



## Environmental, Social and Governance Report 2023

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### A Message from Our Chief Sustainability Officer



The American Red Cross works on the front lines of many of the world's most urgent crises — from those created by conflict to climate. This work has given us a unique perspective on the various ways organizations like ours impact the environment and communities in which we work. While we are proud of our long history of preventing and alleviating the suffering caused by disasters and emergencies, we understand that the way we deliver that mission matters significantly. This is why, in 2021, the American Red Cross embarked on a journey to integrate an Environmental, Social and Governance (ESG) framework into our strategy and operations. We have committed to reconsidering all aspects of our work through this lens with the goal of delivering upon our mission in a way that benefits the communities we serve, our workforce, and the planet.

The journey to be more environmentally and socially responsible is not without challenges. Indeed, every Red Crosser has been called upon to help us meet this objective by integrating sustainability into and considering the ESG impact of their day-to-day work. I am proud to say that Red Crossers across the globe have rallied around this important challenge. Over the past year, the Red Cross has made significant strides in aligning our organization with sustainable best practices and integrating these efforts into our operations. Throughout this report, you will find examples of the many ways we are continuing to meet the ever-increasing need for our services while working toward mitigating any negative environmental or social impact this work may have.

This second annual ESG report is an important step in this effort. Last year's report focused on establishing our baseline environmental data and highlighted many long-standing programs and policies aimed at creating an inclusive workplace and demonstrating good governance practices. This ESG report allows us to update you on our progress and where we go from here.

My deepest appreciation to the entire Red Cross community, including our Board of Governors, volunteers, employees, donors, partners, suppliers, clients, and customers, who continue to hold us accountable, and help us advance this objective and our broader mission. We dedicate this report to you for your effort, innovation, and commitment. Without you, we couldn't celebrate the many achievements highlighted in this report, nor would we be celebrating more than 140 years of humanitarian service.

Noel Anderson Chief Sustainability Officer

While we are proud of our long history of preventing and alleviating the suffering caused by disasters and emergencies, we understand that the way we deliver that mission matters significantly.

### FY 2023 Highlights

Enrolled in renewable energy programs for 44 sites in 12 states



Reduced our carbon emissions in FY 2023 by 8% from FY 2022



Launched the Community Adaptation Program,

which aims to build more resilient communities and empower families that face more barriers after disasters



- 1. Community Health
- **2.** The Climate Crisis
- 3. Centennial Learn to Swim
- 4. Latino Engagement
- **5.** Environmental Sustainability



Named on **Forbes** best companies list for **diversity** 



Achieved **2.6 million milestone** in smoke alarm installation through our **Home Fire Campaign** 



Listed on **DisabilityIN** best places to work for people with **disabilities** 



Increased our employee 401k match to **5% of pay** 



Began our **Speaking on Sustainability** Series and **Green Investments Program** 

## **Our Organization**

### **Employees**

68.5% Women		<b>31.5</b> % <sub>Men</sub>
	<ul> <li>59.5% White</li> <li>20.6% Black</li> <li>10.6% Latino</li> <li>5.4% Asian</li> </ul>	<ul> <li>2.9% Two or More</li> <li>0.6% Native American</li> <li>0.4% Hawaiian +</li> </ul>
6.6% Veterans (former members of US military		<b>8.8%</b> Persons with Disabilities
members of US military		

### Volunteers



**D.1 %** Veterans (former members of US military) **2.1%** Active members of the US Military



## **About this Report**

The FY 2023 Environmental. Social and Governance (ESG) Report is the second ESG report published by the American Red Cross. This report reflects our commitment to transparency and provides an update to our stakeholders on our progress to date on the ESG goals and objectives that are material to our work. With our intentional focus on the effects of climate change, we developed a framework for our ESG efforts that reflect the major priorities of our organization. We have four distinct pillars: environment, mission, workplace and organizational culture, and governance. As a humanitarian organization, we divide the traditional social pillar into two discreet components - one giving focus to our mission and the other highlighting our continued investment in our workforce and organizational culture.



This year, in addition to preparing our report in alignment with the Global Reporting Initiative (GRI), we have mapped our ESG framework to the United Nations Sustainable Development Goals (SDGs). The American

Red Cross supports the SDGs as they are an urgent and universal call to action to end poverty, protect the planet, and to ensure that all people enjoy peace and prosperity.<sup>1</sup> Our GRI Content Index, along with our alignment with the 17 SDGs, can be found in the appendix of this report.

Unless otherwise noted, this report covers initiatives and data reflective of our fiscal year July 1, 2022–June 30, 2023.



This document was designed to be read in a digital format. Please consider the environmental impact of printing. Printing this 52 page document produces 2.63kg of carbon versus 0.79kg for reading digitally.

<sup>1</sup> https://sdgs.un.org/goals



The American Red Cross continues to make progress on our multi-year plan to cut our emissions, reduce our waste and lower our water use. As a humanitarian organization, the Red Cross recognizes its important role in mitigating its impact on the planet through continuous operational improvement. In FY 2023, we continued to invest in green energy and launched multiple pilots aimed at fleet electrification, sustainable supplies and lowering our waste and water use.

In FY 2023, the Red Cross kicked off our workforce engagement program which includes "green" teams, microinvestment funds for our workforce to make a sustainable impact in their local region, and our guarterly Speaking on Sustainability Series with industry experts and leaders. These are all aimed to further our commitment to our workforce to build a culture of sustainability at the Red Cross.

Solar panels are installed on the roof of an American Red Cross building in Tinton Falls, New Jersey. In partnership with Ecogy Energy, the rooftop solar array system (completed in 2022) will directly provide power for on-site usage. A second system will be a community solar project that will provide no-cost subscriptions to local residents. Photo by Tyler J. Thran



Noel Morin

"The key reason for my desire to serve as Green Team leader for the Pacific Islands Region is the opportunity to enable changes that reduce our environmental footprint and allow the Red Cross to influence related changes in our communities. My experience in efficiency, clean transportation, renewable energy and climate education are relevant to my role."

# Cutting OUR CARBON EMISSIONS

The Red Cross successfully reduced its carbon emissions in FY 2023 by 8% from FY 2022.

#### **Reducing Vehicle Emissions**

The Red Cross sustainable fleet strategy is to reduce the environmental impact of our fleet of approximately 4,300 vehicles while ensuring the reliability and continuity of our mission. By replacing gas-powered vehicles with hybrids, embracing electric vehicles and optimizing our fleet, we strive to reduce emissions, minimize fuel consumption and drive positive change in the communities we serve.

#### Transitioning Our Fleet to 25% Hybrid or Electric Vehicles by FY 2027

#### Hybrid purchases

Recognizing the critical role of transportation in carbon emissions, the Red Cross made

#### Hybrid and EV Purchases FY 2023 to FY 2027



significant investments to expand our hybrid fleet from 16 vehicles to 135 with the purchase of 119 new hybrids in FY 2023. These hybrids combine an internal combustion engine with an electric motor, resulting in a reduction in fuel consumption and lower emissions. We expect the hybrids purchased in FY 2023 to reduce our fleet emissions by 280 MTCO<sub>o</sub>e/year. We will build on the progress of FY 2023 and accelerate our hybrid purchases in FY 2024, targeting an additional 160 hybrid or electric models to be added to our fleet to further decrease our greenhouse gas emissions, improve air guality and demonstrate our commitment to sustainable mobility.

#### Fleet Reduction

In addition to acquiring hybrid vehicles, the Red Cross continues to evaluate the size of its fleet to optimize operations and promote efficiency. Through careful analysis and planning, we identify areas where fleet consolidation and optimization are possible without compromising our ability to deliver our mission effectively. We are committed to continually evaluating and refining our fleet size to align with our mission delivery and sustainability goals.

#### **Carbon Footprint**



Scope 1: Direct emissions from fuels we use in our vehicles and facilities
 Scope 2: Indirect emissions from electricity and steam purchased (generated at utility)

#### Total Scope 1 and 2 Emissions Market-Based



Calculated in tons of carbon dioxide equivalent (MTCO<sub>2</sub>e).



#### **EMISSION REDUCTION OVERSEAS**

The Red Cross has extended our emission reduction efforts beyond domestic roadways in Germany with the purchase of a plug-in hybrid vehicle. This will support our Service to the Armed Forces staff to respond to Ukraine contingency operations and distribute supplies between sites throughout our European division.



#### SUCCESS STORY From Assessment to Action

Our biomedical facility in Durham, North Carolina was operating with outdated HVAC controls. In September 2022, our sustainability assessment recommended a building automation system to help better manage the HVAC controls. That system was funded in January 2023 and is now up and running. We estimate that system alone will reduce our energy consumption and carbon emissions at that facility by at least 15%.

#### **Electric Vehicle Pilot Program**

To understand the transformative potential of electric vehicles, in FY 2023, the Red Cross launched three pilots with a total of six electric vehicles to gain valuable insights and experience in integrating electric vehicles into our fleet. The electric vehicle pilot program will test and evaluate different electric vehicle models, assess their performance and understand the infrastructure requirements necessary to support widespread adoption. The electric vehicle pilots will continue into FY 2024, building on the learnings from the pilot program to inform an implementation strategy for electric vehicles as the Red Cross continues towards a cleaner, more sustainable transportation future.

#### **Reducing Facility Based Emissions**

To reduce the carbon footprint of Red Cross facilities, our organization is focused on two major strategies: increase energy efficiency and procure renewable energy where possible.

#### Energy Efficiency

To promote energy efficiency, the Red Cross is making strategic investments in reducing emissions from our largest emitting facilities. For example, at the beginning of FY 2023, our 23 blood product manufacturing facilities accounted for 23% of our square footage but 43% of our facility-based emissions.

To cut emissions, we conducted sustainability assessments at 28 of our largest facilities. These assessments provided data on hundreds of potential repairs and upgrades, while also providing an analysis of potential on-site solar generation and electric vehicle charging. This level of analysis is critical to ensuring our ability to prioritize energy efficiency investments with the greatest sustainability benefit. Using the first assessments, we proactively identified several projects for early investment. As a result, in FY 2023 the Red Cross installed building automation systems at 7 sites which will allow for facilities managers to access, control and monitor all connected building systems from a single interface.

#### Focusing on What's Next

Over the next year, the Red Cross plans to install 1,300 smart thermostats in over 350 facilities to provide greater control and visibility over energy consumption. We will also continue strategic investments in building automation systems for our larger manufacturing and laboratory facilities, while also making targeted investments in our smaller facilities.

#### Purchasing Renewable Energy

In FY 2023, the Red Cross continued our multi-year transition to renewable energy, initiating utility green tariff programs for 44 sites in 12 states, for a total of 169 sites in 16 states. From this year's investment alone we project a carbon savings of more than 7,500 MTCO<sub>2</sub>e. Throughout FY 2024, the Red Cross will continue our evaluation of market-based renewable options to determine the possibility of enrolling in additional green tariff or other programs to reduce the carbon footprint of our electricity.

#### SUCCESS STORY Renewable Energy Investment

In FY 2023, the Red Cross enrolled two Madison, Wisconsin facilities in Madison Gas and Electric's <u>Green Power Tomorrow</u> program. Through this program, over 1.3 million kWh of electricity will be provided by local wind and solar programs, reducing our annual emissions by a projected 900 MTCO<sub>2</sub>e.



# lowering OUR WATER CONSUMPTION

The Red Cross is committed to reducing our water consumption by at least 20% in the next four years. To achieve this goal, we are focusing on three types of investments: low-flow fixtures and aerators, leak detection and rain sensors, and landscaping.

In January 2023, the Red Cross partnered with Waste Reduction Partners to analyze the water usage in one of our larger facilities. Waste Reduction Partners is a unique technical assistance program that engages the expertise of retired and volunteer engineers to serve businesses and institutions in North Carolina. Using their findings, we identified several improvements to make across all our facilities, specifically focusing on upgrades to older fixtures in our restrooms and kitchen areas.

In addition to that effort, the Red Cross has investigated water usage at our top 10 sites by water intensity (gallons per square foot). At five of those sites, we identified and implemented interventions and are actively monitoring those sites to measure the reductions.

