

The Power of Us: We Make a World of Difference

Annual Sustainability Report

EST. 1864

Lakeside

BOOK COMPANY



Printed on 100% recycled paper

Table of Contents

Introduction

Reflections from Our CEO 2

The Power of Us:
We Make a World of Difference 3

The Lakeside Book Company Difference 4

Sustainability Goal Updates 6

Looking Ahead: 2025 Sustainability Goals 7

Our Planet

Conserving Energy 9

Minimizing Solid Waste 11

Recycling Materials 12

Supporting Sustainable Materials 13

Engaging with the Environment 14





Our People

Nurturing Employee Development 16

Celebrating Employee Excellence 17

Supporting Wellness 17

Connecting with Our Communities 18

Our Culture

Upholding Compliance and Governance 21

Championing Continuous Improvement 22

Modernizing Data Collection 22

Leading with Integrity 23

Maintaining a Safe Company Culture 24

Reflections from Our CEO

Every book is more than printed pages bound together – they are vessels of knowledge, memories, and imagination. As stewards of this tradition, Lakeside Book Company understands that in addition to our commitments around quality and service to our customers, our responsibility extends to the materials we source, the energy we use, and how we operate.

Our focus on sustainability is undertaken with intention and commitment to be strong advocates for the communities where we work, and for the well-being of the planet. Sourcing eco-friendly materials and investing in new energy-efficient equipment is central to our operating practices and benefits customers, employees, and the environment.

The global marketplace continues to evolve. New regulations, such as the European Union Deforestation Regulation (EUDR), reflect a growing urgency to protect the world's forests and natural ecosystems. We support these efforts, and while they present logistical and operational challenges, they guide us as we strengthen partnerships and accelerate innovation across our platform.

These pages highlight the strides we've made over the past year. We prioritize long-term sustainability, from reducing our carbon footprint to fostering safe and inclusive workplaces. Continuing to make books for the next hundred years remains our goal, along with acting in service of the communities and ecosystems that support us.



Dave McCree

"From community engagement to sustainable sourcing, our people drive our progress and dedication to a greener future."



The Power of Us: We Make A World of Difference

Our Sustainability Pledge

At Lakeside Book Company, we bring books to life while caring for our employees and customers, protecting the environment, and supporting our communities. We uphold this commitment to preserving the environment and safeguarding natural resources throughout our daily operations.

This annual Sustainability Report demonstrates gains against 2024 goals, centered on three key themes:

- **Our Planet:** Reduce carbon emissions, increase energy efficiency, manage waste, and conserve resources
- **Our People:** Create opportunities for employees to flourish and care for the communities where we live and work
- **Our Culture:** Maintain ethical operations, including a safe workplace, while assessing risk regarding climate change and the environment

As this journey continues, we aim to improve our impact on the environment through education and collaboration with employees and customers.

Milestones

While our roots date back to 1864, establishing Lakeside Book as an independent company in 2021 brought a renewed focus on tracking sustainability metrics to shape future actions.

2021

- Engaged a consultant for an unbiased assessment of our baseline emissions
- Completed major supplier survey to establish company benchmarks

2022

- Formed internal ESG (Environmental, Social, and Governance) Committee to guide goal setting

2023

- Implemented a new database for tracking and reporting safety and sustainability metrics

2024

- Established Green Teams to support employee sustainability activities
- Published our first Sustainability Report

The Lakeside Book Company Difference

With a legacy spanning over 160 years, Lakeside Book Company delivers comprehensive book printing, binding, fulfillment, and distribution solutions. We provide end-to-end services, making responsible choices to sustain the environment and our communities while seamlessly delivering customers' titles to market.

5,400
employees

500+
million books
produced annually



12
book manufacturing locations
in the U.S. and Canada



12
fulfillment facilities
in the U.S. and Canada



3,000+
customers

5.4
million square feet
of manufacturing and warehouse facilities

Our Mission

We are committed to crafting books and services that are meaningful. We take pride in the challenge of fulfilling our customers' visions.

Our Values

Vision

Our passion for innovation drives us to dig deeper and inspire creativity.

Initiative

We don't shy away from a challenge; we thrive when the stakes are high and we rise to the occasion.

