

Packsize Report

Environmental, Social, and Governance

Analysis and Review of Our Commitment to
Sustainability and Responsible Business Practices

2024 Edition





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CEO Letter

A Message From Our CEO, David Lockwood

At Packsize, our mission to deliver **Smart Packaging for a Healthy Planet®** guides everything we do. For us, sustainability isn't just a business strategy; it's a responsibility. Our success is deeply tied to the well-being of our employees, customers, communities, and environment, and we're committed to being transparent about our progress and our challenges. Over the past year, we've made meaningful strides toward our goal of becoming a net-zero, zero-waste company by 2030. This report reflects that journey and its growing momentum.

In 2024, Packsize machines produced 374 million right-sized boxes helping our customers avoid an estimated 270 million pounds of CO2 emissions. This effort, part of our **"1 Billion Boxes per Year"** campaign, shows how powerful smart packaging can be for both our customers and the planet. Right-sizing more boxes means shipping less air, using less material, reducing transportation emissions, and cutting costs for our customers. **Our goal is to right-size "1 Billion Boxes per Year," at which point we'll save our customers an estimated 722 million pounds of avoided emissions every year.**

We continue to invest in innovative products and partnerships that drive our sustainability goals. In collaboration with **Henkel Adhesive**

Technologies, we launched **Eco-Pax**, a new bio-based hot melt adhesive that bonds packaging while cutting carbon emissions. Eco-Pax has already helped our **customers avoid emitting 50,930 pounds of CO2e, the equivalent of 56,269 miles driven by an average gas-powered car.**

Beyond product innovation, **we were able to achieve net zero in Scope 1 and 2 emissions** with the purchase of carbon offsets and renewable energy credits as we looked for ways to increase renewable energy solutions within our operation. **This year**, we were pleased to announce **two major plans to reduce our operational footprint—moving our European headquarters to Amsterdam, Netherlands, and bringing manufacturing to Louisville, Kentucky.** Both moves will bring us closer to our customers and significantly reduce transport emissions.

None of this progress would be possible without our people. We remain committed to fostering a diverse and inclusive workplace where everyone is valued and empowered to reach their full potential. **In 2024, we expanded professional development opportunities with new learning paths and upskilling programs.** We also **grew our employee Sustainability Initiative**, which rewards everyday actions that reduce environmental impact—like saving water, cutting energy use, and supporting local projects. With participation across the organization, it's a powerful reminder that **small actions can lead to big change.**

Strong governance is the foundation of a responsible, sustainable business. At Packsize, we hold ourselves to high standards of transparency, ethics, and accountability. **Our Board of Directors and Leadership Team remain actively involved in guiding our ESG strategy—ensuring we stay aligned with our mission, our values, and our stakeholders' expectations.**

We're proud of the progress we've made and excited about what's ahead. This report reaffirms that sustainability is a guiding principle shaping how we innovate, grow, and lead. **As we look to the future, our commitment remains the same: using our industry leading technology and service to add value for our customers and help build a better, more sustainable world.**

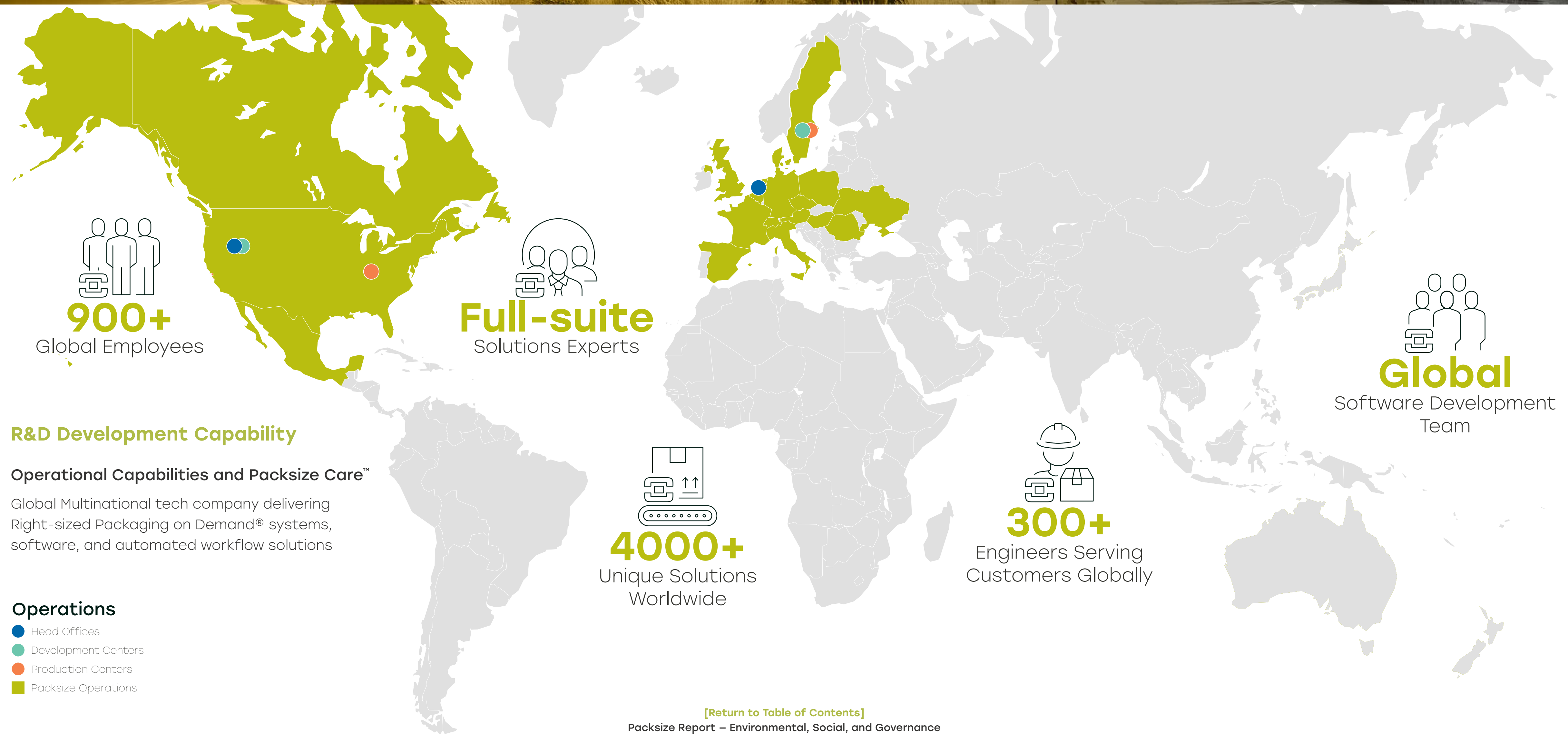
— David Lockwood, CEO
Packsize



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Section I

About Packsize



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Our Mission and Values

The Packsize mission is SMART Packaging for a Healthy Planet.®

Smart Packaging is about more than just boxes. It’s an innovative approach to packaging that enhances sustainability, efficiency, and customer satisfaction. At Packsize, we focus on creating adaptable, eco-friendly, and regulatory-compliant solutions that meet diverse needs and drive the industry forward.



Values

Succeed Together

- Foster an inclusive and diverse culture
- Create an environment where team members can develop, contribute, thrive, and belong
- Collaborate with peers, partners, and customers to empower each other.
- Take ownership and safely push the boundaries of what’s possible.

Innovate Passionately

- Think outside the box

- Deliver innovative and purposeful solutions
- Approach challenges strategically, creatively, and authentically
- Provide outstanding service to customers and each other

Drive Sustainability

- Make the planet a better place
- Use resources wisely
- Strive to build a more renewable, sustainable community and future.

These values guide how Packsize conducts business, emphasizing integrity, respect, accountability, and a commitment to driving positive change. Through these principles, we aim to meet today’s needs and build a foundation for a sustainable and prosperous future.

