

# 2022 ESG Highlights

**Better,  
Every Day**



Graphic Packaging  
INTERNATIONAL





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MESSAGE FROM

# Michael P. Doss

President and Chief Executive Officer

While the pandemic temporarily slowed segments such as travel, it accelerated the trend for “on demand” products and transformed modern consumption habits. As the food, beverages, and consumer goods products we use every day are ordered online, delivered to the home, and consumed on the go, the need for durable packaging has reached an all-time high. Pressure to

preserve the planet’s resources also continues to mount. Consumers are demanding higher quality, greater convenience, and conservation. Increasingly, they expect brands to deliver better products that generate less waste and reduce environmental impact.

In this fast-paced economy, our purpose makes an even greater impact: We package life’s everyday moments for a renewable future. We work relentlessly to develop resource-efficient and easily recyclable packaging solutions that use natural resources responsibly. We enable our customers — the world’s leading household brands — to shift toward more recyclable packaging. In addition to helping them meet their sustainability goals, we help shape how they think about packaging their products for the future.

For us, progress means delivering positive outcomes for our people, our planet, our partners, and ultimately the growth and sustainability of our company.

Our 2025 environmental, social, and governance (ESG) goals define our commitment to investing in

innovation, collaborating with our partners, supporting our people, and remaining good stewards of our planet. In 2022, approximately 94% of our product revenues came from fiber-based products made from responsibly sourced, renewable tree fibers.

In 2021, 70% of our workforce participated in our employee engagement survey. In 2022, we began to address our opportunities including improving communications and helping employees see the connection between their work and the company’s success.

We achieved our goals to reduce greenhouse gas (GHG) emissions intensity and nonrenewable energy intensity through investments in efficient manufacturing and expanding the scale of our packaging operations. We ramped up production at our new Kalamazoo recycled paperboard machine, which is predicted to reduce the GHG emissions intensity associated with coated recycled paperboard (CRB) production by 3% versus 2021 performance.

We continue to support the 10 Principles of the UN Global Compact (UNGC). We integrate the UN Guiding Principles into our business strategy,

culture, and operations, and we contribute to UN goals, particularly the Sustainable Development Goals (SDGs).

In 2021, we submitted our formal letter of intent to the Science Based Targets initiative (SBTi) to set carbon emissions goals in line with the goals of the Paris Agreement and UN SDG 13. We then took action, developing targets in 2022 and submitting our proposal to the SBTi in early 2023 for their review.

We are making progress every day, and we know the road ahead is filled with challenges and opportunities that we can tackle together with our partners — our customers, suppliers, shareholders and other stakeholders.

This report shares the efforts our company has taken throughout 2022 in support of these initiatives and to embed ESG more formally into our business practices. I invite you to read our report and learn about our efforts toward a more sustainable business and renewable future.



# Who We Are

**We package life's everyday moments for a renewable future.**

Headquartered in Atlanta, Georgia, Graphic Packaging International provides fiber-based consumer packaging that helps our customers achieve their sustainability goals and achieve brand loyalty.

Our product portfolio starts with renewable and/or recycled raw materials and emphasizes package recyclability after use. Our approach to responsible manufacturing prioritizes caring for the safety and well-being of our more than 24,000 employees, actively working to decrease our environmental footprint, and giving back to the communities where we live and work.

With global operations spanning 27 countries, we are one of the largest providers of fiber-based consumer packaging to the world's most recognized brands of food, beverage, foodservice, household, healthcare, beauty, and pet care products.

Our designers create new, innovative packaging concepts that solve current waste challenges and delight consumers. We then bring those solutions to life by first making the paperboard at our mills and then we transform it — print, cut, fold, and glue — into folding cartons and other packaging solutions at our facilities.



**27**  
countries



**24,000+**  
employees

## CORE VALUES



### Integrity

Integrity means honesty, leading by example, keeping promises, meeting commitments, and taking pride in what we do. Doing what is right — always.



### Respect

We actively solicit each other's ideas and honor diverse opinions. Unique skills are valued, contributions are appreciated, and accomplishments are always recognized.



### Accountability

Each individual is personally responsible for doing their job to the best of their abilities and delivering results. We meet our commitments to customers, employees, stockholders, and other stakeholders.



### Relationships

We have an unwavering commitment to listen to and understand the needs of our stakeholders and to work with them to create innovative solutions that result in shared prosperity.

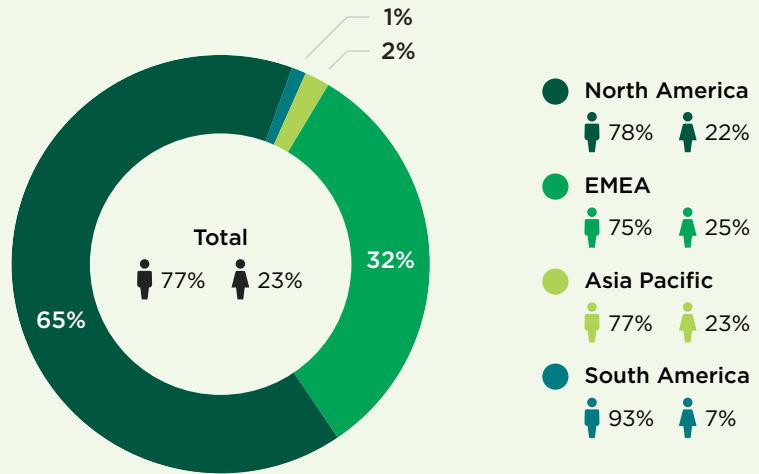


### Teamwork

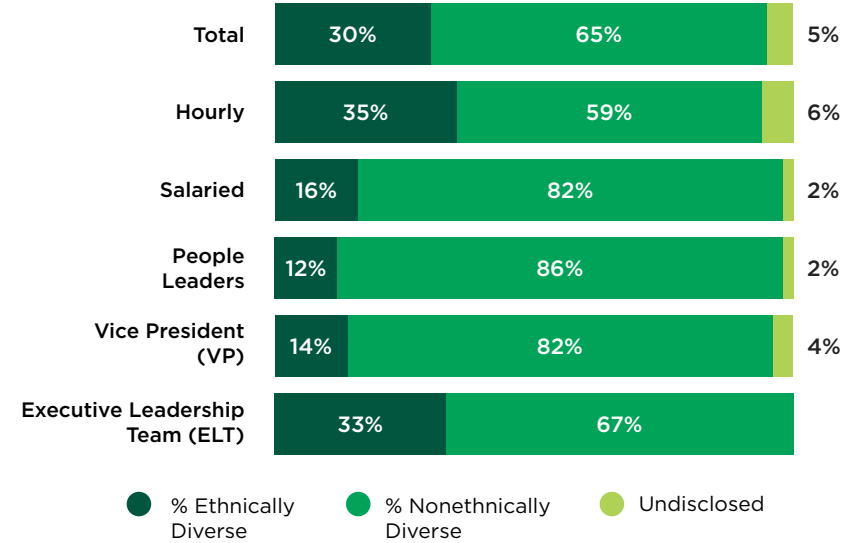
The strongest teams share common goals and work together to achieve them. We encourage everyone's involvement, support each other's ideas, and help others without being asked.



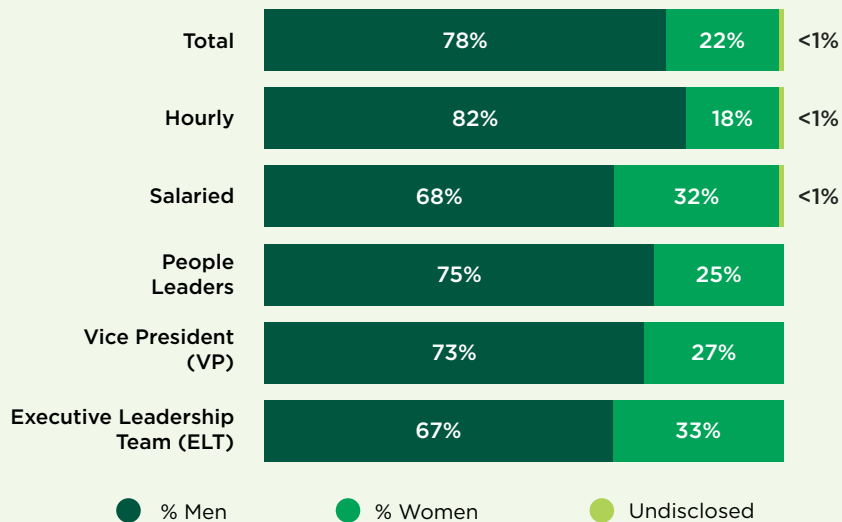
### EMPLOYEES BY REGION



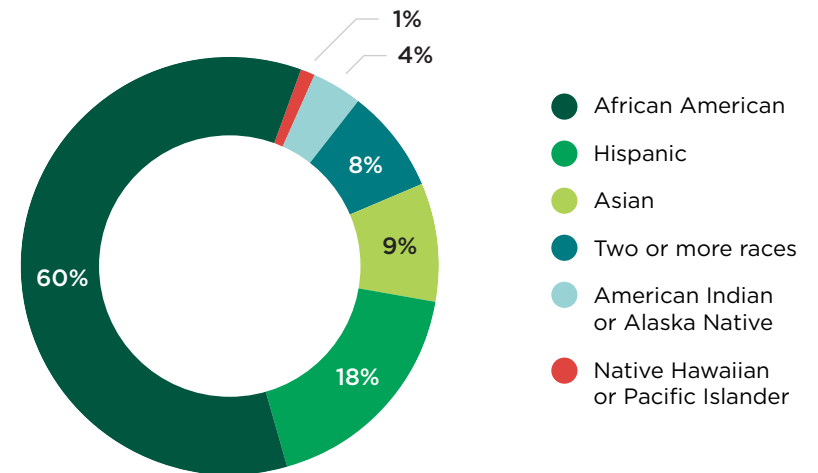
### US EMPLOYEE ROLES BY ETHNIC DIVERSITY



