

# Kamps Environmental Sustainability Report

20  
22

[www.kampspallets.com](http://www.kampspallets.com)



# About This Report

This report focuses on our 2022 environmental impacts and future goals. As the national leaders in pallet recycling and environmental stewardship, Kamps has invested the time and resources into accurately communicating our environmental impact and sustainability practices.

In 2022, Kamps continued building on the growth we experienced the previous year. We acquired five new companies, and added six total new locations to our Asset-Based network. We also worked diligently to integrate acquired companies onto Kamps systems and standards.

The content in this report predominately covers data based on Kamps' national network and includes historical annual data from these new acquisitions. For our carbon footprint and handprint found on page 11 and 13, we used Kamps owned and operated facility data for facilities that were under the Kamps umbrella for longer than six months.

Applicable Sustainability Accounting Standards Board (SASB) standards can be found on page 14.

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# A Letter From Our President

**As an organization that has such a profound impact on supply chains and communities across the nation, Kamps values the role we play in our stakeholders' wellbeing.**

As economies continued to open in a post-COVID world, the impact Kamps has on supply chains and our customers was only further underscored.

Our market saw a large increase in demand for both new and recycled pallets. During this time, our team answered the call and worked tirelessly to support our

customers, service providers, and communities. Through our team's efforts, Kamps was able to provide sustainable solutions for our customers and service providers.

Kamps was built on a core philosophy of maximizing the value of a pallet's life cycle in order to create the greatest positive outcome for our stakeholders and planet. This philosophy became a key difference maker in 2022 by allowing us to service our customers with solutions that enhanced their entire supply chains - while bringing a positive impact to our environment and communities. Our commitment to our "Comprehensive Pallet Life-Cycle" also allowed Kamps to reach

environmental milestones. In 2022, we recycled more pallets than ever before and, as a result, offset landmark volumes of carbon emissions and landfill waste.

Kamps is committed to becoming a national leader in making a positive impact on our planet, stakeholders, and society. This report serves as an account of our 2022 achievements, areas of improvement, and future goals as we look to improve our impact ever year.



**Mitchell  
Kamps**  
President







# About

Founded in 1973, Kamps Inc. is a full-service national pallet company delivering innovative pallet solutions to customers nationwide.

We specialize in supplying high quality recycled pallets, new custom pallets, and comprehensive pallet services, including pallet recycling and pallet management.

Innovation and finding cutting edge solutions has always been a part of Kamps' DNA. They are the key drivers to our success and the success of our customers.

## Largest Pallet Company

in the United States.<sup>1</sup>

1. Based on volume of pallets managed annually.

## 450,000,000+

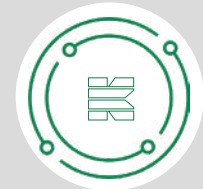
Pallets Managed Annually.



**4,250+**  
Employees



**8,000+**  
Trailers\*



**50**  
Years of Experience

## 400+ Locations

Nationwide.

**63**  
Asset-Based

**350**  
Partners

**30**  
On-Sites

Trailers registered to Kamps Logistics, LLC - an affiliate of Kamps, Inc.



## Our Vision

Our vision, in relation to sustainability, is a world where supply chains produce zero wood waste, with minimum negative impact on our climate and eco-systems.

## Our Strategy

To achieve our sustainability vision, Kamps has made significant investments at all stages of our “Sustainable Pallet Life-Cycle” to ensure we have the most comprehensive supply chain coverage for our customers and vendors. This ability allows us to continuously retain the maximum amount of pallets into inventory, while creating value out of “End of Life” pallets via environmentally positive by-products such as Mulch, Biofuel, and Wood Pellets.

### Sustainable Pallet Cycle

#### STEP 01

We build new pallets from materials that promote healthy forests.

