



2025

REPORT

CORPORATE SOCIAL RESPONSIBILITY

THE BERNARD GROUP × SMARTPRESS

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As a privately-held company, we do not disclose financial information in this report due to privacy considerations.



DRIVING PROGRESS, FOR A BETTER FUTURE



To our valued stakeholders, partners, and community members,

As CEO of The Bernard Group, I'm excited to share our latest Annual Corporate Social Responsibility report. This past year has been all about transforming how we serve our clients and support our team, while staying true to our goal of making a real difference in our community. CSR is at the heart of everything we do, and we're proud to continue building on our progress toward even higher goals.

Our employees are our most valuable asset. Their dedication, creativity, and hard work drive every success we achieve. This year, we continued to enhance several key initiatives aimed at fostering a supportive and engaging work environment: expanded training programs through our TBG Academy; wellness courses focused on mental and physical health; and expanded our mentoring and internship programs.

We also remain dedicated to reducing our environmental impact by expanding our recycling programs with new material streams, which has helped us increase our overall recycling rate to 81% company-wide. Additionally, we are growing our sustainable product offerings for clients and continuing to upgrade our facilities with more energy-efficient equipment to further reduce our carbon footprint.

Our dedication to operational excellence has reached new heights through the integration of advanced technology. We are proud to report that our new AI product configuration and refined customer order process have greatly improved customer satisfaction with our service. By leveraging these innovations, we have simplified complex workflows, ensuring a more intuitive experience for our clients. Furthermore, the introduction of instant proofing now allows customers to approve proofs in real-time, significantly expediting the production process and delivering results with unprecedented speed.



The most visible milestone of our progress this past year is our relocation to a bigger, best-in-class campus. Located near our previous headquarters in Chanhassen, Minnesota, this state-of-the-art facility was specifically designed to elevate the client experience, the employee workplace, and our premium print production capabilities. By moving to this new location, we have successfully consolidated our operations and streamlined our workflows. This consolidation enables us to deliver faster, higher-quality service while fostering teamwork, collaboration, and a sense of belonging across our entire team.

In addition to our physical and operational growth, we have prioritized the integrity and security of our digital infrastructure. We recently implemented a comprehensive data security and privacy platform to ensure the highest standards of protection for our partners. By implementing technology specifically designed to improve our ability to protect sensitive data against cyber threats, we are reinforcing the trust that our stakeholders place in us every day.

I am incredibly proud of the progress we made this past year and the many opportunities ahead to deliver a meaningful impact. We look forward to further fostering a positive and empowering work environment for our employees, serving our clients with excellence, and supporting our community in the years to come.

A handwritten signature in black ink, appearing to read 'M. Hanson'. The signature is fluid and cursive, written in a professional style.

Matthew Hanson
Chief Executive Officer

OUR GROUP

The Bernard Group (TBG) is a full-service visual merchandising company specializing in innovative design and high-quality production. Our expertise lies in creating impactful visual displays that elevate brands and drive sales. We offer a wide range of services, including:

- **Brilliant Digital Graphics:** TBG utilizes cutting-edge printing technology to produce vibrant, eye-catching digital graphics on a variety of media, ensuring maximum impact and versatility.
- **Custom Display Design & Fabrication:** Our team of skilled designers and craftsmen collaborate to create displays that showcase products in the most effective and engaging way possible. We work closely with clients to understand their unique needs and develop solutions that align with their brand identity and marketing objectives.
- **Comprehensive Visual Merchandising Solutions:** From concept to installation, TBG provides end-to-end visual merchandising solutions that transform retail spaces and enhance the customer experience. Our services include:
 - **Project Management:** Dedicated project managers oversee every aspect of the process, ensuring seamless execution and timely delivery.
 - **Logistics & Installation:** Our experienced logistics team handles all aspects of shipping and installation, ensuring that displays are set up correctly and on schedule.
 - **Ongoing Support & Maintenance:** TBG offers ongoing support and maintenance services to keep displays looking their best and maximizing their impact.

By combining creative vision with technical expertise, TBG delivers visual merchandising solutions that capture attention, tell stories and drive results. Our commitment to quality, innovation and customer satisfaction has made us a trusted partner for leading brands across a wide range of industries.

We strive to provide our clients with a world-class product, and more importantly, world-class service. We have a creative, driven, entrepreneurial culture that's leading the way for the print and display industry.



Employee-Owned

Over 950 employee-owners



Established in 1999

The Bernard Group, Inc. (TBG) was founded in 1999, is an S-Corporation, and is 100% Employee-Owned ESOP. The Bernard Group, Inc. includes its divisions: Smartpress (the online division), Smartpress Managed Services, and Smartpress on Demand Platform™. TBG headquarters are located in Chanhassen, Minnesota. TBG, with approximately 1,000 employees, operates in the United States and Canada.



Responsible Manufacturing

EcoVadis Gold (Top 2%), ISO 14001, Forest Stewardship Council® (FSC®) Chain-of-Custody (Coc)



HOW WE PARTNER

Process

Vision	Design	Collaboration	Development	Execution	Fulfillment
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Team

Client Services	Design & Engineering	Project Development	Innovation & Prototyping	Production & Manufacturing	Implementation
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- Account management
- Project management

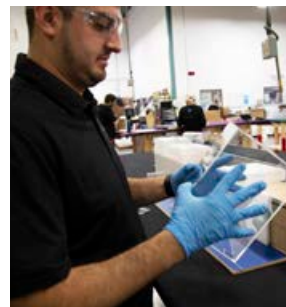
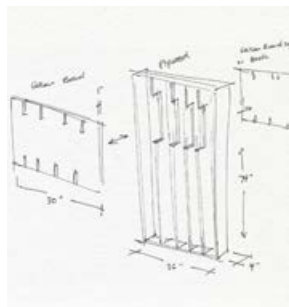
- Visual merchandising
- Environmental design
- 3D design
- Graphic design
- Space optimization
- Structural engineering
- Software development

- Project planning
- Site surveys
- Fixture development
- Sourcing- domestic and international
- Estimating
- Online portal development
- Color work

- Visual engineering
- Unique product development
- Prototype creation
- Finish, texture and treatment definition/ development
- Technology integration
- Testing

- Large format print
- Small format print
- Sewing and finishing
- Plastic fabrication
- Wood and metal fabrication
- Online ordering

- Assembly, kitting and finishing
- Installation
- Reporting



WHERE WE ARE

We take pride in our production facilities and ensure the health and wellbeing of all of our employees.

The Bernard Group is located in Chanhassen, MN. We have over 613,000 square feet in our corporate facilities.



Locations

- Minnesota
- New York
- Duncan, SC
- Atlanta, GA
- Seattle, WA
- Portland, OR
- Mexico
- China



FACILITIES

The Bernard Group's U.S.-based fabrication facilities are located in the Minneapolis metro area. Our state-of-the-art facilities house small/large format printing, plastic/wood/metal fabrication, graphic/fixture design, engineering, warehousing, fixture assembly, knitting and logistics.

JETI TAURO H3300 UHS LTD

AGFA 



HAND-CRAFT FRESH SCRATCH-MADE BURGER SHOP

OUR MISSION AND PURPOSE

We exist to wow our clients with service and products that are the best in the world. Period. Providing this level of service to our clients must be met with an equal amount of passion for collaborating and serving our teammates. We operate in a manner that is environmentally sustainable and socially responsible.

Our purpose as a company is to build inclusive and diverse teams of stars that can serve their individual clients inside a culture that allows them to realize these great motivators. In doing so, we're able to sustain the passion that's required to wow our clients and each other on each and every project.

We believe we are all inherently hardwired to:

- Work for something bigger than ourselves
- Be in relationship with each other
- Take ownership of work
- Have the freedom to make decisions



CORE VALUES

WOW

Wow is our first company value by intention. Webster's Dictionary defines wow as: To overwhelm with delight and amazement.
WE AGREE.

OWNERSHIP

Ownership of our company makes each co-owner 100% accountable. An ownership culture and the freedom associated with it brings top talent to TBG. We have proven that top talent on the front lines, given the ability to make decisions, will consistently trump a top-down management style.

PASSION FOR EXCELLENCE

It is quickly realized by new hires who have prior experience in our industry that this value is indeed central to our culture. We often hear from them how our quality is superior and the speed in which we do it is breathtaking.

It's a demanding industry but very satisfying to those with the right DNA.

THE ART OF TEAMS

We believe teams of top talent with clear objectives will consistently outperform centralized control. We put a great amount of energy into building skilled and diverse teams to handle our most challenging pursuits.

It's the difference between being average and being great.



ESG APPROACH

OVERVIEW OF ACHIEVEMENTS

	Environment	Social	Governance
WOW	Green Energy Partner- Environmental Protection Agency	Raised over \$231,000 for three local charities by hosting our annual charity Golf Open	Scored in the top 2% of EcoVadis Sustainability rating
Ownership	Offset 100% of our Scope 1 and Scope 2 emissions, measured our Scope 3 emissions	Donated 365 backpacks filled with school supplies to a local elementary school	Maintained Forest Stewardship Council® (FSC®) Chain-of-Custody certified
Passion for Excellence	Partnered with Trees, Water, People and planted 8,000 trees in Indigenous lands	Employees spent 4,500+ hours focused on professional development	Signatory of the United Nations Global Compact and align with their 10 Principles
The Art of Teams	Maintained ISO 14001 Environmental Certification	Conducted an annual Gallup Employee Survey with 91% participation	100% of our workforce completed Anti-Bribery/Anti-Corruption Training

APPROACH TO CORPORATE SOCIAL RESPONSIBILITY

The Bernard Group is committed to operating in a responsible and sustainable manner and creating positive social change in our community.

Our sustainable development strategy is overseen by the CEO and Board of Directors, and aligns with internationally recognized frameworks, including the United Nations Global Compact and the Sustainable Development Goals (SDGs). Our strategy is integral to our business operations and is shaped through ongoing engagement with key stakeholders, including employees, customers, suppliers, and community partners. We gather input through annual employee engagement surveys, supplier sustainability assessments, and customer feedback. Insights from these interactions inform our priorities, ensuring our strategy reflects stakeholder expectations and drives shared value. We believe that by integrating sustainable practices into every aspect of our work, we can create long-term value for our stakeholders, our community, and the planet.

COMMITMENT AND VISION

Environmental Stewardship

We recognize the impact our operations can have on the environment and are committed to managing and minimizing this impact. To achieve this, we implement sustainable practices, including our certified ISO 14001 Environmental Management System (EMS), which helps us oversee:

- **Resource Efficiency:** Optimizing our use of energy, water, and raw materials in all our operations.
- **Sustainable Materials and EcoDesign:** Client solutions that optimize the use of certified materials and packaging.
- **Waste Reduction:** Implementing comprehensive waste management programs, including recycling, reuse, and responsible disposal practices.
- **Emissions Reduction:** Investing in technologies and processes that reduce greenhouse gas emissions and improve air quality.

Social Responsibility

We believe in creating a positive impact on society by:

- **Employee Well-being:** Fostering a safe, inclusive, and equitable workplace that promotes the health and development of our employees.
- **Community Engagement:** Actively participating in and contributing to the communities where we operate.

- **Ethical Sourcing:** Partnering with suppliers who share our commitment to ethical labor practices and environmental standards.
- **Customer Focus:** Providing products and services that are safe, high-quality, and promote sustainable choices.

Governance: Responsible Practices

Our company's commitment to the highest standards of integrity and comprehensive risk management serves as the foundation for our governance structure:

- **Quality:** We invest in research and development to explore new and innovative products and ways to improve our sustainability performance and create long-term value for our stakeholders.
- **Ethics:** Integrity and ethical business practices are fundamental to all aspects of our company's operations.
- **Transparency:** Implementing clear communication about company operations and strategic decisions.



We use the globally recognized EcoVadis assessment to evaluate, improve, and transparently communicate our performance in environmental, labor and human rights, ethics, and sustainable procurement. Our continued engagement reinforces our dedication to minimizing environmental impact and operating responsibly. For six consecutive years, we have achieved a Gold or Platinum EcoVadis medal, demonstrating a sustained, leading commitment to sustainability in our industry.

IMPLEMENTATION AND MONITORING

Our sustainable development strategy is integrated into our daily operations through specific goals, targets, and performance indicators. We regularly monitor our progress and publicly report on our performance to ensure transparency and accountability.

SUSTAINABLE DEVELOPMENT GOALS

We have aligned our operations and strategies with United Nations Global Compact’s 10 principles and Sustainable Development Goals on the environment, business ethics, labor and human rights. This partnership not only benefits our company internally, but also our work toward internationally recognized goals.