### AMERICAS EMPLOYEE ROLES BY GENDER

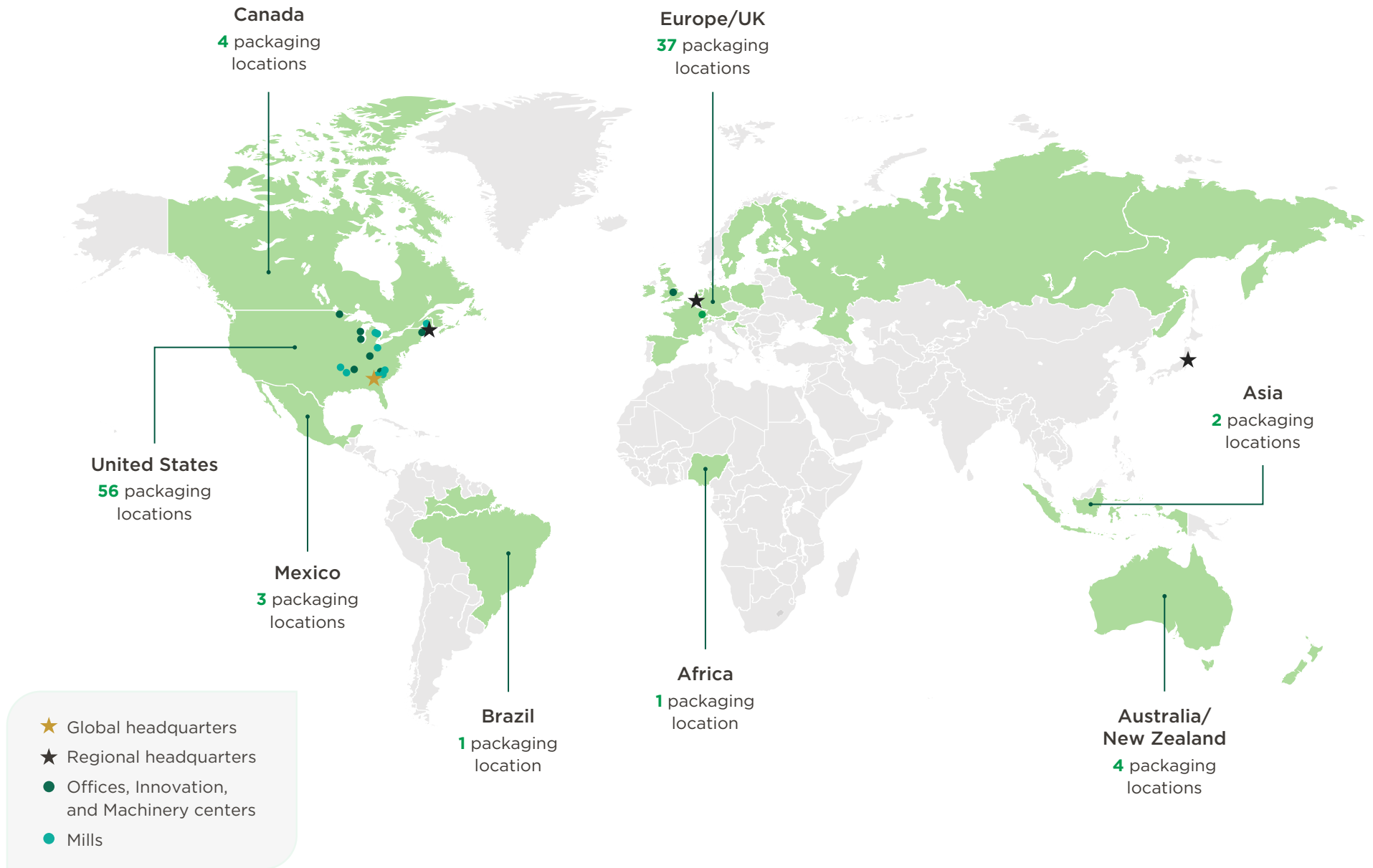


### OF THOSE ETHNICALLY DIVERSE





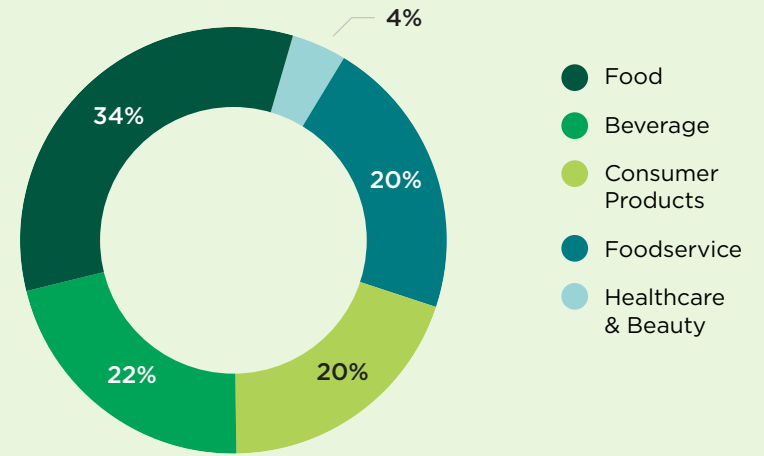
**OUR GLOBAL REACH**



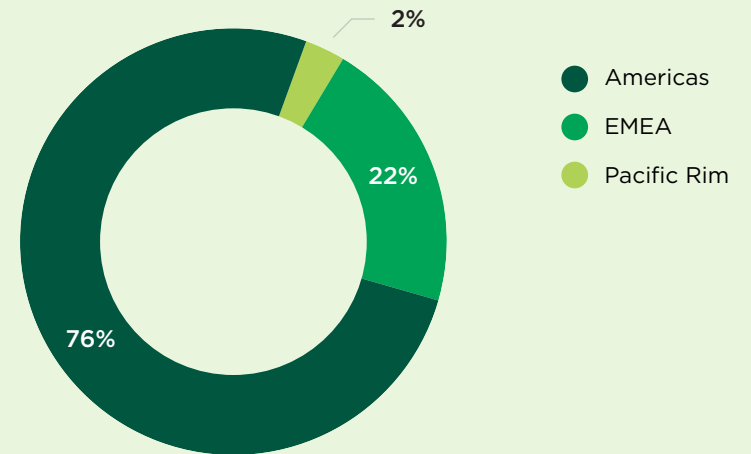


## SALES

### PERCENTAGE SALES BY MARKET SERVED



### PERCENTAGE SALES BY REGION





## Our Products

Our packaging touches everyday lives in so many ways. It keeps your breakfast cereal fresh. It holds the hot tea or coffee that helps get you moving in the morning. It preserves the ready-to-cook evening meal that gives you more time with friends or family. And it holds and protects a host of beauty, healthcare, and other consumer products that you use daily. Our solutions make every part of the day easier, safer, and more convenient.

Our products start with trees, a renewable resource. We design our packaging to be recycled, and we work across the value chain to make it easier for people to recycle them. In doing so, we can play our part in the circular economy and support a sustainable future for generations to come.



Folding Cartons



Multipack Cartons



Foodservice Packaging



Trays



Cooking Solutions



Strength Packaging



Fiber-Based Canisters



Flexible Packaging



Machinery Systems



Paperboard





# Our Business Vision

Our Vision 2025 outlines how we're investing in innovative fiber-based consumer packaging, empowering our partners, acting as stewards of our planet, and supporting our people, all while delivering value to our stockholders. Vision 2025 guides our current sustainable growth strategy through measurable goals set under the pillars of Partners, Profit, Planet, and People.

Since announcing our original Vision 2025 goals, we have made substantial progress and are on track to achieve our original financial targets two years early. We are focused on growing our company and are already thinking about our horizon, Vision 2030.



## Partners

Grow with the best customers in the best markets



## Profit

Generate superior returns



## Planet

Reduce our environmental impact



## People

Engage our employees in a high-performance culture





## Better, Every Day



Strong global forces are affecting the packaging industry — more goods need to be packaged and shipped to meet the consumption demands of a growing middle class and increased distribution needs driven by urban migration. At the same time, packaging must adapt so that the entire value chain generates the lowest possible carbon emissions, minimizes packaging waste, and reduces pressures on natural resources. Our ability to innovate commercially viable, low carbon, circular packaging solutions will be a key enabler for long-term prosperity.