#### STEP 02

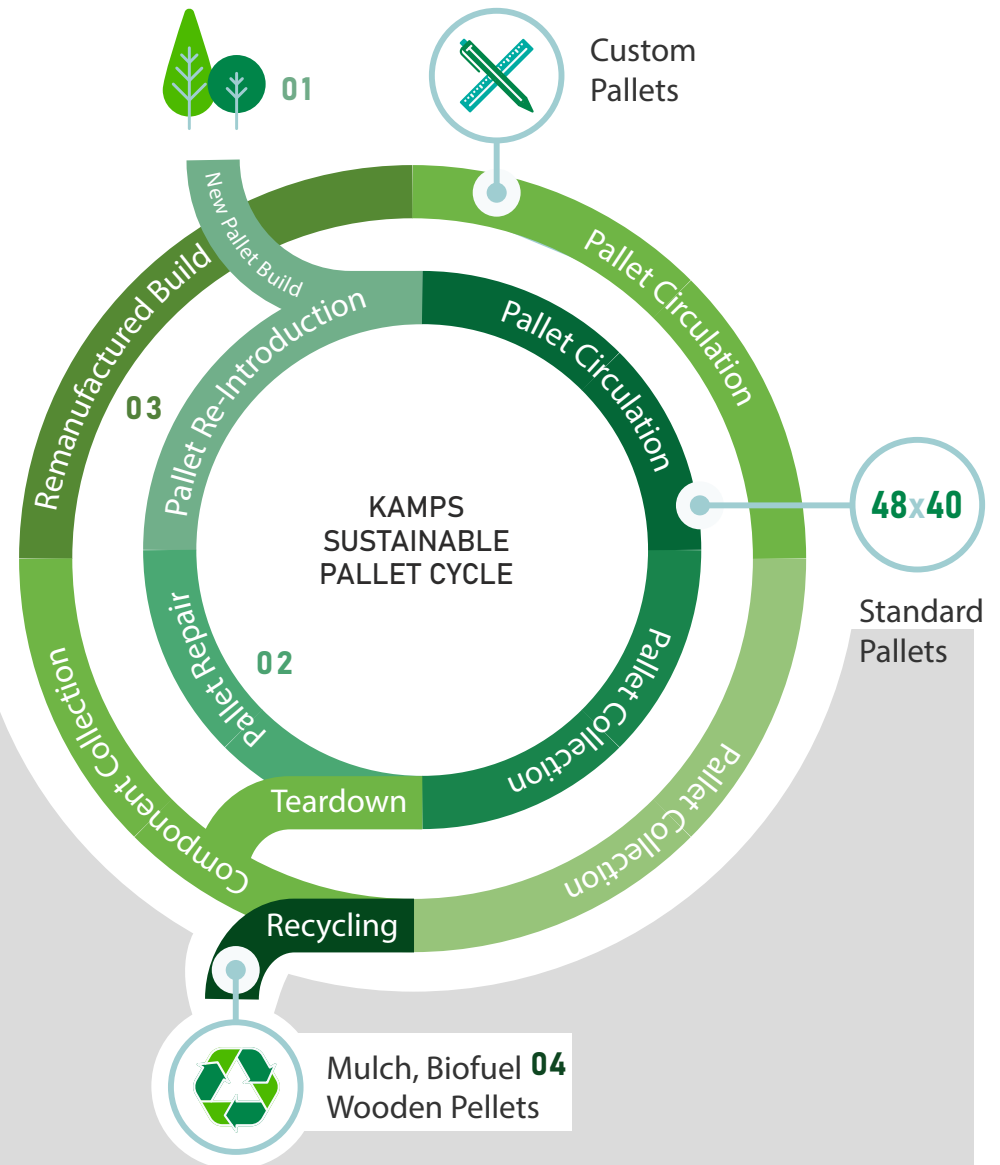
Our experts perform repairs to extend the life of a pallet.

#### STEP 03

We dismantle odd-size pallets and harvest their components to build re-manufactured pallets.

#### STEP 04

Once a pallet reaches its end of life, our WRS team will grind it into products such as Color Enhanced Mulch, Bio-fuel, and Wooden Pellets.





## Advocacy

Beyond being recognized for our commitment to sustainability, we constantly seek to be environmental advocates in our surrounding communities and across our supply chain by partnering with industry leading trade organizations:

### Alliances & Associations



### Awards & Recognition



Awarded to Kamps  
Sr Customer Service Manager  
(Savanna Champion)





# Our Stakeholders

As Kamps continues to scale our operations across the United States, we are able to grow our relationships with key stakeholders through expanding our workforce, reaching new customers, and deepening our relationships with the communities in which we operate.

## Our Employees

As our most important stakeholder with over 4,250 employees nationally, Kamps' focus on our employees has led to the implementation of a variety of programs and offerings for our workforce. From proactive safety initiatives and screenings to assistance programs and trainee programs, Kamps maintains a goal of supporting our employees through multiple aspects.

## Our Customers

Since our inception in 1973, Kamps has always maintained a focus on our customers and how to bring the best experience to them every single day. Through Kamps' proprietary information technology systems, we ensure quality and transparency of data to our customers. Additionally, through our Green Scorecard program, we are able to provide our customers with insight into the impacts they have been able to make through the utilization of our pallet refurbishment, recycling, and management services.

## Our Community

As the home to our employees and customers, our surrounding communities remain a top priority for Kamps. With our national footprint, we proactively seek new opportunities to give back and participate with our local communities in a meaningful way, while making minimal negative environmental impact.







# Responsible Forestry

Forests have a significant role in reducing the risk of natural disasters, including floods, droughts, landslides and other extreme events. Forests also mitigate climate change through carbon sequestration and protect precious land-based ecosystems. On a socio-economic level, healthy forests provide shelter and jobs for forest and lumber-dependent communities.

Our strategic approach is a mixture of lowering our dependence on virgin lumber where we can, while using low grade lumber to build new pallets.

The use of low grade lumber, a common practice in the pallet industry, creates a market for materials that need to be removed from forests in order to protect them from wildfires, invasive species, disease, and overcrowding.<sup>1</sup>

Through our responsible forestry initiatives, Kamps saves a large quantity of trees by maximizing the value of every used pallet - while helping to sustain the overall health of our forests through responsible use of lumber materials.

