



2011 Corporate Responsibility Report

We will revolutionize
the way people enjoy
food and beverages
everywhere.



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SCOPE

In our third annual Corporate Responsibility Report, we have continued to map out and expand our scope. This report covers the environmental and social impacts associated with both the manufacturing and transportation of our products and our global business operations including office operations and employee travel and commuting. We have expanded our scope this year to include the main packaging supplier to our manufacturing partners, SUB 1, and our new Amsterdam office which opened in December of 2010. We continue to track and monitor our impact against our Key Performance Indicators, the fifteen areas we believe are most material to our business operations.

This report follows the Global Reporting Initiative's 3.1 reporting tool, and adheres to the operational control GHG and Resource Accounting Method. Our reporting period is January 1, 2011 to December 31, 2011.

PMI'S STRATEGIC PILLARS

INNOVATION

We are a brand-focused company driven by product innovation that excites our customers and consumers.

CULTURE/PEOPLE

Our core values and unique culture make PMI a place where talented people become part of a collaborative team that accelerates personal and business growth and success.

SOCIAL RESPONSIBILITY

We conduct ourselves ethically and responsibly. We ensure that people who produce our products are treated with dignity and respect in a safe and healthy work environment. We give back to the communities in which we do business.

ENVIRONMENTAL STEWARDSHIP

We are committed to being good stewards of our environment by leading our industry in manufacturing methods, use of materials, and human interactions that reduce waste and our carbon footprint.

COMMITMENT TO EXCELLENCE

We are committed to world class supply chain standards and operating excellence in sales, product development, marketing, and all that we do.

Key Performance Indicators

INNOVATION
Percent of fully recyclable products
Percent of products made from recycled material
Percent of products designed for disassembly
CULTURE / PEOPLE
Diversity - North American Offices
Corporate Philanthropy
Volunteer Hours
SOCIAL RESPONSIBILITY
Code of Conduct (COC) Compliance
Worker Retention - Factories
Injuries - Factories
ENVIRONMENTAL STEWARDSHIP
Energy Use
Greenhouse Gas (GHG) Emissions
Water Use
Water Recycling
Waste
Waste Recycling