#### SUCCESS STORY Concord, NH

Upon reviewing facility water data, the Red Cross discovered several facilities with above-average usage. At one facility in Concord, New Hampshire, the major use was determined to be irrigation. The local team offered to make a voluntary reduction of their irrigation to 50% of their previous usage. With that voluntary reduction, we estimated that we could save 500,000 gallons of water per year. In the past 6 months we have seen a 67% reduction totaling more than 270,000 gals compared with the last 6 months of FY 2022. This case study for simple no-cost irrigation reduction solutions will be utilized across other facilities.



#### SUCCESS STORY Fix a Leak Week

In March 2023, the Red Cross of Greater New York's regional Green Team observed the EPA's annual "Fix a Leak Week," designed to raise awareness about water waste and how to find and fix leaks in facilities. The team visited offices in Manhattan and Minneola, New York and Greenwich, Connecticut to assess water usage and provide recommendations for reducing water waste. The team discovered that water usage in the buildings is low due to proper plumbing and maintenance with few or no leaks. They also sent a staff-wide email spreading awareness and sharing watersaving tips like how to report any leaks to the operations team. Katie Porter, the Green Team leader, is excited to continue to monitor water use and implement creative ways to save water.

Reducing OUR WASTE

The Red Cross has four waste programs focused on reducing four different types of waste — municipal waste, regulated medical waste, electronic waste and paper.

We aim to decrease our overall waste footprint by 25% through waste reduction and reuse and to increase our rate of recycling to 50% by FY 2027.

In FY 2023, the Red Cross initiated waste audits at 16 facilities. Through those audits, we identified several opportunities for improvement. For example, we learned that overall, across our facilities, the Red Cross lacks consistent recycling infrastructure (bins and dumpsters), as well as consistent signage promoting proper waste disposal and recycling. With these findings, we have created a waste reduction campaign focused on the 6Rs — rethink, refuse, reduce, reuse, recycle, responsible disposal.

#### Water Fill Stations and Green Micro-Investments

As part of our Green Investments Program, the Red Cross funded approximately 40 water fill stations in 12 regions. In the Tennessee Region, four water fill stations are utilized in their largest facilities to help transition to water bottle free meetings and operations. We estimate these water stations will help eliminate 8,000 single-use plastic water bottles over the next year.



#### SPEAKING ON SUSTAINABILITY SERIES

In September 2022, the Red Cross kicked off our *Speaking on Sustainability* series, which invites leaders in sustainability and climate change to share information with Red Cross employees and volunteers. The series' inaugural event featured renowned science educator and television presenter, Bill Nye, who participated in an engaging conversation about sustainability with Noel Anderson, Red Cross chief sustainability officer. In January 2023, Project Drawdown's Jamie Beck Alexander delivered a thoughtprovoking presentation about ways employees and volunteers can utilize their power to accelerate climate solutions at work.



We aim to decrease our overall waste footprint by 25% in the next four years.



In FY 2023, the Red Cross remained committed to improving sustainability in our supply management. By fostering sustainable practices throughout our supply chain, we will drive positive change and align our business practices with our sustainability objectives.

Building upon the progress made in FY 2022, the Red Cross has further strengthened our supplier onboarding process to enhance monitoring, governance and risk management practices. This updated process continues to prioritize environmental considerations and encourages our suppliers to reduce their environmental footprints.

By setting clear expectations for our suppliers, we aim to inspire alignment between their business practices and our sustainability

objectives. Our supplier onboarding process now includes a screening process to assess environmental risks. In FY 2023, 100% of eligible suppliers (11% of new suppliers) were screened for compliance with environmental laws and regulations, as well as their sustainability plans and goals. Using risk management tools, the Red Cross closely monitors the environmental performance of our existing suppliers. If a negative impact is identified, we take action to address and report the findings.

#### SUCCESS STORY

#### **Reducing Plastic Waste**

In FY 2023, the Red Cross conducted a pilot aimed at transitioning to more sustainable packaging for disinfecting wipes, which are used in blood collection operations. This shift from a hard-shell plastic tub to soft packaging will mean:



In FY 2023, the Red Cross procured compostable feeding supplies to be used in our disaster operations. This includes not only clamshell containers, but cups, lids and cutlery. We anticipate that this will divert 49 tons of waste per year from landfills and reduce our Scope 3 emissions by 53 MTCO<sub>2</sub>e.







83% reduction in shipping and transportation

Next we will conduct a more extensive pilot in our Salt Lake City, Utah facility before full implementation across all sites.



SUCCESS STORY

### Social – Mission

Every day, thousands of compassionate people in the American Red Cross community offer a helping hand to those in need. Our vast network includes generous donors, partners and Red Cross workers – 90% of whom are volunteers – all united by a shared mission to alleviate human suffering around the world.

We work tirelessly to deliver humanitarian aid — providing lifesaving blood products, offering help to those facing disasters and emergencies, empowering people to act to save lives, supporting veterans, military members and their families and caregivers, and providing support and assistance to our fellow Red Cross societies around the world.

As part of the world's largest humanitarian network, the Red Cross is addressing critical issues like the climate crisis. This section of the Red Cross ESG Report highlights the impactful work we are doing to create a positive and lasting impact for the people and communities we serve.



## Our work

#### **Disaster Relief**

Each year, the Red Cross responds to over 60,000 disasters with many of those being home fires. The Red Cross not only provides hope and comfort, but also a safe place to stay, relief supplies, food, emotional support and recovery planning for individuals and families recovering from a disaster.

#### **Lifesaving Blood Products**

Every two seconds, someone in the U.S. needs blood. With the help of volunteer blood donors, the Red Cross distributes blood products across the U.S. The Red Cross makes sure that new moms, premature babies, cancer patients, patients with sickle cell disease, accident victims and all those who need lifesaving blood products have access to them when needed.

#### **Training and Certification**

For more than 100 years, the Red Cross has trained people in First Aid and swimming. The Red Cross helps people learn lifesaving skills

To learn more about the mission of the Red Cross visit redcross.org.

to empower them to act during an emergency when help can't wait and it matters most.

#### International Services

Together with the global Red Cross and Red Crescent network, the American Red Cross responds to some of the world's most urgent crises, including natural disasters and conflicts, by providing humanitarian aid and reuniting families. Along with its partners, the Red Cross helps vaccinate children to protect them from the deadly measles and rubella diseases.

#### Service to the Armed Forces

The Red Cross helps U.S. military members, veterans, their families and caregivers cope with the challenges of military service. In times of emergency, the Red Cross facilitates communications and homecoming for military families through its Hero Care Network and has a presence on over 100 military installations worldwide.



## Mission INVESTMENTS

### In April 2023, the Red Cross announced new and exciting investments in five key areas where it is leaning into its mission to address the pressing challenges and opportunities of our time.

In addition to its work in sustainability and responding to the climate crisis, below are three additional areas where the Red Cross is making new investments in its mission delivery.

#### **Community Health**

As part of the blood donation process, the Red Cross collects and provides health information like blood pressure, pulse rate and hemoglobin levels to blood donors. The Red Cross will begin proactively notifying blood donors who have concerning blood pressure levels and offer health recommendations, including information about low-cost health clinics in their area. This initiative addresses underdiagnosed and undertreated high blood pressure in the U.S. and bridges gaps in health care access.

#### **Aquatics Centennial Campaign**

Since 2014, the Red Cross Aquatics Centennial Campaign has helped children and adults in underserved communities develop swimming and water safety skills for life. By providing free or discounted swim lessons and water safety education in areas with high drowning rates, the Red Cross has reached over 144,000 individuals since the campaign was launched. New investments will allow the Red Cross, in partnership with Diversity in Aquatics, to expand its reach by facilitating training at Historically Black Colleges and Universities, Hispanic-serving institutions, and tribal colleges and universities.

#### Latino Engagement

Language barriers, lack of trust and other concerns can prevent people who are Latino or Hispanic from accessing crucial Red Cross services. To better serve this diverse community, we are investing in organizational strategies to improve our engagement. To meet that goal, the Red Cross is utilizing technology to get more accurate data on those using Red Cross services and programs, and providing our workforce with the resources needed to serve diverse communities, including increasing their cultural competency. We also are working to ensure that materials are inclusive and relevant and that our programs are assessed and developed through an understanding of the needs of the diverse communities served.



(limate mission

The Red Cross recognizes the severe impacts climate-related disasters have on hundreds of millions of people around the world every year. As we help to prepare communities for climate-related disasters, the Red Cross is focused on the most at-risk communities — those with high levels of social vulnerability and significant climate risk.

#### Preparing People and Communities for the Impact of Climate-Caused Extreme Weather

In FY 2023, the Red Cross launched our groundbreaking Community Adaptation Program in the U.S. The program builds more resilient communities in disaster-prone areas where families already face societal inequities. We are partnering with local nonprofits to help strengthen their capacity, capability and continuity to provide services such as access to health care, nutritious food and housing to underserved local families. In turn, our partners work with the Red Cross during times of disaster to help families recover and mitigate disaster-caused poverty. This year, the Community Adaptation Program was introduced in 10 targeted areas across 8 states. In FY 2024, we will expand the program to an additional 5 communities.

The Red Cross helped its global Red Cross and Red Crescent network partners in 10 countries develop strategies to enable their climate adaptation investments. The Red Cross also supported Red Cross partners in Indonesia, Bangladesh, Honduras, Nepal and Tanzania and their local governments in adjusting to coastal risks and/or extreme heat in 14 cities and towns. Through the Red Cross Global Disaster Preparedness Center, the Red Cross funded 15 research teams across 13 countries to fill critical gaps in extreme heat research. The Red Cross is dedicated to scaling investments in pre-disaster anticipatory action. In FY 2023, we held a workshop for nine global Red Cross and Red Crescent network partners in the Pacific region to learn about anticipatory action approaches and begin developing early action protocols.

### In FY 2023, the Red Cross launched our groundbreaking Community Adaptation Program in the U.S.



#### LEVERAGING PARTNERSHIPS TO INCREASE FOOD SECURITY IN BOWLING GREEN, KENTUCKY

The Red Cross of South Central Kentucky partnered with Hotel Inc. to supply the Delafield neighborhood food co-op market, a resource that many families rely on in this underserved community, with the necessary resources to help more families. The Red Cross purchased a delivery van to transport nutritious food as part of a grocery delivery service as well as freezer and refrigeration equipment to store food and supplies. Through this partnership, the Red Cross is planning to grow its reach by expanding access to health services and essential medical supplies.

As we prepare for climatecaused increases in disaster frequency and intensity, our number one priority is building volunteer capacity.

#### Adapting Our Response Services to Address the Increasing Impacts of Extreme Weather on Vulnerable Communities

In FY 2023, to address increasing disastercaused humanitarian needs and help bridge the gap between immediate disaster relief and longterm recovery, the Red Cross launched casework follow-up pilots for our highest-need clients from Hurricane Ida and the severe California floods. Red Cross caseworkers work with families for up to one year after their stay at a Red Cross shelter to address any gaps in their recovery. Assistance is focused on improving access to health care, nutritious food and housing.

The Red Cross is also improving the shelter experience for our clients by providing more nutritious snacks and meals, offering additional personal assistance care, and partnering with



animal welfare organizations to ensure that household pets are welcome and cared for in our shelters.

The Red Cross is committed to building climate leadership capacity by providing opportunities for youth to lead local climate action. In FY 2023, we partnered with the Solomon Islands Red Cross and its partners to develop and test a youth climate leadership curriculum intended for global scaling. It includes peer coaching and communication strategies. These skills empower young people as local leaders to raise awareness and help alleviate climate-related risks for their communities. Working with schools, universities, local organizations and other partners, the Red Cross will facilitate these types of actions in our priority countries to amplify youth voices and empower youth as climate champions.

#### Building Capacity to Meet Increased Climate-Caused Demand for Disaster Relief

During domestic disasters, skilled Red Cross responders who play essential roles in their local Red Cross units may be engaged in relief work far from home, straining the capacity of their local Red Cross. To help ease this capacity issue, the Red Cross created the National Incident Command Team (NICT). Comprised of eight highly experienced and diverse disaster leaders, the NICT provides on-demand operational leadership, coaching and mentoring of leadership when large disasters occur. This team ensures the Red Cross has the capability and capacity to lead concurrent large-scale disaster operations. Internationally, the Red Cross supported the global Red Cross and Red Crescent network's launch of a new climate resilience <u>platform</u>, which will provide \$1 billion in funding for local climate initiatives serving at least 500 million people.

