J.S. McCarthy
packaging + print

J.S. McCarthy Packaging + Print

2024–2025 ESG Report

ENVIRONMENTAL | SOCIAL | GOVERNANCE

69,312

Standard trees reforested in 2025

2024–2025 At-a-Glance

~69,300
STANDARD TREES PLANTED (PRINTRELEAF 2025)

2,011
TONS OF PAPER RECYCLED

100%
WIND-POWERED OPERATIONS

0
LOST-TIME INJURIES IN 2025

104
EMPLOYEE-OWNERS (2025)

13.56 yrs
AVERAGE EMPLOYEE TENURE (2025)

$260K+
COMMUNITY GIVING (2024 + 2025)

$15M+
EQUIPMENT INVESTMENT (2024–2025)

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**SDG. The United Nations Sustainable Development Goals are 17 interconnected global targets adopted in 2015 that call on governments, businesses, and communities to end poverty, protect the planet, and ensure shared prosperity by 2030.*

LEADERSHIP

A Message from Our

President + CEO

J.S. McCarthy Packaging + Print has spent decades making positive strides in our environmental, social, and governance decision making. As an early adopter of these ideals, long before they carried this name, being a good corporate citizen is entrenched in our culture and is here to stay.

The 2024-2025 period has been one of the most transformative in our company's history. We made a deliberate, proud strategic decision: J.S. McCarthy is now laser-focused on folding carton packaging excellence. By phasing out our digital printing and mailing departments, we sharpened our operational focus and positioned ourselves to grow exponentially as a best-in-class folding carton manufacturer. This was not a retreat. It was a bold, forward-looking decision rooted in the values we have always held: quality, efficiency, and a relentless drive to be the best at what we do. Every employee-owner who was part of that transition helped shape the focused, capable team we are today.

To support this vision, we invested over $15 million in new equipment and facility upgrades over these two years, including the installation of the Heidelberg Speedmaster XL 106 (21K), the fastest printing press in the world, of which we were the first installation in the United States. In 2025, our team set a world record by running 429,000 folding carton sheets (23.6 pt CKB™ board supplied by Stora Enso) in a single 24-hour period, a testament to the skill, dedication, and ownership mindset of every employee-owner on our floor.

Speaking of ownership, in 2025 we launched an ESOP Communications Committee to deepen every employee-owner's understanding of how our Employee Stock Ownership Plan works and what each of us can do to grow the value of our shares. In 2024 we completed company-wide Lean training with an outside consultant, forming a permanent Lean Committee. These reflect our ongoing commitment to continuous improvement in everything we do.

On the ESG front, I am incredibly proud of what our team has accomplished. In August 2025, we entered a contract with PrintReleaf to automatically reforest every job we produce, no longer an opt-in program but a company-wide commitment. In 2025 alone, that translated to over 69,300 standard trees planted. We also achieved zero lost-time injuries in 2025, a milestone we set as a goal in our last ESG report and one that means the world to me personally. Our people go home safe. There is no greater measure of success than that.

We have also been recognized for our craft. In 2024 and 2025, J.S. McCarthy earned multiple awards from the Printing Industries of New England (PINE) and the Foil & Specialty Effects Association (FSEA) for our in-house designed self-promotion packaging pieces, celebrating what we are capable of when our own team is given the freedom to create.

We are proud of how far we have come, and even more excited about where we are going. Thank you for joining us on this journey.

Jonathan Tardiff

President + CEO

J.S. McCarthy Packaging + Print

Who We Are

J.S. McCarthy Packaging + Print has been a cornerstone of New England manufacturing for over 75 years. Headquartered in Augusta, Maine, we operate a **151,000 square foot state-of-the-art manufacturing facility**, expanded by 15,000 square feet in 2024 to accommodate our growing capabilities, along with a nearby warehouse for paper roll and records storage.

While we are proud of our commercial printing roots, we have made a deliberate and confident strategic transformation: folding carton packaging is now our primary and defining business. We proudly serve clients in the food, pharmaceutical, cosmetic, and consumer goods industries across the United States, producing high-quality folding cartons that meet the rigorous standards our clients and their customers demand.

In 2024 and 2025, we invested over **$15 million** in new equipment and facility upgrades, including the installation of the Heidelberg Speedmaster XL 106 (21K), the fastest press in the world and the first of its kind installed in the United States, a second BOBST Expertcut 106 PER blanker, and a BOBST CartonPack 4 cartoner. All of our production takes place right here in Augusta, Maine.

15 Darin Drive production facility during expansion

Heidelberg Speedmaster XL 106 (21,000 sheets per hour) installed in 2024

15 Darin Drive production facility after expansion

Mission, Vision + Values

Our Mission

We are an employee-owned company deeply focused on delivering products with exceptional quality and accuracy. Our commitment to excellence is matched by our belief that outstanding customer service is fundamental to our success.

Our Vision

Quality, service, and reliability will always drive us as we continue to innovate and find more efficient and sustainable ways to deliver packaging and print.

