds!

Clothing Swap

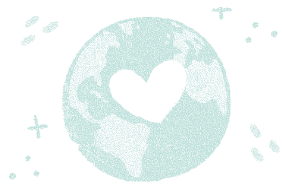
AG's first ever clothing swap was made possible by the Green Team in collaboration with the YPRN, and the WLC. Associates contributed over 900 items of clothing, 800 of which were donated to Dress for Success Cleveland! Over 60 participants shopped and exchanged clothing in support of sustainable fashion.

Holiday Lights Drive

Associates participated in a Holiday Lights Drive to benefit Cleveland Metroparks Zoo's Lights for Lions program, sponsored by the Green Team. 132 pounds of broken or unusable holiday lights were collected and diverted from landfills! Proceeds from the recyclable materials collected support the zoo's lion and cheetah conservation programs.



Creative Studios: A Snapshot



Creative Studios

2020 - 2023

ASSOCIATE RECYCLING

26 tons recycled

Since 2020, associates have recycled over 52,000 pounds of plastic bottles, cans, and mixed paper at Creative Studios.

2022 - 2023

ENVIRONMENTAL STEWARDSHIP

16,999 metric tons CO2e offset since 2022

In partnership with the World Land Trust, American Greetings has helped conserve land in Guatemala, Vietnam, Mexico, and Ecuador. Through Carbon Offsets, the World Land Trust is able to save animals, land, and biodiversity in areas affected by deforestation.

2022 - 2024

ASSOCIATE COMPOSTING

25,000 lbs diverted from landfill

In only 2 short years since beginning our composting program, Creative Studios has diverted over 25,000 pounds of food waste from local landfills thanks to Rust Belt Riders.

833 pieces of clothing donated

to local women in need at AG's first Zero Waste Clothing Swap in 2023, in partnership with Dress for Success Cleveland.

6,308 pieces of garbage removed
from local beaches

In back-to-back Green Team sponsored Beach Cleanup events, AG associates removed over 150 pounds of trash and microplastics from community parks and beaches with help from Drink Local Drink Tap.

564 lbs eWaste recycled

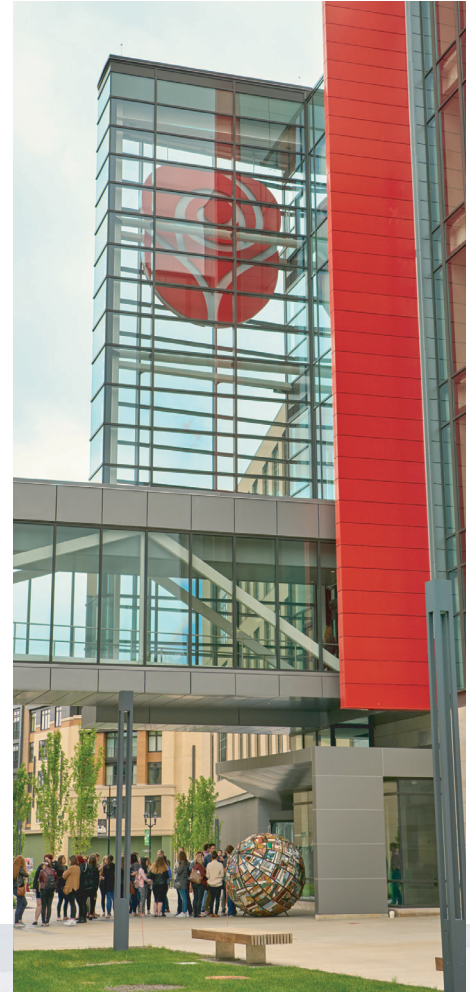
During our electronic waste drive in 2023, associates saved over 500 pounds of electronics from the landfills. RET3, a non-profit in Cleveland, helped to reuse and recycle all items.

