

TEAMWORK BOOKLET

A summary of the history, purpose,
core values, strategies, practices,
and policies of **Cargas**

CARGAS®

CONTENTS

CARGAS TEAMWORK BOOKLET

1 AN INTRO TO CARGAS

2 BRIEF HISTORY

3 A MESSAGE FROM OUR FOUNDER

4 OUR PURPOSE & OUR VALUES

5 OUR CULTURE

6 ETHICS, FAIRNESS & DIVERSITY

7 SUSTAINABLE GROWTH

8 BUSINESS AREAS

9 COMPANY PRACTICES

10 CARGAS WELL-BEING

12 BENEFITS OVERVIEW

13 IN CLOSING

AN INTRO TO CARGAS

For nearly 40 years, we've been proving that you really can be part of a company that's a great place to work AND has a high-performing team. Here's how we do it.

We carry out our work with a clear purpose and refined core values. **Shared Success** is our purpose, and **Teamwork, Customer Care**, and **Employee Ownership** are our core values. These are timeless concepts that we love to talk about. And we reflect on them when we are working with each other and with our customers, partners, and community.

Our team owns our company. That's right, **direct employee ownership** where you have the opportunity to be an owner and reap the rewards of the effort you put into your career. Nearly 90% of our team owns stock in our company. Even if you don't choose to be an owner, we expect you to think and act like one!

We operate with a **Built-to-Last** vision. We are in it for the long haul, and we make decisions that balance short- and long-term results. The only people we desire to sell the business to are each other as we transition the ownership of our company to future generations of Cargas employee-owners.

We share broadly. We have adopted transparent, open-book management philosophies where we share our financials with our entire team on a monthly basis. We share 20% of our pre-tax profits with all employees through our Profit Sharing program. We provide a Bonus program to reward top performers. We share the opportunity to provide feedback and input—a lot!



We have adopted a holistic approach to the health of our team. Our **Cargas Well-Being** program focuses on the financial, physical, mental, and social aspects of our lives in and out of the office.

We've been very fortunate to receive accolades and recognition for innovation, for being a best place to work, and for our financial success. However, we truly believe our best days as a company are ahead of us. We have opportunities in abundance and challenges to solve. Do you want to help us continue our upward trajectory, take advantage of the opportunities, and work with our team through our challenges? If so, please read on...

Nate Scott,
President & CEO

BRIEF HISTORY

Cargas was founded on June 17, 1988, by Chip Cargas. It began as a one-person consulting firm operating from the corner of a bedroom with a Macintosh SE computer with a 9" screen, dot matrix printer, desk, phone, answering machine, and person on a mission.

Chip's vision for the company was to create a place where talented and enthusiastic people love to work as a team, do a great job for customers, and share generously in the success everyone helps to create. From the start, we have practiced Open-Book Management, which empowers our team to reach its potential for mutual benefit. In 1998, we rolled out our direct employee ownership program that allows all employees to become owners of our company.

Our goal has always been to bring people, processes, and technology together to help solve customer problems. Those efforts have focused on helping customers with their accounting, operations, and sales and marketing systems to make them more efficient and help them generate more revenue. Projects in the first year of Cargas' history focused on system streamlining, which is why we positioned Macintosh accounting solutions in the early 1990s, followed by Windows and web-based accounting and ERP solutions in the following decades. We've been a leading Microsoft partner since 1993 and offer multiple Microsoft ERP and CRM products. In 2005, we launched Cargas Energy, our proprietary software for fuel delivery and HVAC service companies.

In the years since, we have also partnered with Sage, Salesforce, HubSpot, and Acumatica—leading business software companies—and have branched out to become a Payments Facilitator. We help our customers implement, integrate, and grow these systems, serving more than 800 organizations annually.

Our vision is to be Built to Last, transitioning leadership, ownership, and innovation to successive generations of employee-owners. We have successfully transitioned the business from the founder and first-generation employees to our second generation of employee-owners, now led by Nate Scott who became CEO in 2017. We plan to continue that pattern of diversification and succession into the future through careful ownership and leadership succession plans, as well as an investment framework to help us continue to look for new ways to innovate for our customers.

Our future is built around our talented and caring employee-owners creating business solutions to fit the needs of our customers.

