



Sustainability Report 2025

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Introduction

At Carton Service CSI, LLC, we care deeply about the future of our planet. It is why we've integrated sustainability into our corporate strategy. It is almost a luxury in today's chaotic business environment that includes supply chain challenges, workforce shortages, and a new pandemic paradigm that we can look squarely at the future and plan for reducing our environmental impact. And yet, this "luxury" is, at the moment, one of the most important pieces of business planning we can do. The need for it is urgent, the importance to our children's ability to enjoy the wonders of this earth, particularly their health and security are at stake. We take seriously the statement, "Be the solution, not the pollution" and our efforts lend themselves to this goal.

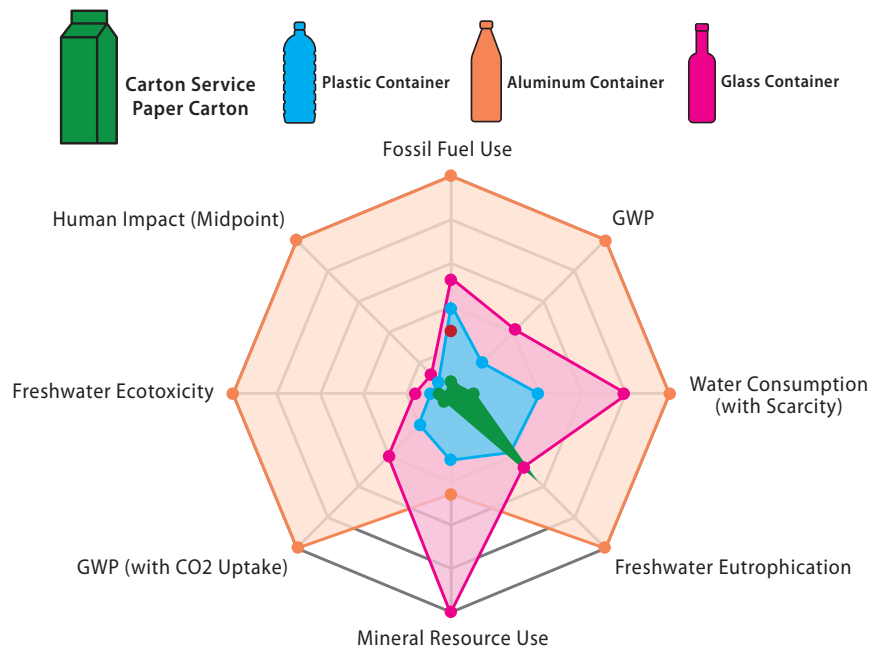
In addition, Carton Service includes self certified small businesses (determined by the SBA's table of small business sizes (found here: <https://www.sba.gov/document/support-table-size-standards>) as part of our supplier network. Our 2025 annual Vendor Partner Survey reveals a diverse size, ownership and a strong commitment to sustainability on the part of our key suppliers.



Advantages of Paper Over Plastic *A Few Statistics To Consider*



Carbon Footprint of Paperboard Versus Other Packaging *Environmental LCA Show Significantly Smaller Impact of Paper*



For this carbon footprint analysis, Carton Service CSI, LLC used the LCA tool, EcoImpact COMPASS data version 2024.1 from Trayak to measure the environmental impacts of various packaging materials. This analysis provides a cradle to grave approach of paper versus plastic, aluminum and glass.

GHG Emissions

Climate Change

By 2030, Carton Service intends to reduce our greenhouse gas emissions by 42%, in line with the goals of the Paris Climate Agreement using science based targets in line with 1.5 degree scenario. Progress has been made from our base year of 2021. 2024 electric use is down 3.17% from our base year and down 3.4% from 2023. All 2024 energy is down -6.32% from our base year and down -6.3% from 2023. We also calculated our market-based electricity use this year and it was 1434 Metric Tons CO2e.

Our energy use does vary with our production mix, but we are on track with a reduction in our Green House Gas Emissions from 2023 of -8%.

Work continues on collecting Scope 3 emissions data with our valued chain of suppliers and customers. In our 2025 vendor survey, we were pleased to find that 50% of our sample group collects Scope 1, 2 and 3 emissions. We are evaluating more automated solutions (eg Greenly) for collecting Scope 3 in 2026.

Carton Service Energy and GHG Emissions Summary

This spreadsheet summarizes Carton Service's energy usage and GHG emissions for FY 2024.