Craftsmanship

The work we do has meaning and is the key to our longevity.

Collaboration

We partner with our customers as their advocate and champion their product every step of the way.



Our Affiliated Brands

Whatever you need, we have a solution. Our affiliated brands provide complementary services, covering the full book supply chain.

Lakeside Book Company

Leading book manufacturer and distributor for publishers of all sizes, providing consultative partnership for offset and digital printing, Special Editions, and packaging and kitting through Lakeside Book Company PAKSmart

Phoenix Color

Full-service printer specializing in heavily-illustrated and multicolored books and components, and unique commercial products finished with trademarked decorative techniques

Marquis Book Printing

Premier book manufacturer in Canada offering innovative integrated printing and logistics solutions, including step-by-step guidance, express restocking, and graphic production

Dover Publishing

Publisher of classic books, catalogs, children's books, coloring books, and more

Research & Education Association (REA)

Publisher of test prep materials across a wide range of subject areas



Sustainability Goal Updates

We are proud of our achievements in 2024. We not only met but exceeded our sustainability goals. This success was made possible by the shared dedication and hard work of teams across the organization.



2024 Measurable Goals

Goal	Target	Result
Reduce carbon footprint	▼ 3%	▼ 5%
Decrease landfill waste	▼ 10%	▼ 16%

Direct Emissions

104,050.20 metric tons CO_2 equivalent emissions*

*Emissions included in this report are Scope 2, or indirect emissions from purchased electricity and natural gas. This data provides a baseline for future measurement. Looking ahead, we are tracking Scope 1, direct emissions, for inclusion in next year's Sustainability Report and will begin tracking Scope 3 emissions.



Looking Ahead: 2025 Sustainability Goals

- 5.5% decrease in emissions
- 10% reduction in solid waste
- Conduct a Trash & Recycling Stream Assessment
- Begin a Life Cycle Assessment of our books
- Build momentum of Green Teams and expand participation in each facility
- Drive awareness of sustainability issues and inspire employee action at work and at home
- Increase volunteerism in our local communities





Our Planet





Conserving Energy

Upgrading Equipment

Modernizing equipment is a key component to reducing energy consumption in our facilities. Across our platform in 2024, we invested over $30 million in capital expenditures, bringing the latest technology to production lines, buildings, and IT infrastructure. Newer, more efficient machines support our long-term goal of a reduced carbon footprint, with anticipated reduction in electricity use and waste generation.



Overall emissions from energy usage per book produced will decrease as production increases using new equipment. Upgrading and relocating other machines and systems allows multiple facilities to handle additional volume and different binding styles.

Increased integration between systems, such as the process air controls, enables maintenance teams to make more efficient adjustments. Remote connectivity offers off-site monitoring, alarms, and controls that provide continuity within plants, with an estimated 10% annual energy savings at one location alone. These efforts contributed to a reduction in electricity and natural gas usage in 2024.



Virtual Customer Seminars

Publishers who understand the book manufacturing process make confident prepress decisions that help improve the overall efficiency of printing their books. We introduced an innovative customer education experience in early 2024, the Lakeside Book Company Presents: Behind the Bookshelf Pop-Up Tour of our Hagerstown, MD facility. A combination of live-stream video and hands-on materials creates an interactive showcase of the entire book manufacturing process at this site.



This format enables one Lakeside Book representative to host the event in our customers' offices. Eliminating the need to tour the plant in person reduces travel emissions for approximately 30 attendees per event. In the first six months of this program, we facilitated 350 individuals attending these seminars, 90% of whom were seeing this site for the first time. These tours have been expanded to include other facilities across our platform and will continue to evolve based on customer demand.



Lakeside Book Company Presents: Behind the Bookshelf Pop-Up Tour virtual seminars account for 90% of 2024 customer events

Minimizing Solid Waste

A more efficient application of stretch film contributes to less material used overall, reducing landfill waste and costs. A team of employees evaluated existing wrapping machine performance, wrapping methods, and film choices to identify areas for improvement. Various stretch films and force settings were tested to ensure palletized books remain stable and secure when moved during manufacturing and distribution. Switching to a 48-gauge, high-performance film and improving the pre-stretch percentage reduced the total stretch film used. We continue to explore different stretch film options to further increase efficiency and minimize waste across all of our facilities.