The Red Cross also provided core funding to the Red Cross Red Crescent Climate Centre. The Climate Centre's mission is to help the Red Cross and Red Crescent network and its partners reduce the impacts of the climate crisis on vulnerable communities. In 2022, the Climate Centre provided technical support to 93 Red Cross national societies, an increase from 61 in 2021.

Left: March 2023, Arthur Molina Jr. and his beloved dog Mac were staying at the Manteca, California American Red Cross shelter. Right: A Community Organizer facilitates an awareness session on cyclone preparedness in Deluti Union, Bangladesh. Community members, predominately women, learn about the early warning flag system for cyclones in this collaborative Cyclone Preparedness Program (CPP) by Bangladesh Red Crescent and the Government.

## Serving Diverse communities equitably throughout our mission delivery

#### The ADVANCE Study

In May 2023, the U.S. Food and Drug Administration (FDA) made historic progress by sharing its final guidance on eliminating its deferral policy concerning men who have sex with men (MSM). The Red Cross has been working for many years toward achieving an inclusive blood donation process that treats all potential donors with equality and respect. The Red Cross helped this effort by pioneering the landmark ADVANCE (Assessing Donor Variability and New Concepts in Eligibility) Study, which launched in 2021 and focused on evaluating alternatives to the FDA's MSM policy and addressing critical knowledge gaps in transfusion medicine. In response to the FDA's policy change, the Red Cross updated its regulated processes to allow individuals who were previously ineligible to have the opportunity to become blood donors. The Red Cross also provided sensitivity training to help employees navigate guestions on the updated eligibility. While this is an important step in the right direction, the Red Cross also recognizes the hurt the previous policy has caused within the LGBTQ+ community. The Red Cross is dedicated to achieving further progress and will continue to collaborate with our blood industry partners and the LGBTQ+ community to provide data to the FDA in support of making the blood donation process even more inclusive.

By actively contributing to the groundbreaking research of the ADVANCE Study, the Red Cross is helping pave the way for more equitable and evidence-based transfusion practices.



#### Achieving a Mission Milestone – Home Fire Campaign

Seven times a day, someone dies in a home fire, most often children and people who are elderly. To address home fire deaths, in 2014, the Red Cross launched our Home Fire Campaign. Since then the campaign has made more than 1 million homes safer and as of today, the Red Cross has installed more than 2.5 million smoke alarms in communities most vulnerable to the effects of home fires and most at-risk for a home fire occurrence. Through these efforts, the Red Cross provides preparedness education to households such as family disaster plans and home safety checklists. Along with partners, the Red Cross has confirmed **close to 2,000 lives saved** as part of this work.



#### Illustrating the Sickle Cell Warrior and Launching the Sickle Cell Connections Program

In FY 2023, the Red Cross celebrated two vears since the launch of its Sickle Cell Initiative, a program that seeks to address health disparities associated with sickle cell disease. The Red Cross revealed exclusive artwork from the celebrated artist Nikkolas Smith entitled "Transfusion" which helped raise broader awareness about sickle cell disease and the important role donors who are Black play in providing a compatible blood match. The Red Cross also launched the Sickle Cell Connections program, a referral program that provides Red Cross employees and volunteers with tools to encourage their networks to host diverse blood drives. FY 2023 brought incredible progress to this program with nearly 18% growth year over year. This pivotal work ensures that sickle cell warriors, those living with sickle cell disease, have the blood products they need when they need them most.



The Red Cross revealed exclusive artwork from the celebrated artist Nikkolas Smith entitled "Transfusion" which helped raise broader awareness about sickle cell disease and the important role donors who are Black play in providing a compatible blood match.

## Ensuring social responsibility in our supply management

In addition to expanding environmental screening, in FY 2023, the Red Cross incorporated an assessment of social risks such as human rights violations or health and safety incidents into our supplier onboarding process. This addition establishes a process that makes sure the suppliers the Red Cross works with align with ethical sourcing standards and demonstrate fair labor and employment practices.

To monitor the social risks associated with suppliers, the Red Cross utilizes risk management tools to track and evaluate the social impacts of existing suppliers, identify any negative risks, and take decisive actions to address those risks. The Red Cross works closely with its suppliers to create a positive impact through its supply management program.

#### **Supplier Diversity Program**

A diverse supplier base brings a multitude of perspectives, talents and ideas, which ultimately leads to enhanced business performance and a stronger, more resilient organization. Through its supplier diversity initiative, the Red Cross actively seeks and engages with women-owned and other diverse-owned suppliers, providing them with equitable opportunities within the organization's supply chain.

In recognition of our commitment to fostering diversity, inclusivity, and economic empowerment, we are honored to announce that the Red Cross has been recognized by the National Minority Supplier Development Council (NMSDC) as one of The Forefront 50: top corporations for minority businesses.

In FY 2023, we strengthened our Supplier Diversity Program by leveraging skilled volunteers, realigning staff, and enhancing our systems for capturing, analyzing and reporting diverse spend. This year, the Red Cross exceeded its goal and is on track to meet our annual \$65M target for diverse supplier spend in FY 2025.

Through its supplier diversity initiatives, the Red Cross actively seeks and engages with women-owned and other diverse-owned suppliers, providing them with equitable opportunities within the organization's supply chain.



## Social —Workplace and Organizational Culture

At the American Red Cross, our volunteers and employees are the heartbeat of our organization. In times of crisis and emergency, Red Cross staff stand as a symbol of unity and compassion, helping those in need to overcome challenges and make this world a better place.

Filled with empathy and fueled by resilience, they make a profound difference in the lives of countless people across the nation. Our workforce programs uplift and empower our volunteers and employees, while also fostering a culture of compassion and service that spreads throughout the communities we serve.

The Red Cross invests in a workplace culture that values diversity, equity and inclusion to foster an environment where everyone feels safe, respected and heard. Our workforce initiatives encompass a wide array of programs that prioritize the well-being, development, and empowerment of our people as we strive to build a more sustainable and compassionate world.

American Red Cross employees and volunteers who are part of Team Member Resource Groups (TMRGs) meet at national headquarters in Washington. D.C. for the first annual TMRG Summit. Photo by Brad Zerivitz



# Embracing diversity, EQUAL OPPORTUNITY AND NON-DISCRIMINATION

### Equal Opportunity and Non-discrimination

The Red Cross promotes equal opportunity, respects all individuals, and prohibits discrimination based on various protected characteristics. The Red Cross strictly condemns intimidation or retaliation against those engaging in protected activities. Our policies are outlined in our Equal Employment Opportunity Statement and training programs. Employees and volunteers can use our dispute resolution process to share concerns and all complaints of harassment or discrimination are thoroughly investigated by Human Resources.

#### Workforce Diversity

In our ongoing commitment to diversity, equity and inclusion, the Red Cross is proud to present the progress we have made in maintaining and increasing our workforce's diversity, encompassing employees and volunteers. A diverse and inclusive organization is crucial to effectively fulfilling our humanitarian mission.

#### Employee Workforce

At the enterprise level, the Red Cross has achieved an overall increase or stability across all diverse racial groups and position levels compared to the previous year. This progress is a testament to our commitment to build a diverse workforce that reflects the communities we serve.

Regarding race and gender diversity, the Red Cross consistently exceeds the benchmarks set by the Equal Employment Opportunity Commission's (EEOC) EEO-1 reporting requirements for federal contractors, apart from Asian American Pacific Islander (AAPI) and Latino representation. We recognize the importance of addressing these gaps and are actively working to develop strategies that promote greater inclusivity for these communities within our organization.

#### Volunteer Workforce

Our volunteer workforce continues to play a vital role in our mission, and the Red Cross is proud to note that it surpasses census benchmarks for Asian American, Native Hawaiian, and women representation. We are committed to further growth and opportunities for Native American, Black, multiracial, and Latino volunteers. By fostering an environment that celebrates diversity and inclusivity, we aim to attract and engage individuals from all backgrounds, ensuring that our volunteer teams truly represent the communities we serve.



#### ACKNOWLEDGING SEXUAL ORIENTATION AND GENDER IDENTITY

In line with our commitment to inclusion, the Red Cross has recently updated our systems to allow employees and volunteers to self-acknowledge their sexual orientation and gender identity more thoughtfully in our workforce management tools. The Red Cross recognizes the importance of creating a safe and welcoming environment where individuals can authentically represent themselves. By encouraging self-acknowledgment, we aim to ensure that all employees and volunteers feel seen, respected and supported in their unique identities.

#### **Team Member Resource Groups**

At the Red Cross, our team member resource groups function similarly to employee resource groups or business resource groups found in other organizations, crucially contributing to the cultivation of a diverse and inclusive workforce. These groups – Ability Network, the African American Resource Group (Umoja), the Asian and Pacific Islander Resource Group, the Latino Resource Group (VIDA), the LGBTQ+ Resource Group (PRIDE), the Veterans+ Resource Group, and the Women's Resource Group—provide forums for employees and volunteers to express themselves, gain professional development experience, and contribute to organizational goals. The success of our resource groups is evident in the increasing impact they have made in promoting diversity and inclusion.

A significant achievement of our resource groups is the month-long event series called *Allyship in Action*. Curated by each resource group, it focuses on gaining actionable skills to become better allies in communities that individuals may not self-identify with.

For example, VIDA hosted a conversation, Language Around Identity: A conversation about the terms Latino/a/e/x and Hispanic, where participants explored the historical and generational lenses that shape the terms Latino, Latinx, Hispanic, and Latine, highlighting the attention they bring to culture, ethnicity and gender identity.

PRIDE conducted an insightful session on LGBTQ+ experiences, *Owning & Telling Your Story*, followed by a presentation from PFLAG (Parents & Friends of Lesbians and Gays), offering guidance on being a helpful ally and supporting individuals in the coming-out process.

The Veterans+ Resource Group hosted a panel discussion, *Who Puts the 'Plus' in Veterans+?* This session expanded the understanding of the military community beyond active duty and veterans, including caregivers and family members to share their experiences and offered advice on how others can show up for their loved ones as allies.

These examples demonstrate the informative and insightful events offered by our resource groups. Developing a strong network of active allies strengthens our capacity to provide culturally competent services and foster inclusion in the workplace.

Team member resource groups empower us to harness the power of our collective differences, transforming challenges into opportunities and propelling our mission towards greater impact.



Norkplace HEALTH AND SAFETY

At the Red Cross, workplace safety is not simply a set of rules and regulations. It is a mindset that permeates every aspect of our organization. Our greatest asset is our people—the dedicated volunteers, employees, and partners who selflessly give their time and energy to help others.

By prioritizing well-being, the Red Cross enables our employees and volunteers to deliver assistance and support to those in need and empowers them to identify and address potential hazards, advocate for safe practices, and become part of the solution.

#### Safety in our Fleet

The Red Cross harnesses the power of technology to ensure the safety, compliance and efficiency of our operations. In vehicles requiring a Department of Transportation (DOT) license, our telematics system is coupled with an electronic logging device to provide real-time tracking, giving the precise location of our vehicles and enabling us to respond swiftly to any situation. In addition, we use artificial intelligence to identify potential driving risks and recommend safety features. Our drivers undergo rigorous internal safety training and onboarding, ensuring they are equipped with the knowledge and skills to navigate the roads safely.

#### **Needlestick Prevention**

Red Cross phlebotomists utilize needles to draw blood during the donation process and

are at higher risk for needlestick injuries. The Red Cross has a needlestick prevention team that has created an engaging and dynamic web-based course specifically focused on preventing these injuries. It covers each of our specific needle sets and needle guards and provides a real-world application to ensure our employees can protect themselves and others.

#### **Employee Assistance Program**

The Red Cross values the well-being of our employees, recognizing that mental and behavioral health is essential to a thriving workforce. Our Employee Assistance Program provides confidential access to licensed clinicians with support extending to immediate family members as well. This program is available 24/7, ensuring that no one faces their struggles alone, and offers wellness resources and referrals, assisting with worklife balance issues, whether it's parenting, eldercare or other daily living needs.