Electricity

	FY 2023	% of Total	FY 2024	% of Total	% Change YoY
Total Electricity Used (KWh)	3,265,275	100%	3,151,756	100%	-3.4%
Franklin Ave site	3,572,135	91.40%	2,968,156	94.10%	-16.9%
Wareham site	153,918	8.60%	183,600	5.80%	16.1%
Electricity Intensity (KWh/ \$USD sales)	0.0932936		0.090050171		

GHG Emissions

Summary of Scope Emissions

	FY 2023	% of Total	FY 2024	% of Total	% Change YoY
Total Scope 1 and 2 Emissions (Metric Tons CO2e)	1,592.23	100%	1,468.70	100%	-9.0%
Scope 1 Emissions (Metric Tons CO2e)	187.57	12%	165.76	-2%	-12.0%
Stationary Combustion	136.63	9%	132.14	9%	-3.28%
Mobile Combustion	24.49	2%	19.39	1%	-19.39%
Refrigerant Emissions	26.45	2%	14.23	2%	-46.0%
Scope 2 Emissions (Metric Tons CO2e)	1,404.66	88%	1,302.94	88%	-7.0%



GHG Emissions

Our Scope 1 and 2 emissions are verified by Keramida, a WBE-Certified leading provider of sustainability and ESG, climate/GHG, environmental, health & safety consulting and engineering services.

Table 1. CY2024 Data Verified by KERAMIDA

GHG Emissions	CO ₂ e (MT)
Scope 1	165.76
Natural Gas	132.14
Mobile Gasoline	3.17
Mobile Diesel	7.00
Mobile Propane	9.22
Refrigerants	14.23
Scope 2	
Electricity (<i>Location-Based</i>)	1,302.94
Electricity (<i>Market-Based</i>)	1,434.00

Waste

	FY 2023	% of Total	FY 2024	% of Total	% Change YoY
Total Waste Generated	5,957,960	100%	5,174,492	100%	-15.00%
Total Waste Recycled	5,115,727	86%	4,484,077	87%	-12%
Total Waste Disposed (Landfilled)	192,840	2%	126,049	2%	35%

Water

	FY 2023	% of Total	FY 2024	% of Total	% Change YoY
Total Water Withdrawal (municipal)	63,900	100%	52,100	100%	-23%
Total Water Use (Water used for cleaning, personal hygiene, etc.)	63,900	100%	52,100	100%	-23%

Carton Service is making improvements to their recycling of unused board and waste. We are down 15% in total waste generated. However, our landfill numbers did increase since we did a major warehouse clean up in 2024 and not all unused materials were suitable for recycling. We expect this number to decrease in our 2025 efforts. Water usage is down 23% from 2023 to 2024.