Our Values

Passion
We take pride in our work and empower our people through employee ownership.

Responsibility
We're committed to sustainable solutions and delivering high-quality products with unmatched attention to detail.

Trust
Everything we do is a reflection of who we are, so we build and nurture strong partnerships.

Innovation
As an industry leader, we strive to honor our craft while always looking ahead to what comes next.

EMPLOYEE OWNERSHIP

OUR PEOPLE ARE SO IMPORTANT TO US, they own 100% of the company.

J.S. McCarthy has been 100% employee-owned since 2019. This means that our employees are given ownership in the company, at no cost to them, simply by doing their jobs each day.

Employee ownership supports all three pillars of ESG. According to the National Center for Employee Ownership (NCEO), because ESOP companies provide the opportunity for employees to “think like an owner,” ESOP companies typically outperform non-employee owned companies with respect to profitability and growth. When JSM prospers, its employee-owners reap the rewards.

ESOPs are governed by a strict set of laws and regulations set by the Department of Labor and the IRS, ensuring sound governance for the benefit of employee-owners. Every business decision is made with these stakeholders’ best interests in mind.

In 2025, we took our commitment to employee ownership one step further by forming an ESOP Communications Committee. This group meets regularly to educate all employee-owners on how our ESOP works, how share value is calculated, and what each of us can do in our daily roles to grow the value of the company and our own retirement security. It is one of the most direct expressions of our ownership culture.

Studies suggest that ESOP companies are good corporate citizens, caring for their local communities and the environment while focusing on their core business. JSM is no exception. Many of the initiatives we support are those brought forward by our own employee-owners. If it matters to them, it matters to JSM.

Employee Owned

2019
EMPLOYEE-OWNED SINCE

104
EMPLOYEE-OWNERS 2025

100% Free
OWNERSHIP AT NO COST

ENVIRONMENTAL

Protecting Our Planet

TREES | RECYCLING | WASTE | REFORESTATION | WIND POWER

1

Trees: A Renewable Resource

Did you know that the printing industry plants more trees than it harvests each year? There is a widely held belief that printing less will save the Earth's forests, but printing actually supports forest growth. Many of the country's forest land is privately owned, and an excellent way to ensure this land stays forested is to ensure a means of income generation through responsible forestry.

Trees are a crop. Just as a farmer growing corn ensures a fresh crop the following year, tree farmers operate the same way. Moreover, much of the wood used in folding carton packaging comes from certified forests, meaning the supply chain has been vetted to ensure responsible resource management.

Paper and folding carton packaging are inherently circular: trees are biodegradable and recyclable, paper is one of the most widely recycled products in the United States, and what is not recycled will break down naturally into the earth.

Recycling

Paper is integral to what we do each day. Our goal is to recycle all of the paper, paperboard, and corrugated that does not end up as a finished good. We maintain an in-house baling system that collects waste paper directly from our equipment, carrying it along our ceiling for baling and recycling. Nearly 100% of our paper waste is run through this system and recycled through our primary partner, **National Fiber**.

2,011
TONS OF PAPER RECYCLED
2025

20.23
TONS OF METAL RECYCLED
2025

Recycling Data 2023–2025

METRIC	2023	2024	2025
Paper + Cardboard Recycled	1,617 tons	2,007 tons	2,011 tons
Metal Recycled	~21 tons	17.76 tons	20.23 tons
Standard Trees Planted (PrintReleaf)	737	482	69,312*

Recycling tonnage grew by 24% from 2023 to 2024 and has held steady in 2025, reflecting both the growth of our folding carton business and our sustained commitment to keeping materials out of landfills. Nearly 100% of our metal printing plates are recycled.

2025 tree figure reflects the addition of our company-wide PrintReleaf contract. See Reforestation section.
†All tonnage reported in US short tons. 2025 paper and cardboard recycling of 2,011 short tons equals 1,824 metric tons; metal recycling of 20.23 short tons equals 18.35 metric tons.

Waste Management

Our commitment to environmental stewardship is reflected in our robust waste management program. We prioritize recycling and responsible disposal of all waste streams generated by our operations.

METRIC	2023	2024	2025
Hazardous Waste †	1,210 gal	770 gal	1,325 gal
Non-Hazardous Waste	634,120 lbs	460,610 lbs	353,000 lbs
eWaste	628 lbs	1,321 lbs	905 lbs
Universal Waste	51 lbs	90 lbs	80 lbs
Water Used	1,123 hcf*	862 hcf*	523 hcf*

The dramatic reductions in non-hazardous waste and water usage from 2023 through 2025 are a direct result of our investment in state-of-the-art equipment and our company-wide Lean training initiative. The 2025 hazardous waste figure reflects a single-year increase due to equipment changeover, a pattern consistent with 2023 when dated equipment and chemistry were retired.

**Hundred cubic feet. 2025 water use of 523 hcf equals 1,481 cubic meters. †Hazardous waste is tracked by volume. The 2025 figure of 1,325 gallons equates to approximately 5.02 metric tons, estimated using water-equivalent density as a conservative proxy. Non-hazardous waste of 353,000 lbs equates to 160.12 metric tons.*

Where Does Our Waste Go?