#### **Hazard Reporting**

At the Red Cross, safety is everyone's responsibility. We encourage a culture of hazard reporting, empowering each employee and



volunteer to raise concerns and report safety hazards promptly. Our risk management system ensures that every submission is investigated thoroughly, and mitigation measures are put in place. As part of our commitment to transparent communication, submitters are updated on the resolution process, fostering trust and accountability.

# Competitive compensation and benefits

The Red Cross is proud of how we invest in our people by providing competitive compensation and benefits programs. Our human resources team reviews and updates our total rewards programs to attract and retain talented employees. Compensation programs are designed to support pay for performance principles.

FY 2023 investments and focus included:

- Increasing the 401(k) match by 1%. The Red Cross now provides a 100% match on the first 5% of pay.
- Ensuring competitive pay. The American Red Cross continually reviews market pay practices including annually refreshing market and geographic pay information for its positions. This process helps ensure that all jobs have a competitive pay level. On average, Red Cross compensation is now 95.2% of the market median.
- Providing annual merit increases. The Red Cross offers competitive performance-based annual merit increases. The Red Cross also provides the ability for business unit and corporate functions to implement additional pay adjustments based on performance and market pay levels.

# EMPLOYEE AND VOLUNTEER Engagement

#### **Employee Engagement**

Improving employee engagement has been an ongoing effort at the Red Cross since 2014. Our annual survey measures 16 areas of employee engagement, including teamwork, communication, performance enablement and manager effectiveness. Red Cross leaders share results with their teams and develop action plans to increase engagement in needed areas and employees are encouraged to play a role in the engagement process.

Since surveys began in 2014, our overall engagement scores at the Red Cross have increased by 15%. In FY 2023, Red Cross engagement was 71% compared to 72% global average. Scores related to embracing diversity, equity and inclusion continued to improve due to our organization-wide focus on this important topic and specifically the implementation of the Red Cross Inclusive Leadership Curriculum. Employees also continue to report they feel they are treated with respect by management, are proud to work for the organization and that positive change happens because of the employee engagement program. There is still progress to be made and we continue to focus on key areas such as improving union employee results and better understanding and improving the supervisor experience.



#### A CLOSER LOOK AT THE INCLUSIVE LEADERSHIP CURRICULUM

In FY 2023, the Red Cross adopted the Inclusive Leadership Compass (ILC) framework, which focuses on everyday behaviors we can adopt to foster inclusion across the organization. This learning program is for all employees and volunteers. Inclusive leaders exhibit four practices which span the distinct but reinforcing dimensions of self, others, team and organization.

- Self: A leader's disposition toward equality and embracing differences
- Others: The ability to adapt to and empower diverse talent
- Team: The ability to harness team diversity to create value
- **Organization:** The ability to embed diversity and inclusion across the organization through system based measures and promoting an inclusive environment

#### **Volunteer Engagement**

Volunteers are vital to fulfilling our humanitarian mission. The Red Cross recruits volunteers in their communities through online platforms, community events and partnerships with educational institutions and community organizations. Upon joining, volunteers are matched with programs and projects that align with their interests and skills, such as disaster response, blood drives, education campaigns and more. Continuous engagement is prioritized through regular communication, support, and recognition from volunteer managers. The Red Cross encourages teamwork and collaboration, organizing social events, recognition ceremonies and forums for volunteers to share experiences and provide feedback. This inclusive approach allows volunteers to shape their own experience and ensures meaningful and fulfilling engagement.

In FY 2023, the Red Cross implemented several additional actions and program evolutions to support volunteer engagement.

Project-Based Volunteering Resources:

The launch of project-based volunteering resources for all programs provided teams with a new opportunity to address our workforce needs while leveraging emerging trends in volunteerism. Projects are temporary, usually lasting less than one year, with defined start and end dates.

Diversity, Equity and Inclusion Initiatives:

Diverse volunteer recruitment tactics were enhanced, including focused outreach and celebration of diverse communities. In addition, the Red Cross worked to update Volunteer Connection, our volunteer management system, to better support mono-lingual Spanishspeaking volunteers. These improvements will launch in early FY 2024.

Volunteer Intake, Screening and Placement Experience: The Red Cross used surveys and a pilot program to identify additional automations and efficiencies to improve volunteer experience. Improvements include process and system adjustments that reduce barriers to entry for volunteers and provide them with a faster screening and placement process.

#### Our FY 2023 volunteer net promoter score is 51.

The volunteer net promoter score ranges from -100 to +100 and measures how likely volunteers are to recommend the American Red Cross to a friend or colleague as an organization where they can volunteer. Generally, a high net promoter score is above 50, indicating that a significant proportion of volunteers would recommend volunteering with the Red Cross to others.



### Governance

The American Red Cross strives to be a model of good governance, oversight and transparency, ensuring alignment with nonprofit governance best practices and corporate governance standards whenever possible.

Our attention to governance, oversight, risk management, compliance and ethics, data privacy and security, and regulatory compliance are some of the key disciplines that help us fulfill our responsibilities as excellent stewards of the resources entrusted to us by the American people in support of our mission.





The American Red Cross Board of Governors has established an ESG framework for the Red Cross and oversees our ESG strategy through the Governance and Board Development Committee (the "Governance Committee"). The Governance Committee reviews and monitors progress toward ESG on an annual basis and may identify emerging social and environmental trends or public policy issues which impact the Red Cross and its operations.

The Red Cross is committed to promoting a culture of transparency by ensuring that donors, stakeholders, and interested members of the public have access to information related to our finances, operations and results. There is an easily accessible governance page on our <u>website</u> where information about our Board and its corporate governance practices can be found, in addition to information related to ethics and compliance, and financial reports including IRS Form 990 filings and our audited financial statements.



# Managing RISK

The Red Cross Board of Governors oversees risk management supported by various committees, including the Audit and Risk Management Committee. Our comprehensive risk management policy covers eight risk categories, integrating risk management into strategic planning and operations. Dedicated risk officers and a Risk Advisory Council ensure effective risk oversight and reporting to senior management.

#### **Evaluation of Climate Risk**

In addition to the evaluation and management of risks outlined above, the Red Cross weighs climate-related risks that may pose significant challenges to vulnerable populations. As part of our risk management framework, we actively assess potential climate risks and develop strategies to mitigate their impact on vulnerable communities. This includes considering the long-term impacts of the climate crisis, such as extreme weather events, rising sea levels and disruptions to essential resources.

By integrating climate risk evaluation into our existing risk management processes, the Red Cross can better understand and address the unique challenges faced by vulnerable populations. This involves collaborating and engaging with stakeholders from affected communities and implementing measures that prioritize resilience and sustainability through initiatives like our Community Adaptation Program.

Overall, a robust risk management framework that encompasses climate risk evaluation enables us to anticipate, adapt to, and mitigate the adverse impacts of the climate crisis on vulnerable populations. This proactive approach demonstrates our commitment to environmental responsibility, social equity and long-term sustainability.



# Data RESPONSIBILITY, PRIVACY AND SECURITY

Information security and data privacy are top priorities for our humanitarian organization, and we use strong measures to protect the data our donors, volunteers, employees, clients and other constituents entrust to us.



As cybercrime incidents skyrocket and cyber criminals become more sophisticated, our Information Security and Privacy programs address cyber risk by incorporating preventative and detective security measures into our daily operations; integrating privacy and data security throughout our systems, processes, and services; and promoting a culture of cyber safety and responsibility.

Our comprehensive information security and privacy policies are regularly updated to align with industry standards and legal requirements. The Red Cross collects, uses and protects information utilizing robust tools and procedures to maintain its integrity and prevent unauthorized access or disclosure. While partnering with thirdparty entities, we require their adherence to strict data security and privacy protocols, carefully evaluating their security measures to align with our privacy values. Furthermore, the Red Cross remains committed to never selling donor or constituent data.

Every Red Cross employee and volunteer plays an important role in ensuring data privacy and security. That's why we conduct organizationwide training on privacy and data security, fostering a cybersecurity culture and promoting individual responsibility for data protection. In FY 2023, we made enhancements to our training and awareness program that resulted in a 15% overall improvement in users' ability to detect phishing emails as measured through phishing simulation exercises. Additionally, users demonstrated their knowledge and awareness by reporting 58% more phishing emails this fiscal year as compared to FY 2022.

Over the last year, the Red Cross has implemented several other controls to minimize the risk of data being exposed to unauthorized parties, including labeling emails and documents to indicate how they should be restricted and protected, as well as enhancements to our password requirements and monitoring to detect if a password has been stolen, leaked or otherwise compromised by hackers. We continue to drive the social and governance changes necessary to move the organization forward by addressing modernday data security and privacy risks facing our communities, our constituents and our ability to deliver on our mission safely and responsibly.

Every Red Cross employee and volunteer plays an important role in these efforts.

Compliance and ethics

The Red Cross Ethics and Compliance Program focuses on maintaining the necessary ethical standard of conduct expected by the American public and required by good stewardship and best practices.



Our Code of Business Ethics and Conduct (the "Code") details the responsibilities, behaviors, and practices that guide our decisions, enabling us to fulfill our mission in the right way. Red Crossers are expected to understand and follow the Code, as well as act with integrity and speak up if they become aware of possible violations of the Code, other policies, or laws. The Code includes information to help Red Crossers make decisions that are ethical and comply with the Code and Red Cross policies. It also provides resources available to help them with questions and concerns.

### Red Cross Regulatory Compliance and Programs

Regulatory compliance touches many parts of the Red Cross and certain aspects of our compliance programs such as EEOC compliance and Occupational Safety and Health Administration compliance were addressed in previous sections of this report. As the country's largest supplier of blood, a significant area of regulation and compliance for the Red Cross relates to the safe and proper handling of blood products. The Red Cross is licensed by the Food and Drug Administration (FDA) and follows guidelines from the Association for the Advancement of Blood & Biotherapies and the Centers for Disease Control and Prevention. The internal quality audit team uses a risk-based audit program to conduct routine audits of operations to ensure the Red Cross is maintaining its compliance and quality standards, as well as meeting FDA regulations. We strive to identify issues that may be systemic so that the Red Cross can implement system-wide solutions as soon as possible. In addition, the FDA conducts regular inspections of Biomedical Services facilities, and the Red Cross responds to all FDA observations from these audits. In FY 2023, four FDA inspections resulted in Form 483 observational issues and there were zero fines or sanctions levied against the Red Cross by a regulatory agency.

To ensure a safe and adequate blood supply, the Red Cross maintains a rigorous quality and compliance program. In addition to internal audits and FDA compliance, some key components of the program are:

**Quality Metrics** – Quality Key Performance Indicators (KPIs) are monitored by the Audit Committee of the Board of Governors to gauge how the Red Cross is meeting its compliance requirements. These metrics are developed using a rigorous process and directly linked to key performance indicators that represent true drivers of success. Metrics are evaluated annually to ensure relevancy and presented to biomedical services leadership, after which each functional unit is accountable for its performance against these objectives.

**Facility Performance** — Each biomedical facility is assessed quarterly using a specific set of indicators tailored to the type of facility, such as collections or manufacturing. Results of these inspections are reported per established procedures, as appropriate.

**Donor and Patient Safety**—The Red Cross monitors and reports on various complications donors may experience during and following a blood donation. Any significant donor complication is investigated to ensure appropriate follow-up occurs.

### **Appendix**

Our reporting has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. The table below links to where the relevant information can be found in our 2023 ESG Report and on our corporate website.

#### Statement of Use

The American National Red Cross has reported the information cited in this GRI content index for the period July 1, 2022 to June 30, 2023, in accordance with the GRI Standards.