About this Report

This Environmental, Social, and Governance (ESG) report provides a comprehensive overview of Packsize’s sustainability strategies, metrics, and performance for the fiscal year 2024. It reflects our ongoing commitment to transparency, responsible business practices, and creating long-term value for all stakeholders. Building on the foundation of our inaugural report, we continue to track progress on our goals and set new targets for the future.

Scope

Unless explicitly stated otherwise, this annual report, covering the 2024 calendar year, encompasses 100% of our global operations. Our commitment to transparency extends across all aspects of our business, reflecting our dedication to accountability and continuous improvement.

Reporting Standards

This sustainability report adheres to the guidelines set forth by the Global Reporting Initiative (GRI), ensuring that our reporting meets internationally recognized standards for sustainability disclosure. Additionally, we have aligned our reporting with relevant

Sustainability Accounting Standards Board (SASB) disclosure topics, further reinforcing our commitment to providing a comprehensive and standardized view of our ESG performance.

Material UN Sustainable Development Goals (SDGs)

We have identified and reported on the most material United Nations Sustainable Development Goals (UN SDGS) that align with our business operations and values. These goals serve as a framework for measuring our impact on global sustainability, guiding our initiatives towards meaningful contributions to a more sustainable future. The following sections delve into key ESG metrics, initiatives, and performance indicators, offering a transparent view of our environmental impact, social responsibility, and governance practices. By providing this detailed account, we aim to foster stakeholder understanding and engagement while emphasizing our commitment to addressing the challenges and opportunities presented by a rapidly evolving global landscape.



Packsize Strategy and Business Model

At Packsize, our overarching strategy revolves around five key pillars, each contributing to our mission to deliver Smart Packaging for a Healthy Planet. We are committed to delivering on-demand packaging solutions that combine innovation with sustainability, driving measurable value for our partners, customers, consumers, and the planet.

Innovation, Technology and Sustainability Leadership

Our strategy’s heart lies in our unwavering commitment to innovation and technology leadership in creating unmatched sustainable packaging process flow solutions for our customers. We continually invest in research and development to pioneer cutting-edge technologies, ensuring our solutions not only enhance packaging efficiency but also contribute to sustainability. By staying at the forefront, we empower our clients with the latest tools and methodologies to create opportunities to address and meet their evolving challenges.

Customer-centric Approach

Our customer-centric approach is fundamental to our success. We prioritize understanding and addressing the specific needs of our clients through ongoing engagement. Fostering close relationships with our clients gives us invaluable insights into their requirements and challenges. This approach enables us to tailor sustainable packaging solutions that not only meet and exceed expectations but also create lasting partnerships built on trust and collaboration.

Global Expansion

Packsize’s global expansion strategy serves diverse industries and clients worldwide. We adapt our strategies based on regional market dynamics and regulations, ensuring our solutions align with local needs. This approach broadens our market presence and allows us to contribute to the unique requirements of different regions, further solidifying our position as a global leader in packaging solutions.



Sustainability and Environmental Responsibility

Our commitment to sustainability and environmental responsibility encompasses every aspect of our business. We integrate sustainable practices into both our product development and daily operations. We respond to the increasing demand for environmentally conscious practices by offering eco-friendly packaging solutions. Our dedication to sustainability extends beyond our products to shape our entire business ethos, contributing to a more responsible and resilient future.



Collaborative Partnerships

We recognize the power of collaboration, and our strategy centers on forming strategic partnerships with suppliers, distributors, and other key stakeholders. By working alongside industry and sustainability leaders, we seek to broaden the reach and amplify the impact of sustainable packaging solutions, fostering a shared commitment to positive change across the industry. A notable example is our partnership with Henkel, through which we have jointly developed a sustainable hot melt solution to further reduce environmental impact.

Packsize Business Model

Our business model is centered on flexibility and customization, ensuring our clients have access to the packaging solutions that best suit their needs by offering eco-friendly packaging solutions.

Customer-centric Packaging Solutions

We provide on-demand packaging solutions tailored to the specific needs of our clients, leveraging technology to enable efficient and customizable packaging processes.

Subscription-based Solutions & Services

Our subscription-based models offer consistent and reliable packaging services, ensuring our clients a seamless and uninterrupted supply of packaging materials.

Technology Direct Sales and Licensing

We diversify revenue streams by selling or licensing proprietary packaging technologies to other businesses, fostering mutually beneficial technology partnerships.

Consulting, Engineering, and Support Services

We help clients optimize their packaging processes through consulting services. Ongoing support and maintenance services for packaging equipment ensure a smooth and efficient operation.

Training and Education

We conduct training programs to empower our clients and maximize the efficiency of their packaging operations. By enhancing customer knowledge of sustainable packaging practices, we contribute to a broader understanding of environmentally responsible approaches.

The Packsize strategy encapsulates our commitment to pioneering innovation, prioritizing customer needs, expanding globally, championing sustainability, nurturing collaborative partnerships, and offering a versatile business model that adapts to the evolving needs of our clients and the industry.

Section II

SMART Packaging for a Healthy Planet®

In today's changing environmental landscape, innovation in packaging is about more than just protecting products—it's about protecting our planet and building a better future. At Packsize, our commitment to Environmental, Social, and Governance (ESG) excellence is embodied in our mission: SMART Packaging for a Healthy Planet.



But what does SMART mean?

SMART is more than a catchphrase—it's a framework guiding every decision we make. It stands for Sustainable, Modular, Adaptive, Reliable, and Technological. This approach is not only transforming how packaging is designed and delivered, but also shaping how businesses can operate responsibly and sustainably.

- **Sustainable:** At its core, SMART packaging prioritizes sustainability. Our right-sized on-demand packaging solutions use only the necessary materials for each package, dramatically reducing waste and emissions, and directly supporting a healthier environment.

- **Modular:** Packsize solutions integrate seamlessly with existing supply chains, making packaging operations more flexible and efficient—no matter the scale or complexity.
- **Adaptive:** Every product is unique. Our adaptive technology ensures that every package fits just right, minimizing material use and maximizing protection.
- **Reliable:** Consistency and dependability are non-negotiable. Our solutions ensure every package arrives intact, improving customer satisfaction and reducing waste from damaged goods.
- **Technological:** Advanced automation, data analytics, and design tools are the engine behind our solutions, powering precise, efficient, scalable packaging production. This technological edge empowers businesses to meet sustainability targets while improving operational efficiency.

At Packsize, SMART Packaging is our promise: by embracing these five principles, we are not only meeting the needs of today's businesses but also safeguarding the planet for generations to come. As you read this report, you'll see how our SMART framework is delivering measurable impact—driving progress across all aspects of ESG and inspiring a healthier, more sustainable world.

Focus Areas of Sustainability

Branding, Marketing, and Messaging

Our On-Demand Packaging® Solution effectively replaces the traditional store-and-retrieve box model in our customers' supply chains, eliminating associated complexity, time, waste, and excess material and shipping costs. By right-sizing packaging, our customers use less corrugated fiberboard, minimize or eliminate

wasteful void fill, improve average cube utilization for less-than-full cases, and reduce their overall carbon footprint.



Sustainable Packaging: A Commitment to Innovation and Environmental Responsibility

Our mission is centralized around a commitment to sustainable packaging. This commitment motivates us to create innovative solutions that not only meet customer needs but also actively reduce environmental impact. Our focus on environmental responsibility is reflected throughout our packaging design and production processes.

Circular Economy Principles

Packsize is a strong advocate for the principles of a circular economy, actively designing products and systems that promote reuse, recycling, and waste reduction. Our commitment includes implementing closed-loop processes to ensure resources are used efficiently at every stage of our packaging solutions' lifecycle.