## 2022 Responsible Forestry Scorecard

Board-Feet Produced  
By Average Tree 2  
**240**

Average Board-Feet  
Used By Pallet 2  
**13.1**

Pallets Recycled in 2022  
**390,000,000<sup>3</sup>**

Trees Saved  
**19,274,336**

2. Based on first-hand proprietary research performed by Kamps using lumber source data and internal manufacturing data.

3. Approximation based on Kamps national network, including historical annual data post Kamps acquisition.



## Perspective

Our **19,274,336 trees saved** in 2022 equates to **38,551 acres** of healthy forest land saved.<sup>4</sup>

This is equal to

**46X**

NYC  
Central  
Park

New York City,  
New York  
842.6 Acres

**11X**

LAX  
International  
Airport.

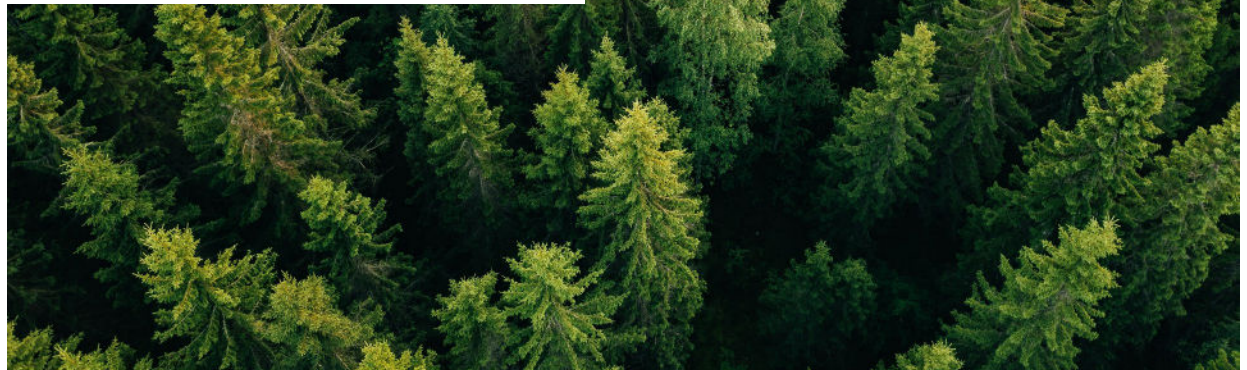
Los Angeles,  
California  
3,500 Acres

**9.6%**

Green  
Mountain  
National  
Forest

Rutland,  
Vermont  
400,000 Acres

4. Assumes that 500 pine trees can be planted and maintained within one acre of forest land.



1. Healthy Forests, Healthy Communities (NWPCA) - [https://www.youtube.com/watch?v=xliGzm6jz\\_g](https://www.youtube.com/watch?v=xliGzm6jz_g)





## Landfill Avoidance

Landfills pose several negative environmental factors. They are usually built by clearing natural habitats. This loss of natural habitat leads to lost eco-systems and land degradation.

Once a landfill is established, pallets that are disposed of in landfills will eventually release methane and carbon as they decompose. Recent research shows that the amount of methane and carbon released during decomposition of wooden products is lower than previously believed. However, as an organization fully committed to environmental sustainability, Kamps believes in utilizing a pallet's full value before it reaches its end-of-life decomposition stage.

Research conducted by Virginia Tech, the U.S. Forest Service, and the National Wooden Pallet & Container Association shows that pallet recycling plays a vital role in landfill reduction. According to the research, 178.5 million wooden pallets were landfilled in 1998. In 2016, only 25.39 million wooden pallets were landfilled, an overall decrease of 85.78%.

In 2022, Kamps' commitment to "Harvesting The Urban Forest" played a key role in supporting this trend as our 390 million recycled wooden pallets reduced 6.7 million tons of landfill waste.

The 6.7 million tons saved is 37% of the total annual wood waste generated in the U.S.



### 2022 Landfill Reduction Scorecard

Pallets Recycled

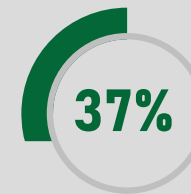
**390,000,000**<sup>1</sup>

Tons of Landfill Waste Saved

**6,782,100** Tons<sup>2</sup>

1. Approximation based on Kamps national network, including historical annual data post Kamps acquisition.
2. Assumes 18.5 kilograms per pallet on average and 100% of the pallets recycled would have otherwise been landfilled.

### Perspective



**37%** of total annual wood waste generated in the U.S.\*

\*Based on latest known EPA verified data for 2018 - using 292.4 million tons as total MSW generated and 6.19% material allocation to wood waste.