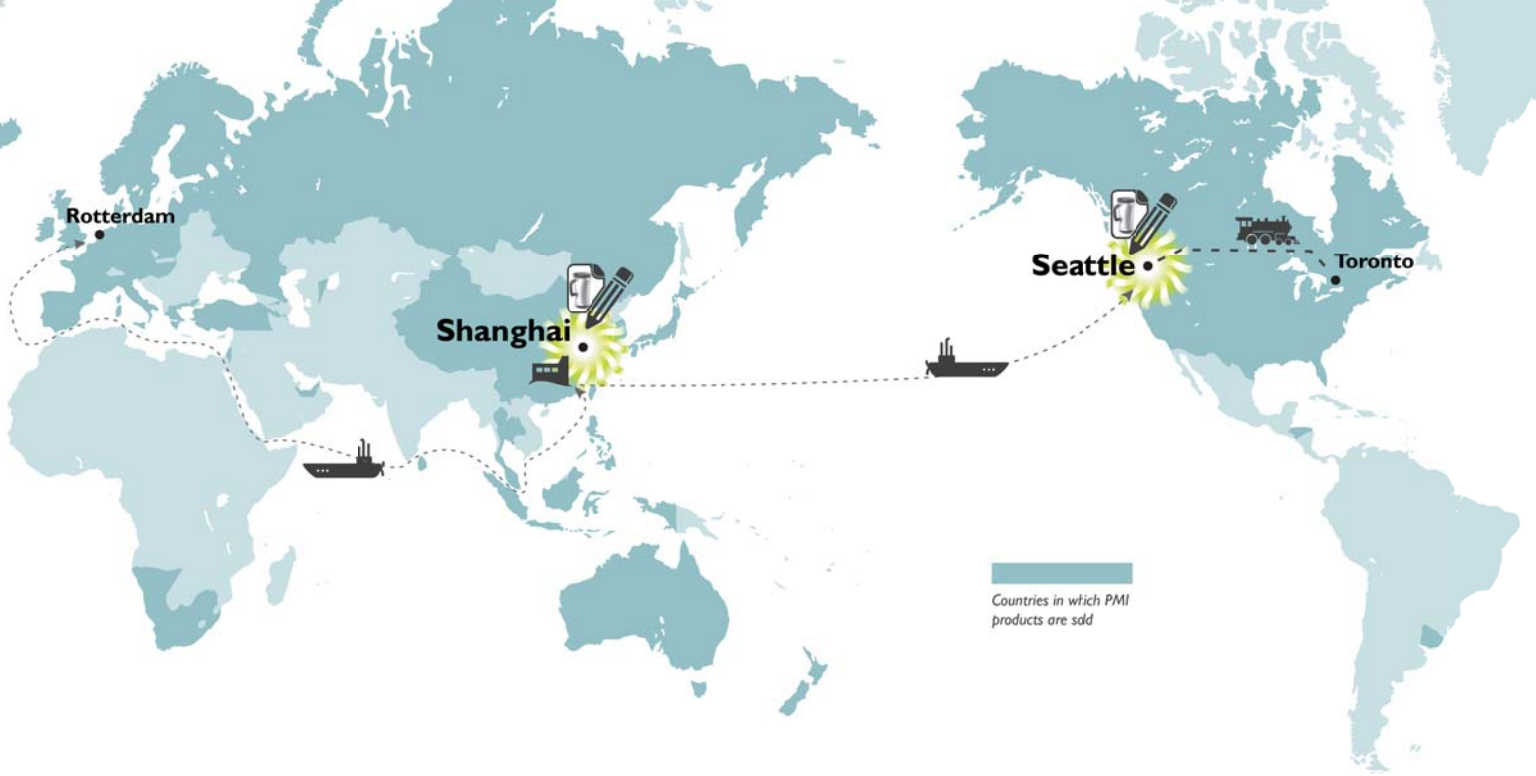
We believe we can transform the way people experience food and beverage with the products we create. We also believe we can change the world on the basis of how we create our products. As a company, it's sometimes hard to relate to the concepts of environmental responsibility and social consciousness in each area of our business practices, but that is changing. We are becoming more aware of our responsibility to our communities, not just on a local level but to our larger global community. Our responsibility does not end at our borders; it ends within the bounds of humanity and life in general. PMI is a small company with big dreams. Dreams to be the best at what we do; dreams to use our product category as a method of making a positive impact on the planet.

Realizing these dreams begins with great products—products that consumers can trust. We innovate products that first and foremost meet the functional promises made with each product. This means trusting our instincts when it comes to design and manufacturing. Our Corporate Responsibility program utilizes this same sense of innovation in order to meet the urgency of global challenges. In designing and creating solutions for customers we strive to understand how our current solutions measure up to our goal of providing more sustainable products. We continually reinforce our understanding of global challenges and how we can broaden solutions and redefine markets.

With one eye on global challenges, we also watch and respond to issues in each market we operate in. Increasingly, we realize the need for our Corporate Responsibility programs to support the ability of business units, joint-venture partners, and suppliers to recognize issues that present risks and opportunities, and develop local solutions.

In the coming pages you will see our progress on our key performance indicators, the areas we are focused on improving and our commitment to innovating creative solutions. We thank you for walking with us in our journey.

Robert M. Harris
Founder & CEO



OUR PRODUCTS

At PMI, we are the innovators, designers, and manufacturers of reusable food and beverage products which are used around the world. Our designs for Stanley®, Aladdin®, and MiGo® come from our Seattle and Shanghai teams, which work together with our manufacturing partners to take an idea from design phase to a usable product. Finished goods are shipped to one of our three distribution centers and then to retailers around the world. In 2011, we brought twenty-seven new products to market across our three brands.

PRODUCT STEWARDSHIP

We are committed to creating innovative products that excite our customers and consumers. Part of this innovation focuses on designs that reduce the environmental impact of our products. While this is our goal, we realize there is a lot of room to grow. In late 2011, we purchased Life Cycle Assessment software to better understand the impact of our products and how we can fuel stewardship in our design.