We are evaluating reusable pallet toppers, which would eliminate the need to use stretch wrap on most shipments between manufacturing and book fulfillment locations in Indiana. Following a successful trial, we plan to introduce this initiative to other sites to reduce overall waste.

Recycling Materials

Proper recycling is an essential component of our waste reduction strategy. Facilities are engaged in Trash and Recycling Stream Assessments, identifying ways to enhance existing recycling programs and encouraging greater employee participation. Clearly labeled, centrally located collection bins have already been added to help employees accurately dispose of recyclables.

These actions support the goal to expand recycling efforts in each area of our operations. In 2024, we increased the recycling of corrugate and mixed recyclables by 26% each. We also achieved a 10% increase in paper recycling and saw growth in stretchwrap and aluminum plate recycling.

We installed water bottle filling stations in some facilities, allowing employees to stay hydrated while taking steps to reduce landfill waste. Internal Green Teams are exploring additional recycling opportunities for other materials, including personal protective equipment and Styrofoam. Lakeside Book plans to work with a national recycling company in 2025 to further reduce our solid waste by 10%.

46
cubic yards of wood waste recycled over just 3 months, equaling 50 saved trees

8, 666
pounds of employees' electronics gathered in recycling drive

7, 000
single-use plastic bottles saved from just one water bottle filling station



Community Collaboration

Local communities benefit from our recycling efforts and relationships with eco-friendly vendors. The partnership between our Owensville, MO, facility and the Gasconade County R-II School District to recycle their wastepaper earned Lakeside Book Company the Ozark Rivers Waste Management District Award. The lasting, positive impact on the students, who learned about the important role they play in protecting the environment, was a happy bonus of the program.



Supporting Sustainable Materials

Using responsibly sourced materials is essential to our manufacturing and fulfillment operations. We select suppliers who demonstrate their commitment to sustainability with Gold-level ratings and Cradle to Cradle® certifications. Caseboard, paper, shrink film, and tape used to craft our books continue to be manufactured using recycled materials and post-consumer waste.

Many inks used in our production are free of fluorinated compounds, BPA, and petroleum-based mineral oils, allowing for better recycling and composting of the products. Long-standing partnerships with vendors create opportunities to trial new eco-friendly solutions, such as Oriented Polypropylene (OPP) lamination for covers and cold-set and hybrid ink formulas.

Lakeside Book Company provides forestry chain of custody services to our customers. We work closely with vendors, sharing key information to support their preparation for complying with European Union Deforestation Regulation (EUDR) and other regulations.



Credit to Philip Bare, Lakeside Book Company employee

FORESTRY CERTIFIED PAPER USED IN 2024

41,703,874
lbs of FSC Mix

66,111
lbs of FSC Recycled

17,735,317
lbs of SFI

28,510,877
lbs of PEFC

Engaging with the Environment

We encourage employees to champion engagement with sustainability efforts across the organization. Through Green Teams, established in February 2024, employees learn and volunteer as part of Earth and Sustainability Month events, regular newsletters, and local clean-ups. Lakeside Book's new Sustainability Suggestion Program accepts employees' recommendations for actions and investments the company can make to adopt greener solutions. The program quickly gained traction with 112 suggestions submitted last year, a testament to employees' commitment to achieving our sustainability goals. We are excited by the success of these programs in achieving our goals and are eager to build on this momentum.





40 trees planted and 14 bird feeders installed at our sites



Our employees' actions to clean up their communities and beautify outdoor spaces serve the environment and combat climate change. Green Teams coordinated planting 40 trees on properties across our footprint. These new trees will absorb carbon dioxide and assist with noise reduction, erosion control, and temperature regulation while serving as habitats for local wildlife. Nearly half an acre of sunflowers, planted by a leasehold farmer on our property in Hagerstown, MD, adds biodiversity, a pollinator food source, and beautifies the area.