Our sustainability vision is to bring to market packaging solutions that help address global needs while minimizing

our impact and renewing natural resources. Our strong foundational values of doing business responsibly and operating with integrity guide us in innovating our packaging and operations for a circular economy, reducing our climate and water impact, creating opportunities for our workforce and communities, promoting safety and well-being, and sustaining the world's forests.

At Graphic Packaging, we package life's everyday moments for a renewable future. And we want every one of those moments to be inherently better for people and our planet.



# ESG 2025 Goals and Progress

While Vision 2025 guides our business strategy and sets measurable business goals, our ESG Vision 2025 drives our sustainability strategy through goals set under the pillars of Products, Partners, People, and Planet.

Our sustainability strategy considers how our actions can help address global trends and aligns our efforts with the UN SDGs. We believe our goals will have the most impact advancing four of the UN SDGs — so little by little, step by step, we can make life’s everyday moments better, every day.



	ESG Vision 2025 Goals	Progress	UN SDG
<b>Products</b>	\$400M - \$700M net new product sales included in organic growth	On track	12 13 15
	100% sales generated from recyclable products	Progressing	12 13 15
	Reduce low density polyethylene (LDPE) use by 40%	Progressing	12 13 15
<b>Partners</b>	100% global facilities compliant with a fiber certification standard	On track	5 6 8 10 12 13 15 16
<b>People</b>	Achieve top quartile employee engagement	Progressing	3 4 5 8 10 16
	Provide 30 hours of training per employee per year	Progressing	3 4 5 8 10 16
	Continue progress toward aspirational target of zero incidents	Progressing	8
	100% global packaging plants in compliance with a social responsibility audit	On track	4 5 8 10 16
<b>Planet</b>	Reduce GHG emissions intensity by 15%	Achieved	8 12 13
	Reduce nonrenewable energy intensity by 15%	Achieved	7 8 12 13
	Reduce mill water effluent intensity by 15%	No progress	6 8 12
	Drive out waste in all our operations	Progressing	8 12





## 2022 ESG Highlights



**500+ million**  
plastic packages

substituted with fiber-based alternatives in the EU

**1.1 million**  
metric tons  
of waste diverted  
from landfill

**64%**  
energy derived  
from renewable  
sources



**34 facilities**

with 0 total recordable injuries

**30 million**  
employee training  
hours completed

**50%**  
of our executive  
leadership team  
is either gender or  
ethnically diverse



**\$3 million**  
donated

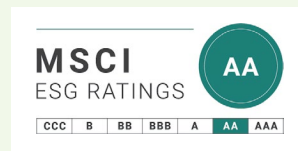
to community organizations



A- CDP Climate and Water



ISS Prime Rating



AA MSCI ESG Rating



Recognized as one of America's Most Responsible Companies by Newsweek for the third year in a row



# Products

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## IN THIS SECTION

Driving Circularity

Product Innovation

Product Recyclability

Reducing LDPE Use





# Products

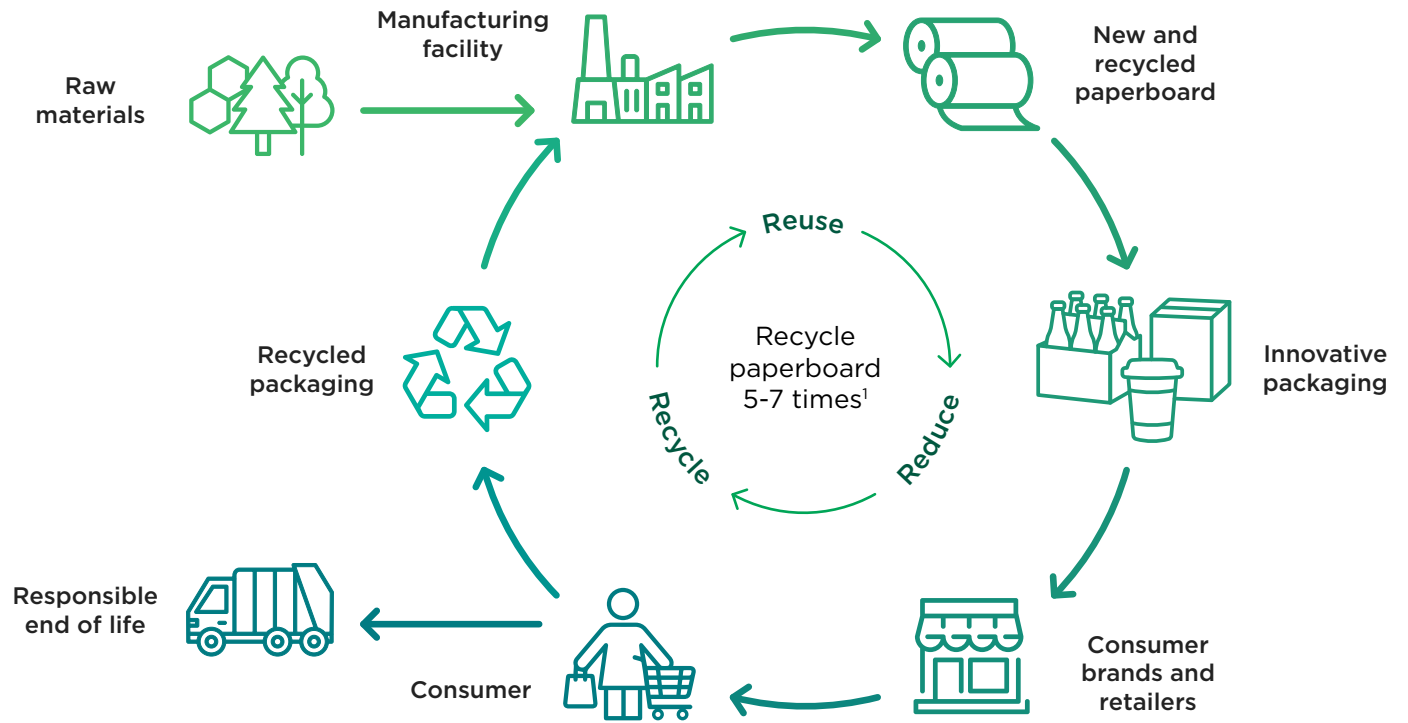
We create innovative consumer packaging solutions that make a world of difference. Our packaging safely transports food, beverages, and other essential consumer goods from our customers to end consumers around the world. And we're making our packaging and manufacturing practices better every day to drive out waste and fuel a circular economy.

## Driving Circularity

Approximately 94% of our revenues comes from packaging products that are made with responsibly sourced, renewable tree fibers. We manufacture our products using natural resources as efficiently as possible while working to reduce waste and emissions.

We also collaborate with our customers to understand their needs and end consumer expectations. Our goal is to deliver the value and quality our customers expect through innovative packaging that is designed to be recycled after use and help solve the growing waste challenge.

### PACKAGING CIRCULARITY



1. Handbook for Pulp and Paper Technologies, Fourth Edition, Chapter 14, 2016

## Product Innovation

We embrace Design for Environment (DfE) principles to guide packaging design decisions and manufacturing choices. Applying DfE thinking early in the innovation process enables reducing a product's environmental impacts throughout its life cycle.

Our team tests product solutions with enhanced sustainability, convenience, and performance attributes and works to create innovations that can substitute plastic packaging with fiber-based packaging solutions.

Product innovation drives our progress in achieving our Vision 2025 goals, and we expect to surpass the \$400M - \$700M in net new product sales by year end 2024.



## Product Recyclability

We classify the recyclability of our products according to the following four categories:

### Widely recyclable products

are those that meet criteria for technical recyclability and can demonstrate recycling in practice and at scale following Federal Trade Commission (FTC) requirements in the US and/or the Ellen MacArthur Foundation’s global commitment definition.

### Locally recyclable products

are those that meet criteria for technically recyclable, but for which the access to recycling is limited due to lack of infrastructure for material collection.

### Conditionally recyclable products

are those that require specialized recycling technologies not commonly available, require the consumer to separate package components for recycling, or require further testing to confirm technical recyclability claims.

### Not recyclable products

are those that do not meet technical recyclability criteria, may have contamination issues due to their applications, or may have very limited access for recycling in practice.

# 95%

We measure total revenue from recyclable products as the sum of revenues from the widely recyclable, regionally recyclable, and conditionally recyclable product groups. In 2022, 95% of revenue was from products meeting these recyclability criteria. Our team is focused on improving the recyclability of our products and increasing access for recycling to enable widespread recycling of more of our products and increased fiber circularity.

Before



After



## INTRODUCING BOARDIO™

Boardio™ is a fiber-based rigid container that provides an alternative to plastic, glass, and metal containers. Made from more than 80% renewable materials, our recyclable Boardio solution enabled ~38 million rigid plastic containers to be replaced in 2022.

Multinational confectionery manufacturer Perfetti Van Melle partnered with us to create the first-to-market paperboard bottle in the gum category that offered a more than 90% reduction in plastic use without losing the structural integrity or barrier performance of a rigid plastic tub.



## Reducing LDPE Use

Our goal to reduce the use of LDPE 40% by 2025 was inspired by the need to increase the recyclability of certain foodservice packaging items and beverage cups. LDPE is typically applied to paper packaging to create a protective water and grease barrier, but this coating can create paper recycling challenges in some paper mills. We are working to improve packaging circularity by finding alternative, renewable barrier materials that can replace fossil-derived polymer coatings and support package recyclability and compostability.