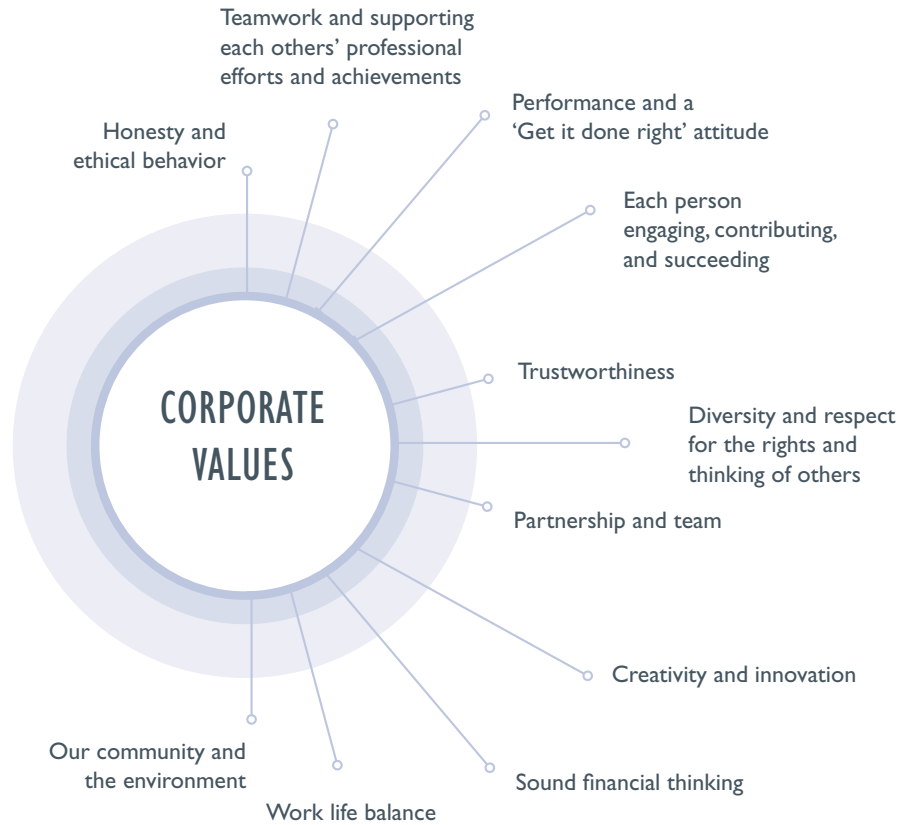


SUSTAINABLE PRODUCTS		Aladdin®		Stanley®	
		2010	2011	2010	2011
	Percent of our in-line product collection that is fully recyclable	18%	15%	12%	21%
	Percent of our in-line product collection that is made from recycled material	18%	16%	14%	15%
	Percent of our in-line product collection that is designed for disassembly	0%	0%	7%	9%

In 2011, Aladdin expanded our core product line with products that do not utilize recycled or recyclable materials. This resulted in a drop in percentages.

OUR PEOPLE

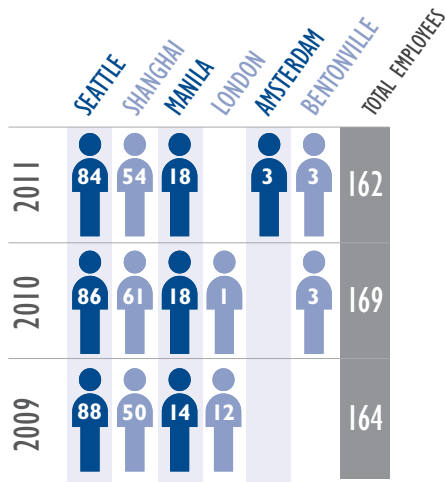
At PMI we realize that our success as a company and our ability to drive our social responsibility and environmental stewardship work forward depends on our people. We work hard to maintain a culture grounded on our values, which is unique, inspiring, embraces diversity, and encourages growth.