Our People



Nurturing Employee Development

Our employees are what bind Lakeside Book Company together. Continued investment in competitive wages, benefits, training, and development opportunities encourages their personal and professional growth. We offer continuing education through apprenticeships, with over 70 employees participating in 2024. Advanced, on-the-job training is available in Maintenance, Press Operations, Prepress Operations, and Bindery. We assist veterans transitioning to civilian roles, with 140 former service members in the Owensville, MO area helped through participation in the Department of Defense's Bridge to Skills Program.

Offering external certifications supports employees' development and expands their expertise. Thirty employees on the Continuous Improvement team have earned Six Sigma Green Belt Certifications, nine of whom completed the program in 2024. One of our employees, a Sustainability Specialist, is working towards LEED accreditation through the U.S. Green Building Council. This advanced knowledge facilitates changes that drive increased efficiency and sustainable practices across the platform.



70 employees participated in apprenticeships



Celebrating Employee Excellence

Through company employee recognition programs, we recognized and celebrated the dedication and extraordinary efforts of over 900 employees in 2024. Our Inspire Awards allow peers and supervisors to celebrate the achievements of individuals at each site who go above and beyond in bringing our mission and values to life. Additionally, the "Give Props" recognition program enables employees to acknowledge a peer on the company's intranet in real time.



The CEO Excellence Awards honor employees' exceptional accomplishments and contributions company-wide in the categories of Safety, Operational Excellence, Leadership Impact, Innovation, Customer Impact, Teamwork, and Community Hero. The recipients' leadership often extends beyond their immediate area of responsibility to include positive impacts on the environment, local community, and Lakeside Book Company as a whole.

Supporting Wellness



The health and wellness of our employees is essential–this not only helps them thrive at work, but also empowers them to be active, engaged members of the communities where they live. Lakeside Book Company continues to invest in the wellness components of our medical benefits, including access to preventive care visits, affordable medications, annual health screenings, chronic condition management programs, and low-cost telemedicine options. Several facilities plan to establish wellness committees in 2025 to further support employee well-being.

Connecting with Our Communities

Uplifting the communities where we operate with acts of service and philanthropic contributions is central to our company culture. In addition to the $227,398 Lakeside Book Company donated to charitable organizations in 2024, employees volunteered hundreds of hours throughout the year as part of the LIFT (Lakeside Initiative for Today) Program. This demonstrates their dedication to achieving our goal of giving back to society.

Hands-on activities:

- Community days of service
- Environmental clean-up events
- Food, clothing, and toy drives for local families
- Disaster relief drives
- Reading to students in elementary classrooms
- Tours for high school students interested in manufacturing careers

Local sponsorships:

- FIRST robotics teams
- Intramural and collegiate sports programs
- Boys & Girls Club camps
- Resources for cancer and transplant patients
- Youth fitness programs
- Chambers of commerce