# Green Energy Report

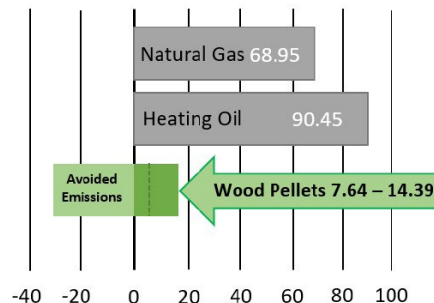
Kamps seeks to extend the life of our products as much as possible, while finding the most environmentally friendly “End of Life” disposal process.

One of our strategic “End of Life” disposal processes is the creation of Green Energy, via renewable sources such as Biofuel.

To achieve this, we transfer ground scrap pallets to co-generation plants that power municipalities, schools, and more. As an example of this, one of the co-generation plants that accepts our Biofuel in Michigan can produce approximately **650 kWh** of energy per every ton of Biofuel, resulting in over **25,000 MWh** of energy produced in 2022.

## Greenhouse Gas Impact of common home heating fuels

(grams of carbon dioxide equivalent/megajoule)

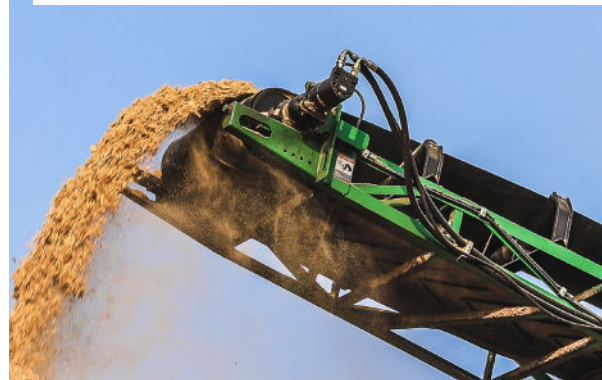


1. Source: Pellets Fuel Institute, claims based on research from Life Cycle Associates report by Unnasch, Buchan (2021).

A secondary source that produces energy is our wooden pellet products. Wooden pellets are low carbon heating alternative to charcoal, natural gas, and heating oil.

Our wooden pellets are created from scrap pallets and wood waste that arrives or is generated in our facilities. Because our pellets are manufactured from these sources, research shows that they have a carbon benefit when compared to common fossil-derived fuel sources, with each production scenario delivering at least a 65% reduction in carbon intensity.<sup>1</sup>

In 2022, Kamps produced over **60,000 tons of wooden pellets**, which creates enough energy to heat 24,000 homes for an entire year.<sup>3</sup>



## 2022 Sustainable Energy Scorecard

Tons of Biofuel Generated in 2022

**39,619**<sup>2</sup>

MwH Generated

**25,752**<sup>2</sup>



2. Based on first-hand proprietary data owned by Kamps and co-generation plant data.

## Wooden Pellets Perspective

Our 60,000 tons of wooden pellets produced in 2022 can heat

**24,000**  
Homes in  
the U.S.

for  
one  
year  
<sup>3</sup>

3. Based on the assumption that the average U.S. household needs 2 to 3 tons of wooden pellets to heat their home annually, according to Pellet Fuels Institute (PFI).



# Our Carbon Footprint<sup>1</sup>

While recognizing the size and scale of our business operations, Kamps conducted an initial baseline carbon footprint assessment to understand our carbon impact.

A carbon footprint is the total greenhouse gas (GHG) emissions caused by an individual or business entity. By understanding our impact, we can better identify ways in which we can reduce our overall footprint. We calculated our operational carbon footprint by collecting data for the following GHG emissions sources found across our business:

### Scope 1

- **Stationary Combustion** of natural gas and propane gas.
- **Mobile Sources** of combustion, primarily diesel fuel, to power our fleet of vehicles.

### Scope 2

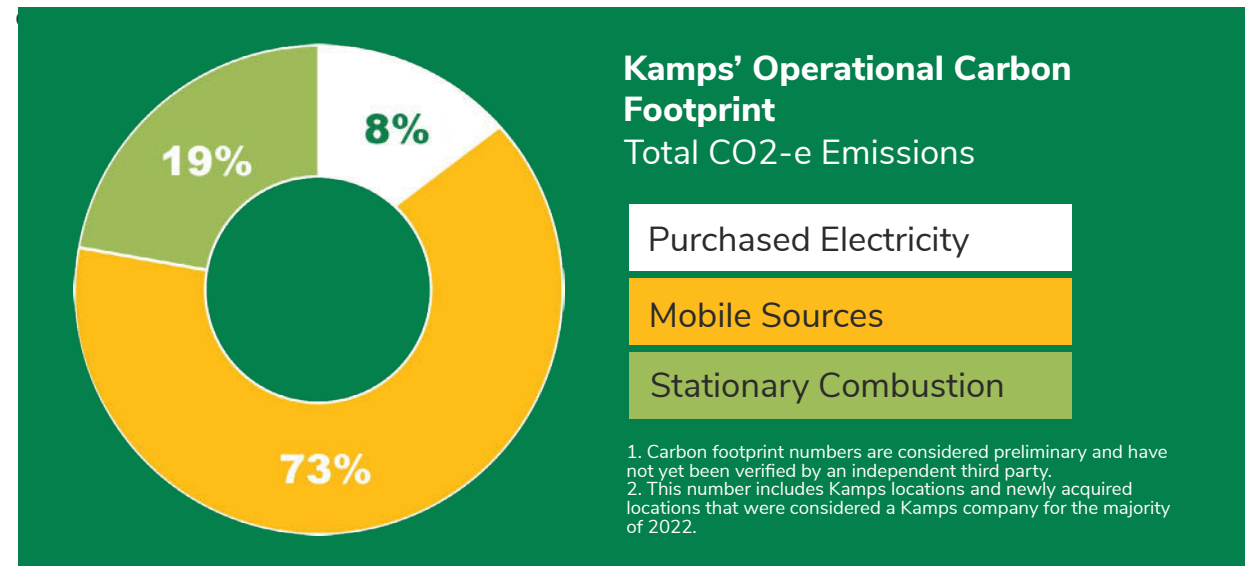
- **Purchased Electricity** across our portfolio of facilities.