#### **GRI 1 Used**

GRI 1: Foundation 2021



Disclosure		Reference/Response	UNSDG			
<b>GRI</b> :	GRI 2: General Disclosures 2021					
2-1	Organizational details	The American National Red Cross (also known as the American Red Cross or Red Cross) is a 501(c)(3) organization established in 1881 and chartered by an act of Congress in 1905. It is a federally chartered instrumentality of the United States government, headquartered in Washington, D.C. In addition to our operations in the United States and U.S. territories, the American Red Cross has operations in the following countries: Bangladesh, Colombia, East Timor, El Salvador, Guatemala, Honduras, Indonesia, Myanmar, Nepal, Pacific Island Nations, Philippines. We also provide services to military members and their families at U.S. military installations around the world.				
2-2	Entities included in the organization's sustainability reporting	The American National Red Cross and its constituent chapters and branches.				
2-3	Reporting period, frequency and contact point	Fiscal year 2023 (July 1, 2022–June 30, 2023), annual. For questions contact: Ann Bagala, Sr. Director, ESG and Sustainability Programs, ann.bagala2@redcross.org.				
2-4	Restatements of information	This report includes no restatements of information from previous reports.				

Disclosure		Reference/Response	UNSDG
2-5	External assurance	The American Red Cross ESG Report has not been externally assured.	
2-6	Activities, value chain and other	Reference "About Us" > "Our Work"	
	business relationships	Reference the American Red Cross 2023 ESG Report > Environment Sustainability In Supply Management	
2-7	Employees	Reference the American Red Cross 2023 ESG Report: Our Organization	8 DEEPHT WORK AND ECONOMIC GROWTH 10 REDUKED
		At the end of FY 2023, the American Red Cross was comprised of a female majority 68.13% workforce across the United States, its territories and around the world, with over 17,500 employees, 94.4% full-time, 5.6% part-time. Staffing levels have remained consistent versus prior year reporting, with small fluctuations due to normal market conditions and timing of hiring.	
2-8	Workers who are not employees	Reference the American Red Cross 2023 ESG Report: Social — Workplace	8 DECENT WORK AND ECONOMIC GROWTH
		Volunteers — approximately 300,000 volunteers — Volunteers are an integral part of our organization. They deliver services across all our mission areas and provide support in areas like communications, finance, fundraising and information technology. The number of volunteers affiliated with the Red Cross includes all active general, event-based and partner volunteers, volunteers who were active and engaged in the year but became inactive during the reporting period, and unregistered volunteers serving the mission.	Ĩ
		Contingent Workers — Average number of contingent workers at any time during the year ranged between 100–150. We use contingent workers to supplement our workforce during unplanned, temporary increases in work activity or volume. Fluctuations in numbers occur based on business need/when disasters require additional support. Most contingent workers perform the following types of work: call center, warehousing and administrative support.	
2-9	Governance structure and composition	Reference "About Us" > "Governance"	5 Genuer Foundry 16 Prace Justice
		As of June 30, 2023, the Board had 13 members, 12 of whom met the standard of independence set by the IRS. Although the CEO is a member of the Board, she does not meet the IRS definition of independent because she is compensated as an employee. In accordance with nonprofit governance best practices, Board members do not receive any type of payment or compensation for their Board service.	
		<ul> <li>69% of the Board (9 out of 13 members) is diverse with regard to gender and/or race/ethnicity.</li> </ul>	
2-10	Nomination and selection of	Reference "About Us" > "Governance"	5 Genuter 16 Prace Justice
	the highest governance body	Members of the Board, other than the Chairman, are elected by the delegates of the local units at the annual meeting of the Red Cross.	
		The Governance and Board Development Committee has been delegated authority by the Board to identify and recruit prospective Board members taking into consideration the strategic direction and focus of the Corporation, the competencies needed to carry out the governance responsibilities of the Board and the need to have a diverse and inclusive pool of candidates. After a rigorous interview and due diligence process, successful candidates are elected for up to three, three-year terms. There are no term limits for the Chairman or CEO.	

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#### **APPENDIX**

Disclosure		Reference/Response	UNSDG
2-11	Chair of the highest governance body	Reference "About Us" > "Governance"	16 Prace JUSTICE INSTITUTIONS INSTITUTIONS
2-12	Role of the highest governance body in overseeing the management of impacts	Reference "About Us" > "Governance"	16 PEACE JUSTICE INSTITUTIONS
2-13	Delegation of responsibility for managing impacts	The Chief Executive Officer has appointed a Chief Sustainability Officer who is the highest-level executive responsible for ESG, and a Chief Diversity Officer who is the highest-level executive responsible for diversity and key diversity initiatives. They both report directly to the Chief Executive Officer. The Chief Sustainability Officer and the Chief Diversity Officer each provide a report to the Governance and Board Development Committee annually on progress toward ESG goals and diversity initiatives, respectively.	
2-14	Role of the highest governance body in sustainability reporting	The Board of Governors has approved an ESG framework for the organization and has delegated authority to the Governance and Board Development Committee to provide strategic oversight of the corporation's ESG strategy and to monitor progress toward ESG goals on an annual basis. Other committees of the Board also provide oversight of certain aspects of reported information such as the Audit and Risk Management Committee which oversees internal controls and risk and the Compensation Committee which oversees the corporation's compensation philosophy and its employee compensation and benefits programs.	
2-15	Conflicts of interest	The organization has established a Conflict of Interest Policy which applies to all employees and volunteers. This policy requires all Red Crossers to identify, disclose, manage, and remediate conflicts in a manner the protects the integrity and reputation of the American Red Cross. Additionally, under the direction of the General Counsel, members of the Board, management and certain other employees and volunteers complete a Conflict of Interest Disclosure Questionnaire annually. The Office of Ethics and Compliance ("OEC") collects and reviews the executed Questionnaire forms for actual, potential, and perceived conflicts of interest, and any necessary remediations are developed and implemented. Depending on the matter, the General Counsel or an OEC staff member discusses the matter with the employee, volunteer or Board member and, if necessary, the President and CEO or Chairman of the Board. Where appropriate, the conflict of interest and associated remediation regarding a member of the Board is included in the minutes of the relevant Board committee or full Board meeting.	16 PEACE JUSTICE INDISTRUME E
2-16	Communication of critical concerns	Reference "About Us" > "Governance" > "Ethics, Conduct and Compliance Resources"	
2-17	Collective knowledge of the highest governance body	Reference FY 2023 American Red Cross ESG Report > Governance	

APF	PENDIX		Introduction	Environment	Social — Mission	Social – Workplace	Governance	Appendix
Disclo	sure	Reference/Response				UNSDG		
2-18	Evaluation of the performance of the highest governance body	Reference "About Us" > "Governance" > "Governance Procedures"	<sup>33</sup>					
2-19	Remuneration policies	Reference "About Us" > "Governance" > "Compensation and Mana Members of our highest governance body serve as volunteers and a current total cash compensation program for key senior executives of The total cash compensation is reviewed annually to consider marke in Disclosure 2-20 below. Any new senior executive offer terms, inclu- process. Senior executives are eligible for benefits similarly provided life insurance, short- and long-term disability programs and retirement Executives, along with any employee who meets the pay threshold to voluntarily to a 457b plan. As with all employees, senior executives c supplemental life insurance and contribute dollars into a flexible spea- the medical program they elect. The organization also provides a wel dollars to help offset medical expenses. The purpose of the senior en- deliver financial results, create an excellent workforce experience, at Red Cross mission. The annual senior executive incentive plan conta- for payment to be earned. Further, the plan contains administrative g limited to, guidelines on payment upon termination and situations who For confidentiality reasons and as a matter of personnel practices, related to termination payments.	re not remuners consists of base et comparability uding sign-on b to all employee nt including a 4 to be a Highly C can also purcha nding account of libeing program executive annua tract and retair ins measurable juidelines which here a clawback	ated for their service e salary and annual by external consult onus, would follow s es including medica 01k plan with 5% e ompensated Individ se voluntary benefit or health savings ac o where all employee a incentive plan is to top talent, and help e goals and objective apply to all particip s may apply.	e on the Board. The incentive opportunity. ants as referenced similar governance I and dental benefits, mployer match. Senior ual, can contribute s such as vision and count, depending on es can earn incentive o reinforce the need to o deliver the American es which must be met pants including, but not			
2-20	Process to determine remuneration	Reference "About Us" > "Governance" > "Compensation and Mana On an annual basis, the Compensation and Management Developm the current corporate officers and any new senior executive positio executives the Committee should, in compliance with Section 4958 review and approve compensation. The Committee then engages a to review and prepare an independent benchmark analysis of the to these executives. The Committee will review the independent analy compensation for these individuals, including annual salary, incention data and will vote annually to approve any compensation changes.	nent Committe ons of the Amer 8 of the Interna an independent otal compensatives vsis and approv	e of the Board of G rican Red Cross to al Revenue Code ar coutside compensa tion package, includ re the terms of emp	overnors reviews determine for which d IRS regulations, tion consultant ling benefits, of loyment and total			

APPENDIX	Introduction	Environment	Social — Mission	Social — Workplace	Governance	Appendix
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Disclos	sure	Reference/Response	UNSDG	
2-21	Annual total compensation ratio	The ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) is 15.8. For context, the average chief executive pay ratio of an S&P 500 company was <u>272:1 in 2022</u> .		
		The ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) is 2.55. For context, the average percentage increase in compensation for CEOs at the top 350 U.S. firms between 2020 and 2021 was <u>11.1%</u> . The average percentage increase in compensation for private sector production/non-supervisory workers was <u>0.4%</u> for the same time period, for a ratio of 27.75.		
		Contextual Information		
		1. The calculations were based on the fiscal year.		
		<ol> <li>For purposes of the calculations, employees who worked a partial year (defined as those who were paid less than 1,080 hours in the year) were excluded.</li> </ol>		
		<ol> <li>Wages for employees who were paid between 1,081 and 2,160 hours were annualized to achieve a full-time equivalent (FTE) pay rate.</li> </ol>		
		4. Hours worked is higher than last year's reporting due to 27 pay periods instead of 26 for FY 2023.		
		5. Annual total compensation includes salary, bonuses, incentives, and premium pay provided over the course of the year. Incentives included in the calculation for the highest wage earner were normalized to ensure consistent methodology to prior year reporting.		
		6. The title of the highest-paid individual is President and CEO.		
2-22	Statement on sustainable development strategy	Reference Red Cross Statement on Climate Change		
2-23	Policy commitments	Reference "About Us" > "Mission and Values" ; Reference "About Us" > "Governance"	16 PEACE, JUSTICE AND STROMG	
		The American Red Cross is part of the international Red Cross and Red Crescent network, the largest humanitarian network in the world with a presence and activities in almost every country. All Red Cross and Red Crescent activities have one central purpose: to help those who suffer, without discrimination, whether during conflict, in response to natural or man-made disasters, or due to conditions of chronic poverty. As part of this network, the American Red Cross is bound by seven fundamental principles: humanity, impartiality, neutrality, independence, voluntary services, unity and universality. These principles along with our mission, vision and values are the guiding commitments for our work.		
		Additional policy commitments are grounded in our congressional charter, bylaws, Board committee charters and other governing documents, the commitment of all Red Cross societies to support and uphold the Geneva conventions and the principles of international humanitarian law, and corporate policies and regulations which includes Board resolutions and management policies.		
		Finally, in response to climate change, the executive team of the American Red Cross joined with other members of the Red Cross and Red Crescent movement and other local, national and international humanitarian organizations, to endorse The Climate and Environment Charter for Humanitarian Organizations.		
AF	PP	EN	D	X
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Disclo	sure	Reference/Response	UNSDG
2-24	Embedding policy commitments	Reference "About Us" > "Governance" > "Ethics, Conduct and Compliance Resources"; The American Red Cross Board of Governors has all powers of governing, directing, and overseeing the management of the business and affairs of the organization. The Board's authority includes approving our mission statement and strategy; providing strategic oversight to the organization; overseeing financial stability, protection of our brand, and fundraising; approving the annual budget and significant financial transactions; ensuring the inclusiveness and diversity of the organization; hiring, assessing the performance of and determining the compensation of the Chief Executive Officer (CEO); delegating powers, duties and responsibilities to the CEO and holding management accountable for performance.	
2-25	Processes to remediate negative impacts	Reference "About Us" > "Governance" > "Ethics, Conduct and Compliance Resources"; Reference American Red Cross 2023 ESG Report > Governance	
2-26	Mechanisms for seeking advice and raising concerns	<ul> <li>Reference American Red Cross 2023 ESG Report &gt; Governance; Reference "About Us" &gt; "Governance" &gt; "Ethics, Conduct and Compliance Resources"; Reference "About Us" &gt; "Governance" &gt; "Report Concerns about Blood Safety or Quality".</li> <li>The Red Cross has multiple channels through which employees, volunteers, recipients of Red Cross services or members of the public can report concerns.</li> <li>Concern Connection Line (CCL) — A 24-hour, confidential, toll-free hotline that anyone can use to report complaints or allegations of fraud, waste, abuse, misappropriation, illegal, or unethical conduct, violations of safety standards or violations of the Code or any Red Cross policy. Reports may be made anonymously either <u>online</u> or by calling 1-888-309-9679. In FY 2023, there were a total of 370 reports made to the CCL.</li> <li>Biomedical Regulatory Hotline — A 24-hour, confidential, toll-free hotline for reporting concerns about the collection, manufacturing, processing, distribution or utilization of blood and blood components.</li> <li>Reports may include violations of regulations (FDA, OSHA, etc.), falsification, training issues, quality failures and computer and equipment issues. Reports may be made by calling 1-800-741-4738. In FY 2023, there were 25 total reports made to the Biomedical Regulatory Hotline.</li> <li>Office of the Corporate Ombuds — As a designated neutral office, the <u>Ombuds</u> is a confidential, impartial, independent, informal service helping constituents identify options for addressing or resolving concerns. This resource is available to all employees, volunteers, recipients of the Red Cross services and members of the public by calling 1-866-667-9331 or by <u>email</u>. The Ombuds office averages approximately 800 constituents per year.</li> </ul>	
2-27	Compliance with laws and regulations	Reference American Red Cross 2023 ESG Report > Governance	
2-28	Membership associations	The American Red Cross is a member of multiple trade organizations and similar entities with common mission interests. These include but are not limited to: The International Federation of Red Cross and Red Crescent Societies; Alliance of Blood Operators; Association for the Advancement of Blood and Biotherapies; National Voluntary Organizations Active in Disaster; Independent Sector; Leadership 18; Charity Defense Council; InterAction.	

