



PACIFIC SOUTHWEST CONTAINER

The background of the entire page is an aerial photograph of a lush green forest. A winding river or stream flows through the center of the forest, creating a natural path that leads the eye from the top of the page towards the bottom. The trees are dense and vibrant green, and the water is a clear, light blue. The overall scene conveys a sense of nature, sustainability, and environmental stewardship.

SUSTAIN ABILITY REPORT



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INTRODUCTION

ABOUT THIS REPORT

Welcome to our first sustainability report. As a third-generation, family-owned company, Pacific Southwest Container, LLC® (“PSC” or the “Company”) has been crafting packaging that’s More Than Just A Box™ for over 50 years. To us, that means creating packaging that meets the highest quality standards while supporting good jobs, protecting the environment, and empowering communities.

This report establishes a baseline with information about the 2023 calendar year and more recent initiatives. We view it as a starting point for dialogue with stakeholders and invite feedback as we work toward a more sustainable future for PSC and the packaging industry as a whole.

We recognize our responsibility to grow, adapt, and evolve for future generations. We do this by focusing on the sustainability of our team, business, and environment.



Donald J. Mayol
and Trent J. Mayol

A MESSAGE FROM OUR PRESIDENT AND CEO



When my grandpa started Pacific Southwest Container back in '73, he had a simple idea: take care of the customer, take care of the team, and success will follow. More than 50 years on, we're proud to carry on that legacy.

We've never been one to boast about doing the right thing, but we recognize that our customers and communities want to know more about who we are and how we operate. That's why we've created our first sustainability report. We hope it gives you an honest look at what we're doing, where we're succeeding, and where we still need to improve.

To us, sustainability means making decisions and doing what's right for the long term. We're not about securing short-term gains but about making long-lasting change that benefits everyone—our team members, our customers, our suppliers, and the world around us. We hope that by doing this, we can encourage other businesses to invest locally and prioritize the well-being of people and the planet.

This commitment comes through in many ways. We're working hard to reduce our impact on the planet. We've invested in equipment to recycle all our paper waste, and we're using solar and hydropower to run our manufacturing plants. We're also designing packaging that's better for the environment without compromising on quality.

At PSC, our people come first. That's why you'll hear us refer to each other as team members, not coworkers or employees. With over 1,000 hardworking men and women on our team, we recognize that their dedication and grit are vital to our success. We know that building something that lasts means investing in our team—not just in skills but in making PSC a safer place to work every single day.

We believe in being good neighbors, too. That's why we support local kids, schools, and organizations and why you'll find Team PSC volunteering at all kinds of events around California's Central Valley. This is our home, and we want to take care of it.

As a family business with ambitions to be around for another 50 years, we're committed to making responsible choices now so that our children and grandchildren can inherit a cleaner, safer, and kinder world.

While we recognize that there's always room for growth and improvement, we are fully committed to making a real difference, one box at a time. We're rolling up our sleeves and actively working to improve our practices and create a positive impact in our industry and communities.

Thank you for being part of that journey.

Sincerely,

A handwritten signature in black ink, reading "Trenton Mayol". The signature is fluid and cursive, with the first name "Trenton" and last name "Mayol" clearly distinguishable.

Trenton Mayol
President and CEO

ABOUT PACIFIC SOUTHWEST CONTAINER

Founded as a small family business in 1973, PSC started operating with a single sheet plant serving local businesses. Three generations later, we are one of the largest privately held packaging companies in the United States. As a full-service manufacturer that designs and manufactures corrugate, single-face lamination, folding carton, and displays in-house, we have over 2.3 million square feet of manufacturing real estate across four different sites.

At PSC, we know that thriving in our industry takes more than machines. It takes a focused group of hardworking women and men dedicated to our values: 360° Health, Teamwork, Quality, and Sustainability. We employ more than 1,000 team members who work tirelessly to create packaging that ranges from high-volume to high-touch for products from wine to technology and everything in between.

Our heritage and customer-focused approach have earned the trust of global brands and local businesses alike. While we ship nationwide and internationally, we remain committed to the customers in California's Central Valley that supported us from the start. Over the years, we've never lost sight of the values that make us who we are. And we're as dedicated as ever to making decisions that will deliver long-term benefits for our customers, team members, and the places we call home.



AWARDS AND CERTIFICATIONS

CHAIN-OF-CUSTODY



2023 JUDGES AWARD



OUR GEOGRAPHICAL FOOTPRINT

HEADQUARTERS:
Modesto, CA



862 MALE
team members

190 FEMALE
team members

2.3 MILLION
SQ.FT.
of manufacturing
real estate

1,041 full-time team
members
IN CALIFORNIA

11 REMOTE
team members
9 in the U.S. and 2 in Mexico

MEMBERSHIPS





OUR MISSION AND OUR VALUES

OUR MISSION

Our ongoing mission at PSC is to be More Than Just A Box™.

To us, More Than Just A Box™ has three critical components:

01

Be the best manufacturing company to work for. By creating a culture of servant leadership and investing in the 360° Health & development of our team members, we will be more than just an employer.

02

Be the best manufacturing company to work with. By continuously investing in quality, innovation, and sustainability, we will be more than just a supplier.

03

Be a force for good. By supporting local educational and charitable organizations that align with our values, we will be more than just a corporation.

OUR VALUES

360° HEALTH

As a family business, caring for one another is part of our mission. Creating a culture of 360° Health means valuing and investing in the physical safety, as well as the physical and mental health, of our team.

TEAMWORK

At PSC, we have team members, not employees. Working together as a team toward a common goal allows us to reach heights that are greater than what we could achieve alone. This requires trust, respect, healthy debate, and accountability

QUALITY

We believe in fostering a culture of quality. This starts with hiring high-quality team members who demonstrate integrity, humility, and grit. Next, it requires investing in high-quality and innovative equipment while maintaining world-class systems and processes. The result is packaging that sets the bar for quality.

