



Sustainability Report

2026





Table of Contents

1. Introduction
2. Climate Change
3. Environmental Policy, Biodiversity and Circularity
4. Sustainable Forestry Management and Sourcing
5. Our Associates

Introduction

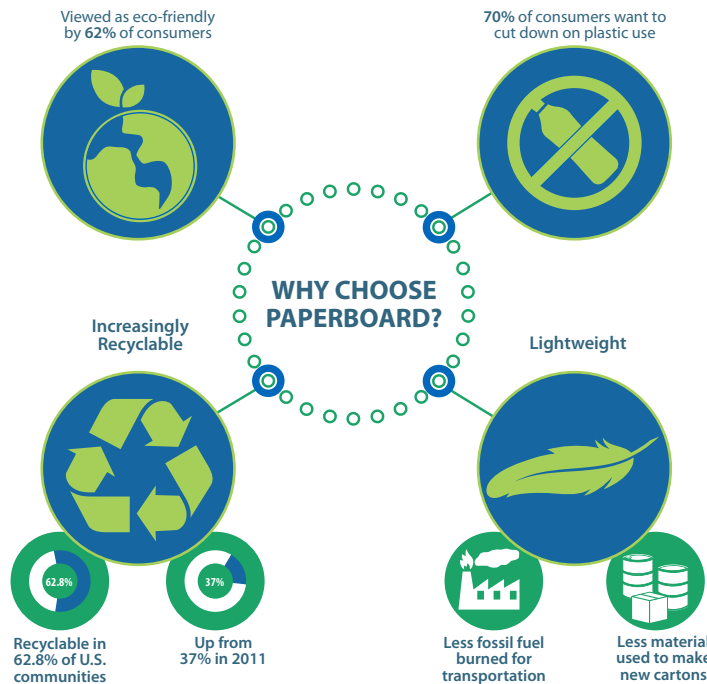
At Carton Service CSI, LLC, we care deeply about the future of our planet. It is why we've integrated sustainability into our corporate strategy. To Carton Service, sustainability is the practice of meeting present needs without compromising the ability of future generations to meet theirs. It balances three core pillars: environmental protection, economic stability, and social equity. It is vital for preserving natural resources, mitigating climate change, and ensuring human survival. Sustainability in business is vital because it protects the bottom line, mitigates long-term risks, and drives innovation.

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.



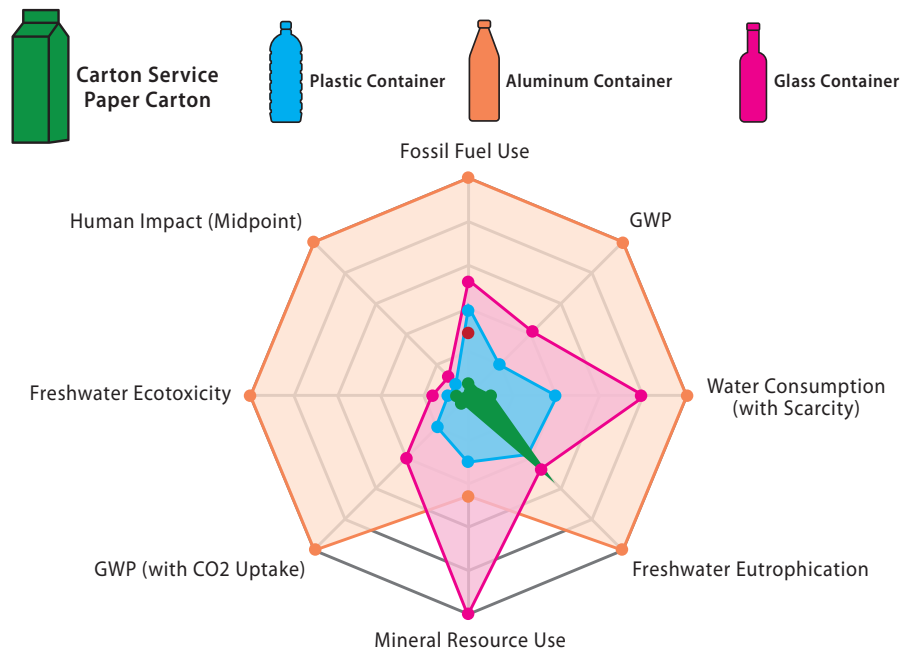
Advantages of Paper Over Plastic

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 the 1.5 degree scenario. Progress has been made from our base year of 2021. 2025 electricity use is down 15.65% and down 12.9% from 2024. All 2025 energy is down 9% from our base year of 2021 and down 5.4% from last year (2024). Our market-based electricity use this year was 1416.47 metric tons CO₂e.

Our energy mix does vary with our production mix, but we are still on track to reduce our Green House Gas Emissions with a small YoY change of 2.51%.

Work continues on our collection of Scope 3 emissions data with our valued chain of suppliers and customers. In our 2025 vendor survey, we were pleased to find that 40% of our sample group collects Scope 1, 2, and 3 emissions. We are evaluating more automated solutions (such as Greenly) for collecting Scope 3 in 2027.