A MESSAGE FROM OUR FOUNDER

I came of age in the 1960s. It was a time of questioning authority, questioning why a few people should have so much power, questioning why we can't all get along with each other. A popular rallying cry was "power to the people."

At the same time, I was studying engineering and preparing for a career in the world of "capitalism." I was having a hard time reconciling the concepts of "power to the people" and "capitalism."

In the following 20 years, during careers in engineering and human resources, I gradually developed the founding concept for Cargas. I wanted to create a company where we are open and honest with each other, where we work collaboratively to provide great value to our customers, where we share the resulting success broadly and generously. Instead of wasting energy fighting over a small pie, let's use our energy to work together to create and share a bigger pie. Let's combine the best aspects of "power to the people" and the best aspects of "capitalism." Let's create Shared Success for our employees, customers, owners, partners, and community.

At the founding, there were lofty concepts but very few programs. During our first 10 years we adopted and refined key programs to make the founding concept work in the real world: open-book management, collaboration, Profit Sharing, Bonus, and finally, Direct Employee Ownership open to all employees. What began as a one person-company, *my* company, very quickly became *our* company.

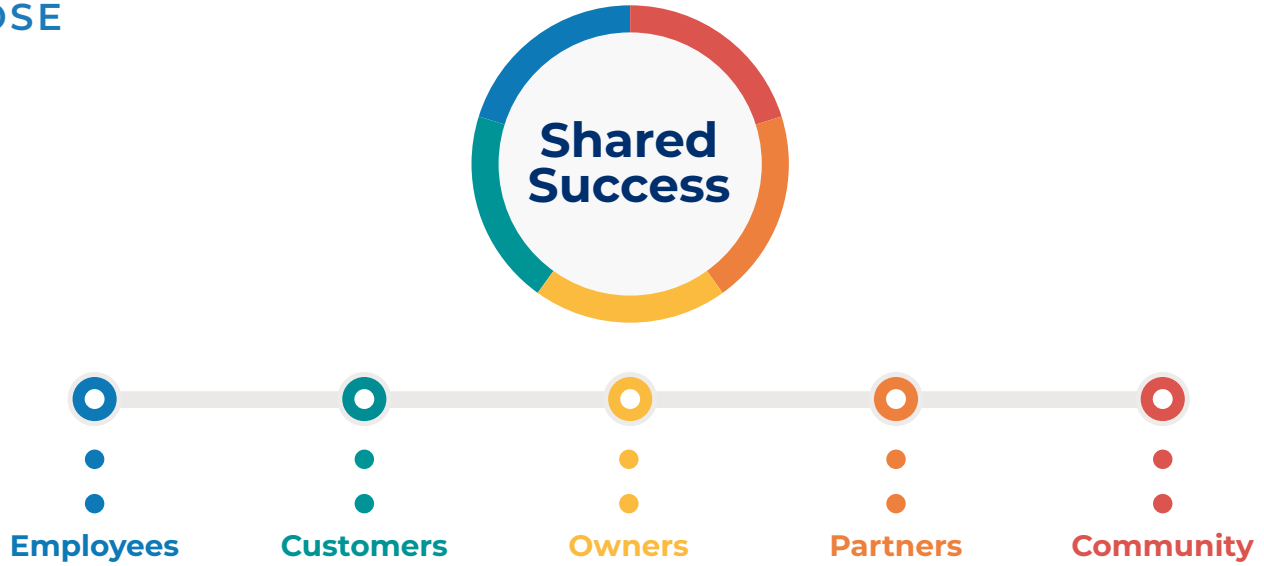


I'm so pleased we've been able to attract such talented and caring employees to our inclusive way of running a business. Our team is the driving force in creating Sustainable Growth, being entrepreneurial in our changing world while living our timeless values. Our Built-to-Last approach is working as we transition leadership and ownership to successive generations of employee-owners.

Thank you to all our past, current, and future employees for making our business a force for good.

Chip Cargas,
Founder

OUR PURPOSE



OUR VALUES

Teamwork

We share information. We collaborate. We are inclusive. We have integrity. We support each other in balancing family and work. We work hard and have fun.

Customer Care

We listen, understand, and anticipate needs. We solve problems, communicate clearly, and follow through. We help our customers succeed.

Employee Ownership

We think and act like owners. We are inspired by direct employee ownership. We practice sustainable growth and are built to last.