WASTE STREAM	PRIMARY VENDOR
Non-Hazardous	Troiano / City of Augusta
Hazardous	EnviroServe
e-Waste	North Coast Services
Metal	Clark's West Side Scrap
Paper + Cardboard	National Fiber

Nearly 100% of paper waste is baled and recycled.

Nearly 100% of metal printing plates are recycled.

Waste Reduction Trend

Non-hazardous waste is down 44% since 2023

The Story Behind the Numbers

The dramatic reductions in non-hazardous waste and water usage from 2023 through 2025 reflect two converging forces: the retirement of older equipment and the efficiencies gained through our company-wide Lean training program. As we phased out our digital printing and mailing departments, significant volumes of waste-generating materials and processes left our facility along with them. The installation of the Heidelberg Speedmaster XL 106 (21K) and the BOBST CartonPack 4 brought not just speed, but precision, and precision means less waste at every step.

The 2025 increase in hazardous waste reflects a single-year spike tied to equipment changeover, consistent with what we experienced in 2023. As new equipment settles into our workflow and older chemistry is fully retired, we expect this figure to stabilize. We continue to manage all hazardous waste through licensed vendors in full compliance with state and federal regulations.

Water usage tells perhaps the clearest efficiency story: from 1,123 hundred cubic feet in 2023 to 523 hundred cubic feet in 2025, a 53% reduction over two years. This is a direct result of investing in equipment that requires less water in its operation and of our ongoing Lean practices that eliminate unnecessary resource consumption at every stage of production.

REFORESTATION

Our PrintReleaf Partnership

printreleaf
AUTHORIZED PARTNER

Scan to view our impact over the past 4 years

69,312

STANDARD TREES PLANTED IN 2025

5,760,854 lbs of paper offset

In August 2025, J.S. McCarthy entered into a landmark contract with PrintReleaf, committing to automatically reforest every job we produce, company-wide.
Reforestation is now built into every job we produce, at no additional ask. It is our standard.

YEAR	PAPER OFFSET	STANDARD TREES PLANTED	VERIFIED CARBON UNITS (VCUs)
2022 (partial)	19,903 lbs	239	—
2023	61,271 lbs	737	336.270 tCO_2e retired
2024	40,056 lbs	482	224.052 tCO_2e retired
2025*	**5,760,854 lbs**	**69,312**	**281.863 tCO_2e retired**

**2025 figures reflect the impact of our company-wide PrintReleaf contract, effective August 2025.*
Standard trees planted and Verified Carbon Units retired are tracked on separate bases. Standard trees planted correspond to the volume of paper we consume and are offset through PrintReleaf's certified reforestation projects. VCUs are separately sourced Verra-certified credits retired against registered carbon projects, and the two figures move independently of one another.

The leap from 482 standard trees in 2024 to over 69,000 standard trees in 2025 tells the story of what a company-wide commitment looks like in practice.

Resource Conservation

Wind Power

Since 2007, J.S. McCarthy has powered 100% of its operations with certified wind energy through our partnership with Schneider Electric. We are proud to be listed as a **Green Power Partnership 100% Green Power User** through the U.S. Environmental Protection Agency. Because we offset 100% of our electricity consumption through certified wind energy, our net purchased electricity carbon footprint is zero.

YEAR	ELECTRICITY CONSUMED, kWh (100% WIND-MATCHED)
2022	4,488,631
2023	4,098,378
2024	3,885,313
2025	**3,681,796**

The gradual decrease in kWh consumed year over year is a positive indicator: it reflects our continued investment in more energy-efficient equipment, which reduces our overall energy consumption even as our production volume grows.

100%

WIND-POWERED
SINCE 2007, 19 YEARS

EPA GREEN
POWER PARTNERSHIP

100% GREEN POWER USER

429,000

SHEETS IN 24 HRS
WORLD RECORD 2025

On-Site Sheeting

We continue to operate our in-house sheeter, installed in 2016, which allows rolls of paper to come directly from the mill to our facility, eliminating the need for a third-party sheeter and the additional transportation that entails. This reduces our carbon footprint and gives us greater flexibility and control over our materials.

Equipment Efficiency

New equipment is not just about speed and quality, it is about efficiency. Our Heidelberg Speedmaster XL 106 (21K), which set a world record in 2025, makes ready a job faster and with less waste than the press it replaced. Our BOBST CartonPack 4 cartoner, installed at the end of 2025, dramatically reduces the time and labor required for box packing, improving throughput while minimizing material handling errors. Every investment we make in equipment is an investment in a leaner, greener operation.