Carton Service Energy and GHG Emissions Summary

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

Electricity

	FY 2024	% of Total	FY 2025	% of Total	% Change YoY
Total Electricity Used (KWh)	3,151,756	100%	2,745,728	100%	-12.9%
Franklin Ave site	2,968,156	94.10%	2,701,428	94.21%	-8.9%
Wareham site	183,600	5.80%	44,300	5.79%	-76.0%
Electricity Intensity (KWh/ \$USD sales)	0.090050171		0.078449371		-13.0%

GHG Emissions

Summary of Scope Emissions

	FY 2024	% of Total	FY 2025	% of Total	% Change YoY
Total Scope 1 and 2 Emissions (Metric Tons CO ₂ e)	1,468.70	100%	1,509.08	100%	2.3%
Scope 1 Emissions (Metric Tons CO₂e)	165.76	11%	198.88	13%	20.0%
Stationary Combustion	132.14	9%	171.71	11%	30.0%
Mobile Combustion	19.39	1%	12.94	1%	33.0%
Refrigerant Emissions	14.23	1%	14.23	1%	0.0%
Scope 2 Emissions (Metric Tons CO₂e)	1,302.94	89%	1,310.20	87%	0.6%
GHG Intensity (Metric Tons CO ₂ e/\$USD sales)	0.00003723		0.00003743		

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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. CY2025 Data Verified by KERAMIDA

GHG Emissions	CO ₂ e (MT)
Scope 1	198.92
Natural Gas	171.71
Mobile Gasoline	4.05
Mobile Diesel	3.24
Mobile Propane	7.41
Refrigerants	12.51
Scope 2	
Electricity (<i>Location-Based</i>)	1,416.47
Electricity (<i>Market-Based</i>)	1,140.85

Waste

	FY 2024	% of Total	FY 2025	% of Total	% Change YoY
Total Waste Generated	4,623,846	100%	4,500,732	100%	-3%
Total Waste Recycled	4,484,077	87%	4,397,666	98%	-2%
Total Waste Disposed (Landfilled)	139,769	2%	103,066	2%	26%

Water

	FY 2024	% of Total	FY 2025	% of Total	% Change YoY
Total Water Withdrawal (municipal)	52,100	100%	45,000	100%	-13.63%
Total Water Use (Water used for cleaning, personal hygiene, etc.)	52,100	100%	45,000	100%	-13.63%

Carton Service is making improvements to our recycling of unused board and waste. We are down 3% in total waste generated and 26% in waste sent to a landfill. Water usage is also down almost 14%.



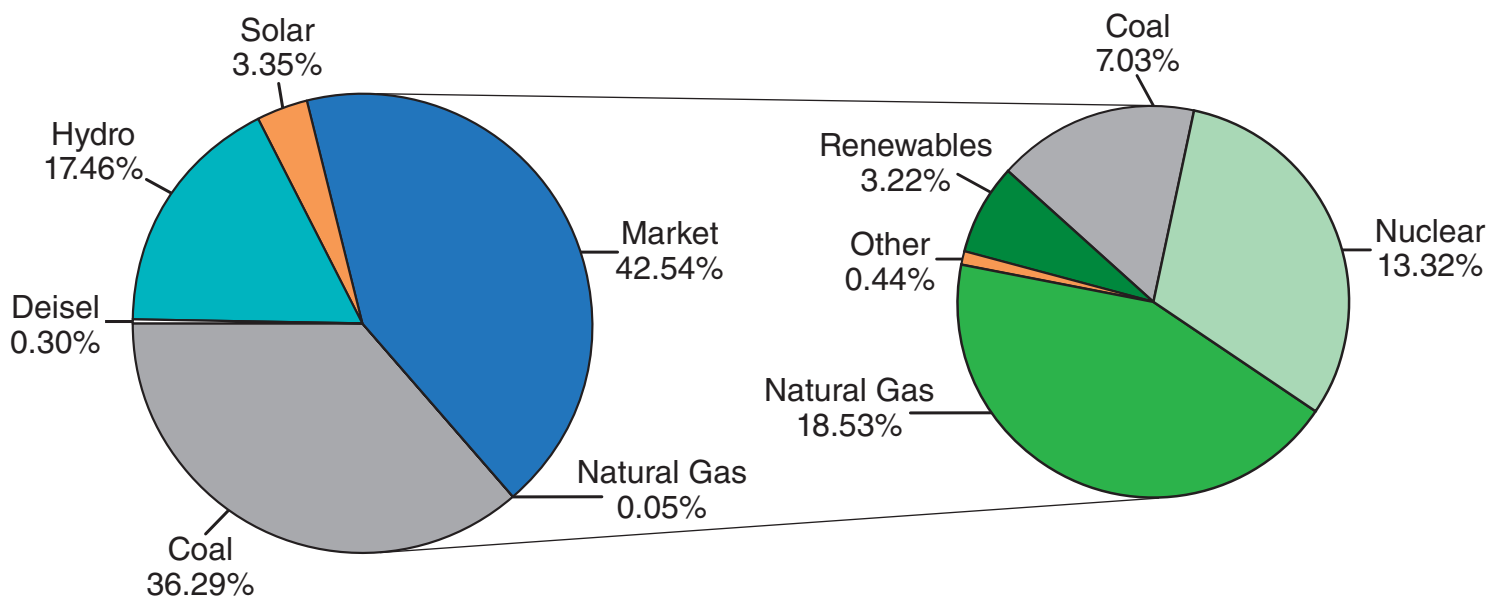


In addition, Carton Service:

- 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 20.8% renewable energy in 2025.

Fuel Types (prior to REC transactions) = 20.81% 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.



Member of
**SUSTAINABLE PACKAGING
COALITION®**



**SELF-CERTIFIED
SMALL BUSINESS**



**Department of
Agriculture**



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Sustainable Forestry Management & Sourcing



Carton Service has achieved FSC® certification (FSC-C182277) to ensure that the paperboard 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



Proudly Celebrating
100 YEARS

Now in our 100th year; Carton Service is building on a century of experience to create sustainable cartons for the future.



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