Our Goals and How We’re Contributing:



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See pages 10,30-32

See pages 10,30-32

See pages 10,30-32

See pages 8,25-32

See pages 15-19



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See pages 15-22

See pages 15-22

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FOCUS AREAS

The impacts of our business operations fall into multiple categories and affect different stakeholders. TBG has developed a multidimensional approach to achieve our vision. This commitment has become ingrained in our core values, and we aim to demonstrate these responsibilities through our actions and within our corporate policies.

The three categories shown below represent our areas of CSR and the performance highlights associated with them:



ENVIRONMENT



SOCIAL



GOVERNANCE





ENVIRONMENT

ENVIRONMENTAL POLICY

TBG is committed to leading the industry in minimizing the impact of its activities on the environment.



The key points of our strategy to achieve this are:

- Maintain a commitment to the protection of the environment, including the prevention of pollution, recycle/reuse as much as possible and minimize our overall consumption of natural resources
- Promote environmental awareness among our employees and encourage them to work in an environmentally responsible manner
- Ensure compliance with all applicable environmental laws and regulations
- Continuously improve the performance of our Environmental Management System (EMS)

2025 ENVIRONMENTAL MANAGEMENT SYSTEM (EMS) OBJECTIVES

Objective #1: Water Conservation Program

Goal: Implement effective water stewardship practices across operations with the goal of reducing water consumption within the next year. This will be achieved through a combination of resource efficiency measures, employee engagement and ensuring sustainable water management while maintaining operational performance.

Objective #2: Distribution Center (DC) Recycling Program

Goal: Enhance the recycling program at the Distribution Center with initiatives with the goal of hitting our 2023 numbers of 72.03 tons since it dropped in 2024 to 58.61 tons. This will be achieved through improved waste segregation, investment in recycling infrastructure and employee education.





Objective #3: Scope 3 Methodology & Measurement

Goal: Establish a comprehensive measurement and tracking system to identify eight out of the 15 Scope 3 emissions categories. This initiative will help the organization better understand its value chain emissions, identify key reduction opportunities, align with global sustainability and carbon reduction goals and ensure that our Scope 3 emissions are reported properly to the CDP, EPA and key clients' emission disclosure platforms.



BUSINESS OPERATIONS

As our business continues to grow, we strive to improve the environmental performance of our operations. The environmental metrics that we track fall into the following categories:

-  **Waste Program:** Waste of all types is sorted meticulously so that all 21 different wastes reach their intended destinations.
-  **Water Conservation:** We minimize water consumption daily and have a No Exposure policy.
-  **Energy Conservation:** We conduct annual comprehensive energy audits that identify potential energy saving projects.
-  **Performance Monitoring:** We continuously monitor these and all activities through our Environmental Management System.

Waste Program

The Bernard Group’s operations generate both non-hazardous solid waste, such as wood, paper, acrylic, MDF, and plastics, and hazardous liquid waste, including solvents and ink residues. This waste is considered to have a significant impact for several reasons: the large volume produced, the potential environmental and health hazards from the liquid waste, and the loss of resources when potentially recyclable materials are diverted to landfills.

Waste-related impacts occur across our value chain: within our own operations through production scrap, packaging waste, and hazardous liquids; upstream through supplier packaging and raw material conversion; and downstream through customer packaging and end-of-life disposal of displays and fixtures. Our processes that generate waste include printing and finishing, fabrication, fulfillment, and packaging. Printing and finishing use paper, substrates, and inks, resulting in offcuts and hazardous liquids. Fabrication involves wood, metal, and acrylic, producing scrap materials. Fulfillment and packaging use corrugated boxes, tapes, and cushioning, generating packaging waste.

The Bernard Group manages waste impacts through an ISO 14001-certified Environmental Management System focused on prevention, compliance, and continuous improvement. Internally, we track 20 waste streams, train employees on proper sorting, and implement programs such as closed-loop recycling for

EPVC, magnets, and wood. Beyond our operations, we engage suppliers via FSC® Chain-of-Custody certification and EcoVadis assessments, and support customers with take-back programs and eco-design guidance.

When waste is handled by third parties, we require licensed facilities, verify permits and compliance records, and maintain manifests and certificates of disposal or recycling. Periodic audits confirm adherence to legal and contractual obligations. These measures ensure responsible waste management across our value chain.

Closed-Loop Program

Our Commitment to Sustainability: We are constantly exploring new ways to reduce our environmental impact and promote responsible resource management. Our commitment to sustainability and minimizing waste is exemplified by our closed-loop recycling program.

This closed-loop program has several benefits:

- **Minimizes waste:** By recycling, we can reduce the amount of waste that goes to landfills.
- **Reduces reliance on virgin materials:** By using recycled materials, we can reduce our reliance on virgin materials, which can help to conserve natural resources.
- **Lowers environmental impact:** Recycling helps to lower our environmental impact by reducing energy consumption and greenhouse gas emissions.

EPVC Recycling

All excess EPVC material is sent to the vendor for recycling. The vendor grinds the material into small pieces and then uses it to manufacture new sheets of EPVC. These new sheets are then supplied back into production.

Magnet Recycling

We’ve established a partnership with our magnet vendor to facilitate the return of used magnets. The magnets are then reprocessed into new sheets/rolls that can be incorporated back into our manufacturing process. This initiative not only reduces the consumption of raw materials but also ensures that our magnets remain both recycled and recyclable, contributing to a circular economy.

Wood Recycling Process

Our wood recycling program exemplifies our commitment to sustainability and resource conservation. We have established a partnership with a specialized vendor that repurposes unused wood, transforming it into valuable animal bedding. This process significantly reduces waste and landfill burden while providing a comfortable and sustainable product for animal care.

Take-Back Program

When it's not possible for our clients to recycle materials at the end of a project, TBG offers a "take-back" program, where shipping containers are provided and sent with the project for the client to ship the materials back to our facilities to be recycled properly.

Product End-Of-Life

When possible, projects are designed with the project end-of-life, circular design and recyclability in mind, with the goal of implementing a closed-loop methodology so that our products have a longer life and avoid becoming waste.

Water Conservation

TBG is a Minnesota-based company, and we're especially conscious of protecting our waterways. Our printing processes are waterless, neither consuming freshwater nor producing waste water.

- In fact, ALL of our liquid waste is disposed of properly and shipped compliantly to be incinerated.
- We do not discharge chemical waste or effluent into the environment or public water system.

Energy Conservation Program

As an industrial manufacturer, we prioritize energy efficiency. Our proven methodology and technology ensure continuous improvement in energy management.

- **Energy Efficient Print Equipment** - High-transmission efficiency 480V power is specified for all new production equipment wherever possible. LED curing is used on a wide variety of current generation print assets in large format.
- **Programmable Thermostats** - Programmable thermostats continue to be specified

for all new HVAC equipment installs, as well as on any remedial projects for current installations. TBG continues the practice of installing locking covers on thermostats in controlled areas to prevent tampering.

- **High-Efficiency RTUs** - When rooftop HVAC equipment is added or replaced, TBG always specifies an AHRA certified high-efficiency unit, as this provides numerous benefits. Lower emissions, less fossil fuel consumption and a rebate incentive are all positive impacts and come at a very small increase to the project cost.
- **Occupancy Sensors** - Occupancy sensors continue to be specified for new breakroom, office and conference room build-outs, as well as added wherever feasible as a remedial project for our contract electrician.
- **LED Lamps Installation** - LED lamps are more efficient, have a longer life than alternatives and are a critical component of our energy-saving efforts.

TBG continues to make energy improvements and holds new installation and construction projects to a high standard of energy efficiency.

Performance Monitoring

Data drives all of our environmental action at TBG, so performance monitoring is a major component of our programs. Performance is continually monitored for waste, recycling, emissions and numerous other categories.

Using this data, we've set a goal for ourselves of working toward being 100% carbon neutral.

Environmental Services and Advocacy

TBG supports the Minnesota Nature Conservancy and is a signatory of the "Climate Action Now" pledge to call on U.S. leaders to stand strong on climate change and demand climate action. TBG continually strives to reduce our operational impacts on the environment but also believes that we can have a broader impact on public policy to safeguard our lands and waters from climate's biggest impacts.

GREENHOUSE GAS EMISSIONS CARBON NEUTRAL PROGRAM

TBG has significantly reduced our carbon footprint by purchasing renewable energy certificates (RECs) and carbon offsets.

Our Carbon Neutral Program is comprised of:

- Green-e certified US/CAN Wind/Solar RECs
- The Rimba Raya Biodiversity Reserve Project aims to reduce Indonesia’s emissions by preserving 64,000 hectares of tropical peat swamp forest. This area is rich in biodiversity, and the project is designed to protect the integrity of the world-renowned Tanjung Puting National Park.
- Wind India- The main purpose of this project activity is to generate a clean form of electricity through renewable wind energy sources in Tamil Nadu, India.

RENEWABLE ENERGY CERTIFICATES (RECs)

RECs account for and encourage the use, expansion and maintenance of renewable energy sources. They also channel funds directly to renewable energy and greenhouse gas reduction projects.

We use these certificates to match all of the electricity used in our offices and facilities, thus reducing our electricity-based carbon footprint.

The renewable energy generation we support has a positive environmental impact. Green-e Certified renewable energy meets the highest standards in North America. To qualify, they must be generated from new facilities that meet rigorous standards for environmental quality, transparency and accuracy.

CARBON OFFSETS

TBG invested in two projects to offset our carbon emissions. The first is an afforestation project of degraded grasslands in Vichada, Colombia, and the second is a solar power project in India. Offsetting greenhouse gas (GHG) emissions enables organizations like ours to reduce our environmental impact by supporting projects that actively reduce, absorb or prevent carbon and other emissions from entering the atmosphere.

Carbon dioxide emissions are broken down into three Scopes:

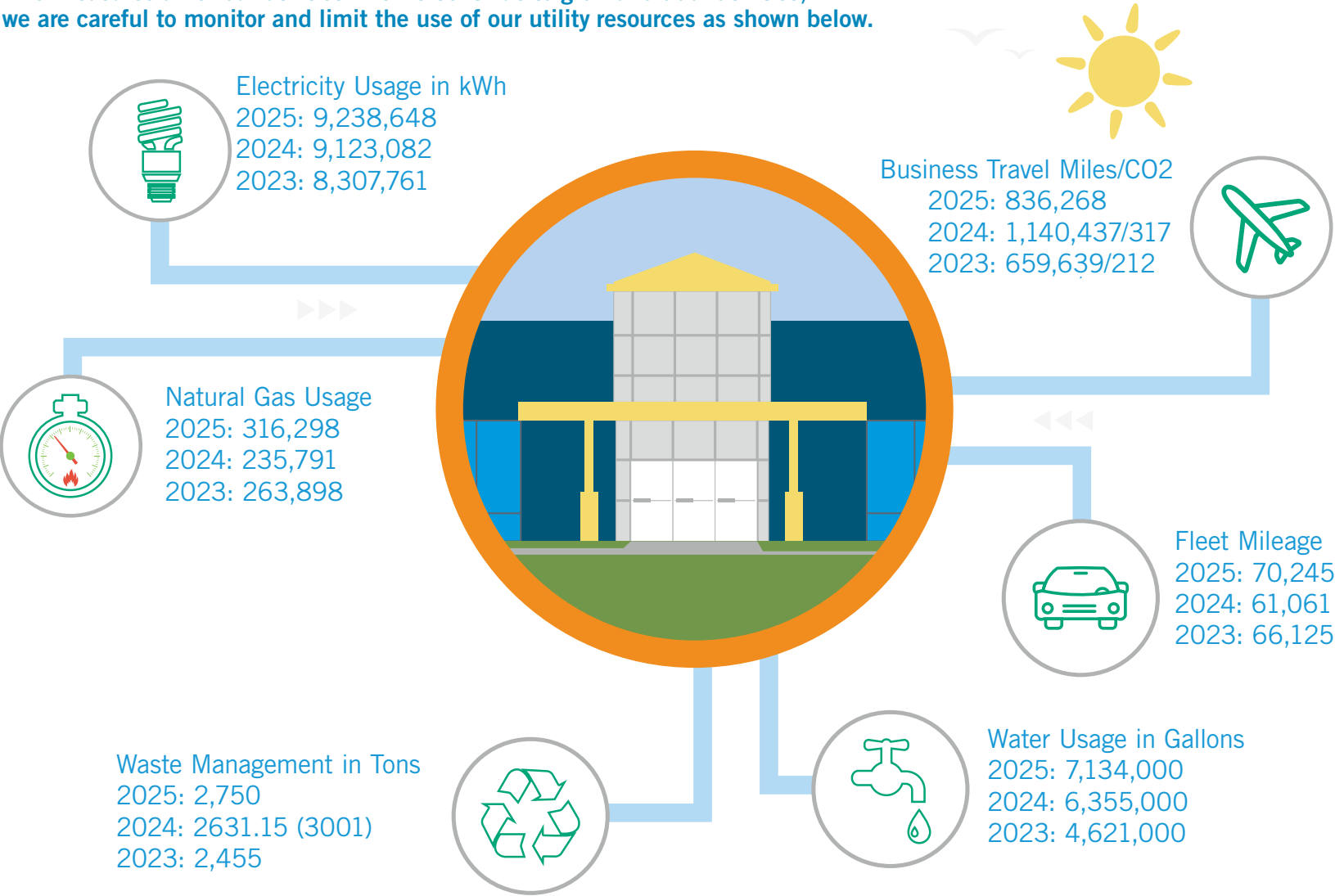
- **Scope 1:** Emissions made directly by our five primary facilities and company vehicles in Minnesota.
- **Scope 2:** Emissions generated by the electricity we purchase from local energy partners.
- **Scope 3:** Emissions made by our supply and distribution chain, employees commuting, business travel, purchased goods and waste disposal.