Greenhouse Gas Emissions

J.S. McCarthy tracks and reports Scope 1 and Scope 2 greenhouse gas emissions across both of our Augusta facilities, our main production plant and our paper roll and records storage warehouse, in accordance with the GHG Protocol Corporate Standard. In 2025, our total Scope 1 emissions decreased 18% year over year, driven by reduced propane consumption and a significant reduction in mobile combustion from company vehicles. Our Scope 2 market-based emissions remained at zero for the second consecutive year, as our purchase of Green-e certified Renewable Energy Certificates through Schneider Electric continues to cover 100% of our electricity consumption across both facilities.

Through our PrintReleaf partnership, JSM retired 281.863 tCO_2e in Verra-certified Verified Carbon Units in 2025, sourced from the India Wind Power Project (Jaisalmer). These retirements address a portion of the embodied carbon in the fiber we purchase, which falls within Scope 3. We do not yet quantify our full Scope 3 inventory, and we report retired credits separately from our Scope 1 and Scope 2 emissions rather than netting them against either.

SCOPE 1, 2025

119.7

tCO_2e ↓ FROM 145.67 IN 2024

SCOPE 2 LOCATION-BASED, 2025

907.1

tCO_2e ↓ FROM 957.3 IN 2024

VCUs RETIRED, 2025

281.863

tCO_2e VERRA-CERTIFIED CREDITS RETIRED

EMISSION SCOPE	2024	2025	CHANGE
Scope 1 — Stationary combustion (propane)	101.7 tCO_2e	90.6 tCO_2e	↓ 11%
Scope 1 — Mobile combustion (vehicles)	43.97 tCO_2e	29.1 tCO_2e	↓ 34%
Scope 1 Total	145.67 tCO_2e	119.7 tCO_2e	↓ 18%
Scope 2 — Location-based (purchased electricity)	957.3 tCO_2e	907.1 tCO_2e	↓ 5%
Scope 2 — Market-based (100% REC coverage)	0 tCO_2e	0 tCO_2e	no change
VCUs retired via PrintReleaf (Verra-certified)	224.052 tCO_2e	281.863 tCO_2e	↑ 26%

Methodology

Scope 1 calculated per the GHG Protocol Corporate Standard, covering stationary combustion of propane and mobile combustion from company-owned vehicles. Scope 2 location-based emissions are calculated using the EPA eGRID emission factor for the NEWE subregion, 543.178 lb CO2e/MWh, applied consistently across all reporting years. Prior-year figures have been restated on this basis for comparability. Scope 2 market-based emissions are zero, as 100% of purchased electricity is matched with Green-e certified renewable energy certificates sourced through Schneider Electric. Both figures cover 100% of JSM operations across the Augusta main plant and warehouse.

SOCIAL

Protecting Our Planet

PEOPLE | SAFETY | DEIA | COMMUNITY

2

Investing in Our People

Our people are so important to us, they own 100% of the company. As of 2024, JSM employed 107 employee-owners, and 104 at the end of 2025. With an average tenure of 13.56 years in 2025, our team reflects a culture where people are proud to build their careers, and their financial futures, right here in Augusta, Maine.

104
EMPLOYEE-OWNERS
2025

13.56 yrs
AVERAGE TENURE
2025

100%
EMPLOYEE-OWNERSHIP
AT NO COST TO EMPLOYEES

62.39%
WELLNESS PARTICIPATION
2025

In addition to company ownership, we offer a comprehensive benefits package including health insurance, vision, dental, and a 401(k) with a company match. Our long-standing wellness program continues to grow: in 2024, 59.81% of employees participated, rising to 62.39% in 2025.

Employee Retention

Our average tenure of 13.56 years speaks to the culture we have built. People who join J.S. McCarthy tend to stay. We track turnover as a key indicator of employee satisfaction and organizational health.

YEAR	TURNOVER	CONTEXT
2022	16%	baseline year
2023	5.9%	pre-transition baseline
2024	22.4%	digital and mailing phase-out
2025	18.3%	normalizing

Turnover rose in 2024 as we completed the phase-out of our digital printing and mailing operations, the largest workforce change of this reporting period. Those departures were expected and managed. The rate began to come back down in 2025, and average tenure rose from 13.03 years to 13.56, a sign that the focused folding carton team we built is settling in for the long term.

Wellness Programming

Wellness programming includes Lunch-N-Learn sessions on topics such as Building Healthy Habits, Nutrition Label Reading (led by nutritionists at MaineGeneral Hospital), Planning for the Future: Wills, Trusts + More, Ergonomics in the Workplace, Taking Charge of Your Money, and Slow-Flow Yoga, among others. We also provide access to free mental health support and a free health coach.

Lunch-N-Learn Topics Include:

- Building Healthy Habits
- Nutrition Label Reading
- Taking Charge of Your Money
- Ergonomics in the Workplace
- Slow-Flow Yoga
- Understanding Our ESOP

Lean Training + Continuous Improvement

In 2024, all J.S. McCarthy employees completed a company-wide Lean training program led by an outside consultant. The hands-on workshops equipped every employee-owner with tools to identify waste, streamline processes, and contribute to a more efficient operation. As a result, we formed a standing Lean Committee that meets regularly to discuss process improvements, reorganize areas within the facility, and drive ongoing efficiency gains.