The results of our operational carbon footprint analysis revealed that during calendar year 2022, Kamps emitted approximately 46,000 metric tons CO<sub>2</sub>-e. By recycling over 199 million pallets through Kamps owned facilities, approximately 0.23 kilograms of CO<sub>2</sub>-e are emitted for every pallet recycled, lower than the industry average.<sup>2</sup>

The analysis of our carbon footprint by source is illustrated below in Figure 1, which demonstrates that more than half of our operational carbon footprint can be attributed to fuel consumption associated with Kamps Logistics fleet operations. To lower these emissions, Kamps Logistics has partnered with a national communications and SaaS company to track fleet performance to help with route optimization. In 2021, the overall route time decreased by 15%. In 2022 the overall route time increased by 1.63%. Total miles traveled by also increased by ~80%.

Kamps investigated the reasons for the increase in overall route time. Our findings

were that the majority of the increases came from newly acquired locations in their first 1-3 years utilizing Kamps Logistics. Expanding our geographic area of service and increasing the number of pickups and deliveries also played a significant role. For example, our overall pickups and deliveries increased by 32%, while our overall route time only increased by 1.63%. Kamps expects our strategy of comprehensively integrating acquired locations onto Kamps systems and standards to yield positive results in the coming years. We also intend to investigate additional ways in which we can economically reduce our footprint.







## Our Carbon Off-Sets

The amount of carbon that is emitted during the process of a repairing or remanufacturing a pallet is significantly lower than building a new pallet.

Kamps' carbon off-set strategy is largely driven by this difference, with a focus on extending the life of a pallet to its maximum potential through minimal carbon emissions. The second component to our carbon off-set strategy is landfill avoidance for our scrap and end-of-life pallets. By finding an environmentally sustainable alternative to these pallets, Kamps offsets carbon emissions that are in accordance to EPA's WARM model.

In 2022, Kamps recycled over 390 million pallets across all locations. This volume includes the Kamps national network, as well as historical annual data for acquired locations post Kamps acquisition. The carbon off-sets represented in Figure 1 represent these figures.

To paint a true picture of our carbon emission off-sets in relations to our footprint, Kamps also conducted a carbon handprint analysis specific to our company owned facilities during Kamps owned and operated periods in 2022.

In our handprint case, we have focused our initial analysis on two products: recycled wooden pallets and mulch. The analysis compares the GHG emissions associated with producing a refurbished or remanufactured wooden pallet and with grinding mulch from scrap pallet pieces (i.e., Kamps' carbon footprint) with the GHG emissions associated with producing a brand-new wooden pallet with virgin materials and with producing mulch from virgin wood.

Kamps utilized the latest research available to calculate the baseline emissions associated with manufacturing virgin pallets and to assume that a new wooden stringer pallet will last approximately 24 trips. Based on Kamps' refurbishment process, it has been assumed that a remanufactured pallet (i.e., a pallet built from 'like-new' components) and a refurbished like-new pallet (i.e., a pallet that requires minimal repairs) will have the same trip life as a new wooden pallet, and that a refurbished pallet will last half the trip life of a new pallet.

### 2022 Carbon Off-Set Scorecard

Pallets Recycled in 2022

**390,000,000**<sup>1</sup>

Carbon Off-Set  
**10,309,336**<sup>2</sup> Tons



1. Approximation based on Kamps national network, including historical annual data post Kamps acquisition.

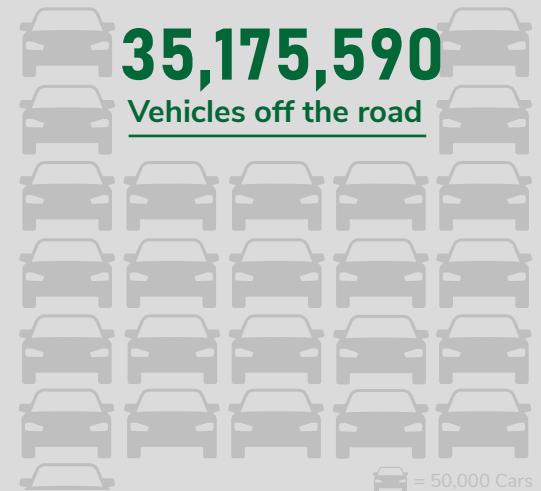
2. Based on Version 13 of EPA's WARM model for dimensional lumber.