As of January 2020, TBG has offset 100% of greenhouse gas emissions generated from our facilities (Scope 1) and 100% of the emissions made by our energy partners to power our facilities (Scope 2). We’ve also begun mapping out how to measure Scope 3, with the end goal to offset all of our carbon.

TBG SCOPE 1	TBG SCOPE 2	TBG SCOPE 3
2025 - 1,710 Tons CO2	2025 - 3,962 Tons CO2	2025 - 28,015 Tons CO2
2024 - 1,278 Tons CO2	2024- 4,124 Tons CO2	2024- 26,496 Tons CO2
2023 - 1,429 Tons CO2	2023- 3,900 Tons CO2	2023- 19,536 Tons CO2

UTILITY MANAGEMENT

TBG measures all of our utilities. As we continue to grow and add facilities, we are careful to monitor and limit the use of our utility resources as shown below.



OUR VALUE CHAIN

Our core activities—design, engineering, printing, manufacturing, and software solutions—are all supported by our supply chain. We offer a wide spectrum of services, ranging from initial conceptual design and personalized printing to complete multi-channel marketing campaigns and efficient product distribution. Serving diverse markets such as retail, finance, healthcare, and consumer goods, we provide customized solutions to address their unique branding and operational requirements. Our commitment is to deliver high-quality, tailor-made products and services with speed and precision, achieved through the strategic use of advanced technologies and optimized processes.

Our supply chain is structured to ensure seamless operations from raw material acquisition to final product delivery:

- **Procurement:** Sourcing raw materials & components
- **Manufacturing/Production:** Transforming raw materials into finished goods
- **Logistics/Warehousing:** Inbound and outbound shipping, inventory control, warehousing, kitting & assembly
- **Fulfillment:** Handling and delivering customer orders

Downstream Partners

Our downstream entities are crucial for extending our reach and ensuring efficient delivery to the end customer. These entities include:

- **Shipping and Courier Services:** Partnerships with various national and international carriers to facilitate the timely and cost-effective delivery of products to clients and end-consumers.
- **Third-Party Logistics (3PL) Providers:** In some cases, we collaborate with 3PL providers to manage specialized warehousing or fulfillment requirements, particularly for geographically dispersed operations or unique product handling needs.

Other Business Relationships

Beyond the direct supply chain, The Bernard Group maintains several key business relationships that contribute to its overall strength and resilience:

- Technology Providers
- Financial Institutions
- Consulting Services
- Industry Associations
- Local Community Partnerships

Sustainable Projects



Many clients come to us for eco-friendly design solutions. We have been able to offer a wide range of options and tools to assist them in producing sustainable projects, including the EcoDesign Cloud Platform and the EcoDesign checklist.

We use the **EcoDesign Cloud** platform to uphold our sustainability commitment across print production, focusing on material selection, design optimization, and lifecycle assessment. We utilize this tool in several key areas:

- **Sustainable Material Selection:** The platform's material database, which includes environmental impact data and certifications (e.g., FSC), helps prioritize low-footprint, certified, and easily recyclable materials.
- **Design Optimization:** Tools analyze and reduce environmental impact before production through ink usage analysis, waste reduction simulation (maximizing sheet utilization), and generating an "Eco-Score" for immediate feedback.
- **Reporting and Client Communication:** The platform generates transparent reports detailing environmental savings (e.g., CO2 and water saved, material diverted from landfills) to demonstrate the project's sustainability value to clients.
- **Continuous Improvement:** The Bernard Group uses EcoDesign Cloud's training modules and data to onboard staff and benchmark performance against industry standards and internal goals.

We also utilize the **EcoDesign Checklist**.

OUR PRODUCTS

Must-Haves:

- Optimize the weight of materials used
- Use only certified materials
- Minimum of 30% recycled or renewable materials used
- No batteries, electrical, magnets or lights other than LED
- Maximum of three plastic resins

Suggested:

- 100% renewable, recycled or certified packaging and protections
- Design reusable elements whenever possible
- Favor mono- or single-type material whenever possible
- No lamination/other decorative finishings that limit the recycling processes
- Favor sustainable printing processes (label or digital)
- Optimize palletization at conception stage
- Optimize shipment with flat delivery
- Promote recycling with disassembly instructions
- Identify plastics with their international packaging codes for easy recycling



Materials and Resources

TBG remains committed to providing our clients with eco-friendly options.

- We rigorously research how performance, quality, process, scale, cost, availability and life cycle affect the success of our products.
- We offer several resources for our customers to explore our range of options, including sample material books, a library of data sheets and sourcing trackers.
- We explore emerging raw materials to be the first in the industry to drive new material development and production.

Materials: New Emerging and Testing

Inspiration and viability:

We are constantly on the hunt for healthier material options that are viable and perform to quality and aesthetic excellence. We find, test, validate and source multiple options when possible to provide solutions at the ready.

- Recycled/alternative plastics
- Living moss panels for wall and display applications
- Recycled content, plastics, paper-based, non-vinyl wraps
- Wood, eco-friendly MDF w/ low-VOC finishes
- Recycled or renewable content solid surfaces



PRODUCT INNOVATION

Materials Reuse and Research

Pallets used for merchandising system material were repurposed and reused as backwall decor.

Testing and Prototyping

- 100% recycled acrylic and recyclable graphics.
- Digitally-printed realistic texture.

New Thinking and New Methods

- Stain color and finish study on the wheat board.
- Sculpting paper for temporary seasonal displays.
- Designing and building strength and structure with renewable and recyclable materials.

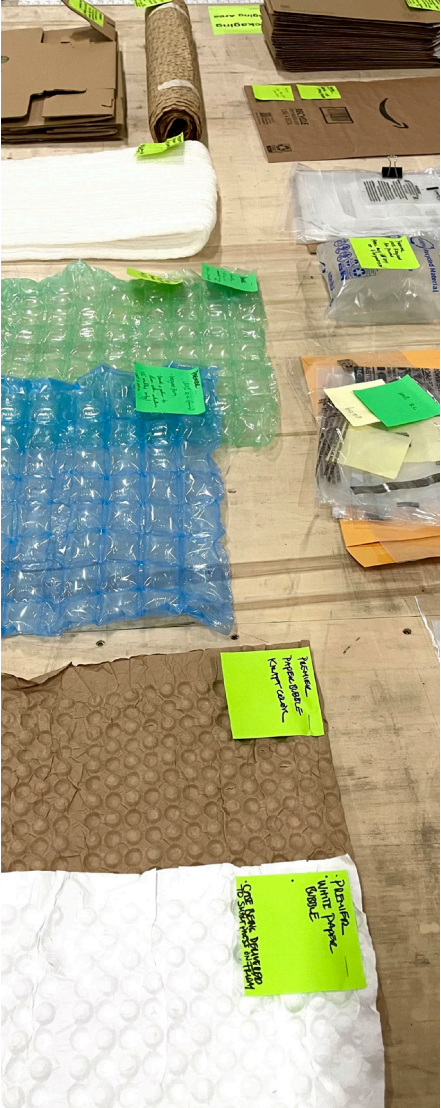


Sustainability in Packaging

In Fall of 2022, we reviewed all our standard packaging supplies in our facilities. We documented usage, spend, versions, performance, availability and supplier partnerships. After that we searched for healthier options in each category until we had enough to begin comparisons and evaluations to vet out the weaker options and determine testing plans.

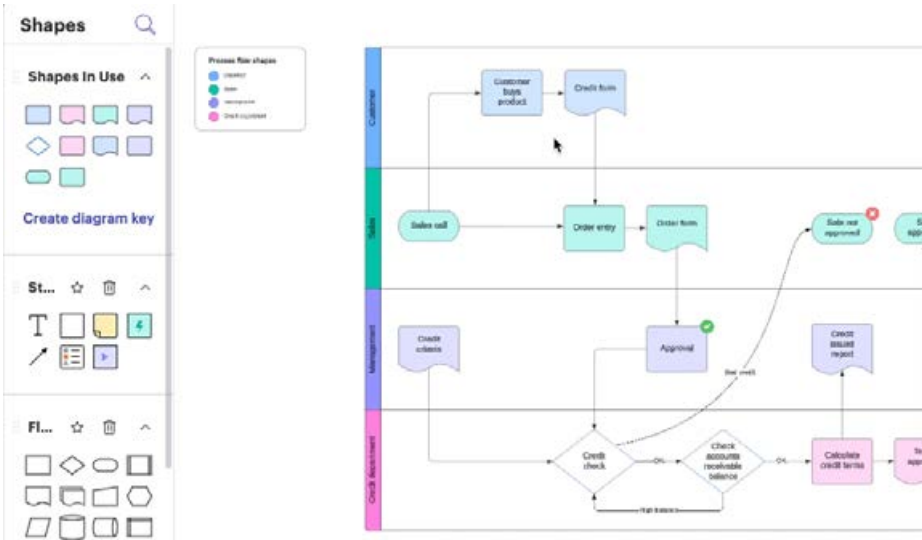
To date, we've landed on the below healthier options, either as complete swap-outs or in addition to our packaging products:

- **Polybags**- 20+ versions made from 100% recycled content.
- **Cartons**- Made with at least 60% recycled content.
- **Packing Tapes**- All 3" clear plastic tapes have 10% recycled content. Paper-based Water Activated Tape (WAT) with application machines implemented.
- **Bubblewrap**- Minimum 30% recycled content in 12"W rolls. Larger widths coming soon to test.
- **Krinkle Paper**- Paper-based, 100% recycled content and application machines brought in to be used as another option to bubble/void fill.
- **Foam Slip Sheets/Void Fill**- Non-abrasive, multi-layered, 100% recycled content tissue paper in multiple sizes.



LUCID

Collaborate with our creative process. Lucid empowers remote, in-office and hybrid teams to communicate and collaborate across formats, tools, channels and timezones- without constraints of physical location, meeting space or whiteboards.



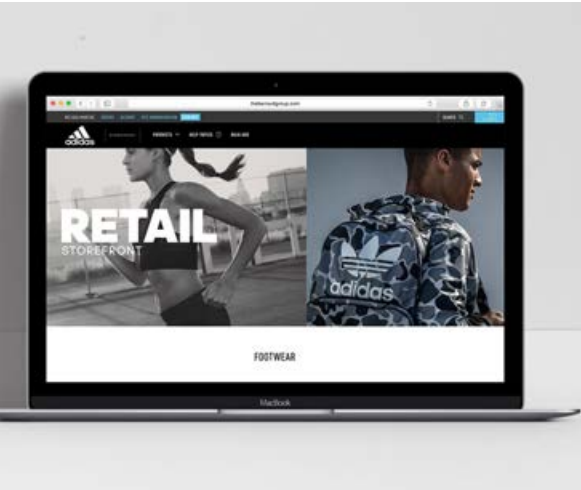
TBG ONLINE MARKETING ON DEMAND

Empower your service lines.



Create or order high-quality, brand-compliant marketing materials in minutes, without having to rely on multiple vendors or design agencies.

Our platform is easy to use and supported by a robust team of experts, so you can focus on growing your business, not managing your marketing assets.





SOCIAL

WORKPLACE



We strive to attract the best talent. Our people are the heart of The Bernard Group, and our accomplishments are a direct result of the talented professionals who work here.

We continue to look for ways to be an excellent workplace and empower our employees by providing safe, healthy working conditions, fair labor practices, an inclusive work environment free from discrimination, intimidation and harassment and equal opportunities for growth/advancement so they can achieve significant results for our customers.

