Sustainability Update



Table of Contents

- 03 A Message from Our CEO
- 04 About Our Latex
- 05 Latex and Biodegradability
- 06 Responsible Use of Balloons
- 07 Current Projects
- 10 Our Commitments
- **12** A Partnership for Sustainability
- **13** Acknowledgements

PIONEER BALLOON COMPANY SUSTAINABILITY UPDATE 2023

A Message From Our Chief Executive Officer

Pioneer Balloon Company's mission is to share the joy of balloons with all people through our commitment to unsurpassed quality, innovation, and excellence in all we do as a manufacturer and global marketing leader. We believe it is our responsibility to take meaningful action in support of a better, more sustainable Earth to ensure people of all ages enjoy balloons for generations to come.

Throughout this update, you will see that we are taking a 360degree approach to understand the full lifecycle of our products throughout our supply chain to create measurable change for the future.



Dan Flynn Chief Executive Officer

We are taking a 360-degree approach to create measurable change for the future.

About Our Latex

We take great pride in the origin of our raw materials. Our latex supplier provides housing, schools, hospitals, and community centers for tens of thousands of individuals across their plantations. They work alongside community members to identify opportunities for education and growth by supporting local farmers to reforest degraded land and develop sustainable farms as well as supporting the socio-economic development of over 40 local and indigenous communities neighboring their plantations.

Fast Facts

- Our latex balloons are made from Natural Rubber Latex (NRL).
- Latex is harvested by tapping the rubber tree in a manner that does not harm the tree.
- Each tree—and there are billions—consumes CO₂, thus reducing global warming.
- When latex is processed, each part of the product is used.
- After the tree no longer produces latex, it is harvested and its wood is turned into lumber.
- Each year mature trees are tapped, old trees are harvested, new trees are planted, and CO₂ is consumed.

Qualatex Latex Balloons are NOT Plastic

Qualatex latex balloons have been tested and proven to be made with Natural Rubber Latex as the only polymer. No other polymers or plastics are added or are present in testing.* Qualatex latex balloons contain a minimum of 91% latex polymer, with the remainder made up of additives for strength, elasticity, color, and shelf life stability. * Tests performed by an independent laboratory facility in 2023.

Fact: in order for balloons to function as you expect them to, there must be additives for color, elasticity, durability, and shelf life.

SUSTAINABILITY UPDATE 2023

Balloons and Biodegradability

Qualatex latex balloons are made from Natural Rubber Latex (NRL), which is an organic material—not plastic—and we source our raw latex from sustainably managed farms. NRL is a natural polymer and is biodegradable. We understand the definition of biodegradability for many people has been evolving over time and there are extreme differences of opinions (i.e., is it time based, standards based, etc.). When we began using the term many years ago, we based our assertion simply on the dictionary definition of the word biodegradable: "capable of decaying through the action of living organisms: biodegradable paper; biodegradable detergent" (definition here from dictionary.com, but similar to the definition in most dictionaries). Our product clearly meets that definition.

We are members of ASTM International and International Organization for Standardization (ISO), and neither of these standards-setting organizations has an approved test for latex biodegradability. ASTM formed a new Subcommittee in late 2021, D11.27, on sustainability. We are encouraging the ASTM group to move forward and develop one or more scientifically valid tests because biodegradation occurs differently in different environments.

Biodegradable: capable of decaying through the action of living organisms.

Natural Rubber Latex is biodegradable.

There are not currently any approved tests for latex biodegradability backed by standards-setting organizations. Pioneer is urging ASTM to develop scientifically valid tests for latex balloon biodegradation in various environments.

PIONEER BALLOON COMPANY

Responsible Use of Balloons

Where there are not currently programs to recycle or reuse certain product lines, Pioneer has been on the forefront of the public campaign to educate balloon artists and consumers about the responsible use of balloons. We have joined the voices to stop balloon releases and invested in programs to educate consumers and balloon artists with factual information about our products.

When handling balloons, always remember:

- Never release balloons into the atmosphere.
- Never inhale helium gas.
- Always use a balloon pump to inflate your balloons.
- Always secure helium-filled balloons with a weight.
- When you're done enjoying your balloons, cut the ends and properly dispose.
- Keep children safe when playing with balloons and dispose any deflated or popped balloons right away.



Our Stance on Balloon Releases

Pioneer Balloon Company has worked with others to implement an industry position against releasing any balloon into the environment. We stand with communities by encouraging that balloons be weighted, not released outdoors, and disposed of properly when broken or deflated.

Whether it's a single balloon or hundreds, don't let go. Inflate. Weight. Enjoy.

SUSTAINABILITY UPDATE 2023

What we're working on

We've been busy! Check out these exciting sustainability projects we have in the works!



01. USDA Coalition

Pioneer was asked to be part of the USDA Domestic Natural Rubber, Natural Latex Partners And Stakeholders Coalition. As the only balloon manufacturer selected, Pioneer will represent the industry to raise awareness within the US Government addressing supply chain sustainability.