SUSTAINABILITY

We recognize our responsibility to grow, adapt, and evolve for future generations. We do this by focusing on the sustainability of our team, business, and environment. We invest in the personal and professional growth of our team members through training, development, and education programs. We continuously invest in new technologies, equipment, and practices so that we can go where our customers grow. Lastly, we make decisions today and set goals for the future to minimize our impact on the planet.

OUR APPROACH TO SUSTAINABILITY

We take a practical and hands-on approach to sustainability, focusing on tangible actions that move us forward. From investing in our team members' growth and well-being to developing greener packaging solutions, we're constantly looking for ways to reduce our impact.



DO YOU FOLLOW #TEAMPSC ON SOCIAL MEDIA?

We have a growing presence on LinkedIn, Facebook, and Instagram, where we share company updates, showcase our innovative packaging solutions, publicize career opportunities, and highlight events where we support the local community.



/pacific-southwest-container



facebook.com/team.psc



@team.psc

ENGAGING WITH OUR STAKEHOLDERS

We value our relationships with everyone involved in our business. Our dedicated team members are at the heart of our success, so we deliberately create a culture where they can grow through training and development. We work closely with our customers to develop tailored packaging solutions that meet their evolving needs, ensuring quality and innovation at every step. By maintaining strong partnerships with our suppliers, we uphold the highest standards in our products. Our willingness to listen to our stakeholders has been the cornerstone of our growth since we started serving local businesses back in 1973.

OUR ENGAGEMENT CHANNELS

TEAM MEMBERS

MyTeamPSC app, quarterly company-wide meetings, surveys, performance reviews, suggestion box, company picnic

CUSTOMERS

Close consultation and partnership with sales, project management, pre-press, and our quality team

SUPPLIERS

Partnership surveys, close collaboration with the procurement team, and business reviews

LOCAL COMMUNITIES

Volunteering at community events, donations to charitable organizations

FORGING AHEAD ON OUR JOURNEY

In 2023, we were awarded the EcoVadis Bronze medal, placing us among the top 35% of companies assessed for their sustainability performance. This recognition reflects our dedication to responsible business practices related to the environment, labor and human rights, ethics, and sustainable procurement. This achievement is a significant milestone but just the beginning of our journey: We've set our sights on reaching EcoVadis Gold status in the coming years.



CARING FOR OUR PEOPLE AND OUR COMMUNITIES



THE HEART OF PSC: OUR TEAM

At PSC, we don't have employees; we have team members. It's a small but significant difference. By viewing everyone as part of a team working toward common goals, we create an environment where each person's contribution is valued, trust is built, and accountability thrives.



RECRUITING THE BEST FOR TEAM PSC

We believe in nurturing local talent and showcasing the opportunities available right here in California's Central Valley. Our recruitment strategy is deeply rooted in community engagement: We participate in local job fairs and have strategically invested in online platforms to connect with potential team members in our area.

PSC also focuses on connecting with high school students. We regularly visit high schools to demonstrate that staying in the local area can provide rewarding employment opportunities. Additionally, we proudly sponsor Manufacturing Day, an event where we welcome students to our facilities, offering them a unique glimpse into the industry and the potential career paths available at PSC. Throughout the day, students rotate between three engaging activities: a plant tour, a display-building competition, and conversations with team leaders from various PSC departments.

CRAFTING BOXES...AND CAREERS

We know that investing in our team members' training and development is crucial for sustainable growth and long-term success. Our goal is to create not just jobs but fulfilling careers where individuals can make a real impact as we craft innovative packaging solutions for our clients.

That starts on day one. We've developed a comprehensive two-week onboarding process to integrate new team members smoothly into our operations. During the first week, new team members engage with senior leadership members, who present their departments and help newcomers understand our end-to-end processes. The second week transitions to hands-on experience on the production floor for manufacturing team members, where they are paired with a buddy and introduced to facilitators and front-line leaders.

COMMITTED TO CONTINUOUS LEARNING

We prioritize our team members' personal and professional development by providing comprehensive training, development, and education programs. PSC team members completed 6,081 hours of training in 2023. Many of our team members have been with us for over a decade, and we leverage their expertise to mentor newcomers. When needed, we also bring in outside support to enhance our training. Additionally, PSC provides tuition reimbursement for team members wanting to pursue education and professional development programs.



We are investing in resources to enhance our learning initiatives. We start with skill assessments to see where we need to develop paths for both individual and group training. Much of our training is geared toward specific machinery, and we bring in external providers to help us maximize performance where needed.

We recently embarked on a talent management process to support our growth and ensure continuity. This initiative includes creating succession plans for key positions and identifying critical roles within our organization. We're actively assessing which team members are ready to step up into more significant responsibilities and developing targeted training programs to prepare people for upward mobility.

PSC also provides training for new leaders, whether promoted internally or hired externally. This training covers essential skills such as developing a leadership mindset, fostering team connections, driving results, creating a feedback culture, leading through change, and managing time and energy.

In 2023 PSC team members completed
6,081 HRS
OF TECHNICAL TRAINING

A woman in a white and green baseball uniform is captured in the middle of a powerful swing on a baseball field. She is wearing a black cap with a yellow logo, sunglasses, and a white jersey with green sleeves. Her hair is in a long braid. She is holding a green and silver bat. In the background, a chain-link fence and other players are visible. The scene is set outdoors on a sunny day.

BUILDING A HEALTHIER AND HAPPIER TEAM PSC

Our comprehensive benefits package includes programs designed to support both physical and mental health. PSC also offers regular on-site biometric screenings to catch potential health concerns since we know early detection matters. We encourage team members to take advantage of these opportunities to learn more about their health. Our dedication to wellness extends beyond traditional healthcare, with gym discounts available to encourage active lifestyles.