We have always been a values-based company. We have had a written purpose and core values since our founding.

Our first purpose statement, “To Help People Use Computers Effectively,” served us for the first nine years of our history. Our current purpose statement, shown above, articulates the broader fundamental belief we have held since our founding. The current version of our core values, at the left, is inspired by the same fundamental concepts as our original values, but with more concise and specific wording.



OUR CULTURE

At Cargas, we strive to combine the best attributes of successful, energized, growing companies with the stability and discipline of a thoughtfully managed business.

We have high expectations of our employees while being supportive and understanding as people develop new skills. We expect employees to work smart and work hard, but also expect everyone to take enough time for family and personal lives. We invest significant time and money in our future and growth, but don't go so far that we risk the stability of our company. We value vision and creative thinking, as well as thorough follow-through and attention to detail. We encourage independent initiative balanced with teamwork.

We provide Profit Sharing and Bonus payouts in times of high company performance while keeping salary levels competitive to help navigate any difficult times. We provide employees with stock ownership opportunities and significant equity growth potential while keeping the company predominantly employee-owned to promote stability. We believe in flexibility and rapid change while adhering to a set of core values over the long term.

ETHICS, FAIRNESS & DIVERSITY

Cargas is committed to being fair and ethical in all our business operations.

Fair Treatment

We are committed to equal employment opportunity for all qualified persons, without regard to race, color, national origin, ancestry, religion, gender, sexual orientation, age, disability, or any other protected class. This commitment extends to all employment practices, including hiring, promotions, training, benefits, disciplinary action, and terminations.

We believe that the full use of an individual's potential can only be achieved when each team member is treated solely on the basis of merit. We will make reasonable accommodations to help team members with disabilities perform the essential functions of their jobs. We are all expected to show respect and consideration toward customers, partners, and other team members.

Harassment can take many forms, and any form of harassment is unacceptable at Cargas. Providing a work environment where everyone is comfortable and can do their best work is a priority.

Ethical Practices

We will not just comply with the letter, spirit, and intent of all applicable laws and regulations—we will conduct our business to uphold the highest standards of conduct and personal integrity. We will act in a way that will merit the continued trust and confidence of our customers, partners, and team members. We will continue to challenge each other to assure all employees understand and share the same value of ethical business practices.



Diversity

Our company was founded on the premise that we can achieve more when team members from different backgrounds bring diverse perspectives, points of view, and ideas. We promote an environment where all people are welcome and respected, can be themselves, and have a sense of belonging. We are committed to diversity, equity, and inclusion, which will enrich our vibrant culture and help us achieve our vision of being Built to Last.

SUSTAINABLE GROWTH

Long-term growth has been part of our business plan from the beginning. Cargas' sales have increased nearly every year we have been in business. Our goal is sustainable growth built on a solid foundation.

Growth's Positive Effects

When properly managed, growth has many positive effects. It provides a sense of involvement and excitement as we take advantage of opportunities in today's rapidly changing business environment. It allows broader offerings for customers, provides career advancement opportunities for employees, and increases the value of company stock for shareholders. Growth achieves economies of scale, which can translate into higher employee income and higher company profits.

Growth's Negative Effects

When improperly managed, rapid growth can have negative effects. It can lead to poor service to customers due to the time needed to get new employees up to speed. It can have a negative effect on the employee experience due to an inability to deal with the number of changes happening in a short period of time. Rapid growth can strain cash flow and profitability and, in extreme cases, put the viability of the company at risk.

Growth Requires Investment

After the initial startup investment for Cargas, we have relied primarily on reinvesting profits to fuel growth. For a year and a half centered around 2011, we raised capital from 33 employees and 11 friends and family—people who share our values, time horizon, and expectations—to help us take advantage



of the opportunities to grow our Cargas Energy business. Our plan is to always remain at least two-thirds employee-owned.

Growth Target

We believe growth is most meaningful when it creates lasting value for our employees, customers, owners, partners, and communities. We pursue sustainable growth that aligns with our Purpose and Core Values, strengthens our financial foundation, and allows us to continue investing in our people and our future.

Our growth may vary as opportunities and market conditions change. What remains constant is our commitment to making thoughtful, long-term decisions that support Shared Success and help position Cargas for generations to come.