## PAPERSEAL™ PORTFOLIO GROWTH

The multiaward-winning PaperSeal tray portfolio saw continued growth and success in 2022 with its first commercialization in the United States. Grocery retailer New Seasons Market introduced PaperSeal for its partner brand Fresh Pasta, substituting the plastic packaging with a fiber-based tray to reduce total package plastic components by 91%.

PaperSeal™ Shape was introduced in 2022, expanding the product portfolio with the addition of round, multi-compartment, and deeper tray shapes. These new shapes broaden the range of packaging applications PaperSeal can serve and will allow more customers to adopt this innovative tray format.

Our tray portfolio also includes PaperLite, a paper-based material that can be used in a range of packaging formats and applications, including frozen prepared meals. In 2022, we launched a new PaperLite product containing ~90% fiber content. The reduced plastic content of this onside coated tray enables it to comply with more stringent recyclability requirements set by the UK's On-Pack Recycling Label (OPRL) scheme for 2023 and further reduces the package's carbon footprint.



### ESG Vision 2025 Products Goals

Goal	Status
\$400M - \$700M net new product sales included in organic growth	~\$460M <sup>1</sup>
100% sales generated from recyclable products <sup>2</sup>	95%
Reduce LDPE use by 40%	15% reduction

1. Cumulative revenue measured January 1, 2020 through December 31, 2022.

2. Includes sales from products defined as widely recycled, regionally recycled, and conditionally recycled.





# Partners

## IN THIS SECTION

Sustaining Forests

Sustainable Forestry  
Management

Supplier Engagement  
and Training

Conservation Partners

Collaborating to Scale  
Recycling Solutions





# Partners

Because of the incredible values forests provide and because many global initiatives have not proven successful in protecting the most at-risk forest ecosystems, there is increasing concern over loss of forests and the biodiversity that they support. Graphic Packaging shares these concerns, which is why we work across our value chain to promote sustainable forest stewardship practices that will sustain healthy forest ecosystems for generations to come.

## Sustaining Forests

We're bringing better choices to everyday life, protecting valuable forest ecosystems through forest conservation efforts and responsible sourcing practices.

Our forest material stewardship approach follows three core principles:

- Sourcing wood locally, from sustainably managed forests
- Certifying our fiber sourcing practices via credible, third-party forest certification frameworks
- Maximizing use of recycled fiber and recovered forest materials

We source the wood fiber materials we need from local, sustainably managed working forests where renewal and biodiversity are safeguarded. This approach supports green jobs and economic opportunities for family forest owners in our communities and helps reduce our carbon footprint through shorter haul distances. Harvest areas are scattered throughout our wood

supply region and are interspersed with forest stands at different growth stages. Randomly distributing the harvest locations throughout the wood supply region helps to create a mosaic of forest habitats and growth stages that can support a rich and diverse community of forest dwelling species.

Forest certification and certified sourcing programs give consumers confidence that product packaging does not contribute to deforestation or biodiversity loss. These certification programs are broad in their reach,

defining requirements for governance and management systems, personnel, contracting, supplier training, and records management. They also require a robust risk assessment to assess biodiversity, deforestation, and other forest sustainability risks in the regions where wood or wood fiber materials are sourced. In 2022, most of our facilities were compliant with one or more fiber sourcing certification standards.

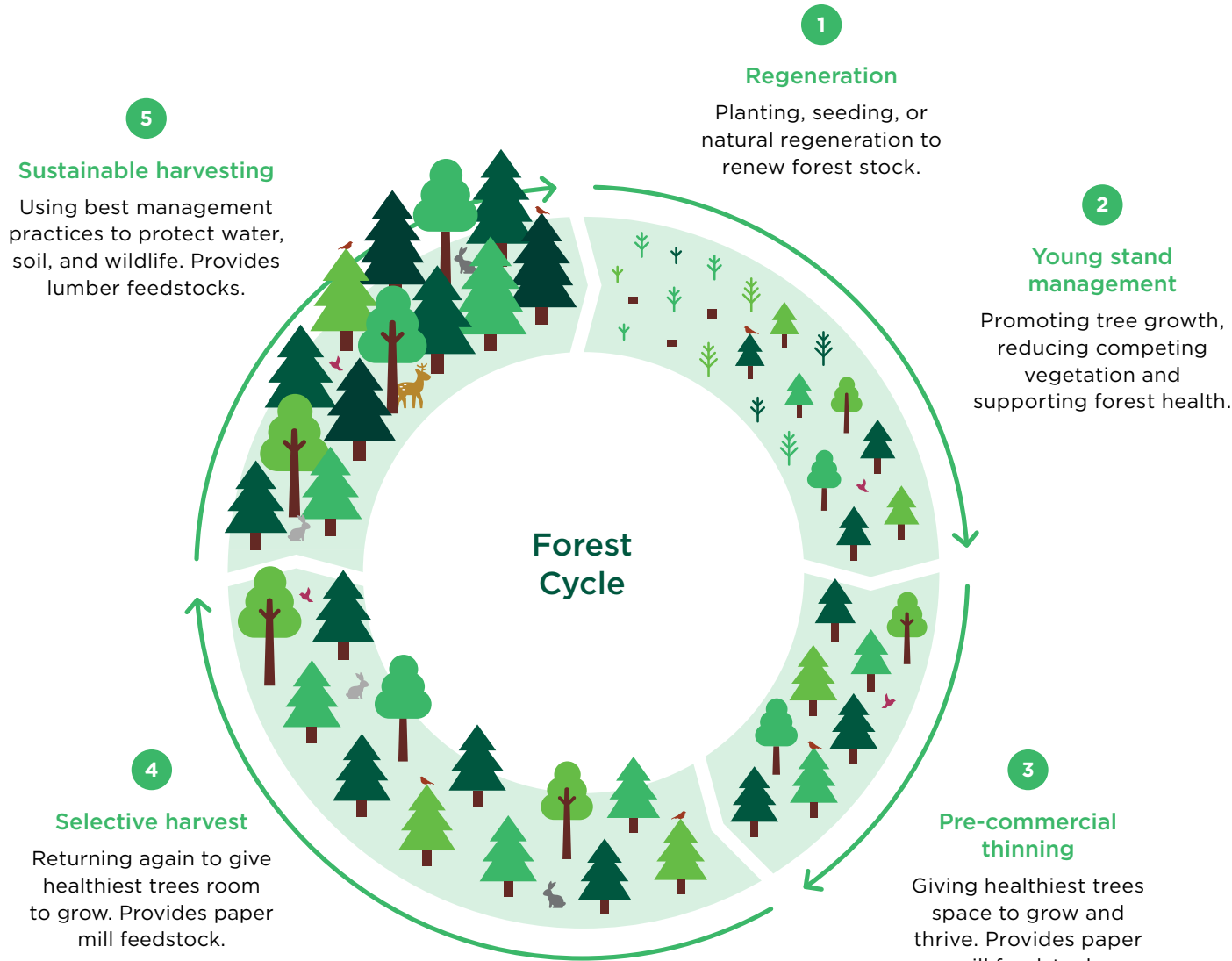


### ESG Vision 2025 Partners Goal

Goal	Status
100% global facilities compliant with a fiber certification standard	96%



## Sustainable Forestry Management



Graphic Packaging’s wood procurement team works with suppliers to implement best management practices for each tract of forest supplying our mills. Together our team and our suppliers plan harvesting to suit the unique characteristics and ecosystems present on each individual tract.

Our suppliers consider the landowner’s goals, such as preserving the land for the next generation, maintaining privacy, protecting habitat, or protecting old growth tree stands. During thinning and harvest activities, the loggers use appropriate harvesting methods to meet the needs of the landowner while protecting sensitive habitats and promoting regeneration to ensure harvest and growth rates are in balance.

Following harvest, most of the tree limbs, branches, and needles remain in the forest to provide wildlife habitat and promote nutrient cycling. This helps prepare the soils for forest regeneration and new tree growth.