### Perspective

Our 2022 Carbon off-sets is equivalent to taking

**35,175,590**

Vehicles off the road



1. This assumes the average gasoline vehicle on the road today has a fuel economy of about 22.0 miles per gallon and drives around 11,500 miles per year (Source: EPA)



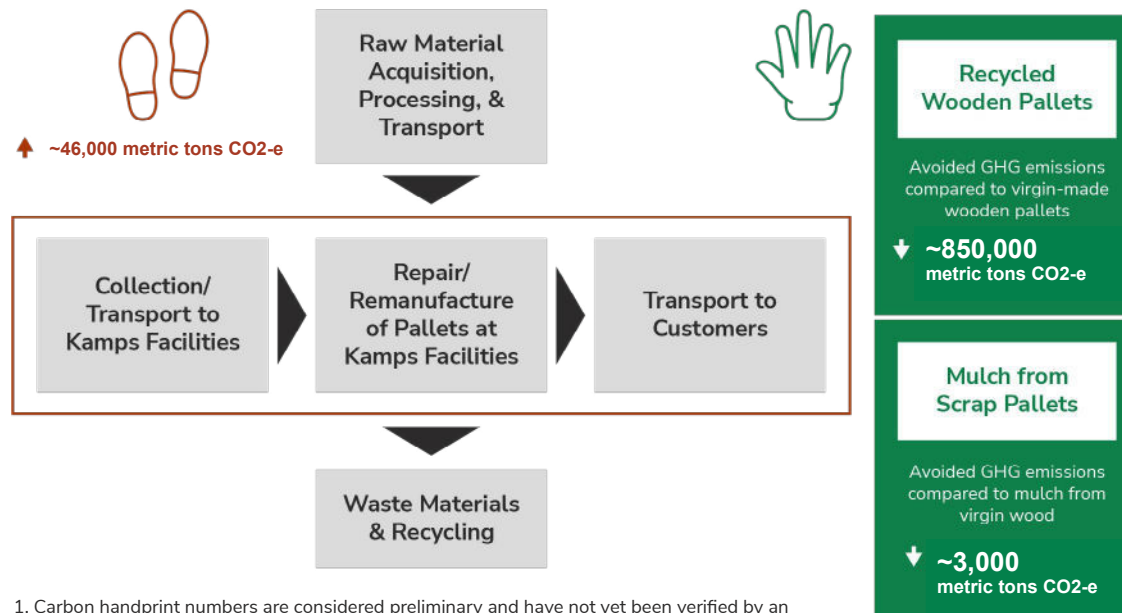
## Our Carbon Off-Sets

Kamps has estimated that by recycling 199M+ pallets through our Kamps owned and operated facilities in 2022 (which displaces the need to procure a new pallet) and forecasting over a 24-trip period, which represents the useful life of a new wooden pallet, our business contributes to the avoidance of over 850,000 metric tons CO<sub>2</sub>-e of GHG emissions over this timeframe. And by producing close to 1M cubic yards of mulch from scrap pallet pieces, Kamps avoided approximately 3,000 metric tons CO<sub>2</sub>-e of GHG

emissions. In 2022, we intended to incorporate this methodology into our Green Scorecard carbon calculations instead of the WARM model. However, we were not successful as the EPD does not take into account all environmental factors of the pallet recycling process. Kamps is making a pledge to take an active role in the EPD committee and will be working with our industry partners in 2023 and 2024 to ensure the EPD is usable in our Green Scorecard calculations and methodology.



### Illustration of Kamps' Carbon Footprint and Handprint Boundaries



1. Carbon handprint numbers are considered preliminary and have not yet been verified by an independent third party.
2. Wooden Pallets Environmental Product Declaration #4789545901.101; USDA Cradle-to-Grave Life-Cycle Assessment of Wooden Pallet Production in the United States, November 2020.



# Auxiliary Initiatives

## EnviroCycle

As Kamps' impact continues to scale through strategic acquisitions, we have expanded our capabilities to cover larger waste streams and thereby increase the opportunity for positive environmental impact.

Following our acquisition of L&R Pallet, Inc., Kamps now has the ability to recycle aluminum, cardboard, paper, and plastic via L&R's EnviroCycle program.