AWARDS WON IN 2011

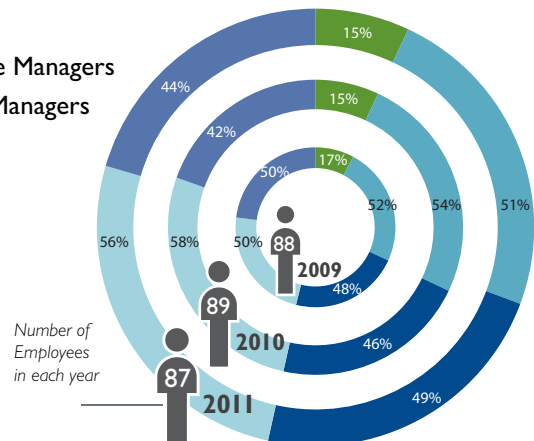
Seattle Metropolitan Magazine Top 20 Best Companies to Work for In Seattle • Outside Magazine Best Places to Work Inc. 5000 Fastest Growing Private Companies Award • 2011 Product of the Year Award – Silver Winner, Aladdin Bento Box Seattle Business Green 50 Award • Housewares Design Award Finalist: Aladdin Chill Lunch Collection

EMPLOYEES PER OFFICE



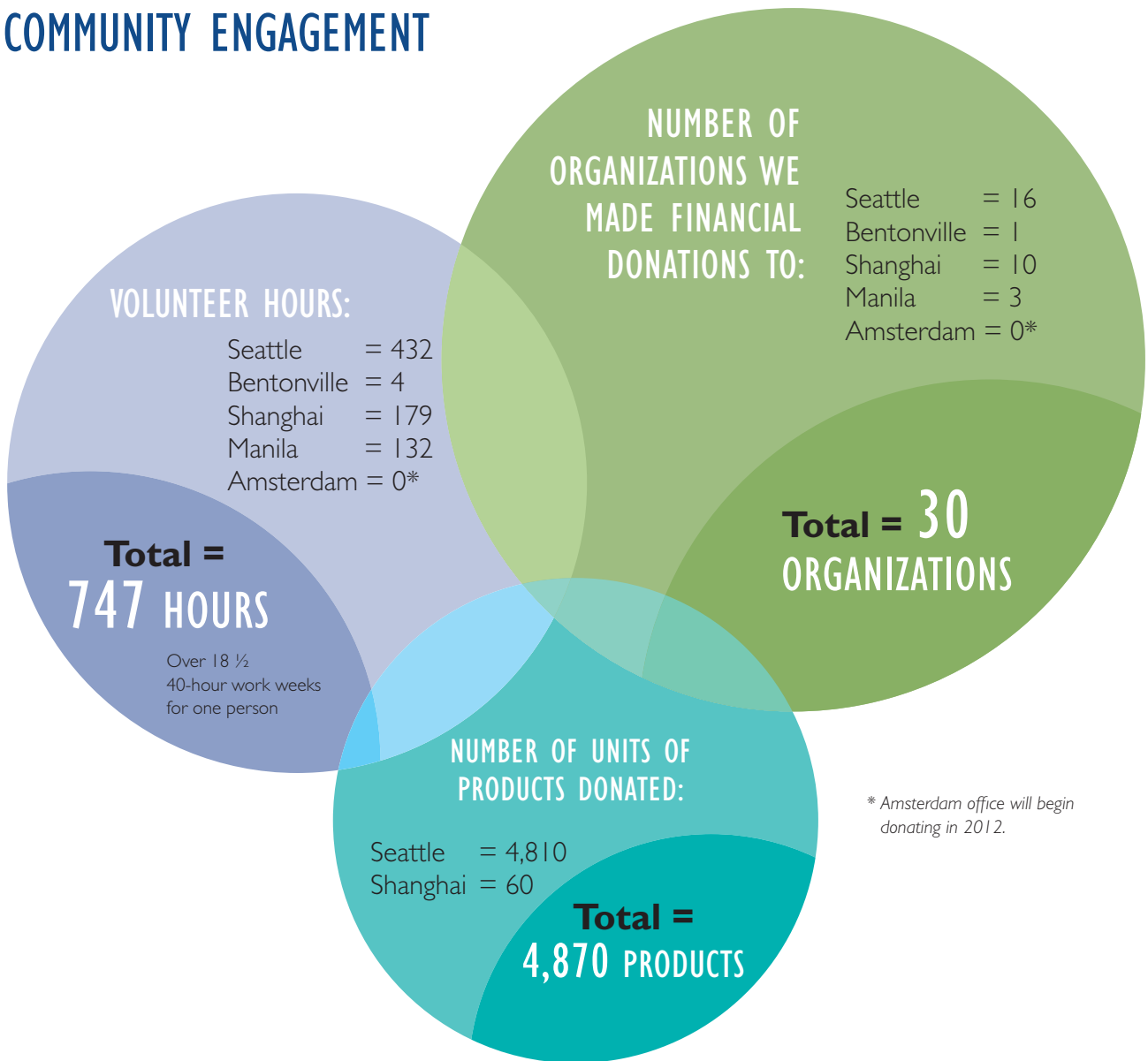
DIVERSITY - NORTH AMERICA

- % Percent of Minority Representation
- % Female
- % Male
- % Female Managers
- % Male Managers