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# **APPENDIX**

Disclo	sure	Reference/Response	UNSDG
2-29	Approach to stakeholder	Examples of stakeholders and methods of engagement:	
	engagement	Employees — annual engagement surveys and reports, workforce resource groups, town halls, intranet, trainings and webinars	
		Volunteers — volunteer satisfaction surveys, workforce resource groups, trainings and webinars	
		Donors and corporate partners — stewardship reports; annual reports; information calls and meetings	
		Customers and Recipients of Red Cross Products and Services — Satisfaction surveys, client account lead relationships, project quality assurance processes, conferences and events, responses to information requests	
		Government partners and non-governmental organization partners — Long-term, strategic partnerships in support of shared mission goals; information sharing; cross-sectoral coalitions, national and international forums	
2-30	Collective bargaining agreements	Approximately 29.4% of our employees are represented by a collective bargaining agreement. The slight increase over FY2022 is due to new collective bargaining agreements in FY2023.	8 весент монк анд солонае салити

## **GRI 3: Material Topics 2021**

3-1	Process to determine material topics	In the spring of 2021, the American Red Cross published its statement on climate change, acknowledging the scientific evidence of climate change and committing to doing our part to reduce the current and future humanitarian impacts of the climate crisis.
		At the same time, Red Cross leadership brought a strong vision and commitment to investing in ESG, making it a central part of the Red Cross's response to the climate crisis and its ongoing commitment to excellence in organizational governance, beginning with the appointment of the Red Cross's first Chief Sustainability Officer.
		In October 2021, the Red Cross Office of Sustainability conducted a materiality assessment, which serves as the foundation for our ESG strategy. Our materiality process involved conducting research and engaging key internal and external stakeholders to identify and prioritize the company's most significant ESG-related risks and opportunities.
3-2	List of material topics	Our material topics:
		<b>Environment:</b> Reduce our greenhouse gas footprint; Reduce our water footprint; Reduce our waste footprint; Sustainability in our supply management
		<b>Social — Mission:</b> Adapt our mission to extreme weather caused by the climate crisis; Build capacity to meet increased demand for our services caused by the climate crisis; Prepare people and communities for the impacts of the climate crisis; Serve diverse communities equitably throughout our mission delivery; Ensure social responsibility in our supply management
		<b>Social — Workplace:</b> Employee and volunteer diversity, equal opportunity, and non-discrimination; Workplace health and safety; Competitive comp and benefits; Volunteer and employee engagement
		Governance: Governance, oversight, and transparency; Risk; Data responsibility, privacy, and security; Compliance and ethics

Disclos	sure	Reference/Response	UNSDG
3-3	Management of material topics	Reference the American Red Cross FY 2023 ESG Report	
		Environment	
		Social: Mission	
		Social: Workplace	
		Governance	
GRI 2	05 Anti-Corruption		
205-1	Operations assessed for risk related to corruption	The Internal Audit Group supports the Red Cross mission by offering impartial assurance and counsel to both the Board of Governors and executive leadership. This involves evaluating the efficacy, sufficiency, and design of processes and controls that underpin Red Cross' strategic pursuits, risk mitigation efforts, and adherence to applicable regulations, policies, and laws. To ensure its independence, our Internal Audit Group directly reports to the Chairman of the Audit and Risk Management Committee. Their activities are strategically guided by an audit plan approved by the Committee.	16 MARTENER INSTRUCTORS
		Throughout FY 2023, the Internal Audit Group conducted an array of audits, reviews, and advisory engagements pertaining to internal operations and the oversight of key third-party entities. The internal audit group collaborates closely with the Office of Ethics and Compliance (OEC). The OEC, in addition to proactively training and educating Red Cross staff on ethical standards and compliance, undertakes its own investigations as required.	
		Our risk assessment process considers the risk of corruption in each of our operations. Issues identified during audits and reviews, including those related to corruption, are evaluated to senior management and when appropriate to the Board of Governors.	
205-2	Communication and training about anti-corruption policies and procedures	The Red Cross Code of Business Ethics and Conduct (the "Code") includes the anti-bribery and anti-corruption requirements to which all employees and volunteers (collectively, "Red Crossers") are required to adhere as they perform their Red Cross roles and responsibilities to enable the organization to fulfill its mission the right way.	16 PEACE JUSTICE AND STRONG INSTITUTIONS
		The Code is also available to Red Crossers via posting on the Red Cross intranet page. Additionally, all employees are required to complete, and volunteers are encouraged to complete, annual training on the Code, which details the responsibilities, behaviors, and practices that should guide decision-making.	
		The Red Cross commitment to the anti-bribery and anti-corruption requirements in the Code are expressed in the anti- bribery and anti-corruption provisions in Red Cross contracts with suppliers, which require suppliers to certify their compliance with all applicable anti-corruption and anti-bribery laws, as well as to represent that they will adhere to those laws when executing their responsibilities pursuant to the Red Cross contracts. Our contracts with our customers also require compliance with all applicable laws, rules and regulations, inclusive of these laws.	
		FY 2023: The Red Cross achieved a 96% completion rate for the annual Ethics and Compliance training for employees.	
		100% of the members of the Board of Governors annually certify compliance with the Code of Business Ethics and Conduct.	

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Disclos	sure	Reference/Response							
GRI 3	02: Energy 2016								
302-1	Energy consumption within the organization	For reference, The American Red Cross operates and has facilities in all U.S. States and Territories. As of the end the Red Cross had 562 directly managed facilities with approximately 9.6 million square feet in real estate. The Remaintains a fleet of more than 4,500 cars, trucks and other vehicles. In FY 2023, that fleet logged over 55 m							
		Below is the energy consumption for the previous five years. The Red Cross only generates renewable energy at 3 facilities: San Diego CA, Honolulu HI and Tinton Falls NJ. All sites are solar installations. Green energy purchases began in FY 2022 Q4. This usage data is compiled by our utility vendor and calculated directly from raw usage, except where unavailable and then usage from like facilities is used as a proxy.							
		Consumption in MWH	FY19	FY20	FY21	FY22	FY23		
		Natural Gas	114,485	101,863	98,071	95,175	88,093		
		Fuel Oil	2,109	2,162	2,011	1,235	1,464		
		Propane	284	320	323	158	292		
		Electricity	181,421	179,243	164,011	160,326	149,732		
		Steam	7,327	6,924	6,167	5,509	1,124		
		Diesel	38	7	0	0	0		
		TOTAL	305,664	290,519	270,583	262,403	240,705		
302-2	Energy consumption outside	Reference American Red	Cross 2023 E	SG Report >	Environment	<u>L</u>			
	of the organization	In FY 2022, the Red Cros screening used the GHG Scope 3 emissions. In FY	protocol meth	odology and p	produced a so	creening value	e of approximate	ely 860,000 MtCO <sub>2</sub> e in	
302-3	Energy intensity	Below is the energy intens FY 2020. Kilowatt Hours facilities under direct cont from raw usage, except w	(KWH) are ba trol of the Red	sed on faciliti Cross. This u	es consumpt Isage data is	ion in both So compiled by c	cope 1 and 2. So our utility vendor	quare footage is based on and calculated directly	
		Energy Intensity	FY19	FY20	FY21	FY22	FY23		

27.6

N/A

27.9

N/A

27.5

16.5

27.0

18.4

25.0

19.1

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KWH per sq ft

Miles per gallon

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Disclosure	Reference/Response	UNSDG
302-4 Reduction of energy consum	ption In FY 2023, we had an 8% reduction in scope 1 and 2 emissions from FY 2022. We attribute 75% of that reduction to renewable energy contracts (6%). Those renewable energy contracts are a mix of utility green tariff programs and retail choice contracts for renewable energy. By the end of FY 2023, we had 169 facilities in 16 states on some form of renewable energy contract.	7 AFORDARIE AND CLAAR DEBRAY CONSIDER A B DECENT WORK AND CONSIDER B DECENT WORK AND CONSIDER A DECENT WORK AND A DECENT AND A DECENT A DECENT A DECENT A DECENT A DECENT A DECENT A DECENT A
GRI 303: Water and Effluents	2018	
303-3 Water Withdrawal	Reference American Red Cross 2023 ESG Report > Environment	6 CIEAN WATER AND SANTARTON
	Below is our water withdrawal data for the previous five years. This usage data is compiled by our utility vendor and	

Below is our water withdrawal data for the previous five years. This usage data is compiled by our utility vendor and calculated directly from raw usage, except where unavailable and then usage from like facilities is used as a proxy. The increase from FY 2022 to FY 2023 is mostly the result of capturing better data for one of our largest sites that was previously estimated. We are working on collecting data for previous years at estimated sites to better refine our estimates and we anticipate a potential restatement in FY 2024. Thirteen percent (9M gals) of our total withdrawal originated in extremely high or high water stressed areas, as defined by Aqueduct data.

Water Footprint	FY19	FY20	FY21	FY22	FY23
Gallons of water withdrawn at facilities (in millions)	163	164	151	141	147
Gallons per sq ft	14.6	15.5	15.0	14.4	15.0

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### GRI 305: Emissions 2016

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Disclosure

305-1 Direct (Scope 1) GHG emissions

### Reference American Red Cross 2023 ESG Report > Environment

Below is our Scope 1 emissions data for the previous four years. FY 2019 is our baseline year. Emissions were calculated using raw usage data and counting direct facilities where the Red Cross maintains operational control. The source of emissions factors is the U.S. Environmental Protection Agency (EPA). The methodology followed is the Greenhouse Gas Protocol for calculating emissions.

Scope 1	FY19	FY20	FY21	FY22	FY23
Natural Gas	20,749	18,461	17,774	17,249	15,966
Fuel Oil	543	557	518	318	377
Propane	58	66	67	33	60
Diesel	10	2	0	9	0
Refrigerant Leakage	5,894	5,612	5,327	5,186	5,170
Scope 1 Facilities Sub	27,254	24,698	23,686	22,795	21,573
Scope 1 Fleet	32,398	29,709	26,366	26,563	27,193
SCOPE 1 TOTAL	59,652	54,407	50,052	49,358	48,766

Calculated in Metric Tons of CO<sub>2</sub> (MtCO<sub>2</sub>e)

**Reference/Response** 

### 305-2 Energy indirect (Scope 2) GHG emissions

### Reference American Red Cross 2023 ESG Report > Environment

Below is our Scope 2 emissions data for the previous four years. FY 2019 is our baseline year. Emissions were calculated using raw usage data and counting direct facilities where the Red Cross maintains operational control. The source of emissions factors is the U.S. Environmental Protection Agency (EPA). The methodology followed is the Greenhouse Gas Protocol for calculating emissions.