INSPIRING GROWTH

We believe that where there is learning and development, there is innovation and performance. Therefore we encourage employees to take time for their personal development and provide effective learning paths for employees that represent a range of skills and abilities.

To support this, we offer the TBG Academy, which includes a learning and development focus in the following areas:



-  Ownership Academy
-  Leadership Academy
-  Functional Academy
-  Wellbeing Academy



In 2024, we launched an e-learning platform, TBG Learning Academy, to support employee growth and development. Within the platform, employees have access to online training and professional development courses that they can complete anytime, anywhere. The Learning Academy hub offers:

A centralized hub for online internal training (including required training from Human Resources, IT, Information Security, Safety, etc.)

Personalized space in which employees can access on-demand online training courses to complete at their convenience. Collaborative learning, allowing employees to communicate with other TBGers about training content in the platform forums.

Our Core Values are the building blocks of our organizational culture - they create direction on why we do what we do. They provide guidance for decision-making for TBG. By adding clarity to how each person can live and work these core values, we will continue to strengthen our TBG culture.

How We Work is a compilation of behaviors that are meaningful and represent the mindset necessary for all employees to contribute to TBG's success, regardless of job title or role within the company.

It provides clear expectations that align with our core values of WOW, Ownership, Passion for Excellence and Art of Teams. The competencies and behaviors identified in this document were chosen by TBG employees. A sampling of employees and managers from throughout the company provided input via a survey on the most important behaviors needed for success at TBG.

LEADERSHIP DEVELOPMENT

TBG is dedicated to developing strong leaders to drive our organization's success. We believe that having strong leaders can reduce employee turnover, promote accountability, improve problem-solving and clarify job roles, all of which have a huge impact on our overall success. To initiate our leadership development program, we've implemented the following:

- **How We Lead-** A training that ensures leadership competencies and behaviors align with the core values that define what a successful leader looks like
- **Fundamentals of Leadership-** A training program for leaders covering essential skills such as effective communication, coaching and leading change
- **What Do Leaders Do-** An advanced training building on the fundamentals
- **Effective Coaching & Feedback-** Training to empower people leaders to deliver constructive feedback
- **Mastering Crucial Conversations-** Learning to navigate tough talks and turn challenges into opportunities
- **Hiring Process & Interview Skills-** Training to strengthen talent acquisition
- **Continuous Improvement Training-** To drive operational excellence

EMPLOYEE ENGAGEMENT

We believe that increased engagement levels lead to happier employees, higher productivity, lower absenteeism and lower turnover. We have a Human Resources team that is dedicated to creating an environment that encourages engagement and results in even more valuable experiences for our customers and prospects. We conduct annual Gallup engagement surveys to gain insight from employees on how satisfied they are with their jobs, if they know what's expected of them, if they have the tools they need to do their job, what improvement they would like to see and what management could do better. We then have our managers lead sessions with their employees to create action plans to focus on for the year. Every year, we conduct a Gallup employee engagement survey, and in 2025, 91% of employees participated in the survey.

EMPLOYEE HEALTH AND WELLBEING

At TBG, we invest in our employees' health and wellness because we know they are our greatest asset. That's why we offer benefits to enhance our employees' quality of life with packages that include major medical, dental, vision and life insurance. Through the TBG Academy, our Wellbeing Academy offers employee assistance and wellness programs, and we support a healthy work-life balance by providing paid holidays and paid time off.

The Bernard Group has implemented an occupational health and safety management system integrated into our ISO 14001 Environmental Management System, based on legal requirements and recognized internal guidelines. 100% of employees and on-site contractors whose work or workplace is controlled by TBG are covered by this system. The system is integrated into our operations through training, performance monitoring, and continuous improvement. The system undergoes annual internal audits, covering all employees and contractors, and is not ISO 45001 certified nor externally audited at this time; external certification has not been pursued because our integrated EMS and robust internal audits meet operational needs and regulatory requirements. Data is compiled from HR records and EMS audit reports using internal methodologies aligned with legal requirements and ISO 14001 principles; assumptions include full coverage for all controlled workplaces.

Employees have access to occupational health resources, including wellness programs and an Employee Assistance Program, to support physical and mental well-being. This coverage is not currently extended to contractors. Workers participate in health and safety through mandatory training, engagement surveys, safety committees, and open communication channels for reporting concerns. We identify and assess workplace hazards through routine inspections and incident reporting, with corrective actions tracked under our Environmental Management System. Workers are consulted during inspections and risk reviews.

To prevent and mitigate occupational health and safety impacts from business relationships, The Bernard Group (TBG) integrates safety and labor standards into its Supplier Code of Conduct. Furthermore, TBG requires on-site contractors to adhere to its specific safety and hazard control protocols. Compliance is monitored through EcoVadis sustainability assessments. These assessments allow TBG to review supplier performance, assign corrective actions when risks are identified, and track adherence to ensure the effectiveness of these measures, aligning with our commitment to safe and healthy workplaces.

TOTAL REWARDS

The Bernard Group approaches compensation and benefits using a Total Rewards philosophy. This is our framework to attract, reward, and retain our employees. The core goals of this philosophy are to:

- **Attract and Retain Talent:** By ensuring external competitiveness and maintaining internal equity.
- **Promote Growth and Performance:** By supporting the long-term growth of employees and rewarding both strong individual and organizational performance.
- **Foster Ownership and Financial Security:** As an employee-owned company, the framework aims to create a sense of ownership, build wealth, and provide long-term financial security.
- **Ensure Clarity and Compliance:** By maintaining practices that are fair, legal, defensible, and easy for all employees to understand.

The compensation component of our Total Rewards falls into three different tiers:

Our compensation structure's **first tier** is designed to support employee growth through performance-based pay increases, promotions, and commissions. This applies to all employees, including members of the highest governance body and senior executives, as well as those in non-leadership roles.

For leadership, however, bonuses are also linked to performance metrics related to finance, operations, and organizational objectives, including sustainability goals. Executive pay decisions are overseen by the Board, which is composed of a majority of independent directors. The primary objective of this tier is to reward individual performance.

The **second tier** focuses on company-wide objectives, fostering shared risk and reward. Components include the annual cash employee bonus and the bonus plan for eligible leadership. This structure is designed to motivate collaboration among employees to achieve company goals. Note that individual circumstances dictate sign-on bonuses, termination payments, and clawback provisions.

Our co-owners' retirement is supported by a **third tier**, which includes our 401(k) plan match and participation in the employee ownership program via share grants.

Our compensation strategy is designed to ensure competitive and market-aligned pay. We establish pay ranges for each role, reflecting current market data, and these ranges include a defined minimum, midpoint, and maximum.

Key elements of our strategy include:

- **Market Benchmarking:** We regularly compare our pay against the market using salary surveys, new hire offer data, exit interview information, and general market intelligence to ensure competitiveness. External consultants, independent of management, inform the pay ranges for both senior leadership and non-leadership roles.
- **Targeting the Market:** For most employees, our goal is to align base pay with the market rate.
- **Rewarding Top Performance:** High-performing employees may be compensated above the market rate.

Our practice is to hire top talent and pay them competitively. We also offer a variety of competitive benefits. They include:

- Competitive wages and benefits
- Healthcare, dental, life insurance, and disability
- Paid parental leave
- Retirement savings programs
 - 100% employee owned
 - 401k with company match
- Career Development Opportunities through our TBG Academy
- Flexible work hours
- Education Assistance
- Employee Referral Program
- Safe & Clean Manufacturing Environment
- A culture of freedom and trust
- Collaboration & Teamwork
- Talented, empowered, and engaged co-workers by your side



CliftonStrengths

As a strengths-based organization, all employees have access to the CliftonStrengths assessment. This allows each employee to discover that they naturally do best and provides information on how to use those strengths to perform at their maximum potential.

Employee Assistance Program

The Bernard Group provides access to non-occupational medical and healthcare services beyond legal requirements through comprehensive benefits, including major medical, dental, vision, and life insurance for all employees, and counseling and crisis support via an Employee Assistance Program. These services are facilitated through company-sponsored insurance plans and external providers. Voluntary health promotion programs address major non-work-related health risks such as stress management, mental health, and chronic condition prevention through our Wellbeing Academy, which offers resources for fitness, nutrition, and work-life balance. These programs are available to all employees, with the exception of on-site contractors. Access is provided through online learning platforms and confidential support channels. Participation in wellness programs is tracked internally, and metrics will be disclosed in future reports to demonstrate engagement and effectiveness.

Periodically, we conduct Employee Total Rewards Surveys and analyze responses to ensure future Total Rewards meet the needs of the majority of our employees. We also formed a benefits committee made up of cross-functional leaders to help evaluate health insurance and other benefits.

Our Human Resources department, with approval from the Board of Directors, oversees the design and implementation of our compensation strategy, governs our benefits programs, and ensures adherence to tax laws and local regulations.

HUMAN RIGHTS

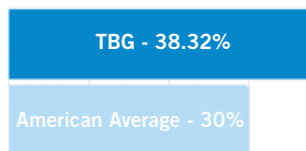
Our Approach

We support and respect the promotion and protection of human rights within our operations, value chains, and communities where we operate. We adhere to the principles set forth in the United Nations Global Compact (UNGC).

Policies and Commitments

Our Labor and Human Rights Policy affirms our commitment to respecting human rights and fundamentally incorporates Diversity, Equity, and Inclusion. This policy ensures that all employees are treated with dignity and respect, providing a safe and fair working environment free from discrimination, harassment, and forced labor. We believe that a diverse workforce, where every individual is valued and has equitable opportunities for success, is integral to our business and core values. It's essential that our business partners, including suppliers, contractors, and any other provider of goods and services, uphold these same standards. We will not knowingly do business with those who do not comply with local employment laws.

The number of TBG co-owners who are women is 26% higher, compared with the overall American manufacturing workforce. Women work in all areas of our company, from production to executive leadership.



Percentage of women who work in the manufacturing workforce.

Our Code of Conduct includes explicit commitments to respecting one another, maintaining an inclusive and respectful workplace, never engaging in harassment or discrimination, and working safely.

Our Recruiting and Hiring practices establish the requirement for all personnel processes to be merit-based and applied without discrimination. We foster and preserve inclusivity across every facet of our company. Our company comprises people from diverse backgrounds, with varying perspectives, working styles, and areas of expertise.



We maintain a strict Anti-Bribery and Anti-Corruption Policies, supported by annual compliance training for all relevant employees. In 2025, 100% of eligible employees completed this training. Our Policy outlines our commitment and expectation that all employees are able to work in an environment free from harassment and discrimination. We prohibit any form of discrimination, harassment, bullying, or other offensive conduct toward any individual based on race, color, religion, sex, sexual orientation, gender identity, marital status, pregnancy, age, disability, national or ethnic origin, military service status, citizenship, or other characteristics. We also prohibit any behavior that makes the work environment hostile, intimidating, or offensive to colleagues.

Our Supplier Code of Conduct outlines our expectations of our suppliers, including ensuring fair employment and wages, reducing environmental impact, and providing working conditions that support safety, well-being, and health.

Our Environmental Policy commits us to compliance with all applicable environmental laws, pollution prevention, resource efficiency, and continuous improvement through our ISO 14001-certified Environmental Management System.

The Bernard Group's workforce is not unionized and therefore has no collective bargaining agreements that dictate minimum notice periods for operational changes. However, as a standard practice for transparency and employee engagement, The Bernard Group typically provides employees with at least two weeks' notice before implementing significant operational changes.

These policies are approved and overseen by the Board of Directors and integrated into our corporate governance framework. Executive leadership ensures that these commitments are embedded across operations and supply chains.

Embedding and Implementation

We embed these commitments through:

- **Communication and Awareness:** Through internal email campaigns, HR updates, monthly CSR updates, and internal posters/signage.
- **Training and Education:** Through employee onboarding, the TBG Learning Academy, mandatory compliance training including Employee Health & Safety, Quality Assurance, Environmental Stewardship, and Ethical Conduct, supplier assessments and corrective action plans.
- **Monitoring and Review:** Through internal audits, corrective actions, KPI's, leadership review, and feedback mechanisms, including the whistleblowing and ethics hotline for confidential reporting.

The success of embedding these policies rests with every member of The Bernard Group.



COMMUNITY RELATIONS: TBG GIVES BACK

Charitable contributions, in-kind donations and volunteerism directly correlate with improving quality of life and making the world a better place. As part of our charitable giving initiative, we support multiple nonprofit organizations that mirror our core values. The following are some of the contributions we make to the communities in which we operate, as well as the contributions of our employees and their families:

Annual Golf Open

TBG hosted its annual charity golf tournament benefiting three local charities: Sojourner Project, Open Hands Foundation and PROP.