Recognizing the critical importance of mental health, we have an Employer Assistance Program (EAP) for our team members and a wellness program where team members get paired with a coach to set and work toward personal goals. Our commitment to mental health awareness extends into our communities, as demonstrated by our participation in the Fresno and Modesto Out of the Darkness Community Walks, organized by the American Foundation for Suicide Prevention. We also sponsor these events, which allow us to honor those lost to suicide and stand in solidarity with our community.



ANNUAL TEAM PICNIC

Our annual team picnic brings our hardworking women and men and their families together for fun, camaraderie, and celebration. Held each summer, this event allows team members to unwind and connect outside the workplace, fostering a sense of community and belonging. It's a day filled with laughter and shared memories, reinforcing the values that have guided our family-owned business since 1973.

FOSTERING A CULTURE OF COMMUNICATION AND ACCOUNTABILITY

PSC is committed to open communication. That's why we conduct regular performance evaluations to ensure our team members know how they are performing and foster a culture of feedback and development. Our pay-for-performance approach is designed to support this culture, with incentive mechanisms in place, including a monthly bonus for all manufacturing team members based on performance and quality. This system helps drive accountability, ensuring that our teams consistently deliver high-quality results for our customers.

As PSC strives to create a work environment where every team member feels heard and valued, we continue to invest in team member surveys. In its second year, over 90% of our team members participated in our 42-question annual survey. Based on their feedback, we drew up action plans to continue to improve our team member experience.

The latest survey found that team members felt connected to our mission and purpose, strongly valued their connection with other team members, and rated safety highly.

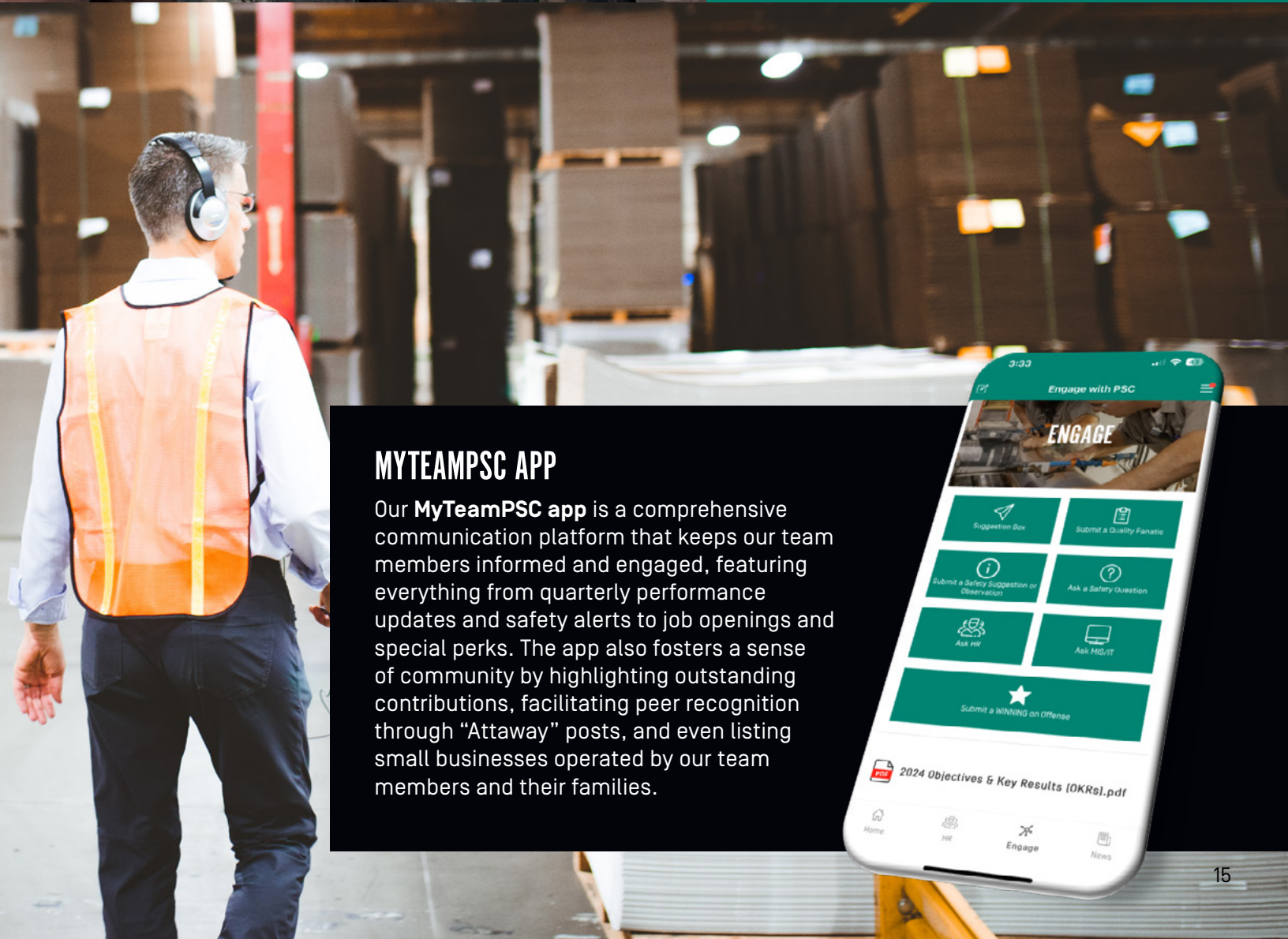
Another opportunity for team members to give feedback is our company-wide meetings. Held quarterly across our different locations, these meetings allow us to share progress toward our annual goals and recognize our team members' hard work and achievements. During the presentation, our President and CEO sets aside time to read and address comment cards submitted by the team and welcomes attendees to ask questions live. In between these quarterly meetings, team members can also submit suggestions and feedback for discussion at meetings of the Executive Leadership Team.