38% OF EMPLOYEES HAVE WORKED AT PMI FOR 5+ YEARS

COMMUNITY ENGAGEMENT



COMMUNITY ENGAGEMENT

Our impact goes beyond the four walls of our offices and suppliers into the communities where we work and play. We are committed to using our resources to give back to these communities. **As a company, we donate 1% of our pre-tax profits to organizations supporting children, education, and the environment.** Along with company led donations, we also have programs which empower employees to be involved with the organizations they are passionate about. Each quarter PMI donates to an organization nominated and voted on by employees at each office through our Grassroots Giving Program. Employees are also given one paid volunteer day per year.

In 2011 we expanded our program by developing an engagement strategy for our brands. In 2012 our brands will be developing partnerships with organizations to create a greater social impact in our business.

SOCIAL RESPONSIBILITY

Our commitment to responsible and ethical manufacturing drives our sourcing practices. Since we implemented our Code of Conduct in 1998, we have worked with our suppliers towards continuous improvement. As a result, we can confidently say that our products are Ethically Made in China.

WHAT DOES “ETHICALLY MADE IN CHINA” MEAN?

We are dedicated to doing business ethically and making good business decisions that champion the cause of human dignity and consideration for the environment as embodied in our Code of Conduct.

PMI is deeply rooted in human values and committed to ethical behavior, education, sustainability, and good business practices. We put our values into practice through our commitment to Corporate Responsibility and in our operations through our Code of Conduct. We know that “doing business right” is the right way to do business.

Our suppliers must comply with our Code of Conduct which includes guidelines on labor, wages, working hours, working conditions, and health and safety. We use third-party auditors to ensure unbiased monitoring. Over the years we have tightened our supplier base, phasing out of factories that do not comply with our zero tolerance requirements.

WHAT FACTORS DETERMINE OUR SUPPLIER LOCATIONS?

PMI is a global company that designs, produces, and markets products for customers around the world. Our manufacturing partners bring designs to life and we take many things into consideration when choosing to partner with a supplier including quality, capacity, costing, social responsibility, and a commitment to reducing environmental impact. In 2011, the concentration of our suppliers were in China. We have been manufacturing in China since 1983 and have developed long term partnerships. We manage our suppliers in China with the same diligence and oversight that we give to each supplier that manufactures for PMI around the world. As we expand our product lines we are continually looking for new suppliers we can confidently partner with to maintain our quality, social compliance, and environmental standards.

