

Environmental, Social and Governance Report 2024



Forward



"We believe that doing the right thing — for people and the planet — is the foundation of long-term success."

Sigal Pashinski

VP of Compliance and
Regulatory Affairs

At Merrill's Packaging, sustainability isn't a checkbox — it's part of who we are. As a trusted partner in packaging innovation, we're committed to protecting the planet, empowering our people, and operating with integrity in everything we do.

From installing energy-efficient systems to increasing our use of recyclable materials, we're continually investing in a more sustainable future. Our ESG efforts are rooted in accountability and community — creating long-term value for our employees, customers, and environment alike.

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Introduction

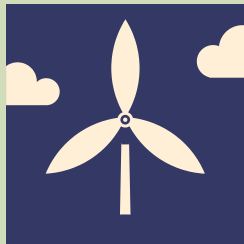
This year's ESG report reflects our continued journey toward building a business that grows responsibly. Guided by measurable goals and strong ethics, we've made strides in three key areas — Environmental, Social, and Governance — that align with global sustainability standards.

From reducing emissions and improving workplace inclusivity to strengthening our anti-corruption policies, our actions reflect our belief that every improvement, no matter how small, contributes to meaningful change.



ESG Areas

By focusing on environmental, social, governance, and economic factors, Merrill's has created strategies that ensure sustainability. We help our customers reduce risk, strengthen relationships with suppliers, and create a positive impact not just for patients, but also for our communities and the planet.



Environmental Strategies

Our focus has been on reducing energy consumption through high-efficiency equipment upgrades and minimizing waste by selling scrap materials and purchasing used equipment. We're also increasing our use of recycled plastics while supporting employee sustainability initiatives like EV charging stations and community clean-ups.



Social Strategies

Our social strategy prioritizes employee development and wellbeing through comprehensive training programs totaling 6,482 hours and health coverage for 74% of our workforce. We foster an inclusive, safe workplace with diverse leadership and maintain high employee satisfaction.



Governance Strategies

Our governance strategy is built on integrity and transparency, with comprehensive policies including a Code of Conduct and Environmental Policy that ensure ethical operations across our supply chain. We achieved zero ethics violations, IT breaches, or audit issues in 2024. To further strengthen our framework, we are established an Ethics Committee and expanded fraud prevention training in 2025.

Environmental Strategy

We've made significant progress in reducing our environmental footprint through smarter processes and sustainable materials.

Energy & Emissions: Over 99% of our emissions come from purchased electricity. We've invested more than \$60,000 in high-efficiency cooling systems and equipment, cutting energy waste while maintaining performance.

Waste Reduction: Sold 8,000 pounds of scrap to recyclers and purchased used equipment to minimize waste.

Material Innovation: Increased recycled plastics usage and we're collaborating with customers to transition to fully recyclable materials.

Employee Initiatives: Free EV charging stations and volunteer river clean-ups support greener communities.

Social Strategy



Our people are at the heart of our sustainability journey. We're proud to maintain an inclusive, safe, and growth-oriented workplace where everyone can thrive.

Training & Engagement: 100% of employees received training in 2024, totaling 6,482 hours — including external upskilling opportunities.



Employee Wellbeing: 74% of employees (67% including temporary staff) are covered under company health plans.

Safety & Inclusion: 51 safety meetings were held, achieving a TRIR of 0.91 and zero harassment complaints.

Diversity in Leadership: 40% of top management are women, and 60% represent racially or ethnically diverse backgrounds.

Culture of Feedback: Employee satisfaction averaged 86.6% and 10% of our employees were promoted in 2024.

Sustainability is ingrained in how we work and embraced across our team. With 50% of our staff here for over 10 years, the Bronze EcoVadis Certification reflects our long-term commitment and shared values.

Governance Strategy



Integrity is the backbone of how we do business. Our governance framework ensures ethical decision-making, transparency, and accountability at all levels.



Policies in Action: Code of Conduct, Environmental Policy, and Supplier Sustainability Surveys ensure responsible operations across the supply chain.

