

## ABOUT HILLMAN SOLUTIONS

Founded in 1964 and headquartered in Cincinnati, Ohio, Hillman is a leading North American provider of complex hardware solutions, delivered with industry best customer service to over 40,000 locations.

Hillman designs innovative product and merchandising solutions for complex categories that deliver an outstanding customer experience to home improvement centers, mass merchants, national and regional hardware stores, pet supply stores, and industrial customers. Leveraging world-class distribution and a field sales network that includes over 1,100 team members, Hillman delivers a “small business” experience with “big business” efficiency.

On July 15, 2021, Hillman became a publicly traded company, listing its shares on the Nasdaq stock exchange under the ticker “HLMN.”

Hillman’s legacy of service has remained unchanged throughout its history, and it continues to take care of its customers first.

## OUR VALUES

01. ABSOLUTE INTEGRITY
02. ACCOUNTABLE TO TEAM AND CUSTOMERS
03. BUILD ON DIFFERENCES
04. TRUST & RESPECT

## FAST FACTS

**\$1.5B**

2022 Net Sales

**3.7M Sq. Ft.**

across 22 Distribution Centers

**40,000**

Ship-to Locations

**58 YEARS**

of Top-Line Sales Growth in 59  
Years of Operation

## 3 BUSINESS DIVISIONS

Hardware Solutions  
Robotics & Digital Solutions  
Protective Solutions

**112,000+**

SKUs managed and delivered  
to customers

**~3,800**

FT and PT Employees

**5**

offices across North America

**90%+**

of revenue comes from  
Hillman-owned brands

## APPROACH TO ESG

At Hillman Group, we are committed to responsibly and ethically building a brighter future for us all. That includes being forward-thinking, innovative, inclusive, and environmentally conscious in the way we do business each day. We created our ESG Program from the ground up, considering our material business impacts and putting our focus on value-added initiatives to ensure we are delivering on our company’s promises for our shareholders, stakeholders, and customers, which in turn, contributes to a better world.

# TALENT

The success of our business relies on the skill sets and contributions of our entire workforce. We seek to recruit, develop and retain top talent who demonstrate our core values: absolute integrity, accountability to our team and customers, the ability to build on difference, trust and respect. We are committed to creating equal opportunities for employment and creating inclusive and diverse workplaces that allow our team to perform to their fullest potential.

# TOGETHER WE ARE BUILT HILLMAN STRONG!

## PAY & BENEFITS

- Competitive salaries with variable, performance-based component
- Target-based bonus programs
- Equity package options for manager-level employees
- Comprehensive Health, Dental and Vision Coverage Plans
- Retirement Savings Plan
- Employee Stock Purchase Program ("ESPP")
- Flexible and Hybrid Work Schedules
- Flexible Time Off (Benefit available to US Exempt Employees only)
- Tuition Reimbursement Opportunities
- On Demand Pay via Dayforce Wallet

## HILLMAN CARES

Hillman Cares Inc. is a non-profit charitable organization funded by internal & external donations where 100% of the donations are used to provide financial assistance to employees who need it.



In 2022, Hillman Cares raised and distributed **\$37K+** through 13 hardship grants

## LEARNING & DEVELOPMENT

We offer our employees continuous development opportunities through our internal and external programs that improve their skills, performance and wellbeing with the goal of optimizing overall performance.

**237** new hires were paired up through Hillman's new 'Buddy' Program where existing employees are available as a resource and a guiding hand

Hillman Employees completed nearly **10,000** online courses logging **15,000+** hours of training



Quarterly Product-Specific Training Sessions

### HILLMAN SCHOLARSHIP PROGRAM

In 2013, Hillman created the Max W. Hillman, Jr. Scholarship Award which is determined to help and encourage students of employees to reach farther and achieve more.

Since 2021, Hillman has awarded \$48K across 24 scholarships. Since 2013, it's estimated that Hillman has granted 50+ scholarships totaling over \$100K.

**38** Live Learning Events were hosted with **1,973** Participants who completed **2,253** Hours of Live Learning



Launched *IMPACT*, Hillman's flagship new manager orientation with monthly sessions to build new, or grow existing, leadership skills. Program graduates with three or more direct reports receive internal 360 leadership coaching sessions with senior leaders at Hillman.

## HEALTH & SAFETY

Employee health and safety is a top priority in all aspects of our business. We are committed to providing a healthy environment and safe workplace at all our facilities and in the field.

Our dedicated Safety Team oversees our health & safety program and procedures. We implement robust safety protocols across all operations, maintain a Safety Compliance Program, and regularly conduct self-assessments to examine our safety culture and processes.

AT HILLMAN,  
CONSTRUCTION  
SAFETY IS A 52-WEEK-  
A-YEAR-JOB.



SAFETY MEASURE	HILLMAN
Total Recordable Incident Rate (TRIR)	1.79
Lost-Time Incident Rate (LTIR)	0.34 <sup>1</sup>

<sup>1</sup>Data spans 12 months between February 2022 and January 2023.