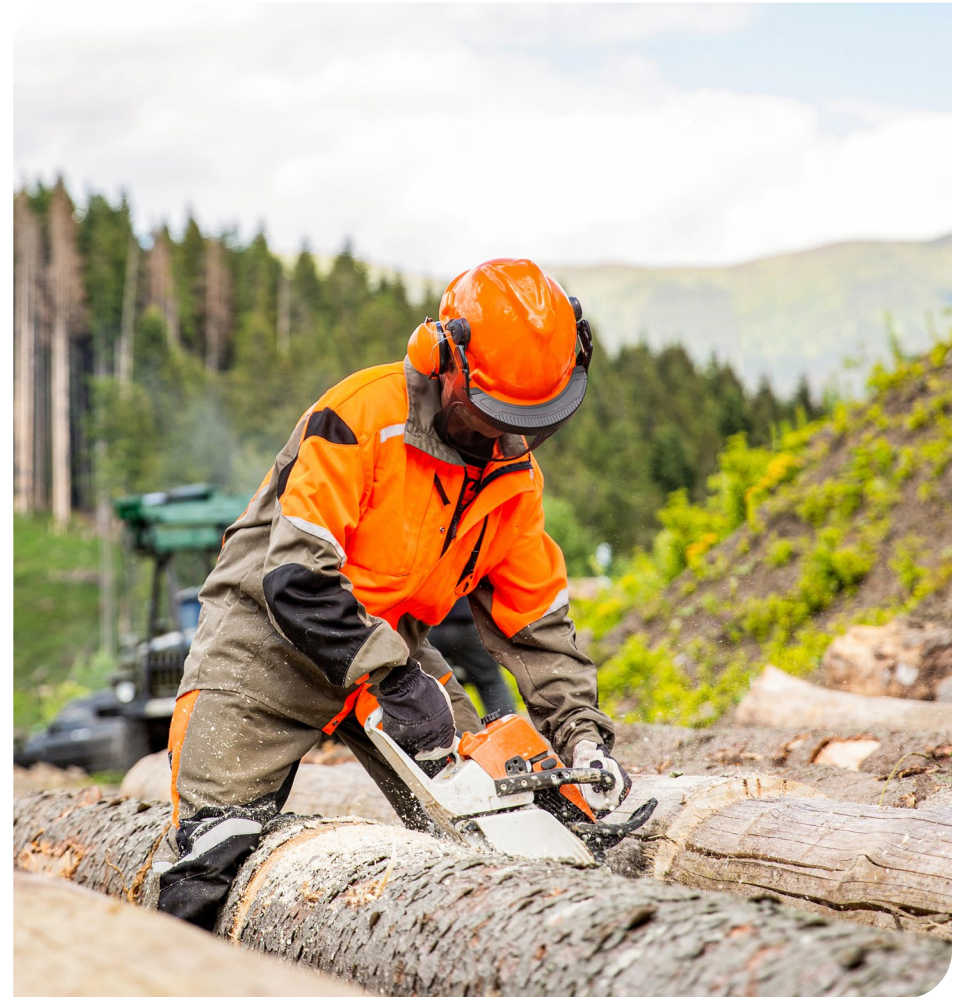
## Supplier Engagement and Training

Graphic Packaging works within our supply chains and collaboratively with others to train our suppliers, including wood brokers, loggers, and landowners, to understand and implement forest best management practices that support a range of species and habitats during harvest activities and post-harvest to support forest regeneration and renewal.

We also collaborate with companies via the [Sustainable Forestry Initiative \(SFI\) State Implementation Committees \(SICs\)](#) and other partners in our sourcing regions to develop logger training and education programs that include practices to

protect water quality, biodiversity, worker safety, and forest aesthetics. We require our wood suppliers to complete these trainings to be eligible to deliver wood to our mills.

The SFI SICs also provide educational materials to family landowners to help them identify rare species and associated habitats on their land and implement practices to conserve and restore them. Restoration areas of focus include longleaf pine and late successional bottomland hardwood forests.





## Conservation Partners

Healthy forests provide clean air and water, food, and habitats for unique plant and animal species, and raw materials for many of the products we rely on every day. Forests also provide recreational, psychological, and spiritual values and support the livelihoods for diverse groups of people all around the world. With their distinct ability to sequester and store carbon dioxide, they are also one of our best tools in mitigating climate change.

Amplifying the positive impacts of forests via conservation and restoration activities is central to our commitment to sustainable forest management and responsible sourcing. We also support the efforts of forest conservation organizations to develop actions that improve our own procurement practices. These strategic partnerships are essential for society to scale long-term impact and to develop sustainable solutions for critical forestry issues.



### American Forest Foundation (AFF)

We support AFF's work to restore native longleaf pine ecosystems and late successional bottomland hardwoods near our West Monroe, Louisiana, mill and our Macon and Augusta mills in Georgia.

We also support AFF's American Tree Farm System program to provide family landowners with the resources they need to maintain their forests and be effective stewards of the land.

### Georgia-Alabama Land Trust

We provide financial support to protect forests and woodlands against threats from development and other factors.

### Friends of the Black Bayou National Wildlife Refuge

We are a long-time partner supporting the organization's efforts to provide habitats for waterfowl, endangered wildlife, neo-tropical migratory birds, and resident wildlife.

### Forest Stewards Guild

We support the Guild's efforts to provide family landowners with educational tools centered on invasive plant management and impacts of climate on late successional bottomland hardwoods.



## Collaborating to Scale Recycling Solutions

The circular nature of fiber-based packaging is core to our business strategy and forest material stewardship approach. Applying circular economy principles to fiber-based packaging begins with our responsible forestry commitment and ends with our efforts to take back and recycle fiber-based materials into new products. We emphasize the use of recovered materials throughout our process. In fact, around one-third of the packaging we produce is made with 100% recycled fibers.

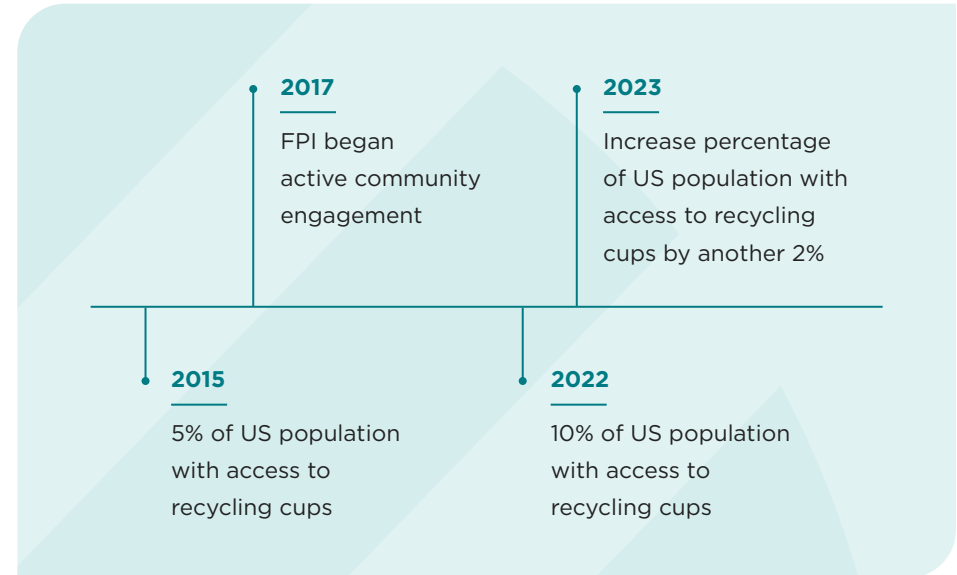
As governments and consumer brands around the world look to reduce packaging waste and the use of plastics in packaging, industry advocacy efforts become necessary to further increase the recovery of paper and paper-based packaging for recycling. Graphic Packaging works with industry associations, recyclers, and communities to drive acceptance of more fiber-based packaging materials.

[US paper industry recovery rates](#) are approaching 70% — the highest recovery rate since 2001; however,

recovered tons of paper have remained relatively flat over the past decade due to declines in printing and writing paper use. This means new sources of paper-based materials, like foodservice packaging and paper cups, will need to be increasingly accepted and recovered to supply the growing demand for recycled fiber feedstocks.

Unfortunately, there is a misconception that paper cups are not recyclable and that the plastic coating used on cups to prevent liquid from leaking out cannot be separated from the fiber. This is simply not true.

A growing number of mills, including Graphic Packaging’s new CRB paper machine in Kalamazoo, Michigan, can accept and process poly-coated paper cups when they are included in existing recycled paper bales such as sorted office paper (SOP), residential mixed paper (RMP), and carton bales. Paper cups are made from virgin fiber which is a highly desirable input for recycled paper mills. Without new wood fiber inputs, [The National Council for Air and Stream Improvement \(NCASI\)](#)



estimates that the North American fiber cycle would run out of recycled paper in approximately 6 to 11 months.

Graphic Packaging and the paper industry are actively working with the [Paper Cup Alliance](#), a subgroup of the Foodservice Packaging Institute, to increase community acceptance of paper cup recycling in the US. In early 2022, Graphic Packaging joined seven other mill companies in signing a joint commitment to accept paper cups and increase their recycling rate.

Together the 34 mills operated by these companies represent approximately 75% of recycled mixed paper consumption across the US and Canada. In early 2023, Graphic Packaging further demonstrated our commitment to increasing fiber circularity by announcing plans to build a new, state-of-the-art \$1 billion CRB mill in Waco, Texas. The new mill will be built with advanced paper pulping technologies, capable of processing 15 million paper cups per day into new recycled paperboard.



# People

## IN THIS SECTION

### Our Employees

Employee Safety and Well-being

Engaging Employees

Preventing Injury

Creating a Diverse, Inclusive Workplace

### Our Community

Creating a Culture of Continuous Learning

Employee-Led Community Outreach

Recognizing Achievement

Providing Access to Education

Evaluating Social Compliance

### Our Supply Chain





# People

Graphic Packaging is committed to fostering an inclusive, high-performance, and safe workplace. Our culture is underpinned by our values and a long-term global strategy that supports our employees at every stage in their careers — from recruitment and onboarding to career development, training, performance management, and ultimately succession planning.

We're creating a better workplace, centered on people's growth and sense of belonging, while renewing our local communities.