MAC MCCULLOUGH QUALITY AWARD

Recognizing our outstanding team members is an essential aspect of our culture. We proudly showcase our Quality Fanatics, team members recognized for embodying our core values. These individuals are eligible for the prestigious Mac McCullough Quality Award, an annual honor that includes a weekend getaway for the recipient.



MYTEAMPSC APP

Our **MyTeamPSC app** is a comprehensive communication platform that keeps our team members informed and engaged, featuring everything from quarterly performance updates and safety alerts to job openings and special perks. The app also fosters a sense of community by highlighting outstanding contributions, facilitating peer recognition through "Attaway" posts, and even listing small businesses operated by our team members and their families.

DIVERSITY AND INCLUSION

We firmly believe that having a diverse and inclusive team and supplier base helps us accomplish our mission. In turn, our mission drives us to promote diversity and inclusion within our workforce and our leadership team. To support our efforts, we have implemented a sustainable procurement policy that includes supporting businesses owned by minorities, women, veterans, and other underrepresented groups. *See page 32 to learn more.*

INCREASING THE NUMBER OF WOMEN IN MANUFACTURING

We continue to make progress in improving female representation within PSC. Currently, women make up 18% of our manufacturing workforce. We aim to further increase female representation and create an environment that attracts and retains talented women in manufacturing roles, for instance nominating women at PSC for the Women MAKE Awards.

In support of our goal to improve female representation, we sent a cross-functional group of women to attend a Women in Business event, where they learned more about navigating personal and professional goals. The event featured round-table discussions on managing common challenges and a moderated panel of successful women leaders who shared their inspiring experiences. We remain committed to continuing our investment in development opportunities like these for women at all levels of our company.



GOING RED FOR WOMEN

In recognition of American Heart Month, PSC proudly sponsors and participates in the American Heart Association's Go Red for Women luncheon. This impactful annual event brings together community leaders and advocates dedicated to fighting cardiovascular disease, the leading cause of death among women. Attendees, including a group from Team PSC, learn valuable information about how to recognize the signs and symptoms of heart disease and stroke and how they can improve their overall heart health.

CONTINUOUSLY ENHANCING OUR SAFETY PERFORMANCE

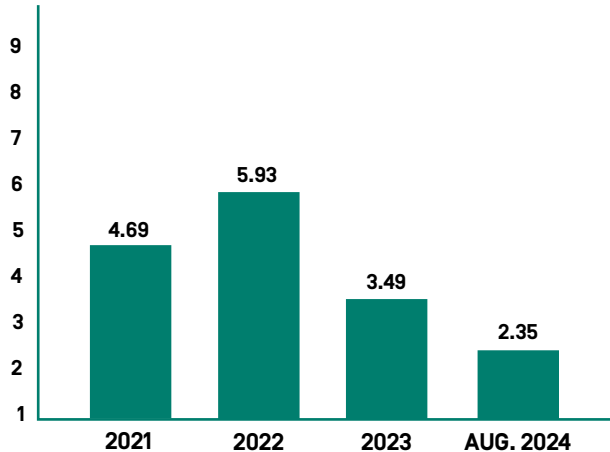
At PSC, we believe safety is everyone's responsibility, and we strive to create an environment where open communication and vigilance thrive. We continue to refine our safety efforts as we work to make PSC a safer workplace every day. In 2023, we committed to enhancing our safety culture in keeping with our value of 360° Health. Our progress is demonstrated by the recent trend in our Total Recordable Incident Rate (TRIR).

Stopping incidents before they happen

Our safety observation, recognition, and suggestion program allows team members to flag safety concerns in real time using the MyTeamPSC app. It also empowers all team members to offer suggestions for improvement and recognize safe behaviors. In 2023, we logged 275 submissions, demonstrating the program's success in engaging our workforce. To encourage participation, each submission enters a monthly safety raffle with prizes.

To address immediate safety concerns, team members are instructed to notify their supervisor of urgent safety issues. The supervisor has the authority to correct the issue promptly. Once the issue is resolved, the supervisor sends out a Safety Awareness Alert to notify the rest of the management team.

TOTAL RECORDABLE INCIDENT RATE (TRIR)



SAFETY FIRST

Nothing we do at work should get us hurt. This mantra is central to our proactive and continuous improvement approach to safety. We continue to launch new initiatives to enhance safety at PSC and remain committed to fostering a culture where safety is always the priority.



INVESTING IN SAFETY FROM THE GROUND UP

PSC is committed to continuously improving workplace safety by adhering to rigorous standards. One key initiative is our safety shoe program, which provides each team member with an annual \$100 allowance for high-quality, safety-toed footwear. This program ensures that all employees meet the safety standards for foot protection, directly reducing the risk of injuries in our facilities. To streamline the process and provide easy access to appropriate footwear, we partnered with Shoes for Crews. This collaboration brings a dedicated team to each of our facilities annually, simplifying the ordering process for our team members.

INCIDENT INVESTIGATION AND CORRECTIVE ACTION

We view every incident as an opportunity for learning and improvement. When safety incidents occur, we respond with a comprehensive and collaborative approach. Our incident response protocol has evolved into a more inclusive process, involving team members from various levels to examine incidents from multiple perspectives and uncover underlying issues that might otherwise be overlooked.

Once we identify the root causes, we develop targeted corrective actions to prevent similar incidents from occurring in the future. These actions may include changes to procedures, additional training, or updates to our safety protocols. We also share safety alerts and observations company-wide through email and on the MyTeamPSC app for all team members to review.

PSC is leveraging the power of artificial intelligence to improve workplace safety by partnering with **TuMeke Ergonomics**.