ESOP Communications Committee

In 2025, we launched a formal ESOP Communications Committee to deepen employee-owners' understanding of our Employee Stock Ownership Plan. The committee meets regularly to educate team members on how ESOPs work, how share value is determined, and what concrete actions each employee-owner can take to increase share value year over year.

Training + Development

100% of employees complete annual training through our Employee Handbook program, covering the following areas:

100%
ANNUAL TRAINING COMPLETED IN 2025

Labor + Human Rights

- Discrimination and Harassment Prevention
- No Retaliation Policy
- Americans with Disabilities Act (ADA) and Reasonable Accommodation
- Pregnancy Accommodations Policy
- Employee Health and Safety
- Alcohol and Drug-Free Workplace Policy
- Workplace Violence Policy
- Paid Time Off, FMLA, Maine PFML, Maine FMILL
- Workers' Compensation and Disability
- Employee Benefits: Health, Dental, Vision, ESOP + 401(k)

Environment

- Environmental, Social and Governance Policy

Ethics

- Code of Conduct and Compliance with the Law
- Conflicts of Interest
- Relationships with Clients and Suppliers
- Gifts, Entertainment, and Favors
- Company Records and Communications
- Privacy and Confidentiality
- Data Security
- Whistleblower Reporting Mechanisms
- Employee Discipline and Complaint Procedures

Sustainable Environment/ Governance

- Confidentiality of Client Information
- Supplier and Partner Conduct Expectations
- Governance Controls and Expense Policies

SAFETY

0

LOST-TIME INJURIES IN 2025

A goal we set in 2023. Achieved ✓

YEAR	JSM OSHA RIR	INDUSTRY BENCHMARK	CONTEXT
2022	2.3	2.5–3.0	Below average
2023	6.7	2.5–3.0	Equipment changeover
2024	2.7	2.5–3.0	Significant recovery
2025	**0.0**	**2.5–3.0**	**Zero recordable injuries**

Our OSHA Recordable Incident Rate reflects the broader journey of our operations during a period of significant transformation. In 2023, a year of major equipment changeover and facility expansion, our rate rose to 6.7, above the industry benchmark of 2.5–3.0. We took that seriously. Through reinforced safety training, updated standard operating procedures, and a management commitment to making safety non-negotiable, we brought that rate to 2.7 in 2024 and 0.0 in 2025. Zero recordable incidents. Zero lost-time injuries. That is the standard we intend to keep.

Near-Miss Reporting

A strong safety culture is built not just on what goes wrong, but on what almost went wrong. We encourage all employee-owners to report near-miss events: situations that had the potential to cause injury but did not. Near-miss reporting is a leading indicator of safety culture maturity and gives us the opportunity to address hazards before they result in harm.

YEAR	NEAR-MISS REPORTS	TREND
2022	6	Baseline
2023	8	Increasing reports signal stronger reporting culture
2024	11	Peak reporting, employees actively engaged in safety
2025	**7**	**Decrease alongside zero injuries, hazards addressed proactively**

Diversity, Equity, Inclusion + Accessibility

We are committed to providing an equitable work environment that celebrates the unique talents of all our employee-owners. We strive to foster a respectful workplace community where individuals of all backgrounds, perspectives, and experiences feel empowered to grow, succeed, and contribute meaningfully to our team.

2025	SENIOR LEADERSHIP	MANAGEMENT
Women	22% (2 of 9)	20% (5 of 25)
Total Individuals	9	25

Our commitment to DEIA is woven into our ownership model, our company culture, our community engagement, and our commitment to growth. We continue to seek innovative ways to offer equitable and inclusive opportunities to our team and business partners, including groups that have historically been underrepresented in our industry or region.

56% of our suppliers have active DEIA programs, and 100% have signed our Supplier Code of Conduct, which includes explicit labor practice and equal opportunity requirements. And one of our 27 key suppliers is women-owned. We continue to seek diverse supplier relationships through our onboarding process.

Investing in Our Community

Community outreach is an important part of our culture at J.S. McCarthy. We are proud of the financial support, in-kind donations, and volunteer time our team gives to organizations across the Kennebec Valley and beyond. The causes we support span health, education, financial stability, DEI, workforce readiness, and youth programming.

YEAR	EMP.	GIVING	EMP. CONT.	CO. CONT.	TARDIFF FAMILY	UWKV TOTAL	%
2022	156	105	$23,134	$18,000	$10,000	$51,134	67.31%
2023	118	96	$19,000	$18,000	$10,000	$47,000	81.36%
2024	104	100	$30,731	$18,000	$10,000	$58,731	93.46%
2025	**109**	**82**	**$32,256**	**$18,000**	**$20,000**	**$70,256**	**78.85%**

93.46%
UWKV PARTICIPATION
2024

$70,256
UNITED WAY TOTAL
2025

$20,000
LARGEST COMPANY GIFT EVER
2025

The 93.46% participation rate in 2024 reflects our ownership culture at its finest. In 2025, JSM doubled its Family Contribution to $20,000, the largest company family gift in our United Way history, reflecting our deepened commitment to the community even as overall employee participation normalized.