Zero Incidents: No ethics violations, IT breaches, or audit issues in 2024.

Looking Ahead- Our ESG Commitment

We're advancing our ESG efforts with real impact in mind — reducing energy and waste, investing in people and community, and increasing transparency to build a more sustainable future.

Contact Us

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The ESG journey at Merrill's is ongoing — and collective. We believe that small actions, multiplied across teams and time, create lasting impact.

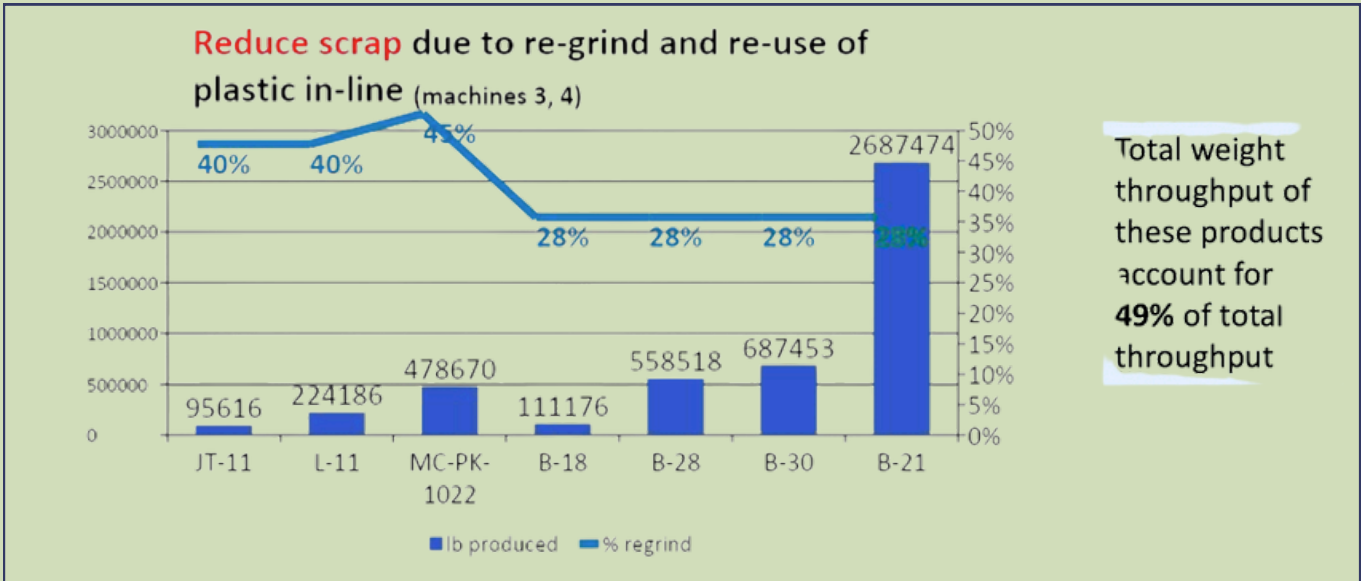
Together, we're shaping a more sustainable, transparent, and equitable future for our industry.

Appendices

Appendix A:

Environmental Strategies: Sustainability Production in 2024

By applying specialized design techniques and a focus on continuous improvement, we **reduced scrap material** from 40–45% to 28%, reflecting meaningful progress toward more sustainable production.



Appendix B:

Environmental Strategies: Resources Used in 2024

Despite a **14.1% increase** in parts produced from 2023 to 2024 (rising from 162.8 million to 185.7 million units), overall resource efficiency improved significantly.

Water consumption decreased by 25.7%, dropping from 701,433 gallons to 521,300 gallons, reflecting strong conservation efforts and process optimization.

Energy use increased by only 1.8% (from 3.64 million kWh to 3.71 million kWh), indicating that production growth was achieved with minimal additional energy demand.

In summary: production volume rose substantially while water use fell sharply and energy use remained nearly flat—demonstrating meaningful gains in operational efficiency and sustainability performance.