## DIVERSITY, EQUITY & INCLUSION

We are committed to actions that build an inclusive and equitable workplace where diversity is valued and leveraged. We ask our employees to bring their authentic selves to work every day and this is demonstrated in both our products and our services.

### Diverse Recruitment

Our targeted recruitment efforts include a partnership with a Cincinnati non-profit, Forever Kings, as we work to create a talent pipeline. We also partner with INROADS, Disability: In, Prospanica, and Ohio University's Women in Business Program.

We attend annual, local job fairs targeting diverse populations and are intentional about placing job announcements on job boards within colleges and universities that target diverse populations.

### DE&I Training

We provide year around development in DE&I on multiple platforms.

All managers and above participated in a 2-hour training on DE&I.

In 2022, our Executive Leaders participated in a multiple week DE&I session on Awareness, Authenticity and Accountability.

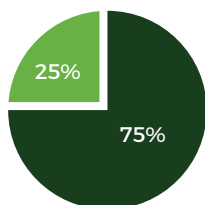
### Employee Engagement

We hosted our 1st Annual Hillman Diversity Week in June 2022.

We are establishing Business Resource Groups (BRGs) starting with an inaugural Women's Business Resource Group.

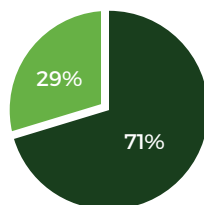
We recognize diversity observations such as Black History Month, Women's History Month, American Asian and Pacific Islander Heritage Month, Pride Month, Hispanic Heritage Month, Jewish Heritage Month, International Women's Day and Mental Health Awareness Month. Our goal is to create a space where our employees and customers see themselves in our work.

HILLMAN WORKFORCE



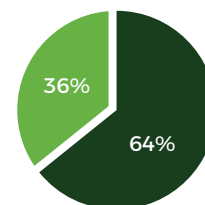
Male Female

INTERNAL PROMOTIONS



Male Female

NEW HIRES



Male Female

# PRODUCTS

At Hillman, our guiding principle of product development is: safety, performance and durability, aligned with the needs of the home repair and remodel consumers, to create better solutions. From fasteners engineered to consume less energy and last a lifetime, active re-engineering to utilize safer and more sustainable raw materials, to protective equipment that empowers people to complete projects more effectively and efficiently while increasing their safety; Hillman is committed to delivering quality, safe solutions to those that relentlessly build for tomorrow.



## INSTILL A VALUE DRIVEN SUPPLY CHAIN

- All suppliers are required to review and sign off on Supplier Code of Conduct annually
- All suppliers are sent Hillman's [Conflict Minerals Policy Statement](#)
- Hillman requires SMETA Tier 4 audits or 3rd party audits every 2 years that cover our social responsibility requirements, such as health & safety, labor wages, and migrant workers
- Hillman's Packaging Engineering team works with corrugated fiberboard and paperboard supplier partners that are members of the Forest Stewardship Council (FSC)

## PERFORMANCE & LONGEVITY

To ensure we are able to deliver top quality products for consumers to use, Hillman:

- Conducts regular product safety risk assessments and follows stringent test protocols
- Trains employees on product safety matters
- Provides various options for customer support and protection to adhere to our commitment to delivering quality, safe solutions to our customers

## ACHIEVEMENTS & AWARDS

Consistently awarded Vendor of the Year Awards by top customers for delivering value & growth. Our Awards since 2020:



Hillman received three Pro Tool Innovation Awards for the following innovative products in the Protective Solutions division: AWP TrapJaw™ 16-inch Tool Bag, AWP TrapJaw™ Oil-Tan Leather Tool Rig, and Firm Grip Max Impact Work Gloves.



In 2022, Hillman joined the broad-market Russell 3000® Index.



HBSDdealer magazine recognized Hillman's Bore-Fast Screw & Anchor In One with its Golden Hammer Award.

# ENVIRONMENTAL IMPACT

As a company that is part of the distribution and supply chain network, it is our commitment to continue to reduce our environmental impact. We focus on having an impact while also ensuring we keep our promises for our shareholders, stakeholders, and customers.

## RESPONSIBLE LIFECYCLE MANAGEMENT

In 2021, Hillman conducted an Environmental Materiality Assessment, which followed the Lifecycle (LCA) Framework and aligns to the ISO 14040 and ISO 14044 Standards. This assessment helped us identify our most material environmental sustainability issues, so we can understand where to focus our efforts to reduce our environmental footprint.

We've identified a few pilot projects to implement in the near-term.

### PILOT PROJECTS

- Improve Sustainable Glove Design using Design for Sustainability (DfS) principles
- Implement Recycling Programs across all Hillman facilities
- Investigate options to reduce all single-use plastic packaging across product lines

## PRODUCT PACKAGING

Hillman's packaging material substrates are made from recyclable or recycled material content. Polyvinyl chloride (PVC) is never permitted as a Hillman packaging substrate.



Hillman clamshell and blister packaging are constructed from recycled polyethylene terephthalate (rPET).