By embracing circular economy principles, we strive to minimize environmental impact and deliver sustainable packaging solutions throughout the life of our technology and materials.

Pioneering Sustainable Innovations

The path to sustainability starts with the materials we select and the designs we implement. Our sustainable packaging strategy focuses on using effective, environmentally responsible materials and creating designs tailored to our customers’ diverse needs. We are committed to exploring innovative, high-quality materials made from agricultural waste and increased post-consumer recycled fibers. By investing in these solutions—and leveraging IoT-enabled devices to monitor, track, and trend material usage in real time—we aim to reduce environmental impact and support a more circular economy.

We view sustainability as more than a responsibility—it’s a driving vision that defines who we are. Our unwavering dedication to advancing sustainable innovation is setting new standards for environmentally responsible packaging solutions. Through our dedication to sustainability, we strive not only to meet but to surpass industry benchmarks, leading the way toward a more positive and sustainable impact on our planet.



Sustainable and Ethical Fiber Usage

Our commitment to sustainability is more than a promise—it’s a pledge to uphold and surpass industry standards for sustainable and ethical fiber sourcing. We actively engage with recognized certifications and follow best practices to ensure our packaging materials meet the highest benchmarks. This dedication to ethical fiber usage demonstrates our responsibility to both our customers and the planet.

At Packsize, sustainable packaging is not just an idea; it’s a comprehensive approach that weaves together innovation, environmental responsibility, circular economy principles, and strict adherence to industry standards. By continuously advancing packaging design, we strive to lead in sustainable practices, providing our customers with solutions that support their needs while helping create a healthier, more sustainable world.

FSC and SFI Certifications Provided by Third-Party Validation

We recognize the importance of responsibly sourcing the materials used in our packaging solutions. To support this, we prioritize the use of fiber certified by the Sustainable Forestry Initiative (SFI) and Forest Stewardship Council (FSC), ensuring alignment with leading sustainability and ethical standards. This commitment helps protect ecosystems, support biodiversity, and benefit forest-dependent communities. For more information, please refer to “FSC, SFI, and Ecovadis” in Section 4.

Renewable Resources: On-Demand Packaging® Machines and z-Fold®

The cornerstone of our sustainability initiatives is the use of renewable resources, demonstrated by the integration of our On-Demand Packaging® machines with our proprietary corrugated z-Fold®. Made from responsibly managed, renewable sources, z-Fold reflects our commitment to sustainable sourcing and plays a significant role in lowering the environmental impact of packaging materials. This combination highlights our dedication to innovative solutions that embody ecological responsibility.

Renewable Energy: Powering Operations Sustainably

As part of our commitment to sustainability, we prioritize environmentally responsible practices at our operational centers. Our eco-friendly packaging headquarters in Salt Lake City, Utah, and our sustainable packaging machine factory in Enköping, Sweden, are both powered by renewable energy sources. In Utah, our rooftop solar system produces 33% of our total energy needs. In Sweden, we utilize wind, water, solar, and nuclear energy to ensure our operations are efficient and fully aligned with our sustainability objectives.



Reuse and Recycling Focus: Sustainable Practices in Daily Operations

Our daily operations reflect our commitment to reducing, reusing, and recycling materials. We actively work to minimize the use of nonrenewable resources and prioritize circular approaches for efficient material management. Our goal is to achieve “Zero Waste” across all operations by 2030. Currently, our material diversion rate is approximately 91% globally, demonstrating strong progress toward this goal. We are continuously working to improve the speed and accuracy of data collection and validation for recycled materials, enhancing visibility and accountability throughout our supply chain. By promoting the reduction, reuse, and recycling of paper, plastic, metal, and other materials across our organization, we aim to foster a workplace culture that truly embodies our dedication to sustainability.



Material UN SDGs

The Sustainable Development Goals (SDGs) highlighted here have been identified as the most relevant to our efforts to lead in ESG performance. We are actively developing programs to address each of these SDGs, and we will report on our progress in future updates.

- **UN SDG 5** – Gender Equality
- **UN SDG 7** – Affordable and Clean Energy – For insights into how Packsize puts sustainability first, refer to ‘New Facility in Louisville’ on page 14.
- **UN SDG 8** – Decent Work and Economic Growth
- **UN SDG 9** – Industry Innovation and Infrastructure
- **UN SDG 12** – Responsible Consumption and Production
- **UN SDG 13** – Climate Action – Packsize empowers employees to take meaningful action toward sustainability through programs like our electric vehicle incentives and on-site charging stations at headquarters. Our fleet team also prioritizes eco-friendly vehicles wherever possible, and we further reduce our footprint by utilizing clean energy credits to support renewable energy generation. These efforts demonstrate our commitment to low-carbon operations. For a deeper look at how Packsize is aligning with global climate goals, see ‘SBTi Commitment and Timing’

on page 14, which outlines our efforts to meet science-based targets and drive measurable impact.

- **UN SDG 15** – Life on Land

ESG Targets

Sustainable Packaging

Achieve better sourcing visibility to ensure Packsize is in compliance with local laws and regulations. With achieving better visibility on our sourcing for corrugated fiberboard, this will also enhance our ability to report Scope 3 data.

Safety and Workplace Baselines

As we continue to develop our safety programs, we are committed to integrating these efforts into our broader Environmental, Social, and Governance (ESG) initiatives to support the well-being of our workforce and promote a safe working environment.

- Reduction in accidents – set targets for reducing accidents and time lost due to workplace incidents

Waste and recycling

While the current data quality for waste and recycling is still being refined, Packsize is actively working to improve data accuracy. Despite these challenges, we remain committed to achieving over 91% waste diversion and recycling across all our global facilities.



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Diversity

- Set targets for increasing diversity among associates, considering regional definitions and requirements
- Implement initiatives to foster an inclusive workplace culture

These ESG targets reflect Packsize’s commitment to comprehensive and measurable improvements in environmental, social, and governance practices. Regular monitoring and reporting on these targets will ensure accountability and transparency in achieving these sustainability goals.



Sustainability Management and Oversight

Navigating toward a greener future

At Packsize, sustainability is not just a departmental goal; it’s ingrained in our organizational DNA, a fundamental aspect of how we conduct business. Our commitment to sustainability is

not a static declaration but a dynamic journey, steered by robust governance, strategic oversight, and continuous improvement. This section delves into the comprehensive framework that guides our sustainability initiatives, from governance and oversight to stakeholder engagement and performance measurement.

Oversight and Governance

Our commitment to sustainability begins at the top, with C-suite and board-level oversight. The Board of Directors, driven by good governance practices, actively oversees our sustainability agenda. Our CHRO is the driver for the ESG program and reports directly to the CEO, ensuring that ESG initiatives receive top-level attention. While the ESG Task Force spans multiple departments, the Quality Department currently plays a key role in establishing, validating, and auditing the program to ensure its alignment with our organizational goals, along with ensuring continuous improvement is being made within this program.

Management and Implementation

Our leadership team plays a pivotal role in the execution of our sustainability strategy. Led by the highest-ranking executives reporting directly to the CEO, the Executive Team ensures that sustainability is seamlessly integrated into our day-to-day operations. The leadership team facilitates collaboration



across departments, fostering an environment where sustainability is not a standalone initiative but a collective responsibility. Packsize leadership is charged with the development and implementation of standard operating procedures (SOPs) and the establishment of metrics and targets.

Materiality Assessment

A key element in our sustainability management is a rigorous materiality assessment. We understand that to make a significant impact, we need to focus our efforts on areas that matter most to our stakeholders and have the most significant impact on our business. Our materiality assessment covers critical aspects such as packaging materials, energy, circular economy, GHG emissions, diversity, communities, and stakeholder engagement.