Its innovative software solution has revolutionized our approach to ergonomic risk assessment. After we have uploaded videos of work processes, the TuMeke platform provides us with detailed ergonomic analyses, helping us target ergonomic injuries, which previously accounted for 40% of our reportable incidents. This data-driven approach has transformed our safety initiatives, moving us from intuition-based decisions to evidence-backed strategies. Ultimately, its use is leading to a more proactive and effective safety program at PSC.

SAFETY TRAINING AND EDUCATION

Our comprehensive safety training program includes:

- Onboarding sessions for all new team members
- Machine-specific hazard training
- Emergency response drills
- Weekly safety tailgates devoted to specific topics

In 2023, team members completed an average of 5.14 hours of safety training. Outside contractors also receive safety and environmental training before they put a foot on the shop floor.



We have also enhanced team member well-being by partnering with a healthcare services company that serves all four facilities. In the event of an incident, its healthcare professionals will respond promptly, administer first aid, offer clear medical instructions, and conduct follow-ups, ensuring a higher standard of care for our team.

SAFETY LEADERSHIP AND CULTURE

Our commitment to safety starts at the top. Our leadership team actively demonstrates their dedication to creating a safe work environment through visible and consistent engagement in safety practices across all levels of our company. Safety is emphasized in every communication, from quarterly meetings to daily briefings, with leaders sharing performance metrics, highlighting successes, and addressing areas for improvement.

This top-down approach, combined with our bottom-up engagement initiatives, creates a comprehensive safety culture that permeates every level of our company. Managers are trained to address unsafe conditions and take time to explain safety concerns to team members, fostering a deeper understanding of safe practices.

At PSC, we believe in celebrating our safety achievements. We've implemented a tiered reward system that recognizes sustained safe working practices across our facilities. When a site reaches 90 consecutive days of safe working practices, we celebrate with a catered BBQ served by that facility's management team. At the 180-day milestone, senior management personally serves the BBQ to every shift, demonstrating their hands-on commitment to safety. Once a site reaches 365 days of safe working practices, its team members enjoy a safety celebration picnic.

SAFETY COMMITTEES

Our facility-specific Safety Committees perform detailed monthly inspections of every machine and process. To maintain fresh perspectives and foster cross-level understanding, we pair hourly team members with managers during these walk-throughs. Our monthly Safety Committee meetings are crucial for reviewing inspection findings, discussing safety issues, and analyzing first-aid cases and reportable incidents. This thorough review process ensures that no safety concern goes unaddressed.



GIVING BACK TO OUR COMMUNITIES

Though we serve customers around the globe, we are dedicated to making an impact on the communities we call home. Since our founding, PSC has worked to be a force for good in California's Central Valley. It's so important to us that we made it part of our formal mission. While we raise funds for local organizations each year, our approach goes beyond donations and sponsorships. Our team members also volunteer at many local events benefiting our communities.



INVESTING IN EDUCATION

We believe that education is a powerful tool and that investing in a child's future benefits the community as a whole. That's why we established the Donald & Lois Mayol Scholarship Fund, which provides annual scholarships to support the higher education of our team members' children. The Fund has supported 124 children since its creation over two decades ago. These scholarships create a ripple effect of positive change by helping individuals and contributing to developing a skilled workforce in our communities.

Team PSC supports over

40 CHARITIES
in the local community

124 Since its creation, the
Donald & Lois Mayol
Scholarship Foundation
has supported
CHILDREN

ENGAGING WITH OUR COMMUNITIES

We understand that our success is intertwined with the well-being of the places we call home. Within PSC, our Culture Club oversees our work in the community. Comprising representatives from every department, this group meets twice a month to discuss projects, gather feedback, and explore opportunities for improvement. The Culture Club organizes eight to ten events each year that strengthen our connections beyond the workplace.

PARTNER SPOTLIGHT



For over three decades, we have been the largest donor supporting the Society for disABILITIES, which enhances the lives of individuals with disabilities in the Central Valley. Our partnership has helped develop Northern California's largest medical equipment loan closet and supports various special needs programs, including recreational activities and job training services. Through these efforts, we've reached over 34,000 people, improving the quality of life and independence for people with disabilities.



Children in the underrepresented areas of Modesto and its surrounding communities now have a new place to learn and play: The Modesto Children's Museum. Opened in September 2023 with support from PSC, the museum inspires curiosity and learning through interactive experiences. Aligning with our commitment to education and community development, the museum is a resource for local schools and organizations. Team PSC recently participated in the museum's Bike N' Trike Event, creating corrugated decorations and volunteering to ensure family safety.



Team PSC proudly volunteered at the **Modesto Children's Garden** as part of the Love Modesto initiative, a city-wide day of volunteering. Our team engaged in various tasks, including relocating a shed, painting picnic tables, and planting lavender bushes alongside fruits and vegetables.

Team PSC continues to support our local schools through **backpack drives**. We recently donated funds to the Visalia Kids Expo for backpacks and school supplies and hundreds of backpacks to Washington Elementary in Visalia. Additionally, we provided backpacks, prizes, and sports balls to Fairview Elementary in Modesto.

Another way we demonstrate our commitment to our local communities is through our top-level sponsorship of **Opportunity Stanislaus**. This organization is dedicated to enhancing the economic vitality of Stanislaus County, where our Modesto headquarters is located. Opportunity Stanislaus supports small businesses of diverse backgrounds, helps local entrepreneurs start businesses, and attracts innovative companies to the county. By fostering a vibrant economy, the organization aims to make Stanislaus County an attractive place to live, work, and play.

Every December, our team members come together to spread holiday cheer through the **Giving Tree** initiative. In 2023, PSC provided gifts for 40 kids from families in Modesto and Visalia. The initiative showcased our commitment to both community and creativity: Our design team crafted corrugated Christmas trees for our break rooms, while local kindergarten classes decorated corrugate ornaments. Each ornament featured a QR code, allowing our team members to choose specific gifts to donate.