02. Global Supply Chain

Pioneer is working with a newly formed company called Advanced Sustainable Polymers Pte Ltd (ASP) to enhance our global latex supply chain, which will allow us to reduce our dependency on imported materials over time.

Current Projects



03. FSC Latex

Pioneer and ASP are working to secure FSC (Forest Stewardship Council) certified natural latex to ensure responsible and sustainable sourcing in 2023 and beyond.



04. Carbon Neutrality

Pioneer is working with ASP to assess the carbon footprint of our NRL supply chain and create a strategy to carbon neutrality by 2030, which will include developing sustainable sources of NRL and recycling of latex balloon waste.



05. Product End-of-life

ASTM International is an international standards organization that develops and publishes voluntary consensus technical standards for a wide range of materials, products, systems, and services. In addition to other leadership roles within this standards development organization, Pioneer is chairing D11.27, which is focused on Natural Rubber and Natural Latex Sustainability, which includes product end-of-life and circular economy task groups.

Current Projects



06. Scientific Latex Study

Pioneer is working with expert resources on a science-based polymer-specific latex balloon study. This study will serve as a baseline for continued improvement on latex product end-of-life.



07. Bio-based Additives

In partnership with government and academia, Pioneer is working to investigate bio-based additives to replace traditional chemical loading in latex balloons.



08. Alternative Pigments

In 2021 and 2022, Pioneer worked to replace the white pigment in more than 60 latex color lines to meet 2022 regulatory changes within the EU and UK. Additional pigment work is underway to source more sustainable alternatives and stay ahead of other anticipated changes.

Our Commitments

Pioneer stands for sustainability. These three priorities outline our commitments for the future.

01. United Nations SDGs

We commit to align Pioneer Balloon Company with the United Nations 17 Sustainable Development Goals, and we will use the 17 SDGs to drive our business decisions.

02. Reduce Plastic in Packaging

We commit to decrease plastic in our packaging or where unavoidable in the short term, incorporate at least 30% recycled plastic in plastic packaging by 2024.

03. Champion Sustainability

We commit to diligently work to stay up-to-date with all compliance regulation changes worldwide to ensure uninterrupted access to our products. As such, Pioneer has established a sustainability task force chaired by Ted J Vlamis, Senior Executive Sustainability Officer. It is comprised of a cross-functional, cross-Pioneer company team in order to provide a global perspective, and this team will champion sustainability throughout all facets of the company.

Plastic Reduction

We commit to decrease plastic in our packaging or where unavoidable in the short term, incorporate at least 30% recycled plastic in plastic packaging by 2024.



Microfoil Packaging

Pioneer is developing new Microfoil packaging, which will eliminate the plastic sleeve currently used. Until the cardboard sleeve is fully developed, Microfoil packaging will consist of 30% recycled plastic by 2024.



Latex Packaging

Pioneer is assessing new latex balloon packaging, including films made from biomass and films utilizing more than 30% recycled feedstock. Launch into the market is estimated to be early 2024.

30%

All plastic packaging will incorporate at least 30% recycled plastic by 2024.

PIONEER BALLOON COMPANY SUSTAINABILITY UPDATE 2023

A Partnership for Sustainability

As highlighted in many of our ongoing projects, we have partnered with Advanced Sustainable Polymers, founded by Robert Meyer. In addition to his work with ASP, Robert is a Founder and Director of Planet Net Zero, an organization committed to developing large-scale, impactful, and measurable solutions for the fight against climate change.

As a member of the newlyformed Pioneer Balloon board, Robert will provide valuable insight and expertise to help us achieve our sustainability goals and be on the leading edge of sustainability in the balloon and party sector.



Robert Meyer

Founder of ASP Founder & Director, Planet Net Zero Pioneer Board Member

Pioneer is committed to creating moments of joy and happiness, in a sustainable and responsible way. Our latex balloons are made from natural polymers, harvested from the Hevea rubber tree, and we are proactively engaged to minimize carbon emissions along our entire value chain.

Acknowledgements

This update was created with the help of many people across the teams at Pioneer Balloon Company and compiled by the Sustainability Task Force.

Meet the Pioneer Sustainability Task Force:

- Ted J. Vlamis, Senior Executive Sustainability Officer, Pioneer Worldwide
- Tom Marsh, Chief Operating Officer, Pioneer Worldwide
- Randy Smith, Director of Marketing, Pioneer Worldwide
- Tom Douglas, Product Safety & Compliance Manager, Pioneer Worldwide
- Susan Dhillon, Marketing Communications Director, Pioneer Worldwide
- Julie Dommett, Head of Marketing, Pioneer Europe
- Mark Webber, Head of Operations, Pioneer Europe
- Ana McLachlan, Freight and Compliance Manager, Pioneer Europe
- Rachelle Fraser, Administrative/Marketing Manager, Pioneer Australia

Thank you for your continued support in our efforts to contribute to a sustainable future.

Contact

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