Dress For Success

TBG hosted a clothing drive for Dress For Success, a nonprofit charity. Employees donated over 35 bags of clothing, shoes, handbags and accessories to disadvantaged women to help them achieve career advancement, career stability and economic sustainability.

Feed My Starving Children

TBG hosted a food packing event where nearly 100 of our employees participated in packing 25,056 meals for children in Haiti. These meals will feed 68 children for one year.





Kids In Need Foundation

TBG hosted a backpack build event for our employees. We packed 350 backpacks full of school supplies and donated them to a local elementary school.



Neighbors, Inc.

TBG employees formed teams and purchased and wrapped gifts for several families in need so they could provide Christmas gifts for their children. Neighbors, Inc. supports low-income households by providing food, clothes and toiletry items.

Open Hands Foundation/Hope House

TBG donated funds to this local shelter. Hope House is a six-bed emergency shelter for youth ages 14-19 who are homeless or at risk of homelessness in the Southwest Twin Cities metro area. Hope House turns young people’s lives around by nurturing self-sufficiency and independence, with a goal of reconciliation and family unification.



Operation Christmas Child/Samaritan’s Purse

TBG employees participated in this holiday event by packing dozens of shoe boxes with items for children in impoverished countries. Samaritan’s Purse is a non-denominational evangelical Christian organization providing spiritual and physical aid to hurting people around the world. Since 1970, Samaritan’s Purse has helped meet needs of people who are victims of war, poverty, natural disasters, disease and famine.



People Reaching Out To People (PROP)

Employees donated food items to this local food shelf. Their mission is “to compassionately provide food and comprehensive support to our neighbors in need that creates a path toward self-sufficiency.”



Sail Transition Work Program

The Bernard Group partners with two local schools in our community to provide work to people with disabilities.

Programs:

SAIL - Students Achieving Independent Life

STAR - Steps Toward Adult Responsibility

Both transition programs offer young people ages 18-21 with special needs, skill building, career training and guidance. The Bernard Group employs graduated students who have participated in these programs. The schools provide job coaches to work alongside the employees to ensure they are building skills and receiving the training they need to perform their job duties. This beneficial partnership provides The Bernard Group with much-needed workers in a competitive labor market and provides the employees with opportunities for growth in independence in living, working and acquiring new skills.

Sojourner Project

TBG donated funds to this local shelter whose mission is to provide emergency shelter, support, and legal advocacy services to women and children victimized by domestic violence.

Toys For Tots

Employees donated toys to children in need throughout the Minneapolis area.





GOVERNANCE

BOARD OF DIRECTORS



Matt Hanson
CEO, Chairman of the Board



Philip Hazel
Founder, Board Member



Scott Anderson
Board Member, NED



Patty Jones
Board Member, NED



Mark Schumacher
Board Member, NED

Board Composition

The Board of Directors is the highest governing body of The Bernard Group. It is responsible for the overall strategic direction, oversight of management, and safeguarding the interests of stakeholders, including oversight of the company’s impacts on the environment, economy, and people, setting strategic objectives and corporate policies, appointing and overseeing the Chief Executive Officer reviewing and approving annual budgets and financial statements, ensuring compliance with legal and ethical standards, and evaluating organizational performance and risk management.

The Board of Directors consists of five members: three Non-Executive Directors (NEDs) who are independent of management, and two Executive Directors. This structure ensures that independent directors hold a majority of Board seats. The Board delegates day-to-day operations to the CEO, who is subject to Board approval and review.



GOVERNANCE OVERVIEW

Our company's governance is comprehensive and built on a commitment to the highest standards of integrity and risk management. This approach demonstrates leadership in quality, ethics, and transparency. This commitment reflects our respect for the interests of our employees and external stakeholders, including our clients, prospects, suppliers, partners and the wider community.

The Bernard Group is a 100% employee-owned company. All shares of Company stock are held in the Employee Stock Ownership Plan (ESOP) trust for the benefit of eligible employees.

Director Election

Directors are elected by shareholders. Under the Company's ESOP structure, voting rights are exercised by the ESOP Trustee on behalf of employee-owners. The Bylaws do not require directors to be shareholders or Minnesota residents, allowing the Company to recruit qualified candidates regardless of stock ownership or geographic location.

ESOP Trustee

Summit Fiduciary Group, LLC serves as an independent fiduciary with sole authority to vote all Company shares on behalf of employee-owners, and was selected by the Board of Directors. The Trustee owes fiduciary duties exclusively to Plan participants under ERISA, providing external oversight of major corporate decisions, including Board elections.

Independence and Diversity Considerations

While the Company does not maintain formal written criteria for director nominations or a nomination committee, candidates are identified through a Board-led process, which may include recommendations from current directors and external advisors. The Board seeks candidates who bring relevant industry experience, independence, financial acumen, and diversity of background and perspectives to support the Company's strategic objectives and employee-ownership culture.

Chair of the Highest Governance Body

Our Chief Executive Officer also serves as Chair of the Board of Directors. As a 100% employee-owned company, TBG's governance structure prioritizes operational alignment and unified strategic leadership. The combined Chair, CEO role enables clear accountability and efficient decision-making appropriate for a mid-sized manufacturing enterprise while maintaining robust independent oversight through multiple mechanisms.

for a mid-sized manufacturing enterprise while maintaining robust independent oversight through multiple mechanisms.

Independent Oversight Mechanisms

Independent Board Majority: Three of five Board members are Non-Executive Directors (NEDs) who are independent of management. This independent majority ensures objective oversight of executive decisions and provides a check on the combined Chair/CEO role. The Board periodically reviews the governance structure, including the combined Chair/CEO role, to ensure it remains appropriate for the Company's size and ownership model. While there is no current plan to separate these roles, the Board retains authority to do so if deemed necessary.

Independent Fiduciary Authority

The Trust Agreement authorizes the appointment of an Independent Fiduciary to act on matters involving real or perceived conflicts of interest between management and employee-owners.

Committee of Disinterested Persons

The Bylaws establish criteria for forming independent committees when matters require review by directors without material interest in the outcome, including ownership limitations and employment restrictions.

Management of Impacts

The Board of Directors holds plenary authority over the management of the Company's business and affairs, including oversight of the organization's impacts on the economy, environment, and people.

Sustainability Oversight

The Board oversees the Company's sustainability performance through:

- **Annual Review:** The Board reviews sustainability performance at least annually as part of strategic planning and risk management discussions. Management provides regular updates through formal reports and presentations, including key performance indicators related to environmental and social impacts. While the Board does not include a dedicated sustainability expert, it leverages external advisors and internal subject matter experts to inform decision-making.

- **Review** of the annual sustainability report and EMS performance.
- **Oversight** of ISO 14001 environmental certification and carbon neutrality commitments.
- **Monitor** workforce matters, including ESOP involvement & employee safety.
- **Approval** of major capital investments affecting environmental performance.
- **Stakeholder Alignment:** As a 100% employee-owned company, the interests of shareholders and the workforce are inherently aligned. The ESOP Trustee represents employee-owner interests in major corporate decisions, ensuring that sustainability initiatives reflect the priorities of those most affected by Company operations.

Delegation of Responsibility

The Board of Directors delegates general management authority to the Chief Executive Officer, who is responsible for the Company's impact on the economy, environment, and people. The CEO is accountable to the Board for operational performance across all areas, including sustainability matters.

The CEO has delegated specific impact management responsibilities to members of the executive team:

- **The Chief Financial Officer** is responsible for economic performance, financial controls, and reporting.
- **The EMS Management Representative** is responsible for environmental management, including the Company's ISO 14001-certified Environmental Management System and its commitment to carbon neutrality.
- **The Vice President of Human Resources** is responsible for workforce matters, including employee safety, ESOP communications and labor practices.
- **The General Counsel** is responsible for legal compliance, ethics, and governance matters.
- **Delegation to Other Employees** - Environmental management responsibilities are further delegated to employees throughout the organization through the Company's ISO 14001 EMS. The EMS framework assigns specific environmental responsibilities at the operational level and requires documented procedures for managing environmental impacts.

Reporting to the Board

Senior executives report to the Board on the management of impacts through the following mechanisms:

- **Quarterly Board Meetings** - The CFO reports on the financial condition of the business at each regular Board meeting, as required by the Bylaws. The CEO provides operational updates, including matters affecting environmental and workforce performance. The Board evaluates the CEO and executive team on overall operational performance, which includes sustainability objectives integrated into strategic and risk management processes. External advisors and internal subject matter experts are engaged as needed to support informed decision-making.
- **Annual Sustainability Review** - The Board reviews the Company's annual sustainability report, which covers material topics, environmental performance, workforce metrics, and community impact.
- **ISO 14001 Management Review** - Environmental performance data from the EMS is compiled for management review and reported to the Board as part of ongoing operational oversight.
- **Ad Hoc Reporting** - The CEO or other executives escalate significant concerns affecting stakeholder impacts to the Board as they arise. Any two directors may call a special meeting to address urgent matters.
- **Non-Executive Directors** - The three Non-Executive Directors provide independent oversight of management's execution of delegated responsibilities and may request additional reporting on specific topics.

Conflicts of Interest

The Company maintains comprehensive policies and structural safeguards to prevent and mitigate conflicts of interest:

Conflict of Interest Policy: The Company maintains a Conflict of Interest Policy applicable to all directors, officers, employees, contractors, and subcontractors. All directors and employees are required to complete annual conflict of interest training. Violations of the policy may result in disciplinary action up to and including termination. The Company provides annual training on ethical conduct, including anti-bribery and conflict of interest standards, and maintains a confidential reporting mechanism for concerns. Conflict of interest risks are monitored as part of the Company's enterprise risk management framework. Employees and directors receive annual ethics training, and concerns can be reported through the confidential Ethics Hotline or online reporting system. The policy prohibits:

- Holding interests in or accepting benefits from organizations doing or seeking business with the Company.
- Holding interests in competitors.
- Being employed by or serving on the boards of vendors or competitors.
- Profiting personally from organizations seeking to do business with the Company.

The policy extends to immediate family members and requires disclosure of actual or potential conflicts. Modest courtesies openly given as part of usual business amenities are permitted.

Anti-Bribery & Anti-Corruption Policy

The Company maintains a zero-tolerance policy on bribery and corruption, committing to act professionally, fairly, and with integrity in all business dealings and to uphold all applicable anti-bribery and anti-corruption laws.

Independent Board Majority

Three of five Board members are Non-Executive Directors, independent of management. This majority can act on matters where executive directors may have conflicts, including executive compensation, related-party transactions, and strategic decisions affecting management interests.

ESOP Trustee Independence

Summit Fiduciary Group, LLC serves as an independent professional trustee with fiduciary duties owed solely to Plan participants under ERISA. The Trustee acts independently of management on matters affecting employee-owner interests, including the annual stock valuation process and voting on major corporate transactions.

Independent Fiduciary Authority

The Trust Agreement authorizes appointment of an Independent Fiduciary to act on matters involving real or perceived conflicts between management and employee-owners. This provides an additional layer of protection for participant interests in conflict situations.

Committee of Disinterested Persons

The Bylaws establish criteria for forming independent committees to address matters requiring review by directors without material interest. Qualifying directors must own less than 1% of outstanding shares, have no current or recent (5-year) employment relationship, and have no material pecuniary interest in the matter.

Controlling Shareholder Disclosure

As a 100% ESOP-owned company, there are no individual controlling shareholders. All shares are held in trust for the benefit of employee-owners, eliminating traditional principal-agent conflicts. Cross-shareholding with suppliers, customers, and other stakeholders is not applicable.

Communication of Critical Concerns

Critical concerns may be communicated to the Board through multiple channels, with independent directors available to receive concerns directly:

- **Management Reporting** - The CEO reports to the Board on operational matters at regular meetings. The CFO provides mandatory financial condition reports at each regular Board meeting, ensuring visibility into financial risks and concerns.
- **Special Meetings** - Any two directors may call a special Board meeting to address urgent matters, enabling rapid escalation of critical concerns.
- **Independent Director Access** - The three Non-Executive Directors are available to receive concerns from employees, management, or external parties that may involve conflicts of interest or matters requiring independent review.
- **ESOP Trustee Channel** - The Trustee reports annually to the ESOP Committee and may communicate concerns affecting participant interests. As an independent fiduciary, the Trustee can escalate matters to the Board when participant interests are at stake.