Stakeholder Engagement

We recognize that our sustainability journey is not solitary. We actively engage with diverse stakeholders, including customers, suppliers, associates, communities, investors, NGOs, and governmental agencies. By understanding and incorporating their perspectives, expectations, and insights, we create a more inclusive and effective sustainability strategy. Our commitment to stakeholder engagement is not just about communication; it’s about building meaningful partnerships that drive positive change.



How We Engage Stakeholders

Our engagement strategies are multi-faceted and responsive. We listen to our customers to understand their evolving sustainability expectations and challenges, collaborate with suppliers to ensure responsible sourcing, empower our associates to contribute to

sustainability goals, connect with communities through philanthropy and support initiatives, engage investors transparently, collaborate with NGOs for broader environmental goals, and maintain an open dialogue with governmental agencies to align our practices with regulatory expectations.



In essence, our sustainability management and oversight framework are designed not just to meet current standards but to set new benchmarks in sustainable business practices. By weaving sustainability into our governance, management, engagement, and assessment processes, we are navigating towards a greener future, one where responsible and conscious business practices are at the core of everything we do.

By implementing robust governance structures, engaging stakeholders, and integrating sustainability throughout the organization, Packsize aims to demonstrate leadership and accountability in its commitment to sustainable business practices.

Section III

Supporting People and Communities

Packsize Associates: Nurturing Excellence, Ensuring Well-Being

Attracting and Retaining Talent

In our industry’s competitive landscape, attracting and retaining top talent is pivotal. At Packsize, our unique selling points revolve around our compelling employee value proposition. We create an environment where innovation thrives, professional growth is constant, and each associate is an integral part of our success story.

Associate Benefits (FT/PT)

Our commitment to holistic well-being is reflected in our comprehensive benefits package. Whether full-time or part-time, associates at Packsize enjoy a range of benefits that go beyond the traditional, acknowledging that a healthy work-life balance is paramount.

Leave

Packsize recognizes the importance of flexibility and work-life balance. Our leave policies are designed to provide associates the support they need during various life stages, ensuring they can bring their best selves to work every day.

Healthcare

Caring for our associates is a priority. Our healthcare coverage is tailored to meet the diverse needs of our workforce. We not only provide essential healthcare benefits but also initiate programs that promote overall health and wellness among our associates.

Learning and Development

Continuous learning is at the heart of our organizational culture. We offer training and development programs that empower associates to enhance their skills and knowledge. Opportunities for growth and advancement are woven into the fabric of Packsize’s commitment to professional development.

Leadership Development

We believe in nurturing leadership from within. Our leadership development programs identify and cultivate leadership skills among associates. Through succession planning and talent pipeline initiatives, we ensure that Packsize remains a breeding ground for future industry leaders.

Health and Safety: A Culture of Care

Recordable Incident Rates

In our commitment to a safe workplace, we diligently benchmark and set goals for reducing recordable incidents. Our strategies focus on creating a culture of safety, where every associate is a steward of their well-being and the well-being of their colleagues.

Lost Workday Rate

A core goal is minimizing lost workdays due to injuries. We calculate and analyze lost workday rates, aiming for continuous improvement in our safety protocols and initiatives. Packsize is dedicated to providing a workplace where every associate feels secure and protected. In 2024, the NABU TRIR reached 2.43, up from 1.80 in 2023. While this signals room for improvement, it also gives us a chance to enhance our safety programs and drive measurable progress toward a safer work environment.

Packsize Health and Safety Training

Education is empowerment. Our health and safety training programs equip associates with the knowledge and skills to ensure workplace safety. We continuously refine our training initiatives to stay ahead of evolving safety standards.

Engaging Employees in Our Commitment to Sustainability

The Sustainability Initiative Award

Packsize recognizes that each employee plays a role in promoting a healthy planet, and with this in mind, we have developed an Associate Sustainability Award. This semiannual initiative encourages employees to adopt eco-friendly habits by awarding sustainability points for environmentally responsible actions in their daily lives. Whether it’s recycling, reducing energy consumption, or choosing sustainable transportation, each green choice adds up. Associates who accumulate enough points within six months are entered into a drawing for a valuable prize, recognizing their commitment to sustainability. This award not only celebrates individual efforts but also fosters a culture of environmental responsibility throughout the company, aligning with Packsize’s mission to minimize environmental impact and inspire positive change within the workplace and beyond.

Diversity, Equity, and Inclusion (DEI) Associates: Celebrating Diversity

Packsize is committed to fostering a workplace that celebrates differences, where everyone feels they belong. Our strategies for

attracting, recruiting, and training a diverse workforce are rooted in principles of equity and inclusion.

Visualizing our commitment to diversity, we present global distribution, gender diversity, age distribution, racial and ethnic diversity, and other pertinent metrics through compelling graphics. These representations serve as a testament to our dedication to creating a workforce that mirrors the richness of the global community.

Global Associates Metrics

Key metrics such as new hires, turnover, and distribution by salary type are analyzed to ensure diversity is not just a goal but a reality at every level of our organization.

Forest Dependent Communities: Nurturing Sustainability Locally

Impact Assessment on Forest-Dependent Communities

Packsize recognizes the interconnectedness between our operations and communities reliant on forests. Through our FSC and SFI certification programs, we ensure that the wood and paper used in our packaging come from responsibly managed forests. These certifications require rigorous chain-of-custody tracking, independent audits, and adherence to social and environmental standards, which provide assurance that our sourcing does not harm forest-dependent communities. By assessing the potential impacts of our operations, we actively support sustainable forest management and the livelihoods of communities that rely on these forests.

Sustainable Practices and Community Engagement

In regions where our operations intersect with forest-dependent communities, sustainable practices are embedded in our approach. We engage with these communities, fostering partnerships that prioritize environmental conservation and community well-being. Our commitment goes beyond minimizing negative impacts; it extends to actively contributing to the resilience and prosperity of these regions.

Empowering Customers to Achieve Sustainable Impact

Performance Health: Sprinting Towards Efficiency

Combining advanced packaging and picking technologies to create a streamlined, efficient, and sustainable packaging process flow.

- Significantly reduced dimensional weight and shipping costs
- Increased productivity by 97% in six months with a combined, automated packing and picking solution
- Went from 35 limited stock box sizes to producing over 3,000 unique right-sized boxes in six months

Vega: Together we Move to Automation

From standalone machines to semi- and fully- automated packaging lines, VEGA uses sustainable and custom packaging to drive growth.

- Faster Packaging
- Less Manual Labor
- Reduction In Floor Space Required

Northern Tool + Equipment: Automation Built Better

True partnership leading to an adaptable and growing automated packaging solution, reducing shipping costs, lowering carbon footprint, and improving overall packaging efficiency.

- Reduced touchpoints with automation
- Significantly reduced DIM weight and shipping costs
- Streamlined packaging process with right-sized boxes for every order

Overview of Customer Engagement Strategies

Our customer engagement strategies extend beyond transactional relationships. We prioritize an ongoing dialogue with our clients, fostering a deep understanding of their evolving needs and challenges. By actively involving customers in the design and implementation of sustainable packaging solutions, we ensure

a tailored approach that aligns with their goals and values. This overview explores the dynamic and collaborative nature of our engagements, where customer satisfaction is synonymous with sustainable success.

Scope 3 GHG Emissions Reductions: Partnering for a Sustainable Future

How Packsize Supports Customers in Reducing Scope 3 GHG Emissions

Reducing Scope 3 greenhouse gas (GHG) emissions is a complex challenge that requires innovative and collaborative approaches. As a dedicated partner, Packsize works closely with customers to navigate the complexities of Scope 3 emissions and implement effective reduction strategies. By providing innovative solutions and expert guidance, we help our customers minimize their carbon footprints. Through these joint efforts, we are making measurable progress toward a more sustainable future.

Additionally, Packsize supports our customers through their ESG portals, providing guidance and resources to help them achieve their sustainability goals when requested. Packsize also provides a “Sustainability Calculator” on our website for customer to receive an estimated emissions savings that we could provide to the customer.