432 lbs broken holiday lights recycled

In our Creative Studios 2022 and 2023 Holiday Light Drive for Cleveland Metroparks Zoo, associates brought in over 400 pounds of broken lights for recycling. All proceeds helped to fund the zoo's lion and cheetah programs.

Our Policies

At American Greetings, we believe that good corporate governance goes a long way toward building and maintaining trust. Our employees are guided by our values to be safe, maintain the highest integrity, treat everyone with dignity and respect, focus on our customers, and be excellent in all we do. Our corporate policies and practices are designed to ensure that these values are continuously upheld at all levels of our company.



“Protecting the interests of our stakeholders, customers, and associates is of the utmost importance to how we do business. We’re proud that our approach to corporate governance is inspired, guided, and strengthened by our core values, particularly treating people with respect.”

CHRIS HAFFKE
GENERAL COUNSEL AND CHIEF HR OFFICER

Corporate Governance

Board of Directors

The American Greetings Board of Directors oversees the interests of the company and its stakeholders in the long-term health, overall success, and financial strength of the business. There are six directors on our board, including seasoned financial and operating partners from Clayton, Dubilier & Rice, family members of the company's founders, and our Chief Executive Officer. Together, our Directors bring decades of experience as owners and operators in consumer packaged goods businesses, the retail sector, and the celebrations industry.

Our Board of Directors follows, both formally and informally, governance principles designed to ensure that it provides AG with informed and competent oversight that serves the interests of the company and its stakeholders. To assist in the oversight function, the Board has standing Audit and Compensation Committees, each of which has three Directors and meets regularly. The Audit Committee reviews the adequacy of our financial policies and procedures, compliance with those procedures, and systems of internal control. In addition, it oversees the integrity of

our financial statements and related auditing, accounting, and financial reporting processes. The Compensation Committee reviews and approves the policies, programs, and procedures related to compensation of the company's executives.

The Board of Directors also reviews and ratifies our environmental and social sustainability strategies. In this capacity, they oversee our sustainability program and human capital management practices, including diversity and inclusion efforts.



Corporate Governance

Code of Conduct

American Greetings is committed to a policy of complying with the law wherever we do business and maintaining high standards of business conduct. These principles, which apply globally, are the basis of our ethical business practices and the foundation of our success. Each year, American Greetings associates are required to certify that they have read and are in compliance with our Code of Conduct and Business Ethics. The Code of Conduct covers a variety of areas including the following:

- Antitrust Laws
- Accurate Books and Records
- Confidential Information
- Equal Opportunity / Anti-Harassment Policies
- Conflicts of Interest
- Fair Dealing
- Foreign Corrupt Practices Act
- Insider Trading
- Political Contributions
- Software & Intellectual Property
- Reporting Violations or Concerns

Additionally, we work with suppliers who share our principles of product safety, obeying labor laws, safety at work, diversity, the fight against corruption, and respect for human rights. Current and prospective suppliers are required to provide evidence that a third-party social compliance audit has been completed and approved at the supplier's location within the previous 12 months.

Whistleblower Policy

American Greetings maintains a “We Care Hotline” whereby associates of AG and other operating subsidiaries can report Code of Conduct violations or other concerns by phone or through the web. The We Care Hotline is available 24 hours a day, 365 days a year. The hotline is staffed and managed by a third-party service provider that is not affiliated with American Greetings. It is American Greetings policy not to discharge, demote, suspend, threaten, harass, or in any other manner discriminate against whistleblowers.



Compliance

Environmental Health & Safety

American Greetings is committed to protecting human health and safety and the natural environment. We operate in strict compliance with applicable Environmental Health & Safety (EHS) law, regulations, and governmental requirements in keeping with good corporate citizenship. Below are the core elements of our EHS program:

- Management Leadership
- Employee Participation
- Hazard Identification and Assessment
- Hazard Prevention and Control
- Education and Training
- Program Evaluation and Improvement

Regulatory

American Greetings is committed to distributing quality, safe, and environmentally responsible products in compliance with applicable laws and regulations. Our product safety and compliance program is designed to meet the regulations, standards, and best practices identified and enforced by the Consumer Product Safety Commission (CPSC) and its regulatory counterparts around the world.