RETENTION RATES

RATE	PMI JO	FACTORY A	FACTORY B	SUB I
2011	95%	92%	95%	93%
2010	91%	96%	83%	
2009	89%			



INJURY RATES

RATE	PMI JO	FACTORY A	FACTORY B	SUB I
2011	0.6%	6.0%	4.5%	4.6%
2010	1.1%	2.1%	0.9%	
2009	1.4%			

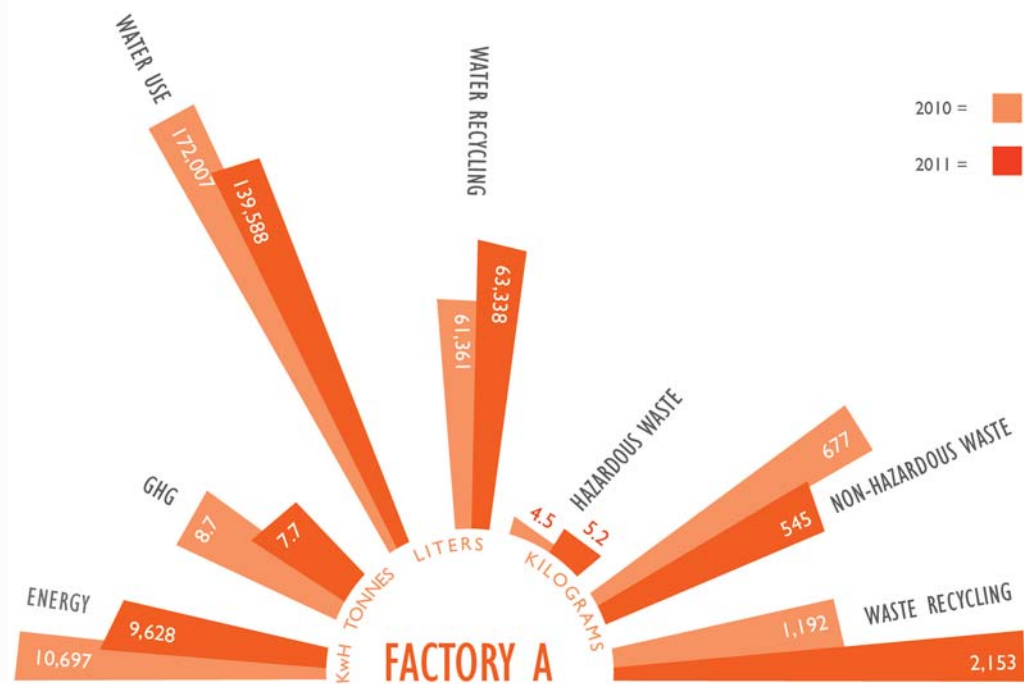
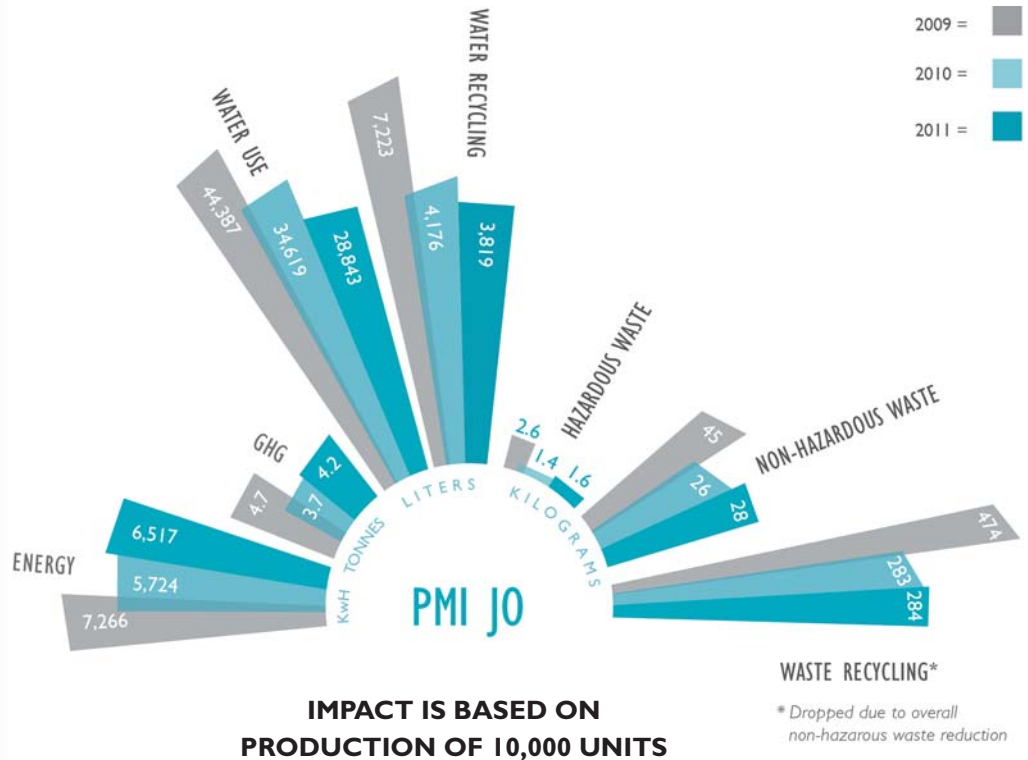
ENVIRONMENTAL STEWARDSHIP

INTENSITY METRICS

We are continually working to better understand our environmental impact and how to best capture that impact and report on it in a meaningful and transparent way. In 2011, we implemented systems that made our calculations and reporting more efficient. After both internal and external stakeholder engagement, we decided to report our intensity metrics based on the production of 10,000 units, a realistic production run.