In addition to United Way giving, JSM provided $61,944 in other community donations in 2024 and $69,115 in 2025, including in-kind printing, advertising, and sponsorships to organizations across the region.

Employee counts in the table above reflect total employees at the time of each annual United Way campaign and may differ from the employee-owner counts reported elsewhere in this document, which reflect total number of employees at year end.

Community Spotlight:
United Way of Kennebec Valley

One nonprofit we are especially proud to support is the United Way of Kennebec Valley (UWKV). JSM and its employees have long supported UWKV through corporate gifts and employee campaigns, which allow employees to give through payroll deduction.

UWKV works to connect people and resources with the aim of meeting health, education, and financial stability needs in Kennebec County. In recent years, UWKV has been a community leader in Diversity, Equity, and Inclusion, developing a robust DEI action plan that supports nonprofits, businesses, and individuals across the region. UWKV also continues to lead the Impact2032 initiative, bringing together over 80 community leaders (including members of our own team) to pursue measurable ten-year goals in health, education, and financial stability.

Day of Giving 2025

In 2025, several members of our team participated in UWKV's Day of Giving, volunteering their time to help clean up a local school play yard.

For more information, visit **uwkv.org**.


J.S. McCARTHY
Penne
"Bolognese"

GOVERNANCE

Accountability In Everything

QUALITY | SUPPLY CHAIN | CORPORATE GOVERNANCE | CERTIFICATIONS

3

Quality Assurance

We adhere to Lean Management Principles company-wide, with continuous improvement as a core operational value. In 2024, we completed a company-wide Lean training program and established a standing Lean Committee to drive ongoing improvements in workflow, facility organization, and production efficiency.

Our company-wide Quality Assurance program gives every employee-owner a forum to prevent mistakes, share ideas, learn best practices, and ensure communication flows in all directions. Every step of our production process has its own Standard Operating Procedure that operators are trained on and must follow. Our quality tools include densitometer readings on all proofs, G7 certification for color accuracy, camera and barcode recognition for bindery and gluing equipment, and a dedicated quality lab to measure the integrity of our folding cartons.

Quality Tools

- Densitometer readings on all proofs
- G7 color methodology on all proofing and printing presses
- Camera and barcode recognition (bindery/gluing)
- Dedicated quality lab for carton integrity

Supply Chain Partnerships

We place a strong focus on our relationships with suppliers and have many long-standing partnerships built on mutual trust and shared values. All new vendors are onboarded through our formal Vendor Onboarding Packet, which includes our Supplier Code of Conduct, a comprehensive Supplier Survey, a Vendor Master Agreement, and a Letter of Continuing Guarantee.

Vendor Onboarding Packet Includes:

- Supplier Code of Conduct
- Supplier Survey
- Vendor Master Agreement
- Letter of Continuing Guarantee

Supplier Environmental Accountability

Our long-term supply chain goals include increasing supplier transparency on environmental practices. As a baseline, 48% of our key suppliers currently track carbon emissions, and 74% have established ESG goals or targets. Specific targets include requiring 100% of key suppliers to submit environmental impact reports by 2028 and achieving 80% supplier adoption of emissions reduction strategies by 2028.

48%
OF SUPPLIERS CURRENTLY TRACK CARBON EMISSIONS

70%
TARGET BY 2028: SUPPLIERS TRACKING CARBON EMISSIONS

2028 Targets

- 100% of key suppliers to submit environmental reports
- 80% supplier adoption of emissions reduction strategies
- Increase carbon-tracking suppliers from 48% toward 70%

Supplier Scorecard: 2024 Survey | 27 Key Suppliers

100% SIGNED CODE OF CONDUCT	**74%** HAVE ESG GOALS OR TARGETS	**56%** HAVE DEIA PROGRAMS	**48%** TRACK CARBON EMISSIONS
93% HEALTH + SAFETY TRAINED PERSONNEL	**85%** PRODUCTS TRACEABLE BY LOT/BATCH	**44%** THIRD PARTY CERTIFIED (GFSI/SQF/ISO)	**1** WOMEN-OWNED SUPPLIER

100% of JSM suppliers have signed our Supplier Code of Conduct
Every supplier has formally committed to our standards of ethical conduct, labor practices, and environmental responsibility.

Supplier Code of Conduct

In fulfillment of a goal set in our 2023 ESG Report, J.S. McCarthy completed and formalized a Supplier Code of Conduct, now included in every vendor onboarding packet. The Code outlines our expectations for suppliers in five areas: compliance with applicable law, ethical business conduct, labor practices, accurate recordkeeping, and environmental responsibility.