### Monthly volumes of waste:

- 362 tons of OCC
- 18 tons of LDPE
- 24 tons of recycled aluminum

OCC = old corrugated cardboard  
LDPE = low density polyethylene

## E-Waste

As a recycler and steward of environmental sustainability, we are conscious about the waste we generate from all of our waste streams as well.

Currently, Kamps Pallets contracts with a National E-Waste Recycler to handle the proper disposal of electronic waste and retired office equipment. The E-Waste Recycler pulls valuable metals that have yet to meet their end of life out of electronic equipment and finds value streams in which they can be re-purposed or re-used. This E-Waste disposal process has been taking place since 2014.

In 2022, Kamps Pallets recycled more than 1,500 pounds of E-Waste that would have otherwise ended up in a landfill.

## Kamps Green Scorecard

To better understand our environmental impacts, we track our pallet recycling efforts using our Green Scorecard. Every pallet that we recondition, repurpose, or grind into mulch is recorded and its savings on our environment is reflected in trees saved, metric tons of harmful CO<sub>2</sub>-e emissions avoided, and tons of used lumber landfill waste diverted.

Each customer of Kamps will receive a personalized Green Scorecard, which will provide data on the impact their business has made on the planet by using Kamps as a strategic partner and by participating in our repair and return programs, or simply selling used pallets to Kamps.







# 2023 Achievements and Forward Looking Initiatives

Kamps is proud of the work we have achieved in 2022 and prove to make more progress in the 2023 calendar year.

Some of our achievements include:

Transitioning our facilities to LED light to support energy and cost savings. Several plants are also in the process of implementing motion-censored lighting

Partner with the Reusable Packaging Association (RPA) to deepen our relationship with leading trade organizations. Harness the opportunity to present our innovative comprehensive pallet life-cycle management model to a wider audience in the RPA learning pavilion during PackExpo.

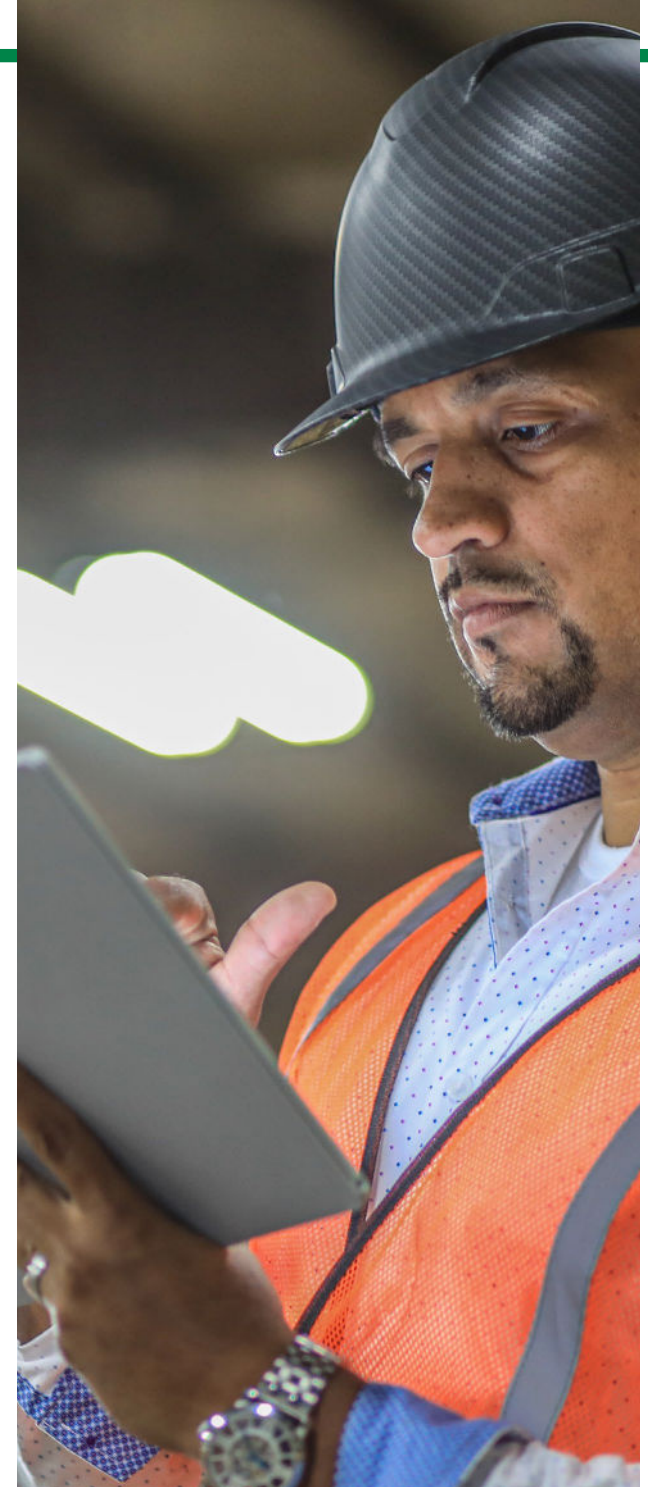
Partner with organizations such as OneTreePlanted to further increase the positive effects we have on our planet and forests.