Enforcement

The company enforces a strict non-retaliation policy and ensures confidentiality for all reports. Employees and stakeholders may also report concerns anonymously through the Ethics Hotline or online reporting system. The Board reviews summaries of reported concerns at least annually as part of its governance oversight. These mechanisms ensure timely escalation and independent oversight of issues that could materially impact stakeholders.

Collective Knowledge

The Board advances its collective knowledge on sustainable development through the following mechanisms:

- **Quarterly Management Briefings** - The executive team provides quarterly briefings to the Board on business performance, including environmental metrics, workforce matters, market conditions, and strategic initiatives. Board members actively engage with these presentations and ask questions to deepen their understanding.
- **Sustainability Report Review** - The Board reviews the annual sustainability report and provides input on material topics and stakeholder priorities.
- **ISO 14001 Certification** - The Company’s ISO 14001 environmental management system provides a framework for ongoing environmental education and performance monitoring that is reported to the Board.
- **NED Expertise** - The three Non-Executive Directors bring diverse external perspectives and industry experience that inform Board discussions on sustainability matters. Patricia Jones was specifically appointed for her approach to using legal and human resource tools to drive business forward and her ability to bring a new perspective and diversity to the Board. New directors receive onboarding that includes governance responsibilities, ESOP structure, and sustainability priorities. The Board also engages external advisors and internal subject matter experts as needed to ensure informed oversight of environmental and social impacts.

Evaluation of the Performance of the Highest Governance Body

As a 100% employee-owned company, The Bernard Group employs a governance evaluation framework tailored to its ESOP ownership structure, combining independent director oversight, fiduciary accountability, and objective performance measurement:

- **Independent Director Evaluation:** The Board’s three Non-Executive Directors constitute an independent majority responsible for evaluating executive performance and overall Board effectiveness. The NEDs assess management’s execution of strategic initiatives, financial performance, and stewardship of stakeholder interests through quarterly Board meetings. This independent majority has authority to act on governance and performance

- matters without management participation, including matters related to executive compensation, succession planning, and strategic direction.
- **ESOP Trustee Oversight:** Summit Fiduciary Group, LLC serves as an independent professional fiduciary with authority to evaluate Board performance on behalf of employee-owners. The Trustee’s evaluation function derives from its fiduciary duties under ERISA to act solely in the interest of Plan participants. The Trustee exercises voting authority over all Company shares and may remove directors by majority vote at any time, with or without cause, if Board performance does not serve participant interests.
 - **Objective Performance Measurement:** The annual independent stock valuation conducted by Stout Investment Advisors provides a quantitative assessment of enterprise performance that reflects Board and management effectiveness. The Board reviews this valuation at the Q1 meeting each year, creating an annual checkpoint for assessing whether governance decisions are generating value for employee-owners.

Independence and Frequency

The evaluation framework incorporates both independent and internal components:

Mechanism	Independence	Frequency
NED oversight of management and Board effectiveness	Independent (3 of 5 directors are non-executive)	Quarterly (at each Board meeting)
ESOP Trustee fiduciary review	Fully independent (external professional fiduciary)	Ongoing, with formal reporting annually
Independent stock valuation	Fully independent (third-party valuation firm)	Annually

The independent components—ESOP Trustee oversight and third-party valuation—provide external checks on Board performance that are not subject to management influence.

CYBER SECURITY

Actions Taken in Response to Evaluations

The Board has taken the following actions to strengthen governance and oversight capabilities in response to ongoing evaluation:

- **Board Composition Enhancement (2023):** Following assessment of the Board’s collective skills and perspectives, the Board appointed Patricia Jones as a director in Q3 2023. The appointment was made to address identified needs for expertise in legal and human resource matters, and to increase diversity of perspective. The Board’s evaluation noted her “significant experience and her approach to using legal and human resource tools to drive the business forward” and her “ability to bring a new perspective and diversity to the Board.”
- **Governance Practices:** The Board maintains quarterly meeting discipline with standing agenda items that facilitate ongoing performance assessment, including CEO reports, CFO financial condition reports, business unit performance reviews, and legal updates. This structured approach ensures consistent evaluation of management’s handling of economic, environmental, and social impacts.

ETHICS & INTEGRITY

We are committed to acting ethically and with integrity in everything we do. Our dedication to integrity and ethical business practices permeates all levels of our company. Annual compliance training on Anti-Corruption and Anti-Bribery policies is required of all relevant employees. 99% of eligible employees trained on corruption and bribery in 2024.

VISUAL COMPLIANCE SCREENING

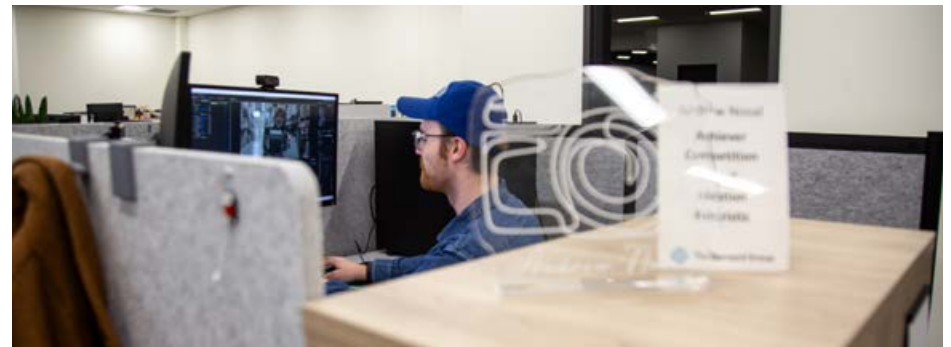
To ensure an ethical supply chain free from corruption and bribery, we conduct daily restricted third-party screening of all suppliers.

In an era where digital threats are ever-evolving, cybersecurity is paramount. Our company, like all organizations navigating the digital landscape, faces significant cybersecurity risks. Responding to the escalating complexity and frequency of cyberattacks, including a notable surge in ransomware incidents, we have intensified our focus on safeguarding our data and systems. Since 2019, we have implemented a robust cybersecurity policy for:

- Cultivating organization-wide cybersecurity awareness
- Identifying critical intervention areas and mitigation strategies
- Pinpointing key cybersecurity risks
- Evaluating the maturity of our control system

To effectively counter these ever-increasing cyber risks and protect our stakeholders, our cybersecurity reinforcement program is reviewed and adapted annually, focusing on four key areas of action:

- **Awareness:** Improving the threat awareness of our employees through education and alerting them to current persistent threats
- **Tooling:** Implementing industry-leading tools to detect and mitigate threats such as phishing, credential compromise, ransomware and impersonation
- **Monitoring:** Expanding our ability to detect unusual system access and activity
- **Incident Response and Recovery:** Developing and refining comprehensive plans to minimize the impact of cyberattacks and ensure swift restoration of critical systems and data



REMEDIATION

Commitment to remediation

The Bernard Group is committed to providing or cooperating in the remediation of any negative impacts that we identify as having caused or contributed to. This commitment applies across environmental, social, and governance areas and is embedded in our corporate policies and supplier agreements.

Approach to grievances and mechanisms

We maintain a 24-hour Ethics Helpline and whistleblowing process that allows employees and other stakeholders to confidentially seek counsel and/or report concerns related to ethics, compliance, and workplace issues. These mechanisms are designed to ensure accessibility, anonymity, and protection against retaliation. Reports are investigated promptly, and corrective actions are implemented where necessary. The VP of HR and the security team are responsible for maintaining these processes and addressing concerns.

Other remediation processes

Beyond grievance mechanisms, we implement remediation through structured processes such as supplier corrective action programs, environmental compliance improvements under our ISO 14001 Environmental Management System, and targeted interventions if human rights or labor issues are identified in our value chain.

Stakeholder involvement in grievance mechanisms

We engage stakeholders in the review and improvement of grievance mechanisms through periodic employee engagement surveys and annual supplier reviews. Insights from these interactions inform updates to our reporting channels and escalation procedures to ensure they remain effective and trusted.

Tracking effectiveness and reporting examples

Effectiveness is monitored through metrics such as the number of cases reported, resolution timelines, and outcomes of corrective actions. We also collect feedback from stakeholders on the usability and responsiveness of our grievance mechanisms. For example, in 2024, all reported ethics concerns were resolved within established timelines, and supplier assessments resulted in corrective action plans that improved compliance with labor and environmental standards.

Compliance with Laws and Regulations

There were zero instances of non-compliance, no fines or sanctions, and no resolution cases in the reporting period.



PARTNER ASSOCIATIONS

The Bernard Group maintains active memberships and partnerships with organizations that support our sustainability strategy, ethical commitments, and industry leadership. These affiliations enable us to align with global standards, access best practices, and collaborate on initiatives that advance environmental and social responsibility.



British Standards Institution (BSI) (ISO 14001 Certification)
Validates our EMS and commitment to continuous improvement in environmental performance.



Carbon Disclosure Project (CDP) (Annual Disclosure)
Enables transparent reporting of greenhouse gas emissions and climate-related data, supporting our climate strategy and stakeholder accountability.



EcoDesign Cloud (Member)
This powerful tool allows us to measure, analyze, and reduce our products' environmental impact throughout their entire lifecycle, from initial design through end of life.



EcoVadis (Sustainability Ratings)
Provides independent sustainability ratings, benchmarking our performance against global standards and driving continuous improvement.



Ellen MacArthur Foundation (Member)
Supports our circular economy initiatives by providing research, collaboration, and tools to reduce waste and improve resource efficiency.



Environmental Protection Agency (EPA)(Green Power Partner)
Demonstrates leadership in renewable energy adoption and supports our carbon neutrality goals through recognized environmental programs.



Forest Stewardship Council® (FSC®) (Certification)
Ensures responsible sourcing of paper and forest products, reinforcing our commitment to sustainable supply chains.



Sustainability Trading Exchange (STX) (Partner)
Facilitates the purchase of renewable energy certificates and carbon offsets to reduce our environmental impact.



The Nature Conservancy (Member)
Advances conservation efforts and climate action through collaborative projects and advocacy.



Trees, Water & People (Partner)
Supports reforestation and community development projects, contributing to carbon sequestration and social impact.



United Nations Global Compact (Signatory)
Aligns our operations with internationally recognized principles on human rights, labor, environment, and anti-corruption.



The
Bernard
Group

REPORTING

REPORTING PRACTICES

The Bernard Group's 2025 annual Sustainability Report, covering the period from January 1, 2025, to December 31, 2025, details our performance, programs, and commitments regarding sustainability, inclusive growth, and responsible practices. This annual report, aligned with our financial report, reflects all information related to The Bernard Group's operations. This report continues our commitment to leading standards and frameworks, having been prepared with reference to the Global Reporting Initiative (GRI) Standards for this period.

This is a 2025 calendar year annual report that encompasses The Bernard Group, Inc. and its divisions: Smartpress (the online division), Smartpress Managed Services, and Smartpress on Demand Platform™. The scope of this report is consistent with our financial reporting.

Any questions about the information in this report can be directed to social-responsibility@thebernardgroup.com.

External Assurance

The Bernard Group is committed to maintaining the highest levels of accuracy, transparency, and credibility in its public disclosures, particularly those related to sustainability, environmental, social, and governance performance. The 2025 emissions data for this reporting period, including Scope 1, Scope 2, and Scope 3, is currently being assured by ISOS, using the AA1000AS standard, Moderate level, Type 2 assurance. Our external Assurance Policy and 2024 Assurance Statement are listed here:

- [External Assurance Policy](#)
- [External Assurance Statement](#)



STAKEHOLDER ENGAGEMENT

The decisions and operations of The Bernard Group have an impact on both internal and external stakeholders. We utilize the information gathered from engaging with these stakeholders to shape our strategy, practices, and external reporting.

The Bernard Group seeks to prevent and mitigate occupational health and safety impacts linked to business relationships by incorporating safety and labor standards into supplier contracts and monitoring compliance through EcoVadis assessments. Contractors working on-site are required to follow TBG's safety protocols and receive orientation on hazard controls. We review supplier performance and take corrective actions where risks are identified, and track compliance to evaluate the effectiveness of these measures, ensuring alignment with our commitment to safe and healthy workplaces.

STAKEHOLDERS

Our Customers

- Client request for proposals (RFPs) and engagements
- Industry collaborations
- Client requests/inquiries
- Site Visits

Employee Co-Owners

- People survey (annually)
- CliftonStrengths
- TBG Academy
- How We Work at TBG
- Recruiting engagements
- Mentorship
- HR Bulletins, CSR Updates, Safety Updates (Monthly)

Suppliers

- Ongoing: Supplier RFPs
- Ongoing: Qualification and onboarding (risk screen)
- Ongoing: Supplier Code of Conduct expectations
- Select: Supplier training
- Select: Environmental, human rights and responsible supplier assessments.
- Select: Corrective Actions

Communities

- Local, regional and national nonprofit partnerships, including pro bono.
- Volunteer events & sponsorships, fundraising events

WHY WE ENGAGE

We strive to provide our clients with a world-class product, and more importantly, world-class service. We aim to provide the most innovative customer solutions, including sustainable production processes, materials, and an ethical supply chain.