We base our impact on our production levels at the suppliers we use. The percent of a supplier's production that is for our products is the percent of resource use we claim. We divide this allocation by the number of units that we shipped from the supplier to calculate the impact of producing 10,000 units

This scoping method gives great insight to PMI's impact but can lead to facility wide trends going unrecognized. For example, while PMI's impact at **PMI JO** rose slightly in 2011, the factory as a whole has seen reductions in energy, carbon emissions, water, and waste.





Energy = kwh used

GHG = tonnes of greenhouse gasses released

Water Use = liters of water used

Water Recycling = liters of water reused

Hazardous Waste = kilograms of hazardous waste generated

Non-Hazardous Waste = kilograms of non-hazardous waste generated

Waste Recycling = kilograms of waste diverted from landfill

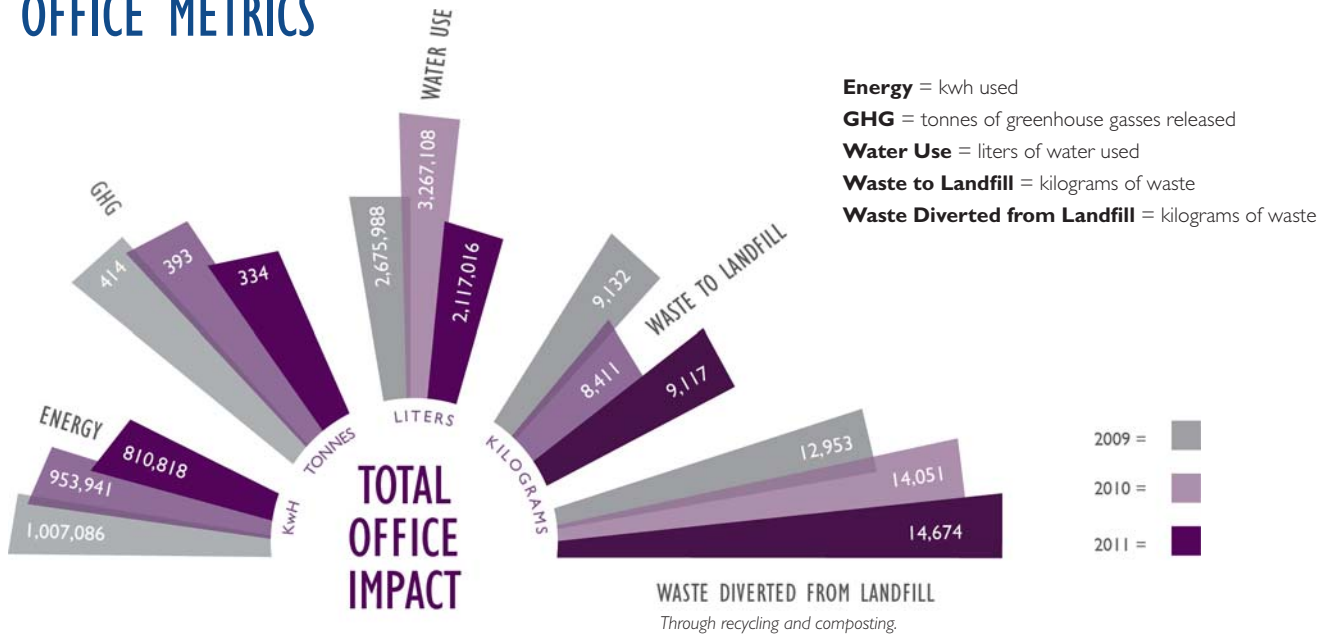


In 2010, PMI JO participated in an energy efficiency project to better understand what investments could be made to reduce energy use and GHG emissions. After completing the project, we worked throughout 2011 to understand the return on investment (ROI) from these upgrades and make projections for future savings. We worked with the Haas School of Business at UC Berkeley to develop a tool which we could use with all of our suppliers.

PMI JO has seen such a great impact that they have continued making investments in machine upgrades and energy efficient lighting. Their ability to attach financial payback to good business practices inspired us to work with our other suppliers on similar projects. In 2012, we plan on working with one of our stainless steel manufacturers and will continue to work with our other suppliers to lower resource consumption.