## Our Employees

With more than 24,000 employees worldwide, our global workforce is rooted in a variety of backgrounds that bring to the table varied life experiences and professional skill sets — reflecting the diversity of the communities where we operate. Our legacy of teamwork, innovation, and helping our customers succeed has always been strengthened by the perspectives and contributions of a diverse team.

### Engaging Employees

We want our employees to feel their perspectives are valued, and they can make a difference when they speak up.

In 2020 and 2021, we used a survey to baseline employee engagement and solicit feedback to help shape our company culture. As Graphic Packaging leadership demonstrates our commitment to listen and act on that feedback, we aim to increase engagement.

We paused conducting an enterprise-wide survey in 2022 to focus on implementing programs to action the feedback we heard during the baseline surveys and will conduct our next engagement survey in 2023.

#### In the meantime, we are working on:

- Improving communication across all levels of the organization
- Recognizing employees and helping them see the connection between their work and the company's success
- Increasing teamwork and collaboration between departments

### FOODSERVICE PULSE SURVEY

Hit hard by the pandemic and its effect on their core business of fast food and convenience businesses, our Foodservice leaders embraced the engagement survey, debriefed the results with their employees, collaborated on action plans that addressed the concerns and suggestions of their employees, and acted on them.

Once complete, they communicated with employees again, letting them know what was addressed and what could not be and why. The Foodservice team completed a "Pulse" survey in 2022 to assess progress. The survey showed an increase in overall engagement from 58% in 2021 to 69% in 2022, accomplished through their focused improvement efforts and ultimately legitimizing the voice of the employee and allowing it to influence our company.





## Creating a Diverse, Inclusive Workplace

Diversity, Equity, and Inclusion (DEI) are too important to be left to chance. Our approach respects cultural differences; treats everyone with dignity; and commits to equal employment opportunity and nondiscriminatory practices in hiring, training, and compensating our employees. Being inclusive is not only the right thing to do but also a compelling business strategy.

We recognize that inclusion starts with our leaders. Michael Doss, our President and CEO, has built a diverse and inclusive ELT that mirrors our intent for the future make-up of our company. We share diversity metrics on an ongoing basis to both highlight progress and drive accountability. And while we are proud of our work and commitment on this front, we believe we can always do better and will continue to dedicate resources to further strengthen how we foster and celebrate employee diversity.

Graphic Packaging's five Business Resource Groups (BRGs) are company sponsored and employee led. BRGs honor unique cultural experiences and allow members and allies alike to share experiences and resources. We plan to launch an additional BRG during the second half of 2023.

### DIVERSITY SPEAKER SERIES

Our Diversity Speaker Series features a lineup of individual speakers helping employees learn new perspectives, develop new ideas, and raise awareness surrounding diversity topics. In 2022, we held seven events with speakers including Korean, Black, Hispanic, Indian, and military leaders who shared their experiences and insights with more than 3,500 employees.



Women @GPI+



AAPI+  
Asian American Pacific Islander



Alianza+  
Latin and Hispanic Employee Network



BEGN+  
Black Employee Global Network



Pride+





## Creating a Culture of Continuous Learning

For Graphic Packaging, a successful future means our employees benefit from continuous development and lifelong learning. When our employees pursue their curiosity, our teams get wiser. When we ask each other questions, our processes get smarter. And when we acquire new skills, we stay on the cutting edge. But most of all, we believe that the next generation of leaders is already among us, and that our next winning strategy can come from anywhere.

We strive to create an atmosphere where everyone is learning and growing into their full potential. Graphic Packaging supports our employees' personal development through digital learning platforms, classroom training, and leadership development opportunities. We also offer targeted development programs for underrepresented groups to provide our diverse talent with support, access, and opportunities to advance in the organization. But the best lessons happen on the job, moment to moment, and person to person.

We continue investing in developing new and existing managers, expanding our offerings to help evolve the way leaders shape our organizational culture and positively impact our employee engagement. We strive to educate leaders in performance management, inclusive leadership, developing their teams and themselves, building trust, and leading by example.

We have also made a considerable investment in building a learning and growth structure for our hourly technical employees, including by piloting a standardized training process in 2022, which we will continue to implement nationally and then globally. This model contains structured role responsibilities, standardized training materials, and a robust learning process that includes a consistent feedback model and measured learning outcomes.



### ESG Vision 2025 People Goals

Goal	Status
Top quartile employee engagement <sup>1</sup>	-
30 hours of training per employee per year	12.3 hours
Achieve 100% global packaging plants in compliance with a social responsibility audit	87%

1. A survey was not conducted in 2022. Our next survey will be in 2023.

### GPI UNIVERSITY

GPI University uses technology to advance the learner experience. We offer integrated LinkedIn Learning, compliance training initiatives, hourly technical training, and leadership development components. In 2022, 84% of our salaried employees participated in over 30,000 courses and videos through GPI University.

### Recognizing Achievement

Through our Graphic Honors event, we recognized 150 employees for their milestone service anniversaries and dedication and loyalty to the company. We also recognized 352 employees in our global Leadership and President's Award program, for their contributions and impact on business results.



## Evaluating Social Compliance

We use the Supplier Ethical Data Exchange (Sedex) platform to screen for risks, complete annual self-assessments, document third-party social responsibility audits at our facilities, and share our social responsibility program and compliance results with our customers.

Our packaging plants are expected to complete a social responsibility Sedex Member Ethical Trade Audit (SMETA) audit once every three years

to check that they are compliant with applicable local, state, or national/regional requirements, as well as Graphic Packaging policies.

At year-end 2022, 87% of packaging plants were compliant with completing their third-party SMETA audit on schedule. We targeted completing audits at the highest risk locations first and will continue to report progress with the goal to achieve 100% compliance by 2025.



## Employee Safety and Well-being

Delivering inspired packaging begins with Graphic Packaging’s focus on the safety and health of our people – our employees and contractors working under our direction at our facilities. We’re ensuring safe, healthy work environments to promote better physical well-being for everyone, every day.

Our goal is to create a safe, healthy, and environmentally responsible culture that will enable us to achieve an injury-free workplace across all our global operations.

Our layered approach to safety begins with leadership commitment, our health, safety, and environmental (HSE) Policy, and safety principles. We set clear expectations defining safe actions and operating practices through our safety absolutes and minimum safety expectations (MSEs). Safety absolutes establish standards of conduct around HSE and create a culture for all employees to “Think About Safety Always” and to work in a safe and environmentally responsible manner 100% of the time.

MSEs are a combination of cultural and programmatic elements that take a facility-wide approach to managing potential risks through effective implementation of risk reduction and HSE programs. Culture elements focus on management leadership, training, HSE resources, and behavioral-based efforts. Programmatic elements are designed to reduce risk in our operations by implementing HSE programs consistently across our business.

We embrace a continuous improvement (CI) mindset that drives our HSE culture of caring for and engaging with our employees. Each operating site, with support from corporate HSE, develops a customized improvement plan designed to improve HSE program maturity at the facility along with implementing actions that all sites must complete. Plans are developed using a plan, do, check, act model, and facilities are expected to complete at least 90% of their identified improvement items.



## Preventing Injury

The best way to prevent injuries is through proactively addressing potential hazards that could lead to an injury. Our Hazard Recognition, Evaluation, and Control (HREC) workshops train site management teams and HSE leaders on identifying, evaluating, and mitigating or controlling workplace hazards. HREC workshop participants learn to implement a hands-on approach to eliminate or mitigate risks to an acceptable level using a hierarchy of controls.

Complementary to the HREC program, our Hazard Mitigation program drives floor-based actions to identify and mitigate hazards on our shop floors. We set annual targets for proactive risk mitigation, and in 2022, our facilities exceeded our planned target by 35%.

Our focus is to eliminate LIFE injuries (also known as serious injuries and fatalities – SIFs). LIFE injuries are defined as serious, life-altering injuries that can cause significant disruption to the injured person’s health and well-being and can impact team morale at our sites. Our actions support the broader paper industry’s initiative to drive down rates for serious injuries and fatalities while improving our overall safety record.

We track all incidents and injuries across our operations, and encourage reporting of “near miss” incidents, evaluating each situation and implementing appropriate countermeasures to prevent similar instances. In 2022, we were proud to have 34 facilities with zero recordable injuries and to have reduced the number of LIFE injuries by 60% versus 2021.



### ESG Vision 2025 People Goals

Goal	Status
<b>Continue progress toward aspirational target of zero incidents</b>	
└ <b>Target 1:</b> Reduce employee lost time injury rate (LTIR) to 0.2	0.31
└ <b>Target 2:</b> Record zero employee LIFE injuries	4

### PEER-TO-PEER ASSESSMENTS

We are implementing a peer-to-peer assessment process. As part of the peer-to-peer assessment, operational leaders from one plant conduct an onsite assessment of another location’s implementation of aspects of our MSEs including adherence to our HSE policies and requirements, closing corrective actions, progress completing safety plans, and machine guarding efforts. The key to the success of the peer-to-peer assessment is that it is owned and executed by our operational leadership and supported by our HSE community.