Scope 2	FY19	FY20	FY21	FY22	FY23
Electricity Use – Location Based	68,547	63,018	57,609	56,162	55,390
Electricity Use – Market Based	69,506	63,966	58,440	56,742	49,803
Steam Purchases	1,660	1,569	1,397	1,248	255
TOTAL (Location-Based)	70,207	64,587	59,006	57,410	55,645
TOTAL (Market-Based)	71,166	65,535	59,837	57,990	50,058

Calculated in Metric Tons of CO<sub>2</sub> (MtCO<sub>2</sub>e)







Disclos	sure	Reference/Response						UNSDG	
305-3	305-3 Other indirect (Scope 3) GHG emissions	Reference American Red Cross 2023 ESG Report > Environment							
	GHG emissions	In FY 2022, the Red Cross cond							
		screening used the GHG protoc Scope 3 emissions. In FY 2024,						<sub>2</sub> e in	
305-4	GHG emissions intensity	Reference American Red Cross 2023 ESG Report > Environment 13 RMME 14 WEERM							
		Below is the emissions intensity for the previous four years. Note — data on miles driven was not available in FY 2019 or FY 2020. Square footage is based on facilities under direct control of the Red Cross. This usage data is compiled by our utility vendor and calculated directly from raw usage, except where unavailable and then usage from like facilities is used as a proxy.						019 or our utility	
		Emissions intensity	FY19	FY20	FY21	FY22	FY23		
		Emissions per sq ft (tons)	0.0090	0.0086	0.0083	0.0083	0.0074		
		Emissions per mile (tons)	N/A	N/A	0.0005	0.0005	0.0005		
	Calculated in Metric Tons of $CO_2$ (MtCO	e)							
305-5	Reduction of GHG emissions	Reference American Red Cross 2023 ESG Report > Environment							
		In FY 2023, we had an 8% redu to renewable energy contracts ( retail choice contracts for renew of renewable energy contract. T	5%). Those renewa able energy. By th	able energy o e end of FY 2	contracts are 2023, we hac	a mix of utility 169 facilitie	/ green tariff programs a s in 16 states on some fo	and <b>Example</b>	
GRI 3	06: Waste 2020								
306-1	Waste generation and significant	Reference American Red Cross	2023 ESG Repor	t > Environm	ent			3 GOOD HEALTH 6 CHEAN WATER 11 SUSTAINABLE OTTES 12 PESSONSBILE AND SAMATATION 11 AND COMMUNITIES 12 CONSUMPTION	
	waste-related impacts	The Red Cross produces over 11,000 tons of waste per year, 22% is regulated medical waste from our blood collection							
		The Red Cross produces over 11,000 tons of waste per year, 22% is regulated medical waste from our blood collection and manufacturing processes. We purchase goods and packaging to deliver our mission during disaster operations, as part of blood collection and manufacturing, and to teach lifesaving skills. Waste generated upstream is generated by third-party							
		suppliers providing services and			kilis. Waste g	jenerated ups	tream is generated by th	ind-party	
306-2	Management of significant	Reference American Red Cross	2023 ESG Repor	t > Environm	ent			3 GOOD HEALTH 6 CHEAN WATER 11 SUSSIANABLE CITES 12 PESSOASBILE AND SAMATATORN 11 AND COMMANDERS 12 CONSUMPTION	
	weate related imposts	We receive regular reporting fro	m our primary was	te vendors o	n the collectio	ons and dispo	sal, in alignment with our	AND PRODUCTION	

We receive regular reporting from our primary waste vendors on the collections and disposal, in alignment with our contractual agreements. We receive monthly reports and data from our waste vendors on waste volumes and have access to vendor provided data portals.



Disclosure	Reference/Response					UNSDG	
806-3 Waste generated	Reference American Red Cross 2023	ESG Report	: > Environme	ent		3 GOOD MEATIN 6 CIEAN WATER 11 3	TAINABLE CITIES 12 RESPONSIBLE 15 UFE
	Below is our waste footprint data for th as waste operations were not centraliz			2020 is our	baseline year.		
	Data is from primary non-regulated ver data comes from our primary vendor a data comes from our vendor which acc	nd accounts	for more than	n 90% of reg	ulated waste c		
	We have not reported on our reduction FY 2024. Beginning in FY 2024 we w						
		FY20	FY21	FY22	FY23		
	TOTAL WASTE GENERATED (TONS)	11,414	11,466	11,372	11,642		
306-4 Waste diverted from disposal	Reference American Red Cross 2023	ESG Report	: > Environme	ent		3 6000 HEATTH 11 SUSTINUINE STIRS 12 8	SPONSIBILE IN STINITOTION
	Below is our waste recycling data, FY centralized until FY 2020.	2020 is our	baseline year	. FY 2019 da	ta is unavailab	le as waste operations were not	
	Waste Diverted (tons)	FY20	FY21	FY22	FY23		
	Non-regulated waste recycled	2,712	2,659	2,691	2,655		
	E-waste Recycling	16	31	35	14		
	TOTAL WASTE RECYCLED*	2,728	2,690	2,726	2,669		
	*Does not include paper shredded and recycled						
306-5 Waste directed to disposal	Reference American Red Cross 2023	ESG Report	: > Environme	ent		3 GOOD HEATTH 6 CLEAN WATER 11 3	TAINABLE CITIES 12 RESPONSELE 15 UFE
	Below is our waste footprint data for the waste operations were not centralized			2020 is our	baseline year.	FY 2019 data is unavailable as 🛛 🖓 🙀 🔒	
	Waste Directed to Disposal (tons)	FY20	FY21	FY22	FY23		
	Non-Regulated Waste	6,206	6,046	6,021	6,357		
	Regulated-Medical Waste	2,480	2,730	2,625	2,616		

GRI 308: Supplier Environmental Assessment 2016

**Reference/Response** 

308-1	New suppliers that were screened	Reference American Red Cross 2023 ESG Report > Environment				
	using environmental criteria	100% of suppliers eligible for screening were screened. 11% of new suppliers were screened using environmental criteria. Suppliers that were exempt from screening include those with less than \$100k in spending or are in specific supplier categories such as real estate or human resources.				
308-2	Negative environmental impacts in the supply chain and actions taken	Reference American Red Cross 2023 ESG Report > Environment				
		The Red Cross continually monitors 577 eligible suppliers for negative environmental impacts. 5 suppliers have been identified as having significant actual or potential negative environmental impacts. There are 13 identified actual or potential impacts; a single supplier can have more than one identified impact. 10 of the 13 impacts identified are pending or ongoing lawsuits.				

### **GRI 403: Occupational Health and Safety 2018**

403-1 Occupational health and

safety management system

The Red Cross has implemented Occupational Safety and Health (OSHA) and Voluntary Protection Program (VPP) safety management systems. Following OSHA regulations, our written safety and health management programs address the anticipated hazards employees could encounter while performing tasks during the workday. They have been written specifically for our organization's unique hazards and are updated routinely or when a gap has

They have been written specifically for our organization's unique hazards and are updated routinely or when a gap has been identified. All workers at the American Red Cross are covered by this safety management system. Scope of activities covered includes mobile and fixed site blood collections, manufacturing/supply chain, service delivery, fleet and facility.

Our standards and guidelines include the following: Blood Borne Pathogen, Hazard Communication Program (HazCom), Fall Protection, Lockout/Tagout, Powered Industrial Truck, Electrical Safety National Fire Protection Associate, Confined Space, and Respiratory Protection.



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### Reference/Response

# 403-2 Hazard identification, risk assessment, and incident investigation

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When implementing new materials, equipment or processes or modifying existing processes, Environmental, Health and Safety (EHS) staff complete a Job Hazard Analysis (JHA). This step-by-step review of a job, task, or process is analyzed for current or potential hazards. It answers questions such as what the identified hazards are such as chemical, noise, bloodborne pathogen, or extreme temperature exposures; ergonomic exposures; working in wet areas, at heights, near machinery with moving or rotating parts; electrical hazards; etc. After identifying those hazards, recommended controls are listed for each job step and identified hazard. There is also a hazard reporting process for all staff and volunteers when they encounter a hazard and if they need assistance abating a hazard, they can submit to the EHS department who will take action.

Any hazards identified through the hazard identification process, incident investigation process, or the annual review of internal programs and procedures are assigned corrective actions. These corrective actions are either incorporated at a divisional or regional level or escalated to the national corporate level to be incorporated into the entire organization depending on nature of the identified hazard.

Any hazard that is entered into Smart Solve Audit Management (SSAM) is tracked within the software. Also, local safety managers track hazards that are reported to them and update staff and management of progress toward rectifying the issues. This includes, but is not limited to, safety committee meetings, regional director one-on-one meetings, and all-hands staff meetings.

Workers can also submit a hazard to our hazard reporting program. Workers are protected against reprisals through the OSHA whistleblower regulation.

Additionally, the Concern Connection Line (CCL) is available for workers who have previously reported a hazard or concern and they feel their concerns are not addressed. In addition, Section 3 of Article 18 (Safety and Health) of the union coalition addendum explains that any employee has the right to refuse to work under conditions that the employee reasonably believes presents imminent danger or serious harm.

After an incident is identified, our Risk Management Information System (RMIS) sends an electronic link to the supervisor of staff that were injured to complete an Incident Investigation. The supervisor has the responsibility to complete the incident investigation form within 72 hours of the incident. If this is not completed, an escalation email is sent to their manager.



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Disclos	ıre	Reference/Response	UNSDG
403-3	Occupational health services	All incidents, including near miss reports, are reported in our injury hotline (1-800-UCBLOOD). All incidents are triaged by nurses on this hotline and all reports are emailed to the entire EHS staff as well as to department managers. When an incident happens, it is reported immediately to the injury hotline. Then, the Loss Control group, which is housed in the EHS department, provides coverage for tasks that occur after an accident. These tasks include reporting injuries to the insurance carrier and providing injured employees work status updates to the departments to determine if they can return to work in a modified capacity. The injury hotline process is as follows, which includes reports of workers compensation injuries, exposures to blood or body fluids and near hits. It does not include general liability or vehicular accident claims.	8 ECOMMAC CRATTE
		1. Incident / Injury occurs	
		2. Employee or supervisor calls UC Blood 877-822-5663	
		3. UC Blood triages the incident (911 call, urgent care, first aid, etc.), completes reports to be sent to American Red Cross, then prepares and sends employee notification material to injured employee, including one time authorization to treat if applicable.	
		4. UC Blood sends e-mail with American Red Cross Report to Incidents@redcross.org and Safety staff.	
		5. All incident information is communicated to the internal RMIS. Within this database, staff who have access can see what stage an incident is in, how many lost days or restricted duty days were associated with the injury, claims information, employee information, etc.	
403-4	Worker participation, consultation, and communication on occupational health and safety	All staff are encouraged to participate in hazard identification and resolution. Specifically, staff can discuss these identified hazards and ideas on resolution through departmental or safety committee meetings. Additionally, staff are regularly involved in internal quality and safety audits where identified hazards are discussed, and employees are interviewed to get their thoughts on how to continually improve and eliminate hazards. Any identified hazards that need to be addressed are entered into our RMIS where progress is tracked. Lastly, following the annual Bloodborne Pathogens training, a form is provided to employees where they can submit feedback on the current equipment, Personal Protective Equipment (PPE), or procedures.	8 RECERT WORK AND COMMUNE COMMINE COMMUNE COMUNE COMMUNE COMMUNE COMU
		All incidents are discussed on regional safety committee calls with committee members for awareness and to gather more information on incidents and prevention strategies. Front-line staff are also included in the needlestick prevention meetings where each needlestick is discussed and corrective actions are identified.	
403-5	Worker training on occupational health and safety	Below is a description of our occupational health and safety training provided to workers, both generic and specific work- related hazards:	8 BECHNY WORK AND ECONOMIC GROWTH
		Bloodborne Pathogens — Applies to all staff who have the potential for exposure to bloodborne pathogens.	
		<b>Hazard Communication</b> — Applies to all staff who may be exposed to hazardous chemicals under normal operating conditions and those who are responsible for the management of the Hazard Communication Program.	
		<b>Confined Space</b> — Applies to all employees who have access to or shall have the need to access or supervise the access to a confined space on Red Cross owned or leased properties as part of their duties. This policy shall also encompass contractors entering and performing work in these spaces. Continued on following page	