### Benefits of rPet

**100% RECYCLABLE**  
**REDUCES GHG EMISSIONS BY 79%**

## NEW OCEAN CASSETTE PACKAGING



### Protect Our Oceans. Protect Our Pets.

Through a partnership with Oceanworks, Hillman is able to deliver cassette packaging that is made by repurposing fully recyclable, ocean-bound recycled plastic.

**86,000**  
 pounds of plastic removed or diverted from the ocean each year

**1 CASSETTE =**  
**1.3**  
**WATER BOTTLES**

**REDUCE**  
 Use 50% less plastic

**REUSE**  
 Made from certified reclaimed ocean or ocean-bound plastic

**RECYCLE**  
 Easily recycled (Type 1 plastic)

**COST SAVINGS**  
 Save \$0.22 per cassette  
 Net Annual Savings: \$1M

# COMMUNITY

For Hillman, it's a point of pride to give back to the communities where we work and live. We recognize our responsibility as a corporate citizen to give back via our time, talent and financial contributions. We are committed to doing our part because we know that building never stops.

## PARTNERSHIPS & CHARITABLE CONTRIBUTIONS

### NATIONAL

Hillman is one of the top 5 corporate partners of the National Forest Foundation (NFF). Since 2015, we have raised \$1.2M+ for the NFF and in 2022, we achieved our goal of planting 1M trees. Additionally, we launched a new partnership with Tree Canada.



In 2022, Hillman raised \$136K for the American Nurses Foundation.



Since 2010, Hillman has donated \$1.2M+ to the National Breast Cancer Foundation.

### LOCAL



Since 2018, Hillman has donated \$100K+ to the Make a Wish Foundation.

In 2022, Hillman donated a total of \$63K to the following organizations:



### FOREVER KINGS PARTNERSHIP

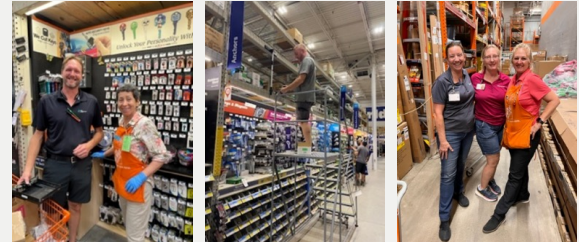
Forever Kings Inc. is an empowerment organization for Boys and Young Men of Color that focuses on disrupting the school to prison pipeline and creating a cradle to college, careers, and entrepreneurship pipeline. Since 2021, Hillman has donated \$35K to the organization. For the past two years, Hillman has sponsored their annual 3-day retreat. In 2022, Hillman created a 6-week summer internship program for the young men of Forever Kings, which will continue in 2023. Hillman's Chief Operating Officer serves on the Board of Trustees for the organization.



**DISASTER RECOVERY PROGRAM: HURRICANE IAN**

Disaster response is one of the Sales and Service teams’ core strengths. In the aftermath of Hurricane Ian, Hillman’s field teams partnered with impacted Hillman customers—Home Depot, Walmart, Tractor Supply, Lowe’s, and other traditional hardware stores—to keep the shelves stocked as the areas rebuilt, so they could open back up to serve their communities.

Hillman Field Service teams were in the aisles as stores reopened after Hurricane Ian.



**GOVERNANCE**

We pride ourselves on operating with integrity, accountability, and transparency. Strong oversight by our executive leadership team and Board of Directors ensures that the long-term interests of our stakeholders are factored into our decision making.

**CORPORATE GOVERNANCE**

**Board of Directors**

The primary functions of Hillman’s Board of Directors are to oversee management performance on behalf of the stockholders, to ensure that the long-term interests of the stockholders are being served, to monitor adherence to the Company’s standards and policies, and to promote the exercise of responsible corporate citizenship. Hillman’s Nominating and ESG Committee is responsible for oversight and periodic review of our environmental, social and governance matters.

**INDEPENDENCE**

**89% INDEPENDENT DIRECTORS**  
**100% INDEPENDENT COMMITTEES**  
 (Audit, Compensation, Nominating and ESG)

**DIVERSITY**

**33% FEMALE DIRECTORS**  
**22% RACIALLY/ETHNICALLY DIVERSE DIRECTORS**

Board composition is representative of Hillman’s Board as of the publish date, not the period covered by the report.

**BUSINESS ETHICS & COMPLIANCE**

Employees are trained on Hillman’s [Code of Conduct and Ethics](#) at on boarding and at regular intervals thereafter, whenever the Code is updated.

Employees are encouraged to report to their management any suspected violations of the Code, unlawful, unethical or improper business practices and violations of Company policies. To facilitate this type of reporting for our employees, customers and suppliers, we partner with an independent third party to manage an anonymous and confidential Ethics Hotline. The hotline is available 24/7 in local languages. Whistleblowers are protected from harassment and discrimination by Hillman’s internal Non-Retaliation Policy. Hillman also conducts internal and 3rd party ethics audits.