In 2022, our sites completed 51 peer-to-peer assessments, covering 43% of our operating locations. These peer-to-peer assessments drive HSE program maturity by identifying programmatic CI opportunities and build HSE knowledge across our global operations. We tracked findings and corrective actions through our HSE data management system. This enables us to trend CI opportunities and programmatic gaps and educate operations on top safety trends across the business.



# Our Community

We believe the vitality of our communities is critical to the success of Graphic Packaging and that being a good neighbor is simply the right thing to do. Listening to and investing in our communities improves the health of our business, the lives of our employees and their families, our local environment, and our society.

We focus our community engagement strategy in three areas:



## Putting Food on the Table

Through local food drives and our partnerships with the United Way, Atlanta Food Bank, and Atlanta's Community Assistance Center, we assist organizations that provide food security in our communities.

## Preserving the Environment

We support conservation organizations and schools across the globe to instill in children an appreciation and respect for the natural resources they encounter every day and to highlight their role as stewards of those resources.

## Investing in Education

From the Graphic Packaging Scholarship program to our support of youth organizations, such as Junior Achievement and The Boy Scouts of America, educating tomorrow's leaders ensures a pipeline of talent to shape our future workforce.



## Employee-led Community Outreach

Each year, Graphic Packaging employees around the world volunteer with community organizations, sharing their time and talents to improve our communities.

One of the most widespread examples of this is the trees into cartons, cartons into trees (TICCIT) program in which employees visit elementary schools and scouting groups to teach children where fiber-based packaging comes from and the importance of recycling. Since joining the program in 2008, we have planted more than 120,000 trees with students in North and South America and have now expanded the program to Europe.

TICCIT returned to live, in-person events in 2022 with over 800 students engaged in events throughout our global footprint to learn more about recyclable packaging and renewable forests. Example locations sponsoring activities included Igualada, Spain, and our US locations in Shelbyville, Oroville, Pacific, Crosby, Centralia, Perry, Sturgis, and Atlanta.



## Providing Access to Education

Graphic Packaging partnered with Ghent University in Belgium on their new Masters in Science in Sustainable Food Packaging program launched in September 2022. Aimed at growing the next generation of packaging professionals, the program is intended to stimulate a switch toward 100% reusable, recyclable, compostable, or biodegradable packaging. As a gold program sponsor, we are sharing our industry expertise with students through guest lectures, sponsoring master's theses and facility visits.

Our employees also contributed their time and resources throughout the years in support of numerous education programs, including:

- School supply drives
- Science, Technology, Engineering and Math (STEM) events to inspire girls to pursue STEM careers
- Hosting job and career fairs
- Computer equipment donations to schools through InspiredU

### INVESTING IN EDUCATION

In Nigeria, Graphic Packaging supported the local primary education school system by building and donating new classroom blocks, a well, and sanitary facilities for the Methodist basic school Ayetoro in Ibadan Oyo state. This is the fifth school we have renovated in Ibadan since 2017.

### PUTTING FOOD ON THE TABLE

In Indonesia, Graphic Packaging's Bawen packaging plant sponsored events to support local culture and traditions and also provided rice donations to community neighbors who had been impacted by rising food prices.



# Our Supply Chain

Graphic Packaging operates responsibly and recognizes that actions across our supply chain can positively or negatively influence a wide range of stakeholders, potentially creating social, environmental, or economic impacts.

Our [Global Supplier Code of Conduct \(GSCOC\)](#) is inspired by the 10 principles of the UNGC and the UN Guiding Principles on Business and Human Rights. It establishes clear expectations for upstream supply chain partners and invites them to join us in our commitment to work responsibly, with the needs of our stakeholders as our focus. We expect our suppliers (including vendors, contractors, agents, and other providers of goods and services) to fully comply with applicable laws and regulations and to adhere to internationally recognized ESG frameworks and standards covering ethical business practices, labor and human rights practices, and environmental stewardship.

Our procurement team considers both environmental and social impacts in its purchasing decisions and is committed

## SUPPLIER DIVERSITY

Our supply chain and business leadership teams continue to focus on advancement of inclusion and equity principles in how we source goods and services for our operations.

We track our spend with woman-owned, minority/ethnically diverse, disabled veterans, and disabled-owned suppliers. In 2022, our spend with these suppliers was \$210 million across 258 individual diverse suppliers.

to increasing diversity within our supplier base. We track spend with both diverse suppliers and small businesses, using small businesses as a surrogate for local suppliers, to measure our impact. In 2022, we spent approximately \$291 million across 593 diverse and small business suppliers to purchase quality goods and services to support our operating sites in the US and Canada.





# Planet

## IN THIS SECTION

Climate Change

Value Chain Emissions

Water

Waste







# Planet

Graphic Packaging, and the packaging sector as a whole, plays a central role in the transition to a low-carbon economy through the current and future demand for recyclable packaging materials made from renewable resources. As we grow to meet the demand, we must do so while reducing our impact on the planet.

We're shaping a better future through everyday actions like reducing our carbon footprint and aligning emissions and water use reductions with global goals.

## Climate Change

We address climate change by taking prudent, practical, and cost-effective actions to reduce our GHG emissions as we grow our company.

We view energy use and GHG emissions as inextricably linked, and we tackle nonrenewable energy reduction as a key lever in reducing our operations Scope 1 and Scope 2 GHG emissions.

Energy is a critical input for us, and the way we source and use energy represents a significant portion of our operations GHG emissions. Today, we rely on biomass, natural gas, purchased electricity, and other fossil fuels. We are focused on maximizing our use of renewable energy sources, reducing nonrenewable energy use, and improving energy efficiency as part of our emissions reduction strategy.

The sum of our Scope 1 and Scope 2 emissions represents our operations emissions. Approximately two-thirds of our operations emissions are from

burning fuels, the rest from energy we purchase. Additionally, ~80% of operations emissions are found in our mills, with the remainder in our packaging divisions.

We measure operations GHG emissions intensity on a revenue basis at the enterprise level and for tracking progress toward achieving the ESG Vision 2025 emissions intensity reduction goal. In 2022, we saw a 20% reduction in intensity versus 2021 and a 26% reduction in intensity relative to the 2016 goal baseline, exceeding our 15% reduction goal by 73%.

However, total Scope 1 and 2 operations emissions increased 6% from 2021 to 2022 and have increased 20% relative to 2016 operations emissions, reflecting the growth of the Company. As we look ahead, we will be working to reverse this trend.

### MILL PROCESSES AND OPERATIONS

A bubbling fluidized bed boiler at our Macon mill allows the facility to obtain 90% of its energy requirement from renewable biofuels, including black liquor, bark, and other renewable mill byproducts.

In 2022, we installed an advanced automatic process control system with energy management modules at two of our four largest mills to reduce operation variability and improve efficiency of power generation equipment. The work continues at the remaining two mills and is scheduled to be completed by the end of 2023.

### Achieved

GHG emissions and nonrenewable energy intensity goals three years early

### SBTs

We will set science-based GHG emissions targets by the end of 2023

### A-

CDP climate response

### 69%

of annual global fuel use is from renewable biomass fuels

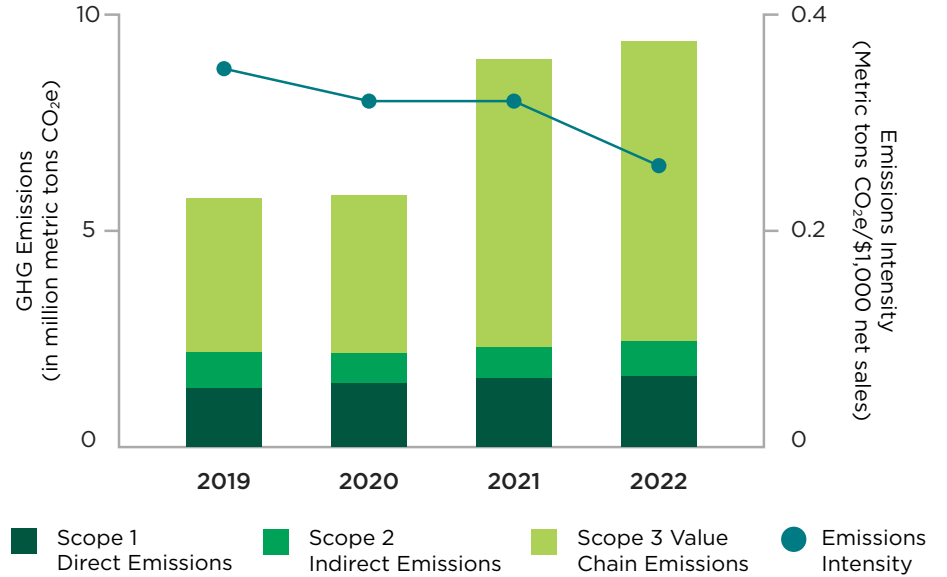


### Value Chain Emissions

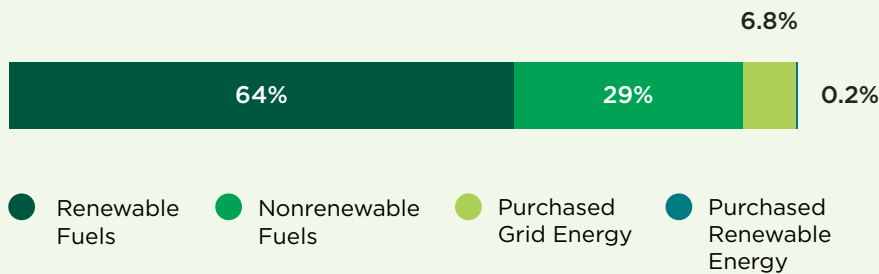
We are looking beyond our own operations emissions to understand and tackle our indirect (Scope 3) emissions in our value chain that are connected to our activities. These emissions are directly generated and managed by others and are not owned or controlled by Graphic Packaging. Collaboration with our suppliers, partners, policymakers, and other organizations is critical for encouraging collective action to reduce GHG emissions and the development and use of lower-carbon forms of energy.