PROTECTING OUR ENVIRONMENT



MINIMIZING OUR ENVIRONMENTAL FOOTPRINT

Like every business, we have an impact on the environment. But we're working hard to reduce this impact through responsible practices and continuous improvement. Our approach to environmental sustainability extends throughout our entire operation, from sourcing to manufacturing and beyond.

Since 2009, we have maintained ISO 14001 certification, an internationally recognized standard for environmental management systems, for all four of our manufacturing facilities. This certification requires us to:

- Consistently assess our environmental performance
- Conduct regular audits of our processes
- Identify potential improvements
- Implement changes to enhance our environmental outcomes

RESPONSIBLE FIBER SOURCING

As a provider of sustainable packaging solutions, we prioritize responsible fiber procurement from sustainable and certified suppliers to ensure our raw materials come from well-managed forests. PSC maintains verified systems for a robust chain of custody so our customers can trace products back to their origins. This commitment aligns with industry best practices promoting responsible forest management and biodiversity conservation, such as those outlined by the Forest Stewardship Council (FSC) and the Sustainable Forestry Initiative (SFI).



REDUCING PAPER WASTE

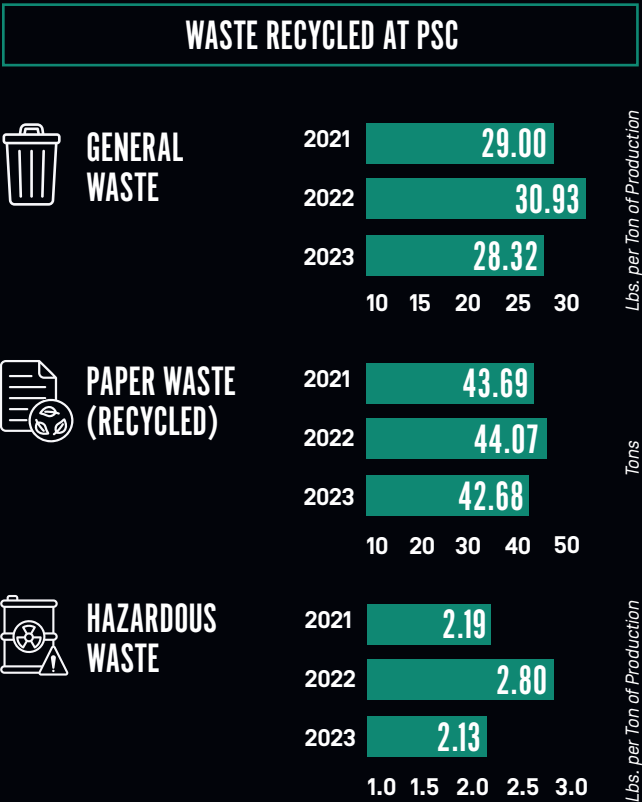
100% OF
PAPER WASTE
is recycled at PSC

At PSC, we take action to reduce our paper waste at every step of the process. That starts at the design phase. Our in-house designers collaborate closely with customers to right-size packaging and optimize layouts. Our continuous improvement process also looks at ways to minimize waste through root-cause investigations and corrective actions. This work is overseen by the Quality Control Committee, which meets weekly to ensure that the quality of the investigation and actions taken are up to our standards.

Our manufacturing facilities have systems in place to collect paper waste. In fact, 100% of paper waste is recycled at PSC. We collect and bale all our paper scrap before sending it to our partner paper mills for reuse. Our Visalia facility recently enhanced its air filtration system, ensuring that paper dust is contained during transport to our baler, where material is compressed into recyclable briquettes.

OUR WASTE FOOTPRINT

As we continue to grow, we have seen an increase in waste generation, reflecting the expansion of our operations and production capabilities. While this growth is a positive indicator of our success, it also presents challenges in managing waste responsibly. We are committed to addressing this issue by exploring ways to reduce waste at every stage of our production process.



THINKING OUTSIDE THE BOX: REVOLUTIONIZING WINE PACKAGING

For decades, bag-in-box wine packaging remained essentially unchanged, relying on heavyweight paper and liners to safely hold the weight of the wine. One of our valued customers, a leading wine producer, approached us with a challenge to innovate this traditional packaging. We went back to the drawing board, working with the customer’s team to create a groundbreaking solution: a box that uses a double-wall structure that uses less paper yet is stronger than its predecessor. It also has many environmental advantages, from reduced material usage to lower transportation emissions.



OUR CARBON FOOTPRINT

We believe it's important to be open about our impact on the environment, including our greenhouse gas (GHG) emissions. In 2023, PSC's GHG emissions stood at 13,516 metric tons of carbon dioxide equivalent (CO₂e).

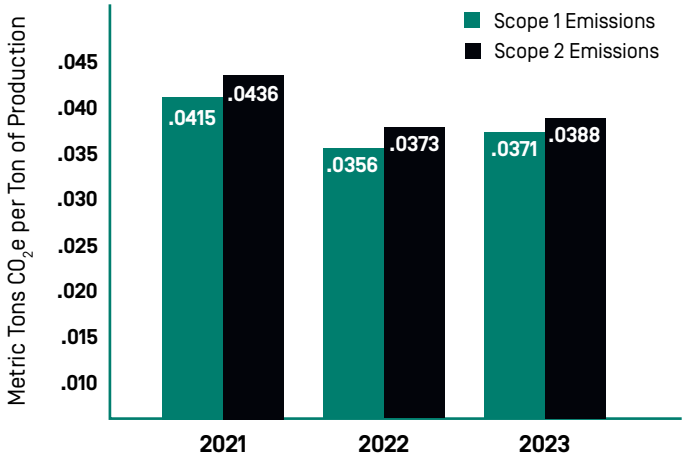
This figure includes:

- Scope 1 emissions: 6,614 metric tons CO₂e**
These are GHGs we produce directly from our own activities.
- Scope 2 emissions: 6,902 metric tons CO₂e**
These are indirect emissions from the energy we buy and use.