Expand our Kamps Pallets Portal to a wider customer base to save an increased amount of paper. Currently based on 2022 figures, our Portal saves on average 250 pieces of paper per day due to its automation and digital invoicing capabilities.

Continue to nurture a culture of giving back to our community and environment with incentives for all employees to volunteer within their community.

While Kamps has several environmental programs underway, we recognize there is always more work to be done. Kamps will leverage the findings of our first baseline carbon footprint assessment to further identify energy savings opportunities.

One particular focus for Kamps is the implementation of a Sustainability Fund that will put aside dedicated funds to support the implementation of both internal sustainability related programs and external projects among the local community.



# SASB Index

Topic	Accounting Metric	Category	Unit of Measure	Response	Code
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	Metric tons (t) CO2-e, Percentage (%)	45,426	RT-CP-110a.1
	Discussion of long-term and short-term strategy or plan to manager Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and analysis	N/A	Kamps will continue expanding our partnership with Verizon Connect to optimize our fleet across all locations. We intend to continue investigating additional ways in which we can efficiently and economically reduce our Scope 1 emissions.	RT-CP-110a.2
Air Quality	Air emissions of the following pollutants: 1) NOx, excluding N2O, 2) SO, 3) volatile organic compounds (VOCs), and 4) particulate matter	Quantitative	Metric tons (t)		RT-CP-120a.1
Energy Management	1) Total energy consumed, 2) percentage grid electricity, 3) percentage renewable, 4) total self-generated energy	Quantitative	Gigajoules (GJ), Percentage (%)	1) 35,368 , 2) 100%, 3) 0%, 4)0%	RT-CP-130a.1
Water Management	1) Total water withdrawn, 2) total water consumed, 3) percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m3), percentage (%)		RT-CP-140a.1
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Quantitative	Number	We actively manage industrial stormwater plans at facilities where it is necessary based on industrial activities, in order to minimize risks of contaminating the local watersheds with any materials from our production process (such as sawdust, spray paint, etc.).	RT-CP-140a.2
	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Quantitative	Number	Zero documented instances of non-compliance with water quality permits, standards, and regulations in 2022.	RT-CP-140a.3
Waste Management	Amount of hazardous waste generated; percentage recycled	Quantitative	Metric tons (t), Percentage (%)		RT-CP-150a.1
Product Safety	Number of recalls issues, total units recalled	Quantitative	Number		RT-CP-250a.1
	Discussion of process to identify and manage emerging materials and chemicals of concern	Discussion and analysis	n/a		RT-CP-250a.2

# SASB Index

Topic	Accounting Metric	Category	Unit of Measure	Response	Code
Product Lifecycle Management	Percentage of raw materials from 1) recycled content, 2) renewable resources, and 3) renewable and recycled content	Quantitative	Percentage (%) by weight	1) 93%, 2) 99%, 3) 99%	RT-CP-410a.1
	Revenue from products that are reusable, recyclable, and/or compostable	Quantitative	Reporting currency	100%	RT-CP-410a.2
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and analysis	n/a	As a leading pallet recycler, there are significant advantages to the environment and our partners that come as a result of Kamps increasing our capacity and size. In 2022, we have invested considerable capital and time into growing our Asset-Based network and equipping our existing locations with the latest machinery, standards, and practices to ensure we can increase our capacity while staying in-line with our mission of minimal environmental impact. We have also increased our capabilities in regards to turning scrap wood materials, often discarded waste, into usable byproducts. This allows us to guarantee zero wood waste for our customers.	RT-CP-410a.3
Supply Chain Management	Total wood fiber procured, percentage from certified sources	Quantitative	Metric tons (t), Percentage (%)		RT-CP-430a.1
	Total aluminum purchased, percentage from certified sources	Quantitative	Metric tons (t) CO2-e, Percentage (%)		RT-CP-430a.2

Activity Metric	Category	Unit of Measure	Response	Code
Amount of production, by substrate	Quantitative	Metric tons (t)		RT-CP-000.A
Percentage of production as 1) paper/wood, 2) glass, 3) metal, and 4) plastic	Quantitative	Percentage (%), by revenue		RT-CP-000.B
Number of employees	Quantitative	Number		RT-CP-000.C



# UN Sustainable Development Goals

In 2015, the United Nations (UN) held the “2030 Agenda for Sustainable Development” which unveiled the UN SDGs. The SDGs are 17 principles that balance social, economic, and environmental sustainability.

Kamps is focused on four SDGs as we continue to drive a greener tomorrow.

## 07: Affordable & Clean Energy

Biofuel initiatives.

## 12: Responsible Consumption & Production

E-Waste initiatives

Renewable Energy

Overall recycling operations

## 13: Climate Action

Overall recycling operations

## 15: Life on Land

Landfill avoidance initiatives

Responsible forestry initiatives



For more information on the SDGs, visit

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



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