In 2022, our operations emissions contributed 26% and value chain emissions contributed 74% of total GHG emissions connected to our activities. As we look ahead and identify a path to reduce our value chain emissions, we will partner with our suppliers on initiatives to reduce emissions associated with the goods and services we purchase and that result from transporting materials. And by working with our value chain to recover and reuse more of our fiber-based packaging, we will further reduce our impact on the environment with less waste sent to landfill and reduced GHG emissions.

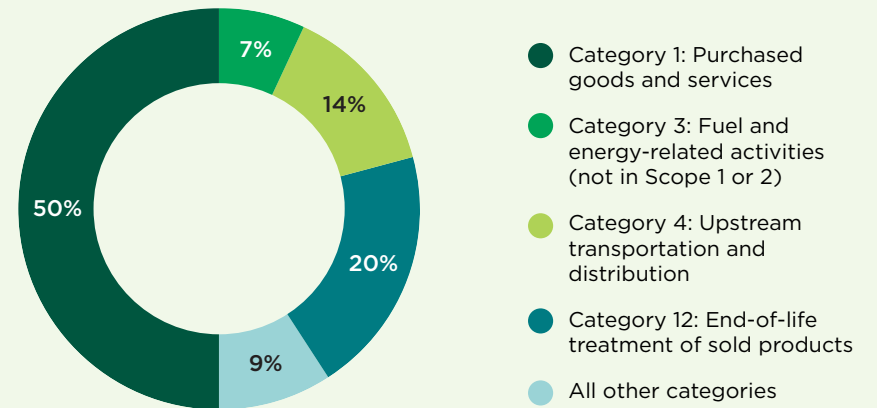
### GHG EMISSIONS BY SCOPE



### 2022 ENERGY MIX



### SCOPE 3 EMISSIONS





## Water

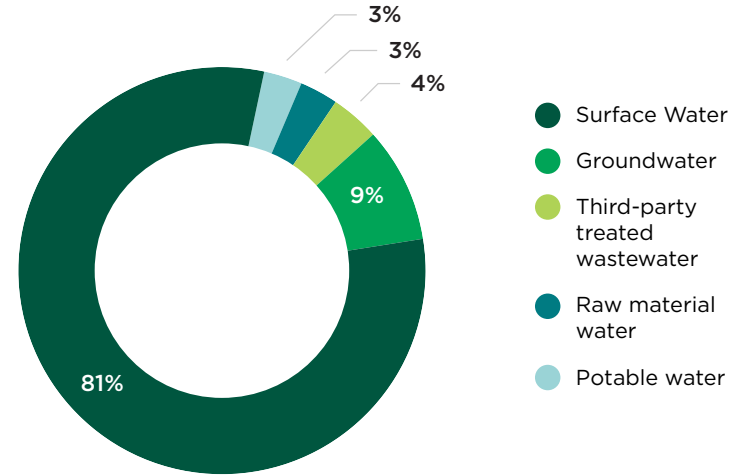
Manufacturing pulp and paper requires a substantial amount of water. Having access to sufficient quantities of clean, fresh water is essential for our operations, supporting our global value chain, and meeting the needs of our neighbors. Our water stewardship approach focuses on using water responsibly and on understanding water needs in the areas where we operate. Even though our mills operate in watersheds with ample water supplies, we work to reduce the amount of water we withdraw and responsibly return the water we borrow back to the environment. We also do our part to protect water quality by complying with local laws, adhering to discharge permit requirements, and maintaining our facilities to protect against spills and leaks.

We monitor mill water use and implement site-specific management practices to optimize water use and improve water discharge quality. Individual mills take action to reduce the amount of new water they withdraw from the environment by implementing recycling loops to reuse water wherever possible, for example, water

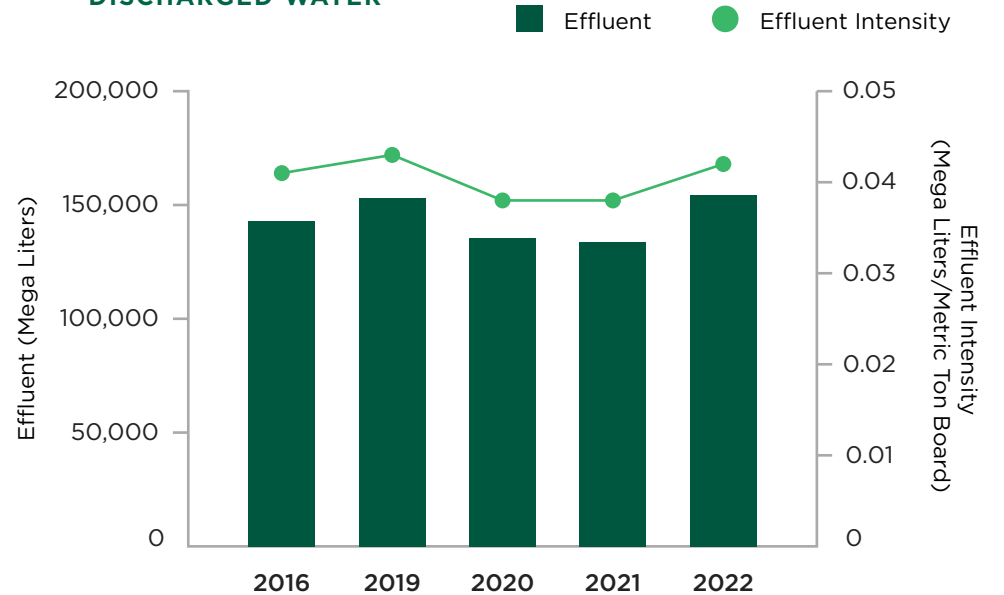
is recovered and recycled in the pulp, paperboard sheeting, steam, and equipment cooling systems. We also use reclaimed water and raw material water inputs in our manufacturing processes to offset the need to withdraw new water from the environment. In 2022, raw material and reclaimed water sources accounted for 7% of the total water needed to manufacture our products.

The mills represent most of our total water use and typically discharge their water to nearby surface water bodies, either directly following treatment in our facilities or through local publicly owned treatment works. In 2022, operations needs combined with heavy precipitation levels led to a water effluent intensity that was slightly higher than 2021 and is similar to our 2016 baseline value. Looking forward, our mills are focused on opportunities to reduce their water use, which will put us back on track to achieve our 2025 water goal.

### WATER USE BY SOURCE



### DISCHARGED WATER





## Waste

We're making our packaging and manufacturing practices better every day to drive out waste and fuel a circular economy.

We align our waste minimization and management approach with the circular economy principles promoted by the Ellen MacArthur Foundation — eliminate waste and pollution, circulate products and materials, and regenerate nature. Our teams work to eliminate waste generation through improved product design, manufacturing process design, operations and maintenance practices, and material recovery. For example, our virgin mills help reduce timber industry waste by using sawmill wastes in addition to forest thinnings — waste trees that are not suitable for cut lumber or pole timber — as mill feedstocks. We then maximize tree material usage by recovering bark, branches, and black liquor biomass waste materials to burn for fuel and by recovering turpentine and tall oil byproducts for sale.

Our teams next seek opportunities to creatively recover and reuse materials, exploring how wastes could be repurposed as raw materials and recycled at their highest value. Our CRB mills use 100% recycled pre- and post-consumer paper feedstocks, including our packaging plant trimmings and off-specification products. Sophisticated pulping and fiber separation systems enable CRB mills to accept a wide variety of recycled, fiber-based materials, including foodservice packaging materials, like paper cups. In 2022, 55% of the CRB mill feedstocks were from post-consumer recovered materials, and we recovered and recycled 98% of paperboard waste from our packaging plants and mills.

A recorded 96% of our sites have active waste diversion programs and collectively recycled 1.1 million metric tons of materials in 2022.



### ESG Vision 2025 Planet Goals

Goal	Status
Reduce GHG emissions intensity by 15%	26%
Reduce nonrenewable energy intensity by 15%	23%
Reduce mill water effluent intensity by 15%	0%
<b>Drive out waste in operations</b>	
<ul style="list-style-type: none"> <li><b>Target 1:</b> Implement manufacturing waste diversion programs at all global packaging facilities</li> </ul>	96%
<ul style="list-style-type: none"> <li><b>Target 2:</b> Achieve 100% recovery and recycling of paperboard waste at global packaging facilities and mills</li> </ul>	98%



Read our comprehensive **2022 ESG Report** to learn more about how Graphic Packaging is taking action little by little, step by step, to make life's everyday moments better, every day.



A World of Difference.  
Made Possible.