Like many companies, we are gathering more information about GHGs produced indirectly in our value chain, known as Scope 3 emissions. We've partnered with the Supplier Leadership on Climate Transition (Supplier LOCT), an organization that helps companies inventory and take action on their GHG emissions.

Our next step is to set meaningful targets to reduce our GHG emissions. Based on these targets, we will make informed decisions to help reduce our overall environmental impact. In 2025, we plan to develop and submit a GHG reduction target to the Science Based Targets initiative for approval.

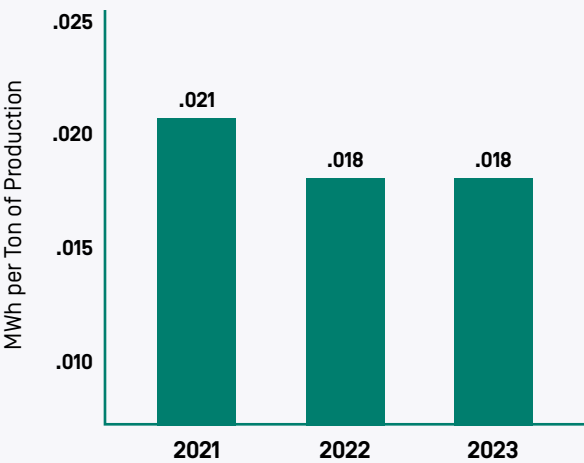
SCOPE 1 AND 2 EMISSION INTENSITY



REDUCING ENERGY CONSUMPTION, POWERED BY RENEWABLE ENERGY

Our Visalia plant has been operating almost 3,000 solar panels since 2020, harnessing the sun's power to generate clean electricity. Meanwhile, PSC's Modesto facilities run on hydroelectric power, tapping into the energy potential of flowing water in our local area. We have improved energy efficiency by replacing CFL light bulbs with LED lighting. This upgrade reduces energy consumption and enhances workplace safety by providing better illumination.

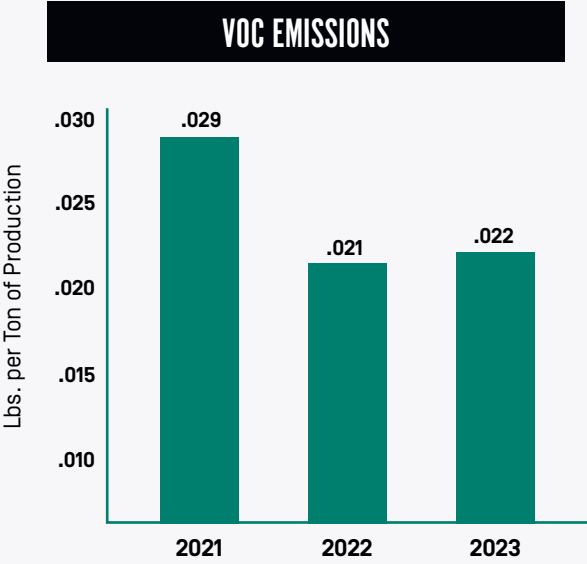
TOTAL ENERGY CONSUMPTION





REDUCING OUR VOC EMISSIONS

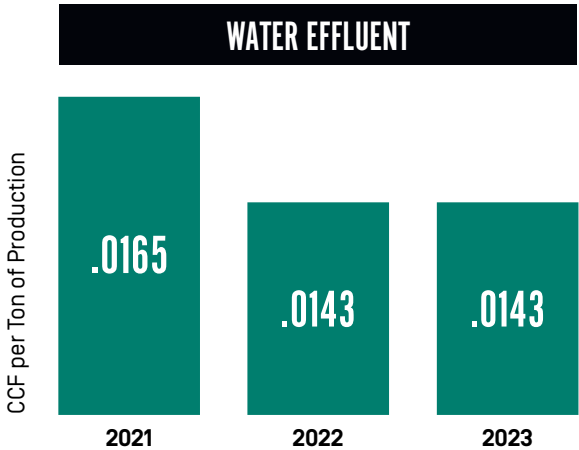
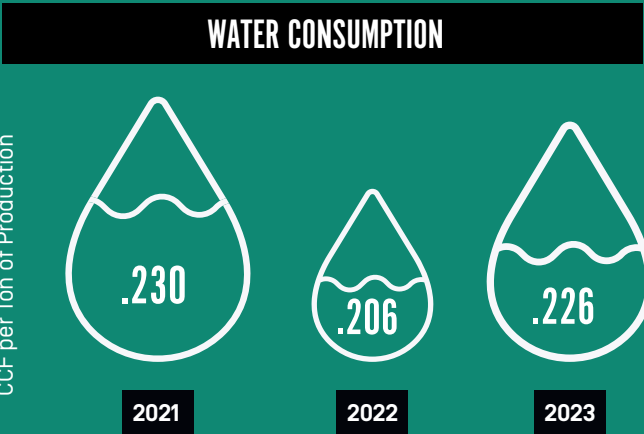
Volatile organic compounds (VOCs) are chemicals that can easily evaporate into the air and harm the environment and human health. In recent years, we’ve worked hard to reduce VOC emissions at our manufacturing facilities. For instance, we switched to zero-VOC adhesive formulas, minimizing the release of VOCs during our manufacturing process. We also replaced the PH adjuster used in our flexographic printing process with a new formulation that significantly lowered our VOC levels. Altogether, we cut VOC emissions by 23% between 2021 and 2022.