BUSINESS AREAS

We try to maintain a narrow enough focus so we can be really good at what we do while having a broad enough focus to get the stabilizing benefits of diversification. As we grow, we try to keep ourselves positioned so our size at any particular point in time is appropriate for the size of markets, size of customers, scope of products and services, and range of specialties we are supporting. We try to focus on areas where we can provide great value for our customers and, at the same time, make money and pay Profit Sharing and Bonus to our employees. We consider all of our solutions to be in the category of "Business Software and Consulting."

What We Do

Cargas resells ERP and CRM products from Microsoft, Sage, Salesforce, HubSpot, and Acumatica. We are also the creator and provider of Cargas Energy, software for fuel delivery and HVAC service companies. We sell the software, set it up, teach customers how to use it, and help them adapt it as their needs change over time. To meet unique customer needs, our in-house custom development team builds fully customized solutions, as well as custom integrations, interfaces, and add-ons for our out-of-the-box products.

Our Products

- Sage Intacct
- Acumatica
- Microsoft Dynamics 365 Business Central
- Microsoft Dynamics GP
- HubSpot CRM
- Microsoft Dynamics 365 CRM
- Salesforce CRM
- Cargas Energy
- Cargas Pay

Our Services

- Sales
- Implementation & Training
- Support
- Custom Development
- Business Process Review
- BI & Data Services

Key Concepts

Since our founding, we have focused on these key concepts to form the products and services we provide:

- Focus on people, procedures, and paperwork (or its replacement), in addition to computer software and hardware
- Personalized service to the customer
- Software ease of use
- System flexibility to fit the needs of the organization (not the other way around)

COMPANY PRACTICES

Many of the company practices outlined below were established at the founding of our company and have been refined only slightly over the years. We try to balance the benefits of well-established traditions with the need to keep our practices relevant and truly lived by everyone.

Teamwork

Teamwork is a highly prized value at Cargas and is encouraged in many ways. We hire new employees who are team-oriented. We help each other and acknowledge that it's okay to admit a mistake—we just need to learn from it. We consistently treat others with respect and consideration. At all levels of our organization, we share plans and financial information, frequently seeking feedback and making everyone a genuine member of the team.

We support teamwork through our policies and benefits, including Profit Sharing and Employee Ownership, which both reward a successful team effort.

Open-Book Management

Every employee has online access to our financial and performance information. Our CEO distributes qualitative and financial results monthly. Employee meetings are held quarterly to openly discuss our company performance, plans, ideas, problems, and opportunities. Employees are encouraged to ask questions—the only things that are confidential are individual compensation and the usual human resources items.

Employee Empowerment

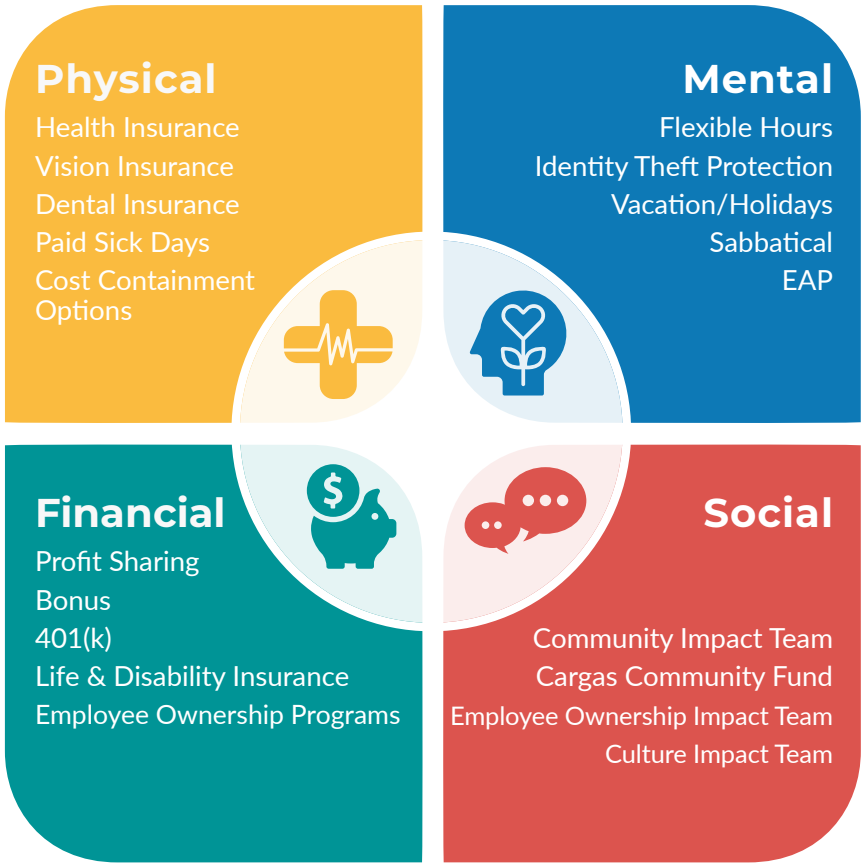
Our goal is to empower all employees to contribute to our success, subject only to the minimum amount of framework required to make sure we are coordinating our efforts.