sclosure	Reference/Response	UNSDG
03-5 Worker training on occupational	<b>Fall Protection</b> —All staff are required to comply with the requirements set forth by this program.	
health and safety (continued)	<b>Fire Prevention</b> —All Facilities Management, EHS, and Equipment Management personnel shall are required to be trained on this plan.	
	<b>Lockout Tagout</b> — Applies to all staff who use a machine or equipment on which servicing or maintenance is being performed under lockout or tagout, or whose job requires work in an area in which such servicing or maintenance is being performed and staff who locks out or tags out machines or equipment in order to perform servicing or maintenance on that machine or equipment.	
	<b>Powered Industrial Trucks</b> — Applies to all employees who operate or maintain powered industrial trucks, their department managers, and contractors.	
	<b>DOT Compliance</b> — Applies to all employees, volunteers, temporary staff and any other operators of a commercial motor vehicle owned by or in service to Biomedical Services.	
	Ergonomics — Applies to all employees.	
	<b>Regulated Medical Waste</b> — Three trainings: one for employees who handle medical waste, a second for closure and labeling, and a third for manifesting and reconciling.	
	<b>Incident Management</b> —Applies to all employees, volunteers, visitors, contractors and to donors when the incident does not involve the donation.	
	<b>Incident and Hazard reporting training</b> —Information on how to report an incident/injury as well as all avenues available to report a safety hazard or concern. This training also provides clarity on OSHA's definition on imminent danger and provides examples of serious harm situations.	
	<b>Personal Protective Equipment</b> — Applies to employees who, in the course of their duties, perform tasks or work in areas where recognized hazards are present. The program also covers frontline supervisors, who are required to notify EHS when there has been a change in the tasks or processes performed by their staff.	
	<b>Chemical Hygiene</b> —The purpose of this training is to define work practices and procedures to ensure laboratory staff are protected from physical and health hazards associated with chemicals used in their work area.	
	At Risk Behavior—The purpose of this training is to have mobile collections staff recognize hazards and behaviors that can lead to an injury.	
	<b>Liquid Nitrogen</b> —Provides information on how to safely handle and work with liquid nitrogen. It covers specific hazards associated with liquid nitrogen and special care that must be taken by staff who handle and/or work in areas where it is used.	
	<b>Needlestick prevention</b> —Provides best practices for needlestick usage, including uncapping, performing and disposal of needles for whole blood cell, power red, and amicus/apheresis procedures.	
	Topics included above may or may not be included in new or tenured employee training depending on job description.	

Disclosu	ure	Reference/Response	UNSDG
403-6	Promotion of worker health	Reference American Red Cross 2023 ESG Report > Social — Workplace The BeWell@Red Cross wellbeing program is provided by WebMD and open to benefit-employees located outside of the European Union. Through this program, eligible employees can access personalized tools and resources they need to achieve better health, better happiness, and better well-being. Employees and their spouse/domestic partner enrolled in a Bronze, Bronze Plus, Silver or Gold medical plan are eligible to earn up to \$700 each for participating in program activities and will receive these incentives in a Health Savings Account (HSA) if enrolled in a Bronze or Silver Plan or a Health Reimbursement Account (HRA) if covered by a Bronze Plus or Gold plan. Eligibility may vary for employees based on collective bargaining agreements.	3 GOOD HEARTH ADD WEIGHERG
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	The Red Cross utilizes external relationships to positively impact the health and safety of our internal customers including, OSHA Alliance, Alliance of Blood Operators (ABO) Alliance, Vitalant Safety alliance, situational awareness lunch and learn from GardaWorld, and WebMd.	8 DECENT WORK AND ECONOMIC COMMING COMMING COMMING
403-8	Workers covered by an occupational health and safety management system	All Red Cross staff are covered by our safety management system whether they are American Red Cross employees, contractors that we supervise, or volunteers. We use an internally developed audit process through Smart Solve Audit Management (SSAM). Additionally, an OSHA Voluntary Protection Plan application is completed and in queue for review and approval through OSHA.	8 DECENT WORK AND ECONOMING COMMIT
403-9	Work-related injuries	For all employees: i. The number and rate of fatalities as a result of work-related injury: 1 fatality, 0.009 injury rate ii. The number and rate of high-consequence work-related injuries (excluding fatalities): 25 injuries, 0.23 injury rate iii. The number and rate of recordable work-related injuries: 752 OSHA recordable injuries, 7 OSHA IR iv. The main types of work-related injury: blood exposure/cut and strain/sprains v. The number of hours worked: 21,181,682	3 GOOD HEALTH AND WELFSTANG WWW
		For all workers who are not employees but whose work and/or workplace is controlled by the organization: 0 fatalities, 0 injuries.	
		Work-related hazards that pose a risk of high consequence in the reporting period include: manual material handling, slip/ fall, and driving.	
		Actions taken to eliminate these hazards and minimize risks include:	
		<b>Engineering Controls:</b> Safeguard (anti-skid) on ProMaster ramps, load assist bar, MCS+ lift for SCU, ergonomic cart design, cinch straps that are used on the carts and trucks to secure equipment.	
		Administrative Controls: Safety by Design training, Powerlift CBT, at-risk behavior CBT.	
		<b>Other actions taken to eliminate or minimize risk include:</b> Review of needle guard and MCS+ case, annual solicitation of input during BBP CBT, needlestick prevention training, anti-fatigue mats, tunnel tape, electrical safety upgrades to extension cords, mobile operations fan guidance, mobile operations stair guidance.	
		<b>Methodology:</b> Rates have been calculated based on 200,000 hours worked. No worker has been excluded and OSHA regulation on record keeping 29CFR1904 was used.	

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Disclosure	Reference/Response	UNSDG
403-10 Work-related ill health	For all employees: i. The number of fatalities as a result of work-related ill health: 0 ii. The number of cases of recordable work-related ill health: 60	3 GODD HEALTH AND WILL BEING 
	The main types of work-related ill health are OSHA recordable work related Covid cases.	
	For all workers who are not employees but whose work and/or workplace is controlled by the organization: 0 fatalities, 0 recordable cases of ill health. Covid was identified as a hazard that poses risk of ill health and was a public health emergency determined by the CDC. Actions taken to eliminate or minimize this risk include: mask guidance, disinfection tool kit, signage, training, vaccination requirement, social distancing,	
	Standards and methodology used: OSHA recordkeeping standard 29CFR1904.	

### **GRI 405: Diversity and Equal Opportunity 2016**

405-1 Diversity of governance	Board Diversity								5 GENDER
bodies and employees	Native American	Asian or Hawaiian +*	Black	Latino	White	Other	Women	Men	Ø
	0	2	2	1	8	0	6	7	



\*Native Hawaiian or Other Pacific Islander

### **Employee Diversity**

Diversity Demographics: Race/Ethnicity & Gender	Native American	Asian	Black	Latino	Hawaiian +*	White	Two or More	Women	Men
Executive Management (SVPs, VPs, Executive Directors)	0.5%	3.6%	11.9%	6.2%	0.5%	76.7%	0.5%	48.7%	51.3%
First and Mid-Level Management (Directors, Senior Managers, Managers)	0.5%	4.9%	16.2%	7.9%	0.4%	67.8%	2.2%	64.5%	35.5%
Professionals (Associates, Specialists, Consultants)	0.7%	7.1%	13.8%	8.0%	0.5%	67.4%	2.5%	68.5%	31.5%
Total Employee Composition	0.6%	5.4%	20.6%	10.6%	0.4%	<b>59.5</b> %	<b>2.9</b> %	<b>68.5</b> %	31.5%

50

GRI 406: Non-discrimination 2016

Reference/Response

406-1	Incidents of discrimination and corrective actions taken	Employee Investigations—Human Resources (HR) provides advice and consultation to employees and managers regarding a broad scope of employee relations issues including employee performance, behavior, conflict, team dynamics and complaints. Complaints related to harassment, discrimination, bullying, violence, theft and similar serious allegations, are investigated by HR. When a complaint contains multiple allegations, each allegation is investigated and dispositioned.	5 EQUALITY
		If allegations are substantiated, HR works with the management team to determine the appropriate corrective action, discipline or termination. If the allegations are unsubstantiated, HR works with the management team to recommend coaching, counseling or other support to the complainant, subject of complaint and/or leader.	
		Investigations conducted — 200	
		Allegations as part of investigations-317	
		% of time allegations were substantiated — 30%	
		% of individuals disciplined, up to and including termination, as a result of an investigation $-32%$	
		% of individuals received coaching, counseling or training as result of an investigation $-36%$	
		% of individuals with other or no action taken $-32%$	
		Employment Litigation — The Office of General Counsel (OGC) managed 21 employment lawsuits in federal and state courts, involving claims against the Red Cross alleging race, age, gender, religious, national origin, and disability discrimination; harassment; retaliation; Family Medical Leave Act violations; Employee Retirement Income Security Act (ERISA) violations and breach of fiduciary duty; wage and hour violations; and wrongful termination. None of the cases handled by OGC in Fiscal Year 2023 proceeded to a trial. Of the 21 lawsuits handled this year, twelve have been resolved, including six that were dismissed and six that were settled prior to trial. Nine lawsuits are pending, all with low to moderate risk of liability.	

### GRI 408: Child Labor 2016

408-1 Operations and suppliers at significant risk for incidents of child labor

Reference American Red Cross 2023 ESG Report > Social – Mission





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Disclosure

**APPENDIX** 

Disclosure

### Reference/Response

**GRI 409: Forced or Compulsory Labor 2016** 

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor

### Reference American Red Cross 2023 ESG Report > Social – Mission

Identified negative social impact: Through our due diligence processes, we identified instances of potential forced labor risks within our supply chain. To monitor the social risks associated with suppliers, the Red Cross utilizes risk management tools to track and evaluate the social impacts of existing suppliers, identify any negative risks, and take decisive actions to address those risks.

Actions taken:

- Engaged with the supplier in question to better understand their supply chain and verify the presence of forced labor.
- Identified an opportunity to improve and strengthen our supplier code of conduct to explicitly prohibit forced labor and expand upon other social standards.

### **GRI 414: Supplier Social Assessment 2016**

414-1	New suppliers that were screened using social criteria	Reference American Red Cross 2023 ESG Report > Social — Mission 100% of suppliers eligible for screening were screened. 11% of new suppliers were screened using social criteria. Suppliers that were exempt from screening include those with less than \$100k in spending or are in specific supplier categories such as real estate or human resources.	5 EDULATY
414-2	Negative social impacts in the supply chain and actions taken	Reference American Red Cross 2023 ESG Report > Social—Mission Red Cross continually monitors 577 suppliers for negative social impacts. 10 suppliers have been identified as having significant actual or potential negative social impacts. There are 15 identified actual or potential impacts. A single supplier can have more than one identified impact. 9 of the 15 impacts identified are pending or ongoing lawsuits.	5 EQUALITY SEQUALITY SECONDAR DOWNER SECONDAR DOWNER SECONDAR SECONDAR DOWNER SECONDAR S

### **GRI 418: Customer Privacy 2016**

418-1	Substantiated complaints concerning	Reference American Red Cross 2023 ESG Report > Social — Governance
	breaches of customer privacy and	During FY 2023, there were no incidents of substantiated complaints concerning breaches of customer privacy and/or
	losses of customer data	losses of customer data.





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### Mission

The American Red Cross prevents and alleviates human suffering in the face of emergencies by mobilizing the power of volunteers and the generosity of donors.