2023 Goal, Achieved!

Integrated Ethics + Sustainable Supply Chain Policy

In March 2025, we updated our Integrated Ethics and Sustainable Supply Chain Policy (IMS 074 V.2), which establishes comprehensive guidelines for our sourcing, procurement, and business conduct. The policy covers sustainable supplier practices, ethical labor standards, supply chain transparency, responsible wood and fiber sourcing, and carbon footprint reduction in procurement. It also includes a robust ethics framework covering anti-corruption, fraud prevention, conflicts of interest, information security, and whistleblower protections. The policy is reviewed biennially and aligns with United Nations Sustainable Development Goals 8, 9, 10, 12, 13, 15, and 16.

IMS 074 V.2 Updated March 2025

Corporate Governance

Accountability is a bedrock principle of J.S. McCarthy's culture, and this includes accountability in corporate governance. As an ESOP, JSM has multiple independent parties, including an ESOP Trustee Committee, an independent third-party administrator, external auditor, and external valuation firm, who ensure the plan is operated fairly and in accordance with applicable law.

In addition to our ESOP governance structure, JSM has an engaged Board of Directors overseeing broad corporate strategy and policies. In 2025, we also formed an ESOP Communications Committee of employee-owners to strengthen internal understanding of and engagement with our ownership structure, ensuring that every team member can be an active and informed participant in the growth of the company.

JSM implements sound governance practices in daily operations, including carrying out annual vendor questionnaires, living by our employee Code of Conduct, and modeling high levels of ethics and integrity at every level of the organization.

Annual governance practices include:

- Annual vendor questionnaire
- Employee Code of Conduct
- Annual ethics and compliance training
- Whistleblower reporting mechanisms
- External auditor and ESOP valuation firm

ESOP Governance Structure

BOARD OF DIRECTORS
CORPORATE STRATEGY AND OVERSIGHT

↓

ESOP TRUSTEE COMMITTEE
INDEPENDENT OVERSIGHT, DOL AND IRS COMPLIANCE

↓

ESOP COMMUNICATIONS COMMITTEE
EMPLOYEE EDUCATION, FORMED 2025

↓

EMPLOYEE-OWNERS (104)
100% OWNERSHIP AT NO COST

Third Party Certifications

SQF
Safe Quality Food (Food Contact)

A recognized hallmark of quality in food packaging, reflecting our commitment to product safety and continuous improvement.

FSC®
Forest Stewardship Council®

Ensures our paper supply chain supports responsible forest management, and allows clients to market their own environmental commitment.

G7 Master Printer
Color Accuracy, Qualified through March 2026

Our proofing and printing presses are calibrated to G7 color methodology for industry-leading color accuracy from proof to press.

(Recertification scheduled after upcoming proofing station replacement installation.)

EcoVadis
Sustainability Assessment, September 2025

Silver medal/top 15% recognizes our commitment to environmental stewardship, ethical operations, and social responsibility.

Green-e
100% Green Power User

Recognizes JSM as a 100% Green Power User via certified wind energy through Schneider Electric.

PrintReleaf
Company-Wide Reforestation

Every job we produce automatically funds global reforestation, effective August 2025.

These certifications represent our commitment to operating at the highest standards of quality, sustainability, and ethical business practice.

Certification status reflects the 2024 to 2025 reporting period. Certification details and verification available upon request. Contact marketing@jsmccarthy.com

FINAL NOTES

Protecting Our Planet

FUTURE GOALS | AWARDS + RECOGNITION | SDG INDEX

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2023 GOALS ACHIEVED

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AWARDS 2024–2025

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SDGs SUPPORTED

Future Goals

As J.S. McCarthy looks to the future, our commitment to ESG remains central to who we are. We are proud to report on the goals we set in our 2023 ESG Report:

2023 GOAL	STATUS
Supplier Code of Conduct	✓ Achieved
Zero lost-time injuries	✓ Achieved
Increase wellness participation 5% year over year	In Progress
Review and update policies through the lens of DEI	Ongoing
Continuous improvement of resource renewal policies	Ongoing

Looking Ahead

- Grow production volume as a focused folding carton manufacturer, leveraging our new equipment investments to expand capacity and serve more clients.
- Invest in robotics and automation as the next phase of our equipment evolution, solutions that will further improve efficiency, reduce manual handling, and support our safety goals.
- Continue company-wide Lean practices through our standing Lean Committee, driving measurable improvements in waste reduction, throughput, and facility organization.
- Grow our PrintReleaf reforestation impact year over year as our production volume increases, deepening our environmental commitment with every job we run.
- Maintain zero lost-time injuries as our baseline. The safety and wellbeing of our employee-owners is non-negotiable.
- Expand ESOP education and engagement through our ESOP Committee, ensuring every employee-owner understands and actively participates in growing the value of our company.
- Advance our Integrated Ethics and Sustainable Supply Chain Policy targets: requiring 100% of key suppliers to submit environmental impact reports by 2028, and achieving 80% supplier adoption of emissions reduction strategies by 2028.
- Increase the percentage of key suppliers tracking carbon emissions from 48% toward 70% by 2028, building on the baseline established by our 2024 Supplier Survey.
- Explore Scope 3 emissions tracking beginning with downstream transportation and purchased goods, as our carrier data matures.
- Formalize near-miss safety reporting as a leading indicator of safety culture, and set a measurable target for 2026.