OPTIMIZING OUR WATER CONSUMPTION

Water plays a significant role in the box-making process, but we’re doing what we can to reduce our water use. For instance, we’ve invested in technology that optimizes water usage while simultaneously improving product quality and energy efficiency. These systems, Kohler WaterDecks, help us control water application throughout the corrugating process, ensuring constant moisture levels in the paper. This leads to more efficient water use and enhances the quality of the final product. An additional benefit is its positive impact on energy consumption: By allowing the board to be run at cooler temperatures, less natural gas is required in the production process.



We take our responsibility for managing water seriously, especially when it comes to treating wastewater. We have put systems in place to monitor wastewater quality before it leaves our facilities and heads to a local pre-treatment center. We also have emergency response procedures to respond to events such as chemical spills that could enter the water system. All team members receive training on this, and spill kits are available throughout each facility.

OPERATING A RESPONSIBLE BUSINESS



DOING THE RIGHT THING SINCE 1973

Our approach to governance is straightforward: We focus on being transparent, accountable, and ethical in everything we do. We've set up clear policies and procedures to ensure we follow the law and treat everyone fairly. We know that our reputation depends on our integrity, and we're committed to earning and keeping that trust every day.

ETHICS AND INTEGRITY

Our commitment to integrity means following the rules and doing what's right. At PSC, we don't just talk about ethics; we do business ethically every day. We also provide new team members with ethics training during their onboarding. If someone's unsure what to do in a tricky situation, we encourage them to ask for help.

We recently launched a new team member handbook that covers topics such as forced labor, child labor, harassment, discrimination, corruption, and fraud because those have no place in our company. The handbook explains how we compete honestly and play by the rules when it comes to antitrust and fair competition. We require all team members to read it, acknowledge its content, and use it as a guide to make PSC a place where we can all be proud to work.

DATA PROTECTION AND CUSTOMER PRIVACY

At PSC, we prioritize confidentiality and data privacy to protect the information of our team members, customers, and partners. All team members sign an intellectual property and confidentiality agreement upon hiring, underscoring our commitment to safeguarding sensitive information.

We use the latest security measures to protect against hackers and data breaches and provide our team with cybersecurity training. This includes regular exercises and spot-checks to ensure appropriate responses to potential scam attempts. We also have a robust response plan to address any data privacy issues, including prompt notification of affected parties.



OUR SENIOR MANAGEMENT



Brian Baker
SVP Finance & Procurement



Armando Chavez
VP Sales & Business
Development



James Clancy
VP Strategy



Bryson Crawford
EVP Manufacturing



Bryson W. Crawford
EVP Sales



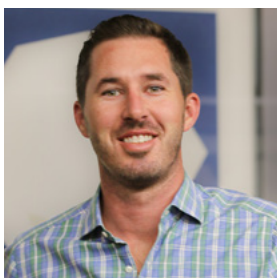
Craig D. Hardy
CFO



Daniel Jimenez
VP QEHS



Wayne Johnson
SVP Sales



Trenton Mayol
President and CEO



Sean McDonald
SVP Sales



Robert Ruijsenaars
CMO



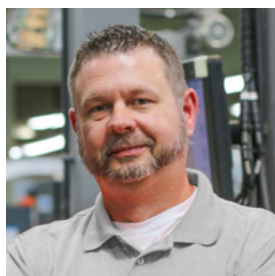
Ryan Slack
VP Customer Services



Bryan Smith
SVP Sales



Mitch Taylor
VP IT



Jason Thalls
VP Manufacturing



Amanda Westmoreland
VP Human Resources

PSC's Senior Management Team consists of executives with diverse experiences and capabilities. All positions are appointed directly by the President and CEO. Our Senior Management Team meets weekly to address immediate operational needs and discuss long-term vision. Additionally, we hold quarterly strategic senior management events to review progress, design new initiatives as needed, problem-solve strategic issues, and refocus our efforts.

OUR SUPPLY CHAIN

Building a responsible supply chain is a team effort. We start by clearly communicating our expectations through our Supplier Code of Conduct, but we don't stop there. We regularly check in with our suppliers and encourage them to be open with us about their challenges so we can work together to address them.

SUPPLIER CODE OF CONDUCT

As part of our commitment to sustainable and ethical business practices, we expect our suppliers to follow all applicable laws and regulations. We also ask them to go further by embracing ethical business practices that align with our values. The specifics are set out in our Supplier Code of Conduct, which all PSC suppliers must sign.

THE PILLARS OF OUR SUPPLIER CODE OF CONDUCT:

- Ethical business practices
- Labor practices
- Environmental responsibility
- Prevention of deforestation and forest degradation
- Quality and safety
- Supply chain responsibility
- Continuous improvement

Learn more about our [Supplier Code of Conduct](#).

SUSTAINABLE PROCUREMENT

We are also committed to embedding sustainability into our procurement. Our Sustainable Procurement Policy applies to all procurement activities, including purchasing goods, services, and works, supplier selection, and contract management processes.

KEY ASPECTS OF OUR SUSTAINABLE PROCUREMENT POLICY:

- Prioritizing the purchase of products and services with minimal environmental impact
- Reducing waste by favoring products with minimal packaging
- Encouraging suppliers to implement environmentally sustainable practices
- Ensuring suppliers adhere to labor standards that respect human rights
- Promoting diversity and inclusion in supplier selection
- Supporting local suppliers and small businesses wherever feasible

Learn more about our [Sustainable Procurement Policy](#).





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ABOUT THIS REPORT

Pacific Southwest Container Sustainability Report 2024

Published: October 2024

Reporting period: January 1, 2023 - December 31, 2023

WE VALUE YOUR FEEDBACK

Your input is crucial in helping us improve our sustainability efforts and reporting. Please share your thoughts and suggestions:

Email: sustainability@teampsc.com

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