Priorities for 2025 and Beyond: Shaping a Sustainable Future

Looking ahead, Packsize remains focused on advancing sustainability through ongoing innovation, collaboration, and the setting of new industry standards. Although tracking and trending Scope 3 emissions is complex, Packsize is committed to developing these insights in alignment with evolving regulations, enhancing both transparency and compliance in the near future. Our priorities center on supporting our people, communities, and customers while driving sustainable practices throughout our business. This overview underscores our holistic commitment to continuous improvement and responsible growth. As we continue this journey, we invite all stakeholders to partner with us in creating a future where every packaging solution helps build a more sustainable world.

Packsize and the Planet

Recognizing climate change as a central challenge to global sustainability, Packsize has adopted a proactive and transformative stance. This section highlights the profound impact of climate change on our planet's future and underscores why addressing it is integral to our mission. In response, Packsize has set ambitious goals aligned with the Science Based Targets initiative, reflecting our commitment to meaningful action beyond regulatory compliance. Through these efforts, we are dedicated to making a positive difference and leading the way in confronting today's environmental challenges.

Packsize's global Scope 1 and Scope 2 emissions stem from our operational energy use. Both our current and planned initiatives highlight our strong commitment to energy efficiency and the adoption of renewable energy. By measuring progress against established performance targets, we are taking decisive steps to reduce the carbon footprint of our operations. Our evolving strategies reflect a forward-looking vision—one where our business is increasingly powered by efficient and renewable energy sources, supporting a more sustainable future.



Packsize's ongoing commitment to reducing greenhouse gas (GHG) emissions continues to be a central focus of our sustainability journey. Building on the goals established in FY 2023, we have continued to make improvements and track progress toward those goals for 2024. This report details our progress in addressing Scope 1 and 2 emissions and reaffirms our vision of achieving carbon neutrality. We also place a strong emphasis on Scope 3 emissions, sharing updated case studies that showcase how Packsize collaborates with customers to achieve significant GHG reductions across the value chain.

Packsize recognizes the importance of addressing emissions that extend beyond the traditional categories. We are committed to reducing the use of refrigerants, solvents, and other materials that contribute to global warming potential (GWP). This section highlights our comprehensive strategy for managing all sources of emissions, reinforcing our dedication to a holistic and responsible sustainability agenda.

Our ongoing commitment to waste reduction and circularity is demonstrated through our waste and recycling data for FY 2024. Our data illustrates both the total pounds and percentage of waste diverted from landfills, showcasing our progress and achievements. Packsize emphasizes responsible handling of hazardous and regulated materials, underscoring our focus on environmentally sound waste management practices.

Innovation in circular design is integral to Packsize's sustainability efforts. We prioritize equipment design that supports remanufacturing and redeployment, actively recovering and re-manufacturing components from our technology. By considering the entire life cycle of our products and packaging, we continually seek to minimize environmental impact and advance circular economy principles throughout our operations.

As regulatory requirements continue to evolve, Packsize serves as a strategic partner to help customers navigate compliance with Extended Producer Responsibility (EPR) regulations. Through real-world case studies, we demonstrate how our solutions support material and dunnage reduction, underscoring our commitment to environmental stewardship and regulatory alignment.

Packsize is dedicated to helping companies comply with evolving packaging regulations, including Extended Producer Responsibility (EPR) and the EU Packaging and Packaging Waste Regulation (PPWR). As new laws require producers to take responsibility for their packaging throughout its entire lifecycle—from design to post-consumer waste—Packsize offers innovative on-demand packaging solutions that enable organizations to meet these demands.

Our technology creates right-sized packaging at the point of fulfillment, which significantly reduces material use and minimizes packaging waste. This directly supports the goals of EPR and PPWR, which focus on waste reduction and sustainability. Packsize systems also help businesses design packaging for recyclability and reuse, key principles in the PPWR's move toward a circular economy.

In addition, Packsize provides detailed packaging metrics and traceability, making it easier for companies to report and document their compliance efforts. Since EPR schemes often involve fees based on the amount and recyclability of packaging, our solutions help companies lower both their environmental impact and operational costs by reducing packaging weight and improving recyclability.

By partnering with Packsize, businesses gain a proactive partner in navigating global packaging regulations. Our continuous innovation and regulatory expertise help customers not only meet but exceed compliance standards, future-proof their packaging strategies, and contribute to a more sustainable packaging value chain.

NGO and Third-Party Validation

Engagement with NGOs and third-party validators remains central to Packsize’s commitment to transparency and accountability. Our collaborative initiatives with organizations such as Cradle to Cradle and the Sustainable Packaging Coalition highlight our dedication to not only meeting but exceeding industry standards. These partnerships help ensure our sustainability practices are held to the highest level of scrutiny and continuous improvement.

Packsize remains committed to sourcing certified fiber for packaging, in line with third-party standards such as FSC and SFI. This includes transparency in the chain of custody. We also have ongoing efforts to support biodiversity and engage with forest-dependent communities. Our continued focus on FSC material aligns with our broader SBTi goals, and our improved Ecovadis score in 2024 reflects a bronze metal, with an overall increase in score from our 2023 assessment.

Sustainable Packaging Coalition Membership

Packsize is a proud member of the Sustainable Packaging Coalition (SPC), a leading collaborative that brings together businesses, educational institutions, and government agencies committed to advancing sustainable packaging solutions. Through our SPC membership, Packsize actively engages in industry-wide discussions, shares best practices, and contributes to the development of

innovative, environmentally responsible packaging standards. This partnership supports our ESG goals by providing access to cutting-edge research and collaborative opportunities that drive continuous improvement in our sustainability initiatives. By aligning with the SPC, Packsize demonstrates its commitment to reducing environmental impact and promoting a circular economy within the packaging industry.

Sustainable Forestry and Biodiversity

Packsize sources certified fiber for packaging through third-party standards such as FSC and SFI. We recognize biodiversity and engagement with forest-dependent communities as important areas for future focus, and as our ESG program grows, we are committed to building our understanding and identifying opportunities for meaningful involvement.

Environmental Compliance and Product Stewardship

In 2024, Packsize earned a score of 60 out of 100 on the Ecovadis Assessment, achieving a bronze medal and placing in the top 73% of all participating companies. This recognition reflects our ongoing efforts in environmental compliance, product stewardship, and continuous progress towards higher sustainability standards.

SBTi Commitment and Timing

Packsize is actively working towards greater alignment with the Science Based Targets Initiative (SBTi) standards. As part of our ongoing sustainability efforts, we are progressively enhancing our data accuracy and rigor by integrating scientific methodologies into our environmental reporting. This will enable us to set more precise and evidence-based targets, reinforcing our commitment to climate action and sustainability.

New Corrugator in Modesto (CSC)

In 2024 Packsize opened a new corrugator in Modesto, California, underscoring our ongoing commitment to customer satisfaction and environmental responsibility. This strategic expansion enables us to better serve our West Coast customers with faster, more responsive

delivery of corrugated materials. By producing corrugated closer to our customers, we significantly reduce the distance our materials travel, resulting in lower CO2 emissions and a smaller environmental footprint. The new Modesto facility exemplifies our dedication to sustainable operations while ensuring our customers receive high-quality, on-demand packaging solutions with improved lead times and reduced transportation-related environmental impacts.

New Facility in Louisville

Packsize has proudly opened a new manufacturing facility in Louisville, Kentucky, marking a significant milestone in our commitment to sustainability and customer service. This strategic expansion creates new manufacturing jobs in the local community while bringing our production and service capabilities closer to our customers across the eastern United States. By reducing the distance our products travel, we are able to significantly lower shipping costs and minimize the environmental impact associated with long-haul transportation, including reduced carbon emissions.