We recognize that our employees are our most valuable asset. Engaging with them helps us create a supportive and rewarding work life.

- **Reduced Turnover:** Valued employees stay longer, reducing recruitment and training costs and supporting long-term growth.
- **Better Health and Safety:** Engaged team members demonstrate a stronger commitment to safety protocols and experience reduced stress/burnout.
- **Stronger Organizational Culture:** Engagement fosters a sense of community, belonging, and mutual respect, making TBG a truly great place to work.

To better understand our suppliers' markets, environmental, human rights, and responsible practices challenges. This enables us to proactively manage risks, find sustainability collaboration opportunities, improve supply resilience, and build mutually beneficial relationships.

To better understand the needs of the local community and create positive social impact values.

MATERIALITY

To determine the most relevant topics for our business, we conduct periodic materiality assessments. This prioritization process is based on input collected from a variety of internal and external stakeholders.

Internal Stakeholders

We engage with various internal departments and leadership, including executive leadership, department heads, and employee co-owners, to understand their perspectives on key issues impacting our operations and future growth. We engage with them through a variety of methods, including strategy sessions, one-on-one interviews, and employee surveys.

External Stakeholders

Understanding the concerns and expectations of our external stakeholders is crucial for a comprehensive materiality assessment.

Stakeholder Group	Engagement Method
Customers	Webinars, direct communication
Suppliers	Supplier questionnaires, partnership meetings
Local Community	Partnership meetings
Industry Associations	Industry summits, trade shows

Industry Benchmarking

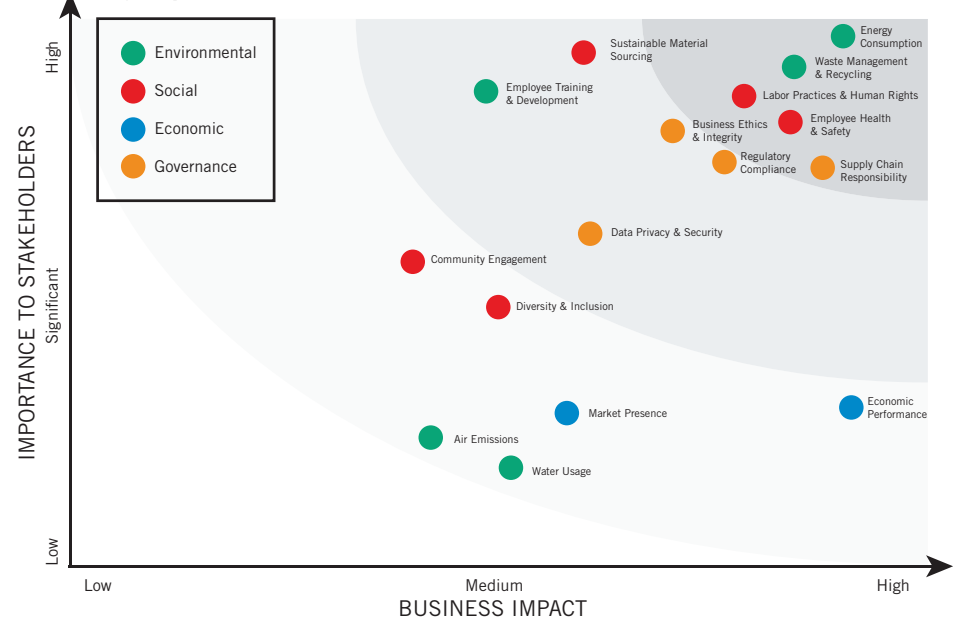
We research industry best practices and any new regulations that matter to our business. This includes checking out what our competitors are saying about materiality, keeping an eye on new compliance rules, and making sure we're aligning with frameworks such as the Global Reporting Initiative (GRI).

Impact Assessment

This step involves evaluating the potential impact of various ESG topics on our business, considering both financial and non-financial implications. Based on the insights gathered from stakeholder engagement, industry analysis, and impact assessment, we prioritize the identified our key topics. This typically involves:

- **Materiality Matrix:** Plotting topics based on their significance to stakeholders and their impact on The Bernard Group. The materiality matrix axes are: impact on business and stakeholder importance. The criteria for prioritization is currently a 1–3 scale, which is used for each impact on business and stakeholder importance, with each level defined as:
 - 1, Low: Minimal impact on business and stakeholders.
 - 2, Medium: Moderate impact that requires monitoring.
 - 3, High: Significant impact that is a strategic priority.
 Impacts are mapped to the matrix based on this scale, and impacts that are high in both categories are considered material.
- **Leadership Review:** Presenting the preliminary materiality topics to executive leadership for feedback and approval.
- **Ongoing Review:** Materiality topics are reviewed periodically, at least annually, to ensure they remain relevant.

Materiality Topics



Validation and Documentation of Feedback

To ensure transparency and audit readiness, all stakeholder and leadership input is documented and retained, including:

- Stakeholder Feedback Records: Records from interactions from all stakeholders are considered to ensure we connect all feedback to the specific environmental, Social, and Governance topics it affected.
- Leadership Review: All materiality topics and the materiality matrix are approved by executive leadership.
- Version Control: Versions of the materiality assessment are archived with timestamps and the names of responsible parties to provide a clear audit trail demonstrating that stakeholder perspectives and leadership decisions were incorporated into the final materiality outcomes.

Management of Material Topics

The Bernard Group (TBG) is committed to understanding and managing its actual and potential negative and positive impacts on the economy, environment, and people, including impacts on human rights.



Positive and Negative Impacts

Our operations significantly contribute to local economic growth through job creation and support of local businesses. Beyond economic impact, we are committed to community engagement, supporting local charities and non-profit organizations, sponsoring events, and encouraging employee volunteerism. Furthermore, The Bernard Group enhances the area’s professional standing by fostering innovation and reputation, bringing new technologies and skilled professionals to the region.

We manage several impacts to ensure long-term stability and responsible growth. Environmentally, operations carry inherent risks such as increased traffic, higher resource consumption, and greater waste generation, all of which require dedicated mitigation strategies. Furthermore, the company’s growth could strain public resources, including increased demand for utilities and pressure on local housing infrastructure. Internally, operational challenges exist, primarily centered on intense competition for retaining top talent and the ongoing need to navigate complex and evolving local and state regulatory landscapes. Addressing these interlinked environmental, infrastructural, and operational factors is crucial for sustainable development.

The Bernard Group’s approach to the management of material topics focuses on areas of significant impact to the business and its stakeholders. Effective management of these topics is essential to maintaining our reputation, ensuring long-term sustainability, and delivering value to our customers, employees, and the community.



2025 KPI INDEX

Workplace

	Indicators	2023	2024	2025	2026 Target
Employee Engagement	Percentage of employees who voluntarily participated in the employee engagement survey	82% (698/850)	89% (768/866)	91% (823/903)	92%
	Overall Score	4.22	4.21	4.2	4.23
Benefits	% of employees covered by benefits	70.6% (636)	72.9% (694)	76.7% (749)	N/A*
	% of employees participated in 401K	67.2% (604)	71.6% (679)	75.1% (743)	70%
	% of Employee Shareholders	86% (774/901)	79% (864/1088)	82% (981/1195)	N/A*
Voluntary Employee Attrition	Rolling 12 month average turnover	10.30%	14.4%	13.3%	12%
Career Management & Training	Number of internal promotions/career change opportunities	150	125	149	N/A
	Number of training hours employees received to improve professional and personal skills	4,196.5	4,769	4,572.75	4,500

Labor and Human Rights

	Indicators	2023	2024	2025	2026 Target
Health & Safety	% of employees and contractors covered by OHS system	100	100	100	100
	LTI Frequency Rate	4.84	3.14	1.49	NA
	LTI Severity Rate	121.09	191.6	40.84	NA
	Number of training hours eligible employees received on Health & Safety Procedures	203	192	397.5	NA
	Number of employees engaged in wellness programs	-	-	209	-
	Number and rate of work-related fatalities	0	0	0	0
	Number of high-consequence work-related injuries (excluding fatalities)	0	0	0	0
	Number of work-related accidents	21	25	20	0
	Number of work-related injury	-	-	-	0
	Number of hours worked	1,803,271	1,904,964	2,007,988	NA
	Number of fatalities as a result of work-related ill health	0	0	0	0
	The number of cases of recordable work-related ill health	0	0	0	0
The main type of work-related ill health	NA	NA	NA	NA	

Labor and Human Rights

	Indicators	2023	2024	2025	2026 Target
Employee number is based off of headcount and as of the end of the reporting period	Total number of full time employees	901	950	982	NA
	Women as percentage of total full time employees	37.5% (338/901)	38.32% (364/950)	38.7% (380/982)	39%
	% Women in executive positions (excluding board members)	20% (2/10)	22% (2/9)	20% (1/5)	20%
	% Women within the organization's board	20% (1/5)	20% (1/6)	20% (1/5)	NA
	Number of temporary employees	-	-	7	NA
	Women as percentage of total temporary employees	-	-	86%	NA
	Number of part-time employees	-	-	6	NA
	Women as percentage of total part-time employees	-	-	33%	NA

Labor and Human Rights

	Indicators	2023	2024	2025	2026 Target
Minorities/ Vulnerable People	Minorities	25% (227)	23.89% (227)	25.1% (248)	NA
	Disabled Employees	1.44%	1.05%	0.91%	NA
	Protected Veterans	0.78%	0.42%	0.40%	NA
	Minorities/Vulnerable people in executive positions	0	0	0	NA
Child Labor, Forced Labor & Human Trafficking	Number of cases	0	0	0	0
Diversity, Discrimination & Harassment	% of employees trained on Discrimination & Harassment	98%	98%	100%	100%
	% of employees trained on Inclusion & Diversity	98%	98%	100%	100%
	% of employees hired in 2025 that attended Respectful Workplace Training	100%	100%	100%	100%
	Number of identified discrimination or harassment incidents	0	0	0	0
Social Dialogue	Collective Agreements	0	0	0	0

Business Ethics

	Indicators	2023	2024	2025	2026 Target
Anti-Corruption/ Anti-Bribery	Percentage of board members communicated to and trained on corruption/bribery	-	-	100%	NA
	Percentage of eligible employees communicated to and trained on corruption/bribery	96%	99%	100%	100%
	Percentage of suppliers communicated to and trained on corruption/bribery	0%	100%	100%	100%
	Number of confirmed incidents of business ethics related violations	0	0	0	0
	Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0	0
	Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0	0	0	0
	Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases	0	0	0	0

Business Ethics

	Indicators	2023	2024	2025	2026 Target
Anti-Competitive Behavior	Number of legal actions pending or completed regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which the organization has been identified as a participant	0	0	0	0
	Number of dispute resolution cases	0	0	0	0
	Total number of significant instances of non-compliance with laws	0	0	0	0
	Instances for which fines were incurred	0	0	0	0
	Instances for which non-monetary sanctions were incurred	0	0	0	0
	Total number and the monetary value of noncompliance with laws and regulations that were paid	0	0	0	0
	Fines for instances of non-compliance with laws and regulations that occurred in the current reporting period	0	0	0	0
	Fines for instances of non-compliance with laws and regulations that occurred in the previous reporting period	0	0	0	0
	Number of confirmed information security incidents	0	0	0	0

Environmental Management

	Indicators	2023	2024	2025	2026 Target
	Number of sites with ISO 14001 EMS Certification	5/5	5/5	3/3	3/3
GHG EMISSIONS Climate Change	Total gross GHG emissions: Scope 1 (Tonnes CO2)	1,429	1,278	1,710	Reduction Target -4%
	Total gross GHG emissions: Scope 2 (Tonnes CO2)	3,900	3,912 (4160)	3,962	Reduction Target -4%
	GHG emissions: Scope 3 (Tonnes CO2)	19,536	26,496	28,015	Reduction Target -4%
	Category 1	19,536	18,486	18,970	-
	Category 2	0	2,076	1,109	-
	Category 3	0	1,333	1,419	-
	Category 4	0	1,262	2,061	-
	Category 5	0	681	402	-
	Category 6	0	437	206	-
	Category 7	0	1,607	1,851	-
	Category 9	0	150	186	-
	Category 11	0	122	342	-
	Category 12	0	336	1,468	-