The best is ahead of us.


At J.S. McCarthy,
we strive to be(e)
Efficient
Reliable
Sustainable
Versatile
Precise
Innovative

Awards + Recognition

We are proud to have our craft recognized by the industry's most respected organizations. In 2024 and 2025, J.S. McCarthy earned multiple awards from the Printing Industries of New England (PINE) and the Foil & Specialty Effects Association (FSEA) for our in-house designed self-promotion packaging pieces.

2024: Honey Sampler

Our Honey Sampler self-promotion piece was a custom designed box paired with three honey samplers from a local Maine vendor.

CATEGORY	ORG	AWARD
Finishing Techniques: Foil, Film Stamping, Embossing + Debossing	PINE	PINNACLE
Finishing Techniques: Die Cuts, Unique Folds + Involvement Devices	PINE	HM*
Best Use of Foil/Embossing, Folding carton (Self Promotion)	FSEA	SILVER

PINE
Printing Industries of New England

FSEA
Foil + Specialty Effects Assoc.

**HM, Honorable Mention.*

2025: Gingerbread House Candle

Our Gingerbread Candle packaging was an in-house designed vanilla frosting scented, diecut and embossed holiday gift box housing a custom candle.

CATEGORY	ORG	AWARD
Finishing Techniques: Foil, Film Stamping, Embossing + Debossing	PINE	PINNACLE
Finishing Techniques: Specialty Inks/Coatings, Fragrances, Etc.	PINE	PINNACLE
Carton + Packaging	PINE	PINNACLE
Printer's Self Promotion	PINE	HM*
Best Packaging	PINE	SPECIALTY
Foil and/or Embossed Folding Carton (Creative)	FSEA	SILVER
Special/Diecut	FSEA	SILVER

SDG Index

J.S. McCarthy's ESG commitments align with the following United Nations Sustainable Development Goals (SDGs). This index maps each SDG to the specific initiatives and data reported in this document.

SDG	GOAL	JSM ALIGNMENT
SDG 3	Good Health + Well-Being	Zero lost-time injuries (2025); 0.0 OSHA RIR; wellness programming (62.39% participation); free mental health support and health coaching; near-miss reporting culture
SDG 4	Quality Education	Annual 100% employee training program covering labor rights, ethics, environment, and governance; ESOP Communications Committee education; Lunch-n-Learn series; Education Assistance benefit
SDG 7	Affordable + Clean Energy	100% wind-powered operations since 2007 via Schneider Electric Green-e certified RECs; net zero purchased electricity carbon footprint; 3,681,796 kWh consumed in 2025, matched with certified wind RECs
SDG 8	Decent Work + Economic Growth	100% employee ownership (ESOP); comprehensive benefits; 13.56-year average tenure; Lean training and continuous improvement; world record press run (429,000 sheets / 24 hrs); $15M+ equipment investment
SDG 9	Industry, Innovation + Infrastructure	Heidelberg Speedmaster XL 106 (21K) — first US installation, world record holder; BOBST Expertcut + CartonPack investment; 15,000 sq ft facility expansion; on-site sheeting eliminates transport leg
SDG 10	Reduced Inequalities	22% women in senior leadership; 20% in management; DEIA training for all employees; 56% of suppliers have DEIA programs; 1 women-owned supplier; ESOP eliminates wealth gap between ownership tiers
SDG 12	Responsible Consumption + Production	2,011 short tons paper recycled (2025); nearly 100% paper and metal waste recycled; Lean waste reduction; non-hazardous waste down 44% since 2023; FSC® certified supply chain; SQF certified operations
SDG 13	Climate Action	100% wind energy since 2007; 3,681,796 kWh consumed 2025; 281.863 tCO_2e in VCUs retired through PrintReleaf 2025; energy efficiency improvements reflected in declining kWh year over year; Scope 3 tracking planned
SDG 15	Life on Land	69,312 standard trees planted via PrintReleaf (2025); 5,760,854 lbs paper offset; company-wide reforestation contract effective August 2025; FSC® certified sourcing; responsible wood and fiber sourcing policy
SDG 16	Peace, Justice + Strong Institutions	Integrated Ethics + Sustainable Supply Chain Policy (IMS 074 V.2, updated March 2025); 100% supplier Code of Conduct sign-off; whistleblower protections; anti-corruption and fraud prevention framework; ESOP federal governance oversight
SDG 17	Partnerships for the Goals	PrintReleaf global reforestation partnership; Schneider Electric wind energy partnership; EcoVadis sustainability assessment; FSC® chain-of-custody certification; United Way of Kennebec Valley community partnership; 27 supplier relationships with ESG alignment goals

SDG alignment is assessed annually. Full methodology available upon request.


J.S. McCARTHY

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packaging + print

Your folding carton packaging partner.

15 Darin Drive, Augusta, Maine 04330
www.jsmccarthy.com | (207) 622-6241