Volunteerism in Action



2 Fire Departments
outfitted with workout equipment & carbon monoxide monitors in the Harrisonburg, VA community



770 hours volunteered
during the LIFT Season



3,700 lbs of clothing
collected and donated to local shelters



4 back-to-school
supply drives across the company

85 children engaged
at Family Fun Day in Crawfordsville, IN



Our Culture



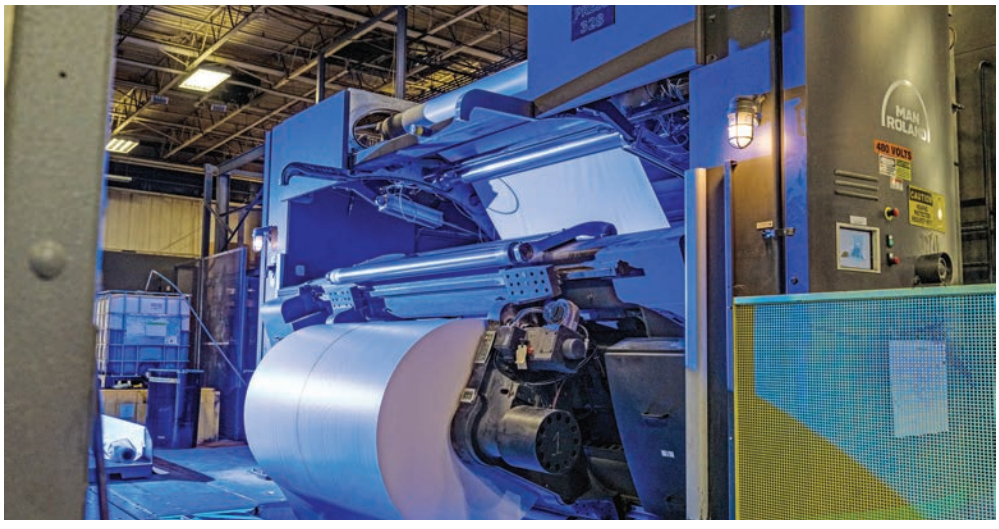
Upholding Compliance and Governance

Lakeside Book Company complies with all applicable U.S. regulations, including the Consumer Product Safety Improvement Act (CPSIA) and Prop 65 in California. Safety Data Sheets (SDS) or additional material/product testing data are made available upon request.



As European regulations evolve, ensuring books and educational materials meet safety, environmental, and quality standards is key to maintaining market access and consumer trust. Strong partnerships with our suppliers and customers position us to meet the upcoming European Union Deforestation Regulation (EUDR) by the deadline. An internal committee meets regularly to discuss updates and maintains open communication across the supply chain during the implementation process of this regulation.

We comply with the Global Safety and Performance Requirements (GSPR), helping publishers and importers meet strict safety requirements for toxicity, durability, and usability in printed materials for children's books, toys, and packaging.



Championing Continuous Improvement

As one of our strategic pillars, continuous improvement is integral to our focus on enhancing operating practices and sourcing the highest quality materials. Adopting a "what if?" mindset improves safety for employees, eliminates waste in processes, and increases value for customers. Change is implemented through employee collaboration, promoting a sense of curiosity and pride that enables us to exceed expectations and requirements within the industry.





Modernizing Data Management

Tracking safety and sustainability metrics via a new web-hosted database provides actionable data in real-time. In addition to fulfilling a key sustainability goal, this shared portal increases visibility to quickly track trends in safety performance and react to leading indicators. Employees are encouraged to report safety observations directly into the database, facilitating better data sharing and root cause analysis across the organization.

Leading with Integrity



We are committed to ethical practices, transparency, and accountability in all we do. Through clear policies, open communication channels, and a strong compliance program, we empower employees to speak up and do the right thing.

Lakeside Book Company respects the diversity of our employees and communities, creating and maintaining an environment where all employees are valued for their experience and unique perspectives. We continue to recognize cultural celebrations at our facilities and in communications, providing opportunities to learn and grow together.





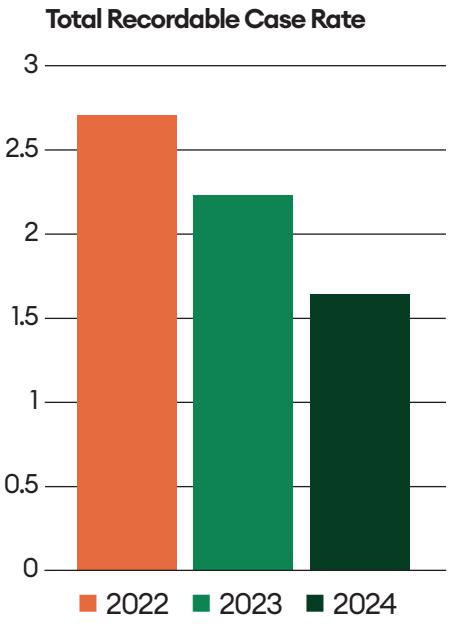
Maintaining a Safe Company Culture

Safety remains our top priority, driven by leaders and employees at every level of the organization. In 2024, we surpassed our Recordable Case Rate (RCR) target, with multiple locations achieving zero recordable incidents. This performance demonstrates a strong safety culture centered around the internal motto, "Zero is possible."

An expanded team of seasoned safety professionals collaborates across the company to create impactful Safety Week campaigns throughout the year that inspire employees to make safety a personal choice. We will continue to build upon this practice in 2025, expanding root cause investigations to continuously refine programs to keep our teams safe.







Turning the page toward a more sustainable future.



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