Each employee is encouraged to ask questions, express opinions, make suggestions, and take action to improve our company. Whether they're interested in a particular area or see an opportunity for change and improvement, employees are empowered to speak up and talk with the people who can do something about it.

Each person has primary responsibility to manage their own job by planning and scheduling time, managing to-do lists and follow-ups, coordinating with others when needed, seeking assistance from others when needed, and managing their development and career success.

Members of the leadership team are available for guidance, support, and help with skill development and career success and to help resolve any concerns.

CARGAS WELL-BEING



Our team knows how to work hard and celebrate our success. We recognize that our team needs to balance their hard work at Cargas with their daily lives at home and with family. In order to help the team achieve success at work and at home, we feel it is critical to take a holistic approach to our compensation and benefits programs to support them.

That is why we developed the **Cargas Well-Being** program. Through this program, we focus on all areas of an individual's well-being—Physical, Mental, Financial, and Social—and all aspects of our compensation and benefits model fall into one of these categories.

CARGAS WELL-BEING (CONT.)



Cargas Well-Being: Physical

When someone mentions employer benefits, they typically think of the benefits in our Physical category. Cargas provides a well-rounded offering including two choices of medical plans, both voluntary and employer-provided ancillary benefits, as well as add-on programs to help you navigate the complex world of health benefits.

Cargas Well-Being: Mental

The importance of mental well-being is paramount and at Cargas, we understand the varying mental health needs of our teammates. We offer multiple resources and programs to support employees with time away from work to recharge and support a robust home life, as well as to support employees when additional attention is needed.

Cargas Well-Being: Financial

Many of the Cargas benefits in the finance category could also be in other Well-Being categories. This grouping is intended to provide employees a summary of Cargas' unique variable comp as well as opportunities to save for a secure financial future and also provide paycheck protection, should an unforeseen life event occur.

Cargas Well-Being: Social

Shared Success is our purpose, and our social quadrant summarizes opportunities available at Cargas to give back to the community both financially and through volunteering.

BENEFITS OVERVIEW

We know our employees are at their best when they're happy and healthy. To promote employee wellbeing, we offer a variety of health and wellness benefits to eligible employees and their dependents. These include offerings to benefit you now — like health, dental, and vision insurance — and benefits to protect your future — like retirement plans, life insurance, legal plans, and disability and workers' compensation insurance.

Cargas benefits include:

- Medical
- Health Savings Account / Flexible Spending Account
- Dental
- Vision
- Identity Theft Protection
- Basic Life and Accidental Death & Dismemberment
- Voluntary Life
- Paid Short Term Leave and Sick Time
- Long Term Disability
- Employee Assistance Program



Additionally, **eligible employees receive 3 weeks (or 15 days) of vacation time, prorated in the year of hire.** For example, if you start on July 1, you will work one-half of a year and receive 7.5 days of vacation in that calendar year. Employees can automatically roll over up to 5 unused vacation days into the next calendar year.

You'll receive more information in the Benefits Guide as you progress through the interview process. If any questions come up, our Human Resources team is happy to help.



IN CLOSING

Thank you for taking the time to learn about Cargas! If this booklet has you fired up about our values and the way we work, we hope you'll apply. Even if you're not a match for one of our open positions, we'd love to hear from you. We are always looking for great people to join our team, and creating a vibrant culture is a crucial component of our vision to be Built-to-Last.



101 North Queen Street, Suite 300, Lancaster, PA 17603

717.560.9928

cargas.com

Revision Date: November 2026