Energy and Electrical Usage

	Indicators	2023	2024	2025	2026 Target
	Gas usage (THM)	263,898	235,791	316,298	-4%
	Gas Usage tCO2	1,444	1,290	1,730	-
	Electricity Usage (kWH)	8,307,761	9,123,082	9,238,648	-4%
	Gas Usage tCO2	3,720	4,085	4,136	-
	Total Energy Consumption tCO2	5,164	5,375	5,866	-4%
	Total Energy Consumption in supply chain	NA	NA	*	-
	Energy Intensity	0.01	0.01	0.01	-
	Energy Savings Project \$\$	0	0	0	100,000
	Renewable Energy Usage tCO2	0	0%	586	10%

Materials, Chemicals, Waste And Recycling

Indicators	2023	2024	2025	2026 Target
Total Landfill (Tons)	924	782 (1035)	525	-4%
Total Recycled (Tons)	1,532	1848.78 (1,966)	2,225	4%
Total Waste (Tons)	2,455	2,631.15 (3,001)	2,750	-4%
% Recycled	62.4%	70.54%	81%	70%
Total weight of volume of materials used to produce and package primary products & services - Non-renewable materials used (Tons)	-	-	5,390	-10%
Total weight of volume of materials used to produce and package primary products & services- Renewable materials used (Tons)	-	-	764	10%
Percentage of recycled input materials used to manufacture the organization’s primary products and services. (Percentage of recycled input materials used= Total recycled input materials used/Total input materials used*100)	-	-	7%	20%
Percentage of reclaimed products and their packaging materials= Products and their packaging materials reclaimed within the reporting period/Products sold within the reporting period*100 (Pallets, EPVC, Magnet)	-	-	20%	30%

Materials, Chemicals, Waste And Recycling

	Indicators	2023	2024	2025	2026 Target
	Total Weight of Waste Recovered (Tons)	1,532	1,849	1,480	4%
	Average Disposal Costs (per ton)	\$51.08	\$54.05	\$54.05	-4%
	Waste Lamps (Bulbs)	987	950	23	NA
	Batteries Recycled (lbs)	0	150	0	NA
	Hazardous Waste Liquid tCO2	10	12	33	-4%
	Hazardous Waste Solid tCO2	0	0	0	-4%
	Non-Hazardous Waste Liquid tCO2	30	30	48	-4%
	Non-Hazardous Waste Solid tCO2	1	1	1	-4%
	E-Waste tCO2	2	1	0.925	2,500

Water Consumption

	Indicators	2023	2024	2025	2026
Water	Total Water Consumption (Gallons)	4,621,000	6,355,000	7,134,000	-4%
	Weight of Pollutants Emitted to Water	0	0	0	0
	Total Amount of Water Recycled and Reused	0	0	0	0

	Indicators	2023	2024	2025	2026 Target
Air Pollution	NOX (Tons)	3.04	3.093	4.42	3
	SO2 (Tons)	3.47	3.35	3.53	3.4
	Total Weight of Air Pollutants	6.51	7.28	7.95	6
Product Use	Energy Savings (New energy efficient equipment fleet)	0	0	0	\$21,000
Product End-Of-Life	Program - Product Recovery Weight, Quantity	0	0	0	30%
Customer Health & Safety	Number of product recalls	0	0	0	0%
	Customer Health & Safety Incidents	0	0	0	0
Environmental Advocacy	Climate Action Public Policy Petitions	0	1	1	2

	Indicators	2023	2024	2025	2026 Target
Fleet Miles	Gas Miles	23,362	31,507	29,674	-4%
	Diesel Miles	42,763	29,554	40,571	-4%
	Total Miles	66,125	61,061	70,245	-4%
Business Travel Miles/ tCO2	Flight Miles/tCO2	659,639/212	1,140,437/317	836,268	-4%
	Hotel Nights Domestic	-	1,678	812	-4%
	Hotel Nights International	-	0	0	NA
	Rental Car Spend	-	682	40,062	-4%
Wood	Certification of wood and wood product traceability	0	1	1	1
	% Recycled wood or wood based products/materials	0	4%	52%	20%
	% Certified wood or wood based products/materials	11%	11%	11%	20%

Sustainable Procurement

	Indicators	2023	2024	2025	2026 Target
	Percentage of targeted suppliers who have signed the supplier code of conduct	100%	100%	100%	100%
	Percentage of targeted suppliers with contracts that include clauses on environmental, labor, and human rights requirements	100%	100%	100%	100%
	Percentage of number of targeted suppliers covered by a CSR assessment	49%	49%	31%	75%
	Percentage of Suppliers covered by a CSR on-site audit	0%	0%	0%	20%
	Percentage or number of all buyers who received training on sustainable procurement	100%	100%	100%	100%
	Percentage of audited/assessed suppliers engaged in corrective actions or capacity building	12%	90%	25%	40%

Supplier Diversity

	Indicators	2023	2024	2025	2026 Target
	Percentage of diverse suppliers	1%	1%	1%	20%
	Percentage of New diverse suppliers onboarded	1%	1%	1%	10%
	Percentage of Diverse suppliers spend	9%	8%	7%	15%

GLOBAL REPORTING INITIATIVE (GRI) INDEX

Statement of use: TBG has reported in reference to the Global Reporting Initiative (GRI) Standards for the period January 2025 to December 2025.

GRI 2: General Disclosure 2021

Disclosure #	Disclosure Title	Answer
2-1	Organizational Details	p. 4
2-2	Entities included in the organization’s sustainability reporting	p. 4
2-3	Reporting period, frequency and contact point	p. 43
2-4	Restatements of information	There are no restatements for this reporting period.
2-5	External Assurance	p. 43
2-6	Activities, value chain and other business relationships	pgs 20,41,44
2-7	Employees	pgs 47-50
2-8	Workers who are not employees	p. 49
2-9	Governance structure and composition	p. 34
2-10	Nomination and selection of the highest governance body	p. 45
2-11	Chair of the highest governance body	p. 35

GRI 2: General Disclosure 2021

Disclosure #	Disclosure Title	Answer
2-12	Role of the highest governance body in overseeing the management of impacts	p. 35
2-13	Delegation of responsibility for managing impacts	pgs 35-36
2-14	Role of the highest governance body in sustainability reporting	p. 36
2-15	Conflicts of interest	p. 36
2-16	Communication of critical concerns	p. 37
2-17	Collective knowledge of the highest governance body	p. 38
2-18	Evaluation of the performance of the highest governance body	p. 38
2-19	Remuneration policies	p. 27
2-20	Process to determine remuneration	p. 27
2-21	Annual total compensation ratio	As a privately held company, TBG does not disclose detailed financial information due to confidentiality considerations.
2-22	Statement on sustainable development strategy	p. 11

GLOBAL REPORTING INITIATIVE (GRI) INDEX

GRI 2: General Disclosure 2021

Disclosure #	Disclosure Title	Answer
2-23	Policy commitments	pgs 28,29
2-24	Embedding policy commitments	p. 29
2-25	Processes to remediate negative impacts	p. 40
2-26	Mechanisms for seeking advice and raising concerns	p. 40
2-27	Compliance with laws and regulations	p. 40
2-28	Membership associations	p. 41
2-29	Approach to stakeholder engagement	p. 44
2-30	Collective bargaining agreements	This information is not tracked as The Bernard Group co-owners are not covered by collective bargaining agreements.

GRI 3: GRI Topics 2021

Disclosure #	Disclosure Title	Answer
3-1	Remuneration policies	p. 45
3-2	Process to determine remuneration	p. 45
3-3	Annual total compensation ratio	p. 46

GLOBAL REPORTING INITIATIVE (GRI) INDEX

GRI 201: Economic Performance 2016

Disclosure #	Disclosure Title	Answer
201-1	Direct economic value generated and distributed	As a privately held company, The Bernard Group does not disclose detailed financial information due to confidentiality considerations. Therefore, we are unable to report on GRI 201-1 (Direct economic value generated and distributed), GRI 201-2 (Financial implications and other risks and opportunities due to climate change), GRI 201-3 (Defined benefit plan obligations and other retirement plans), and GRI 201-4 (Financial assistance received from government). Qualitative Context- Although we do not publish financial figures, we remain committed to transparency regarding our economic contributions. The Bernard Group operates under an Employee Stock Ownership Plan (ESOP), which ensures that economic value is shared among our employee-owners. In addition, we invest significantly in sustainability initiatives, workforce development, and community engagement. For example, in 2024, we raised \$261,000 for local charities through our annual Golf Open and supported programs that provide education, housing, and food security for vulnerable populations. These efforts reflect our dedication to creating long-term value for stakeholders and the communities where we operate.
201-2	Financial implications and other risks and opportunities due to climate change	This is considered an immaterial topic.
201-3	Defined benefit plan obligations and other retirement plans	“The Bernard Group 401K Plan/ESOP No Defined benefit plan, Level of participation in ESOP 85% (2024)”
201-4	Financial assistance received from government	This is considered a not applicable topic.
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	This is considered a not applicable topic.
202-2	Proportion of senior management hired from the local community	This is considered an immaterial topic.
203-1	Infrastructure investments and services supported	This is considered an immaterial topic.
203-2	Significant indirect economic impacts	This is considered a not applicable topic.
204-1	Proportion of spending on local suppliers	This is considered a not applicable topic because TBG sources materials nationally and globally, with local procurement (metropolitan area or Minnesota) of raw materials being unavailable.

GLOBAL REPORTING INITIATIVE (GRI) INDEX

GRI 205: Anti-corruption 2016

Disclosure #	Disclosure Title	Answer
205-1	Operations assessed for risks related to corruption	pgs 51-52
205-2	Communication and training about anti-corruption policies and procedures	pgs 29,39
205-3	Confirmed incidents of corruption and actions taken	p. 51

GRI 206: Anti-competitive Behavior 2016

Disclosure #	Disclosure Title	Answer
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	“a. There was not any pending or completed legal actions related to anti-competitive behavior, anti-trust, or monopoly violations in the reporting period. b. There were no main outcomes of completed legal actions, including any decisions or judgments in the reporting period.”

GRI 207: Tax 2019

Disclosure #	Disclosure Title	Answer
207-1	Approach to tax	This is considered an immaterial topic.
207-2	Tax governance, control, and risk management	This is considered an immaterial topic.
207-3	Stakeholder engagement and management of concerns related to tax	This is considered an immaterial topic.
207-4	Country-by-country reporting	This is considered an immaterial topic.

GRI 301: Materials 2016

Disclosure #	Disclosure Title	Answer
301-1	Materials used by weight or volume	p. 45
301-2	Recycled input materials used	p. 45
301-3	Reclaimed products and their packaging materials	p. 46

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GRI 302: Energy 2016

Disclosure #	Disclosure Title	Answer
302-1	Energy consumption within the organization	p. 54
302-2	Energy consumption outside of the organization	Currently not tracked. We plan to engage supplier and logistic partners to capture energy data for future reports.
302-3	Reduction of energy consumption	pgs 15-18
302-4	Energy intensity	p. 54
302-5	Reductions in energy requirements of products and services	Currently not tracked. We plan to capture energy data for future reports.

GRI 306: Waste 2020

Disclosure #	Disclosure Title	Answer
306-1	Waste generation and significant waste-related impacts	pgs 16-17
306-2	Management of significant waste-related impacts	pgs 16-17
306-3	Waste generated	p. 54
306-4	Waste diverted from disposal	p. 54
306-5	Waste directed to disposal	p. 54

GRI 402: Labor/ Management Relations 2016

Disclosure #	Disclosure Title	Answer
402-1	Minimum notice periods regarding operational changes	p. 29

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GRI 403: Occupational Health and Safety 2018

Disclosure #	Disclosure Title	Answer
403-1	Occupational health and safety management system	p. 26
403-2	Hazard identification, risk assessment, and incident investigation	p. 26
403-3	Occupational health services	p. 26
403-4	Worker participation, consultation and communication on occupational health & safety	p. 26
403-5	Worker training on occupational health and safety	p. 48
403-6	Promotion of worker health	pgs 26-29
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 26
403-8	Workers covered by an occupational health and safety management system	p. 26
403-9	Work-related injuries	p. 48
403-10	Work-related ill health	p. 48

GRI 404: Training and Education 2016

Disclosure #	Disclosure Title	Answer
404-1	Average hours of training per year per employee	p. 48
404-2	Programs for upgrading employee skills and transition assistance	pgs 25-28
404-3	Percentage of employees receiving regular performance and career development reviews	This is considered an immaterial topic.
GRI 407	Freedom of Association and Collective Bargaining 2016	p. 29



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