This includes:

- U.S. Consumer Product Safety Improvement Act (CPSIA)
- U.S. Federal Hazardous Substances Act (FHSA)
- European Toy Safety Directives (TSD)
- REACH
- RoHS
- California Prop 65
- Additional U.S. state chemical laws and reporting requirements

We monitor regulatory changes and industry initiatives to ensure compliance and make adjustments when appropriate. Requirements are documented in our Product Safety and Compliance Manual, which is distributed to our suppliers and requires an annual declaration of compliance. Product testing is the final step in our strategy and is used to verify that a particular risk has been eliminated or mitigated to an acceptable level.

Compliance

Supplier Qualification

Suppliers of American Greetings undergo a thorough risk-based vetting process in the initial diligence phase and as part of the onboarding process. We routinely monitor our suppliers thereafter. The qualification and monitoring process includes onsite factory inspections, raw material validation, product safety testing, finished product quality inspections, and assured compliance to the American Greetings Product Safety and Compliance Manual and the American Greetings Supplier Code of Conduct.

In addition, on an annual basis our audit program evaluates supplier practices relative to local and international labor standards, quality, supplier management, health and safety, and environmental impacts.

Tax

American Greetings is committed to following all applicable laws and regulations relating to taxes and maintaining a transparent and constructive relationship with tax authorities in all jurisdictions where we do business. We ensure that our governance process for managing tax positions is appropriate and robust and apply diligence and professional care in carrying out our tax responsibilities and reporting.our suppliers and requires an annual declaration of compliance. Product testing is the final step in our strategy and is used to verify that a particular risk has been eliminated or mitigated to an acceptable level.

Risk Management

Information Security

We recognize that information security is vital to the health and success of American Greetings. In today's world, the data that we collect and use is one of our most valuable assets. To protect it, we have a comprehensive set of policies and procedures related to Information Security, Data Privacy, and Data Handling. Our Chief Data Officer and Chief Information Security Officers are accountable for administration of the policies and ensuring that they are comprehensive and up-to-date.

Our broad goals around information security are to maintain the confidentiality, integrity, and availability of data. We use the NIST (National Institute of Standards and Technology) security framework and a core set of security principles as the foundation for our policy. These security principles cover the following concepts:

- Universal Participation
- Risk-Based Security
- Deny All That is Not Explicitly Permitted
- Least-Privilege
- Defense-in-Depth
- Compartmentalization
- Secure Failure
- Separation of Duties
- Defense through Simplicity
- Dedicated Function
- Need-to-Know
- Effective Authentication and Authorization
- Audit Mechanisms

We recognize that our associates are important guardians of our data. Targeted phishing campaigns and other cyberattacks are becoming increasingly sophisticated and more common.

We use a comprehensive set of training and testing techniques to ensure that our associates are well versed in the newest and most common forms of security threats and are trained to avoid them. Our program includes:

- **Mandatory security essentials training for all associates, conducted annually**
- **Quarterly phishing tests and remedial training for those who fail**
- **Information sessions, guest speakers, and training videos during National Cyber Security Awareness Month**
- **Various other activities and training opportunities throughout the year**

Internal Audit

Our internal audit team periodically conducts comprehensive, company-wide risk assessments covering key business and functional areas. The assessments focus on the following five primary types of business risk:

- Strategic
- Compliance
- Operational
- Financial
- Reputational

We use the COSO (Committee of Sponsoring Organizations of the Treadway Commission) method to identify the universe of risks applicable to AG, and risks are scored according to likelihood and impact. Existing countermeasures to mitigate risk are documented and evaluated. Countermeasures are augmented to address residual risk where appropriate.