This facility not only strengthens our operational efficiency but also aligns with our ESG goals by promoting responsible manufacturing practices and supporting local economies. The Louisville facility enables Packsize to better respond to customer needs with faster delivery times and more flexible support, ensuring we continue to provide innovative, sustainable packaging solutions while actively contributing to a greener, more resilient supply chain for the future.

In addition to the transportation benefits, the new facility is equipped with energy-efficient systems designed to reduce energy consumption. This includes automated lighting, advanced HVAC systems, and precise monitoring gauges, all of which contribute to optimized energy usage and sustainability. An active site assessment is underway for both energy efficiency and renewable energy alternatives to grid supplied energy to lower the sites carbon footprint.

Section V

Corporate Governance

Corporate Governance: Upholding Values, Ethics, and Leadership Excellence

Human Rights, Ethics, and Compliance

Packsize respects human rights and does not tolerate any abuse of human rights in our operations or in our global supply chain. We support the elimination of human rights abuses around the globe, and we endorse appropriate initiatives to progressively eliminate abuses that deprive people of their human potential and their dignity.

Our employment practices adhere to all applicable local laws and regulations. Packsize prohibits the use of child labor and forced or compulsory labor in our operations and throughout our supply chain. No team member is made to work against their will, work as bonded or forced labor, or subjected to work-related corporal punishment or coercion of any type. All Packsize suppliers are expected to adhere to the same level of commitment to prevent human rights abuses in their respective workplaces and supply chains.



Ethics / Anti-trust

We let our innovative products drive our success. We do not engage in unethical practices to advance our business. Packsize follows antitrust and competition laws everywhere we do business.

Code of Conduct

Packsize’s commitment to ethical conduct is further exemplified through a comprehensive code of conduct for associates and suppliers. All employees are expected to know and follow the code in order to conduct business ethically and protect the Packsize reputation.



Our Supplier Code of Conduct establishes clear guidelines and expectations for our suppliers, requiring compliance with all applicable laws and regulations, the maintenance of accurate books and records, and strict adherence to anti-corruption and competition laws. We expect our suppliers to drive sustainability by considering environmental impacts in their operations, comply with all relevant environmental, health, and safety regulations, and

uphold fundamental human rights—including fair labor conditions and workplaces free from child or forced labor, harassment, and other abuses. Furthermore, suppliers are encouraged to implement internal processes to ensure compliance both within their organization and among their sub-suppliers, reinforcing our dedication to responsible sourcing and ethical business practices across our value chain.

[Supplier Code of Conduct \[POL-00014\]](#)

Supply Chain Audits and Reporting Concerns

Packsize recognizes the importance of maintaining accurate forms and records in compliance with legal requirements. Accurate financial information is essential for understanding business operations and supporting sound decision-making.

Our records reflect business transactions, accounting controls, safety incidents, and quality assurance testing results. Packsize also conducts second-party audits to help ensure that these practices are followed consistently, and we remain committed to strengthening our processes and controls as our ESG program continues to grow.



Anti-bribery and Conflicts

Anti-bribery

Packsize is committed to complying with the U.S. Foreign Corruption Practices Act and with applicable anti-corruption laws in the places where we do business. We do not tolerate bribery or other corrupt behavior to obtain business, to retain business, or to gain an improper business advantage. Violating anti-corruption laws can have severe consequences for both the Company and the individual involved.

Packsize understands we can be held responsible for the actions of third parties who represent us in any capacity. With this in mind, we strive to do business only with companies or individuals who conform to our high ethical standards.

Conflicts

At Packsize, we act with integrity and avoid conflicts of interest that may prevent us from acting in the best interest of the Company. We avoid any situations that create the opportunity for, or create the appearance of, a conflict of interest.



Governance and Leadership

Packsize’s leadership team and board of directors comprise a dynamic group of industry veterans and visionaries dedicated to advancing sustainable packaging solutions. Under the stewardship

of our experienced executives, Packsize is committed to pioneering innovations that minimize environmental impact while enhancing operational efficiency. The board, with its diverse expertise in business strategy, technology, and environmental stewardship, provides robust governance and strategic oversight. Together, this leadership fosters a culture of sustainability and excellence, driving Packsize’s mission to create smarter, more sustainable packaging systems that benefit businesses and the planet.

Click to learn more about the [Packsize Leadership Team](#)

Click to learn more about the [Packsize Board of Directors](#)

Source of Data and Attributed Data Reference Points

Transparency is paramount, this section explains the origins of data and a clear explanation and understanding by stakeholders the sources and methodologies employed. This may include data points and reference to reputable protocols like WRI GHG Protocol or US EPA or EIA grid data for emissions reporting.

Environmental Indicators

The boundaries for environmental indicators are explicitly defined, focusing on Packsize’s global facilities’ operations. Data for FY 2024 is presented, offering stakeholders a snapshot of Packsize’s environmental performance.



Social Indicators

Social boundaries are outlined, concentrating on Packsize’s global associate populations. Relevant social indicators from indices like the human freedom index, freedom in the world index, and heritage risk index provide a broader context, enriching the narrative with a holistic view of Packsize’s social impact.



This comprehensive overview highlights Packsize's commitment to addressing critical environmental challenges and its dedication to ethical business conduct and transparency in governance practices.

ESG Performance Data Tables

FY 2024

Water

Water does not represent a significant component of Packsize’s direct operational footprint, but we recognize the importance of conserving this resource wherever possible. While baseline data and metrics are still being developed, we remain committed to improving transparency and identifying opportunities to reduce our impact over time.

Training

Now that the new global Learning Management System (LMS) has been successfully implemented, Packsize is enhancing the delivery and tracking of learning activities across the organization. The system offers a broader range of training programs, including

a comprehensive safety learning pathway available through both live sessions and self-paced online courses. In addition to improving training for safety and team member rights, we’ve introduced additional courses focused on deepening team members’ understanding of internal processes and strengthening their leadership capabilities. Moving forward, we plan to continue expanding the training offerings to further support our commitment to continuous learning and development.

Sustainable Forestry Practices and Certifications

- Sustainable Forestry Initiative (SFI)
- Forest Stewardship Council (FSC)

Employees

Packsize offers its employees the opportunity to participate in our “Sustainability Initiative Award”, see Section III “Engaging Employees in Our Commitment to Sustainability” for more information.

New hires

- 210 NABU
- 46 Europe

	2023	2024
Scope 1	1.46 lbs. CO2e / sq. ft.	1.20 lbs. CO2e / sq. ft.
Scope 2	5.52 lbs. CO2e / sq. ft.	3.28 lbs. CO2e / sq. ft.
Scope 3	Scope 3 is not tracking in 2023 inventories and initial baseline and inaugural report	Scope 3 is not tracking in 2024 inventories and initial baseline and inaugural report
Purchased Electricity	1507 MWh	1863 MWh
Purchased Steam/Cooling	12.17 kWh / sq. ft.	9.05 kWh / sq. ft
Natural Gas	1989.8 MMBtus	3825 MMBtus
Energy Intensity: Electricity	7.72 kWh / sq. ft.	5.49 kWh / sq. ft.
Energy Intensity: Thermal	9,169.6 Btus / sq. ft.	9,909.3 Btus / sq. ft.
Ecovadis Score	59/100 Bronze Rating	60/100 Bronze Rating
NABU Safety TRIR	1.80	2.43

Section VII

Appendix

Appendix I

Membership of Associations

Association	Purpose	Level of Involvement	URL
Material Handling Institute (MHI)	Thought Leadership / Business Development	High	https://www.mhi.org/
Packaging Machinery Manufacturers Institute (PMMI)	Thought Leadership / Business Development	Mid	https://www.pmmi.org/
Supply Chain Leaders in Action (SCLA)	Thought Leadership / Networking / Educational Resource	High	https://www.sclasupplychain.com/
Packaging World Leaders in Packaging	Business Development	Mid	https://www.packworld.com/leaders
Great Lakes Graphics Association	Business Development	Low	https://glga.info/
Leaders in Clean Air	Sustainability / Thought Leadership	Mid	https://www.leadersforcleanair.org/
Sustainable Packaging Coalition	Sustainability / Thought Leadership	Mid	https://sustainablepackaging.org/