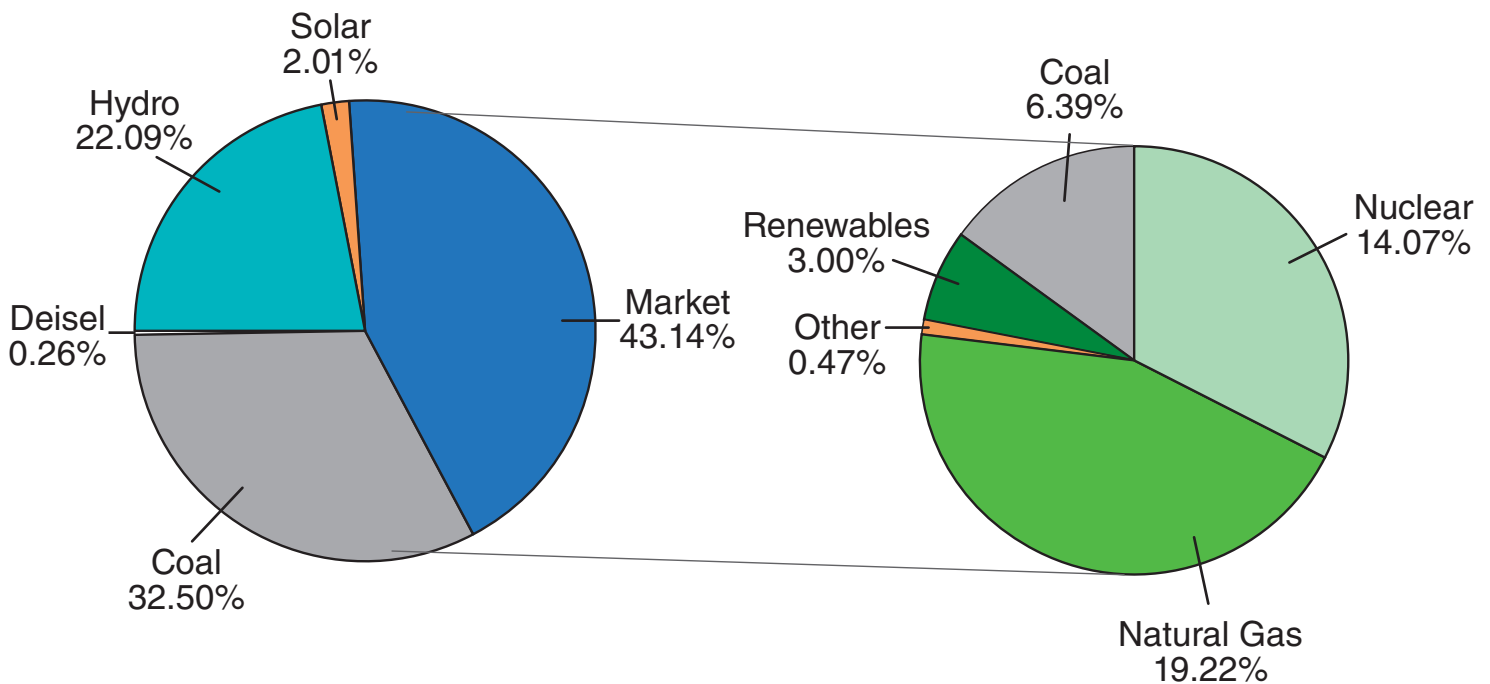


In addition, Carton Service:

- Complies with all applicable environmental regulations
- Prevents pollution whenever possible
- Trains our associates on our environmental program and empowers them to contribute and participate
- Communicates our environmental commitment and efforts to our customers, associates and our community
- Continually improves our environmental performance by setting, reviewing and updating environmental goals

This is the sustainability report from our utilities provider AMP which shows how Shelby, Ohio is fueled by 24.1% renewable energy in 2024.

Fuel Types (prior to REC transactions) = 24.1% renewable



Environmental Policy, Biodiversity & Circularity

Carton Service commits to upholding the integrity of our environment. We focus our efforts in four important areas:

- Employing more efficient production processes
- Reducing our carbon footprint
- Protecting biodiversity
- Contributing to the circular economy by increasing the percentage of technically recyclable products

Carton Service does not just ensure that raw materials are derived from sustainable and renewable resources, but we are actively working to increase recycling rates and supporting the reuse of our packaging. To that end, we are members of the Sustainable Packaging Coalition, serve on the steering committee for the Reusables Collaborative, and participate in many other collaboratives such as the Composting group. We also attend and participate in several thought leadership conferences and we encourage all of our industry affiliates to focus more regularly on “green” packaging in their meeting agendas.



Sustainable Forestry Management & Sourcing



The mark of
responsible forestry

Carton Service has achieved FSC® certification (FSC-C182277) to ensure that the paper-board materials which make up our primary material in our folding cartons and gable top cartons are FSC Mix and Recycled materials. We recognize the central importance of responsible forest management since forest destruction and degradation lead to an increase in atmospheric CO2 concentrations and this can negatively impact our climate and biodiversity. But when managed sustainably, forests can serve as a carbon sink to help address climate change and the corresponding loss of biodiversity.

The paper-based packaging we produce is derived from renewable raw materials. We routinely work with customers to meet their own sustainability targets by:

- Design packaging to reduce material waste
- Encourage the increased use of recycled content
- Encourage the use of FSC® certified materials

We continue to expand capacity in our supply chain. For example, in 2024, seven (7) out of our ten (10) main board suppliers were FSC certified as well as five (5) out of eleven (11) of our film, ink, dies, and finishing vendor partners. 25% of our board purchases in 2024 were FSC-certified. We are pleased to be providing more choices and more opportunities to customers who need to reduce their carbon footprint.



Our Associates

Consistent with our efforts to be the most compliant and competitive folding carton company in America, doing things the right way for the right reasons always is a guiding principle for our associates. We do have several core values that provide a framework for our decision making and that mission statement is shown below. Our associates work hard to keep each other safe at work, to act as good stewards of our natural resources and to show care and concern for their colleagues and our community.



Carton Service CSI, LLC
aims to be the most
compliant and competitive
folding carton company
in America

With focus on green, sustainable packaging services

Majors *(The primary things we all focus on)*



Uptime - All equipment runs at maximum projected speeds 100% of the time



Right The First Time - Our production and documentation is correct and accurate the first time we process it



On Time - Customer orders are shipping on customer required dates



In addition, Carton Service cares about the communities in which our associates live and play. Recent investments include the plaza at Black Fork Commons in Shelby, OH and the Whippet Athletic Complex, also in Shelby, Ohio.



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Carton Service
CSI, LLC



CARTONS



EARTH
Carton Service CSI, LLC