One area we have seen great progress is overall water reduction. In our 2012 report we will report with greater detail on this and our other environmental KPIs.

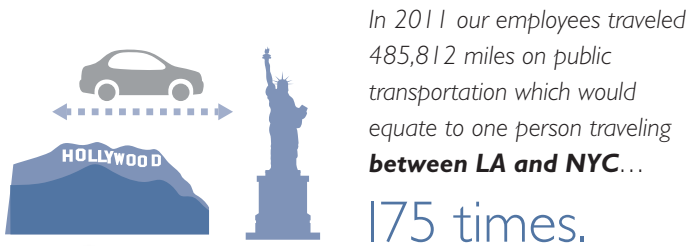
OFFICE METRICS



In 2011, we performed an analysis of the data we receive from our offices. Due to some ambiguity in the data, we calculated our impact using the most accurate data we are able to gather from our Headquarters. We determined the impact associated with each employee at our Headquarters and extrapolated this out across our global offices to calculate our total office impact.

TRAVEL AND COMMUTING

In 2011 we continued tracking our employee commuting and began tracking employee air travel. As we track this data, we are working to better understand how and where we can make reductions.



TOTAL PRIVATE AND PUBLIC TRANSPORTATION =
795,387 miles

CARBON FOR ROAD TRAVEL =
188.22 tonnes CO₂e



1,417,280 air miles

CARBON FOR AIR TRAVEL =
335.33 Tonnes CO₂e

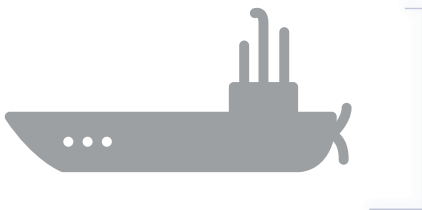
FREIGHT

Having a global customer base requires shipment of our products all over the world. Using the OOCL Carbon Calculator we are able to calculate the impact of shipping goods from PMI JO, Factory A and Factory B to the Rotterdam, Seattle, and Vancouver ports.

RATE	PMI JO*	FACTORY A*	FACTORY B*	TOTAL TONNES CO ₂ e	TOTAL TEUs SHIPPED
2011	704	113	21	839	1069
2010	582	145	53	779	1,002
2009	409	—	—	409	528

TEU = Twenty-Foot Equivalent Unit, based on the volume of a Twenty-foot-long container

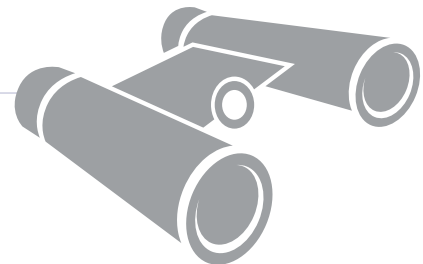
*Tonnes of CO₂e



CARBON FOR FREIGHT SHIPMENTS = 839 tonnes CO₂e

LOOKING AHEAD

“This work is transformative: it better the lives of employees, lightens the strain on resources and our planet, and brings us closer to our communities.”



Corporate Responsibility

is a strategic driver for us as we transform the way people experience food and beverage, and it will continue to distinguish our products from others in the market. This is true for many of our customers as well and we are working together to align our work to accomplish great change.

As we continue our work in 2012, we have our sights set high to not only make our products and processes more sustainable but also to use our products and partnerships to make a positive impact in our world. We are excited about the future of the work we are doing internally including expanding our community engagement program, driving social and environmental investments through our return on investment analysis, and partnering with our primary stainless steel manufacturing partner to complete an energy efficiency project.

We are equally excited about the work we are doing with our customers and industry to accomplish big and lasting change. In 2012, we will continue our involvement with our customers and the various programs we work on together; many at a supplier level in partnership with InFact and BSR. We will deepen our involvement with the Outdoor Industry Association’s Sustainability Working Group and the work being done across the industry to develop methods and tools for companies to adopt environmental and social best practices.

This work is transformative: it better the lives of employees, lightens the strain on resources and our planet, and brings us closer to our communities. We are excited for what the future holds.



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Shanghai



Bentonville & Satellite



Manila



Amsterdam

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To read our Code of Conduct, visit our website at:
www.pmi-worldwide.com