External Initiatives

Organization /Program	Purpose	Application Scope
US EPA Smartway Transport Partner	US EPA Program to help businesses initiate sustainable logistics and transportation practices	US
Leaders for Clean Air	Non profit focused on building infrastructure for EVs in Utah	US/Utah

Appendix II

GRI Index

GRI 2 General Disclosure

Disclosure	Description	Response
2-1	Organizational Details	See Section V “Corporate Governance”
2-2	Entities included in the organizations sustainability reporting	See Section I “About Packsize”
2-3	Reporting period, frequency, contact point	See Section I “About this Report”
2-4	Restatements of information	No Restatements
2-5	External assurance	GHG Emissions Appendix
2-6	Activities, value chain and other business relationships	See Section I “About Packsize”
2-7	Employees	See Section III “Supporting People and Communities”
2-8	Workers who are not employees	See Section III “Supporting People and Communities” and Section V “Corporate Governance”
2-9	Governance structure and composition	See Section V “Corporate Governance”
2-10	Nomination and selection to the highest governance body	See Section V “Corporate Governance”
2-11	Chair of the highest governance body	See Section V “Corporate Governance”
2-12	Role of highest governance body overseeing management of impacts	See Section V “Corporate Governance”
2-13	Delegation of responsibility for managing impacts	See Section V “Corporate Governance”
2-14	Role of highest governance body in sustainability reporting	See Section V “Corporate Governance”
2-15	Conflicts of interest	See Section V “Corporate Governance”

Disclosure	Description	Response
2-16	Communications of critical concerns	See Section V “Corporate Governance”
2-17	Collective knowledge of the highest governance body	See Section V “Corporate Governance”
2-22	Statement on sustainable development strategy	See CEO Letter
2-23	Policy commitments	See Mission ,Vision, Values
2-24	Embedding policy commitments	See Mission Vision Values/ Governance and Sustainability at Packsize
2-25	Process to remediate negative impacts	See Packsize and the Planet and Corporate Governance
2-26	Mechanisms for seeking advice and raising concerns	See Section V “Corporate Governance”
2-27	Compliance with laws and regulations	See Section V “Corporate Governance”
2-28	Membership organizations	See Appendix I External Initiatives and Membership of Associations Packsize Input
2-29	Approach to stakeholder engagement	See Section I “About Packsize Our Mission and Values” and Section II “Smart Packaging for a Healthy Planet”

GRI 3 Material Topics

Disclosure	Description	Response
3-1	Process to determine material topics	See Section V “Smart Packaging for a Healthy Planet”
3-2	List of material topics	See Section V “SMART Packaging for a Healthy Planet”

GRI 201: Economic Performance

Disclosure	Description	Response
3-3	Management of material topics	See Section V “Corporate Governance”
201-2	Financial implications and other risks and opportunities due to climate change	To be determined

GRI 205: Anti-Corruption

Disclosure	Description	Response
3-3	Management of Material Topics	See Section V Corporate Governance”

GRI 206: Anti Competitive Behavior

Disclosure	Description	Response
3-3	Management of material topics	See Corporate Governance

GRI 301: Materials

Disclosure	Description	Response
3-3	Management of material topics	See Section II “SMART Packaging for a Healthy Planet”
301-1	Material consumption by weight or volume	See sustainability at Packsize/ sustainability targets
301-2	Recycled input materials used	See sustainability at Packsize/ sustainability targets

GRI 302: Energy

Disclosure	Description	Response
3-3	Management of material topics	See Section IV “Packsize and the Planet”
302-1	Energy consumption within the organization	See Section VI ”ESG Performance Data Tables FY 2024”
302-3	Energy intensity	See Section VI “ESG Performance Data Tables FY 2024”
302-4	Reduction of energy consumed	See Section VI” ESG Performance Data Tables FY 2024”

GRI 303: Water and Effluents

Disclosure	Description	Response
3-3	Management of material topics	See Section II “SMART Packaging for a Healthy Planet”
303-4	Water discharge	Not tracked for 2024

GRI 304: Biodiversity

Disclosure	Description	Response
3-3	Management of material topics	See Section II “SMART Packaging for a Healthy Planet”
304-1	Operational sites owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside of protected areas.	NA
304-3	Habitats protected and or restored	NA

GRI 305: Emissions

Disclosure	Description	Response
3-3	Management of material topics	See Section II “SMART Packaging for a Healthy Planet”
305-1	Direct Scope 1 GHG Emissions	See Section VI ”ESG Performance Data Tables FY 2024”
305-2	Indirect Scope 2 GHG Emissions	See Section VI” ESG Performance Data Tables FY 2024
305-5	Reduction GHG Emissions	See Section VI” ESG Performance Data Tables FY 2024

GRI 306: Waste

Disclosure	Description	Response
3-3	Management of material topic	See Section II “SMART Packaging for a Healthy Planet”
306-2	Management of Significant Waste Impacts	See Section II “SMART Packaging for a Healthy Planet”
306-4	Waste Diverted	See Section II “SMART Packaging for a Healthy Planet”

Gri 307: Environmental Compliance

Disclosure	Description	Response
3-3	Management of material topics	See Section V “Corporate Governance”
307-1	Non-compliance with environmental laws and regulations	See Section V “Corporate Governance”

GRI 401: Employment

Disclosure	Description	Response
3-3	Management of material topics	See Section III “Supporting People and Communities”
401-2	Benefits provided to full time workers that are not provided to temporary or part time workers	See Section III “Supporting People and Communities”

GRI 403: Occupational Health and Safety

Disclosure	Description	Response
3-3	Management of material topics	See Section III “Supporting People and Communities”
403-1	Occupational Health and Safety Management System	See Section III “Supporting People and Communities”
403-2	Hazard identification, risk assessment and incident investigation	See Section III “Supporting People and Communities”
403-5	Worker training on occupational health and safety	See Section III “Supporting People and Communities”
403-9	Worker related injuries	See Section III “Supporting People and Communities”

GRI 404: Training and Education

Disclosure	Description	Response
3-3	Management of material topics	See Section III “Supporting People and Communities”
404-1	Average hours of training per year per employee	See Section III “Supporting People and Communities”
404-2	Programs for upgrading employee skills and transition assistance	See Section III “Supporting People and Communities”
404-3	Percentage of employees receiving regular performance and career development reviews	See Section III “Supporting People and Communities”

GRI 405: Diversity and Equal Opportunity

Disclosure	Description	Response
3-3	Management of material topics	See Section III “Supporting People and Communities”
405-1	Diversity of governance bodies and employees	See Section II “SMART Packaging for a Healthy Planet”

GRI 412: Human Rights Assessment

Disclosure	Description	Response
3-3	Management of material topics	See Section III “Supporting People and Communities” and Section V “Corporate Governance”

Disclosure	Description	Response
412-2	Employee training on human rights policies or procedures	See Section I “About Packsize Our Mission and Values” and Section V “Corporate Governance”

GRI 413: Local Communities

Disclosure	Description	Response
3-3	Management of Material Topics	See Section III “Supporting People and Communities”
413-1	Operations with local community engagement impact assessments and development programs	Supporting People and Communities/ DEI

GRI 415: Public Policies

Disclosure	Description	Response
3-3	Management of Material Topics	See Section IV “Packsize and the Planet”

Gri 419: Socioeconomic Compliance

Disclosure	Management of material topics	Response
3-3	Management of material topics	See Section III “Supporting People and Communities”
419-1	Non -compliance with laws and regulation in the social and economic area	See Section V “Corporate Governance”

SASB Index

Table 1: Sustainability disclosure topics & accounting metrics for Packsize operations

Topic Accounting metric Unit of measure Code FY 2024 value Location

Table 2: Activity metrics

Topic Accounting metric Unit of measure Code FY 2024 value Location

Table 3: Modified and omitted accounting metrics

Topic Accounting metric Unit of measure Code FY 2024 value Location

Table 4. Modified and omitted activity metrics

Topic Accounting metric Unit of measure Code FY 2024 value Location

UN Sustainable Development Goals (UN SDGS)

Goal	Goal Description
5	Gender Equality
7	Affordable and Clean Energy
8	Decent Work and Economic Growth
9	Industry Innovation and Infrastructure
12	Responsible Consumption and Production
13	Climate Action
15	Life On Land

Talk to an Expert

Our dedicated team of packaging specialists and engineers will apply their industry knowledge and expertise to help you reduce your carbon footprint, increase efficiency, and improve your overall packaging process flow. Get in touch with us today to find out which Packsize solution is best for you.

Request an Evaluation.

Contact Us



International Headquarters

3760 W Smart Pack Way, Salt Lake City, UT 84104, USA

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Packsize ESG Report Appendix II - Task Force on Climate-Related Financial Disclosures (TCFD)



NOTE

This appendix contains reporting year 2024 data and was published in year 2025.

Pillar and Recommended Disclosure	Packsize Response (as of FY2024)	References in 2025 Packsize ESG Report
Governance		
G-1. Board oversight—Describe the board's oversight of climate-related risks and opportunities.	The board oversees Packsize's environmental sustainability agenda and is dedicated to advancing sustainable packaging solutions as part of the primary mission and function of the Company.	Sustainability Management and Oversight (Oversight & Governance), p. 10; Corporate Governance, pp. 15–16.
G-2. Management's role—Describe management's role in assessing and managing climate-related risks and opportunities.	The Executive Team ensures that sustainability is integrated into day-to-day operations and that the Company's marketing and ESG efforts increase awareness of the positive impact our solutions can have in helping companies reduce their environmental impact and waste. The CHRO leads ESG execution; leadership develops standard operating procedures, metrics, and targets; the Quality and Safety Departments play the primary role in operationalizing, tracking and auditing our ESG processes.	CEO Letter, p. 3; Sustainability Management and Oversight, p. 10.

Pillar and Recommended Disclosure	Packsize Response (as of FY2024)	References in 2025 Packsize ESG Report
Strategy		
S-1. Risks and opportunities—Describe climate-related risks and opportunities identified over the short, medium, and long term.	Packsize has not yet undertaken formal assessment of all the climate-related risks to our business, so a financial quantification of such risk is yet to be determined. We are highly focused on the opportunities created from actively marketing our solutions as an opportunity for our customers to reduce their negative impact on climate change, including right-sizing packaging solutions that avoid customer emissions from non-custom boxes and excess packing materials (374M boxes in 2024; estimated 270M lbs CO ₂ e avoided). Our persistent goal is to reach a billion boxes, at which point we'll save our customers an estimated 722 million pounds of avoided emissions every year.	CEO Letter, p. 3; Packsize and the Planet (EPR/PPWR response), pp. 13–14; GRI 201-2 (financial implications: To be determined), p. 19.
S-2. Impact on business, strategy, and financial planning—Describe the impact of climate-related risks/opportunities on businesses, strategy, and financial planning.	Strategic decisions made over the last year such as our relocation/expansion to Louisville, KY and Amsterdam (2025) to reduce transport emissions; onboarding a Modesto corrugator to localize supply (2025); renewable/efficiency upgrades; alignment with EPR/PPWR, SFI/FSC fiber sourcing, renewable/efficiency investments at our manufacturing and office facilities; and movement toward SBTi alignment all reflect our own commitment to decarbonization, but as noted above quantified financial impact assessments have not yet been undertaken, and we plan to explore future opportunities conduct a more comprehensive analysis in the future.	CEO Letter, p. 3; SMART Packaging/Focus Areas (SFI/FSC; circularity; renewables), pp. 7–8; Packsize and the Planet (SBTi; PPWR/EPR; Louisville & Modesto projects), pp. 13–14; GRI 201-2, p. 19.
S-3. Resilience and scenarios—Describe the resilience of the strategy, including a 2°C or lower scenario.	Packsize has not yet completed climate scenario analysis or stress-testing of the business under 1.5–2°C pathways, but we plan to explore future opportunities conduct such analysis in the future.	N/A (future disclosure planned).

Pillar and Recommended Disclosure	Packsize Response (as of FY2024)	References in 2025 Packsize ESG Report
Risk Management		
R-1. Identification and assessment—Describe processes for identifying and assessing climate-related risks.	Packsize completed a materiality assessment covering climate-salient topics (packaging materials, energy, circularity, GHGs) and engages stakeholders (customers, suppliers, investors, NGOs, agencies) to surface risks/opportunities. A formal ERM process specific to climate has not yet been undertaken, but we plan to explore future opportunities to conduct such analysis in the future.	Sustainability Management and Oversight (Materiality; Stakeholder Engagement), p. 10.
R-2. Management of risks—Describe processes for managing climate-related risks.	Management integrates sustainability into operations (leadership-owned SOPs/metrics; Quality audits) but we do not yet have a formal processes for managing climate-related risks to our business.	CEO Letter, p. 3; SMART Packaging/Focus Areas (renewable energy; diversion rate), p. 8; Packsize and the Planet, pp. 13–14.
R-3. Integration with ERM—Describe integration of climate risk processes into overall risk management.	Packsize has not yet undertaken a formal, enterprise-level climate risk framework or identified how climate risks map into ERM, risk appetite, or capital allocation, but we plan to explore future opportunities conduct such analysis in the future.	N/A
Metrics and Targets		
M-1. Metrics — Disclose the metrics used to assess climate-related risks/opportunities.	Packsize tracks Scope 1 and 2 GHG intensity (lbs CO ₂ e), purchased electricity and thermal energy, energy intensities, and ratings. Operational metrics include renewable generation/usage at HQ and waste diversion (~91%). Packsize completes environmental assessments that further show our commitment to our stakeholders and customers through EcoVadis (since 2023) and CDP (2025).	ESG Performance Data Tables, p. 17; SMART Packaging (solar 33%; diversion ~91%), p. 8; EcoVadis score, pp. 14 and 17.
M-2. GHG emissions—Disclose Scope 1, 2 and, when appropriate, Scope 3, and related risks.	Scope 1 emissions decreased from 1.46 lbs. CO ₂ e / sq. ft. in 2023 to 1.20 lbs CO ₂ e/sq. ft. in 2024; Scope 2 emissions decreased from 5.52 lbs. CO ₂ e / sq. ft. to 3.28 lbs CO ₂ e/sq. ft. in 2024. Scope 3 is not yet tracked.	ESG Performance Data Tables, p. 17 (Scope 1/2; Scope 3 status).

Pillar and Recommended Disclosure	Packsize Response (as of FY2024)	References in 2025 Packsize ESG Report
M-3. Targets and performance—Describe targets used and performance against targets.	Packsize goals include becoming a net-zero, zero-waste company by 2030, raising renewable energy usage, and aligning with SBTi (work underway to improve data prior to submitting targets). Current performance includes ~91% material diversion and HQ solar providing ~33% of electricity. Packsize achieved net-zero in Scope 1 and 2 for 2024 through carbon offsets and RECs while pursuing additional on-site renewables and efficiency.	CEO Letter, p. 3; SMART Packaging (diversion; HQ solar; (net-zero S1–S2 via offsets/RECs); p. 8; SBTi Commitment and Timing, p. 14.